

**BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION
NASHVILLE, TENNESSEE**

IN RE:

**Application of Uniti Fiber GulfCo LLC for
a Certificate of Convenience and Necessity
to Provide Competing Local Exchange and
Interexchange Telecommunication
Services**

Docket No. 25-00049

**UNITI FIBER GULFCO LLC'S APPLICATION
FOR AUTHORITY TO PROVIDE
COMPETING LOCAL EXCHANGE AND INTEREXCHANGE SERVICE**

Uniti Fiber GulfCo LLC (the "Applicant" or "GulfCo"), pursuant to applicable Tennessee Statutes and Rules and Regulations of the Tennessee Public Utility Commission ("Commission") and Section 253 of the Federal Telecommunications Act of 1996, respectfully submits this Application for authority to provide competing local exchange and interexchange telecommunication services within the State of Tennessee. Applicant is willing and able to adhere to all applicable Commission policies, rules, and orders pertaining to the provision of competing local exchange telecommunication services, as specified in T.C.A. § 65-4-201. In support of its Application, GulfCo submits the following:

1. The full name and address of the Applicant is:

Uniti Fiber GulfCo LLC
2101 Riverfront Drive, Suite A
Little Rock, AR 72202
Telephone: (501) 850-0820

Questions regarding this application should be directed to:

Nicolas Martell
Holland & Knight LLP
511 Union Street, Suite 2700
Nashville, TN 37219

Telephone: (615) 850-6087
Email: Nicolas.martell@hklaw.com

Contact name and address at the Company is:

Kelly McGriff
Vice President, Deputy General Counsel
Uniti Group Inc.
2101 Riverfront Drive, Suite A
Little Rock, AR 72202
Telephone: (251) 979-7033
Email: Kelly.mcgriff@uniti.com

2. Organizational Chart of Corporate Structure: Include any pertinent acquisition or merger information:

Please see **Exhibit A**.

3. Corporate Information:

Applicant is a Delaware limited liability company. Applicant provides a copy of its formation documents as **Exhibit B** and its Certificate of Authority to transact business in the State of Tennessee as **Exhibit C**. The names and addresses of key management and officers are in **Exhibit D**. There are no officers located within Tennessee. The biographies of the officers and other key technical staff are set forth in **Exhibit E**.

4. Financial, Managerial and Technical Qualifications:

GulfCo possesses the financial, managerial and technical ability to provide telecommunication services in the State of Tennessee, as demonstrated below:

A. Financial Qualifications:

GulfCo relies on the financial support of its parent company, Uniti Group Inc. Through Uniti Group Inc., Applicant is financially able to provide telecommunication services in Tennessee as evidenced by Uniti Group Inc.'s Form 10-Q and Form 10-K as filed with the United States Securities and Exchange Commission and attached hereto as **Exhibit F**.

Applicant attaches hereto and included in **Exhibit G**, a surety bond, as required.

B. **Managerial Qualifications:**

GulfCo's senior management team is highly skilled, and has extensive experience in the telecommunications industry. Using this expertise, GulfCo's management team has developed innovative operational, marketing, and customer service programs, and provides its customers with high quality advanced services at competitive rates. GulfCo's management team has extensive experience in the technical, managerial, and financial aspects of the telecommunication industry and possess the qualifications necessary to provide the proposed services in the State of Tennessee, consistent with the Commission's requirements. The biographies of the key senior management team are attached hereto as **Exhibit E**.

C. **Technical Qualifications**

GulfCo will satisfy the minimum standards established by the Commission. As noted in the biographies of the principal officers and key staff, GulfCo has significant business and telecommunications experience. Additionally, one or more affiliates of GulfCo operate under common management and are authorized to provide service in Alabama, Arkansas, Arizona, Delaware, the District of Columbia, Florida, Georgia, Illinois, Indiana, Kentucky, Louisiana, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Nebraska, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Pennsylvania, South Carolina, South Dakota, Tennessee, Texas, Utah, Virginia, Washington, West Virginia, Wisconsin, and Wyoming. Affiliates of GulfCo also are authorized by the Federal Communication Commission to provide interstate and international telecommunications services and point-to-point fixed wireless services. Neither Applicant nor its affiliates have been denied requested certification in any jurisdiction, nor has any permit, license, or certificate been revoked by any authority. Therefore, GulfCo is technically qualified to provide competitive telecommunications services in Tennessee.

5. **Proposed Service Area and Description of Services:**

Applicant seeks authority to provide competing local exchange and interexchange telecommunications services throughout the State of Tennessee. GulfCo will offer

resold local exchange, interexchange, dedicated point-to-point private line service, VoIP, and dedicated internet access to business and residential customers, effective upon the approval of this application. GulfCo does not intend to provide alternate operator or switched access services at this time.

6. Types of Telecommunication Services to be Provided:

Applicant seeks authority to provide resold and facilities-based local exchange, interexchange telecommunications services. Applicant will primarily serve enterprise and carrier customers, and it will provide service on a non-discriminatory basis and at competitive rates primarily through individual base contracts. The Applicant may sell such capacity from the network owned by its affiliates. Applicant anticipates primarily providing point-to-point telecommunications services (i.e. private line, Ethernet, and Wavelength), but may also provide voice and other telecommunications services or other arrangements depending on market demand in the future.

7. Repair and Maintenance:

Applicant will perform network and equipment maintenance necessary to ensure compliance with: (i) any applicable quality of service requirements; (ii) all applicable Commission rules, regulations, and standards; and (iii) providing safe, reliable, and high quality telecommunication services within the State of Tennessee. Applicant understands the importance of effective customer service. Customer complaints and inquiries can be submitted by calling Applicant's toll-free phone number at (877) 652-2321. Written communication may be sent to 2101 Riverfront Dr., Ste. A, Little Rock, AR 72202.

Customer support will be available twenty-four (24) hours per day, seven (7) days per week to ensure prompt handling of customer inquiries and complaints. The contact person responsible for and knowledgeable about the Applicant's ongoing operations in Tennessee is Eric Daniels, who may be reached at the Applicant's address listed above.

8. Public Interest:

Granting GulfCo's Application is consistent with the public interest, and makes the following representations to the Commission:

- a. Applicant possesses the technical, financial, and managerial resources sufficient to provide the services requested;
- b. Applicant's services will meet the service standards required by the Commission;
- c. The provision of services by Applicant will not adversely impact the availability of affordable local exchange service;
- d. Applicant, to the extent it is required to do so by the Commission, will participate in the support of universally available telephone service at affordable rates; and,
- e. The provision of local exchange and interexchange services by Applicant will not adversely impact the public interest.

A competitive market enables affordability and quality of service. As competitors vie for a market share, they compete based upon price, innovation and customer service. Those providers that offer consumers the most value will gain market share. In contrast, providers whose products do not meet the needs of consumers will lose market share and may ultimately be eliminated from the industry. GulfCo's entry into the market will serve to boost telecommunications competition in Tennessee, which will ultimately benefit Tennessee citizens.

Additionally, GulfCo's entry into the local exchange and interexchange markets will not unreasonably prejudice or disadvantage any telephone service providers. Exchange services competition will stimulate the demand for the services supplied by all local service carriers, including those of the incumbent LECs. Additionally, in a competitive market, incumbent providers will have market incentives to improve the efficiency of their operations, thereby reducing their costs and ultimately their profit margins. Therefore, approval of this Application is clearly in the public interest.

9. Small and Minority-Owned Telecommunications Business Participation Plan:

Pursuant to T.C.A. § 65-5-112, attached hereto as **Exhibit H**, is the Applicant's plan for purchasing goods and services from small and minority-owned telecommunications businesses and information to provide technical assistance to such businesses.

10. Toll Dialing Parity Plan:

Please see the statement provided in **Exhibit I**.

11. Notice Requirements:

GulfCo has served notice of this application to the fifteen (15) incumbent local exchange and interexchange telephone companies with a statement regarding the Company's intention to operate throughout the State of Tennessee. Attached hereto as **Exhibit J** is the Notice and a Certificate of Service confirming compliance.

12. Numbering Issues:

In the event GulfCo intends to provide TDM telephone service in the future, at the request of a customer, GulfCo will comply with the Commission's rules on numbering assignment and conservation.

13. Tennessee Specific Operational Issues:

Please see statement provided in **Exhibit K**.

14. Miscellaneous:

- A. Attached as **Exhibit L** is the sworn pre-filed testimony of Kelly McGriff, on behalf of the Applicant.
- B. GulfCo does not intend to provide voice or regulated services in Tennessee. If GulfCo plans to provide any regulated services in the future, GulfCo will file any necessary tariff prior to providing any regulated services not covered by this Application.
- C. Applicant does not currently plan to collect customer deposits but reserves the right to collect deposits from its customers in the State of Tennessee. Requirements for the collection of deposits will be included in any proposed tariff the GulfCo filed with the Commission.
- D. As of the date of this Application, GulfCo has not been subject to complaints in any of the states in which we are doing business.

CONCLUSION

GulfCo respectfully requests that the Commission enter an order granting this Application for a certificate of convenience and necessity to operate as a competitive local exchange and interexchange telecommunication service provider within the State of Tennessee. For the reasons stated above, GulfCo's provision of these services would promote the public interest by providing high-quality service at competitive prices and by creating greater economic incentives for the development and improvement of all competing providers.

This 30th day of June, 2025.

HOLLAND & KNIGHT LLP
Counsel for Uniti Fiber GulfCo LLC



Nicolas Martell
511 Union Street, Suite 2700
Nashville, TN 37219
(615) 850-6087
Nicolas.martell@hklaw.com

LIST OF EXHIBITS

EXHIBIT A – Organizational Chart

EXHIBIT B – Formation Documents

EXHIBIT C – Authority to Transact Business

EXHIBIT D – Key Management and Officers

EXHIBIT E – Key Management and Officers Biographies

EXHIBIT F – Financial Statements

EXHIBIT G – Surety Bond

EXHIBIT H – Small and Minority-Owned Telecommunications Business Participation Plan

EXHIBIT I – Toll Dialing Parity Plan

EXHIBIT J – Notice of Application and Certificate of Service

EXHIBIT K – Tennessee Specific Operational Issues

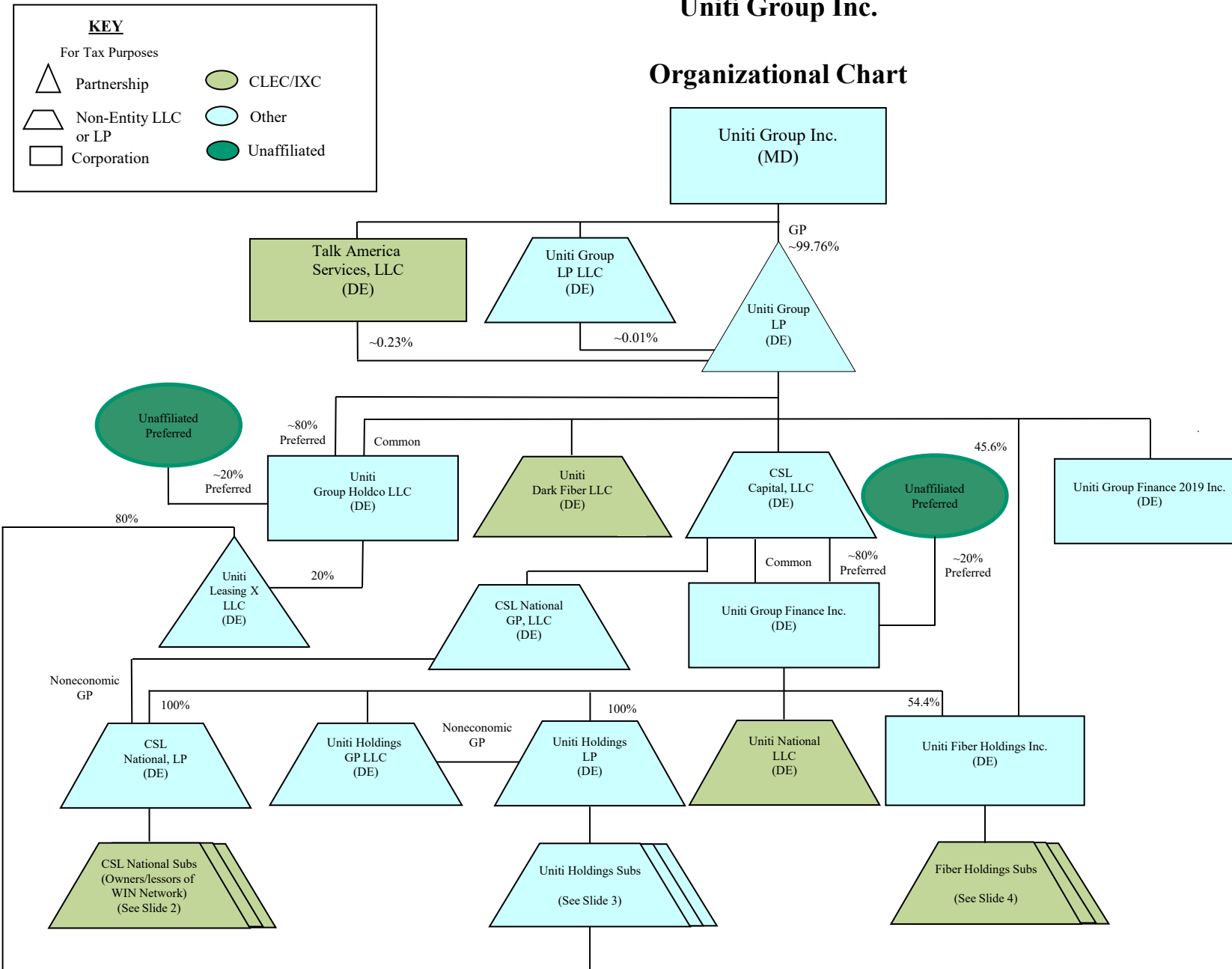
EXHIBIT L – Sworn Pre-Filed Testimony

EXHIBIT A

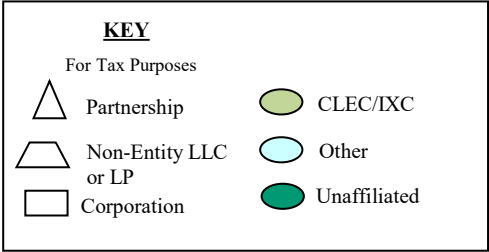
Organizational Chart

Uniti Group Inc.

Organizational Chart



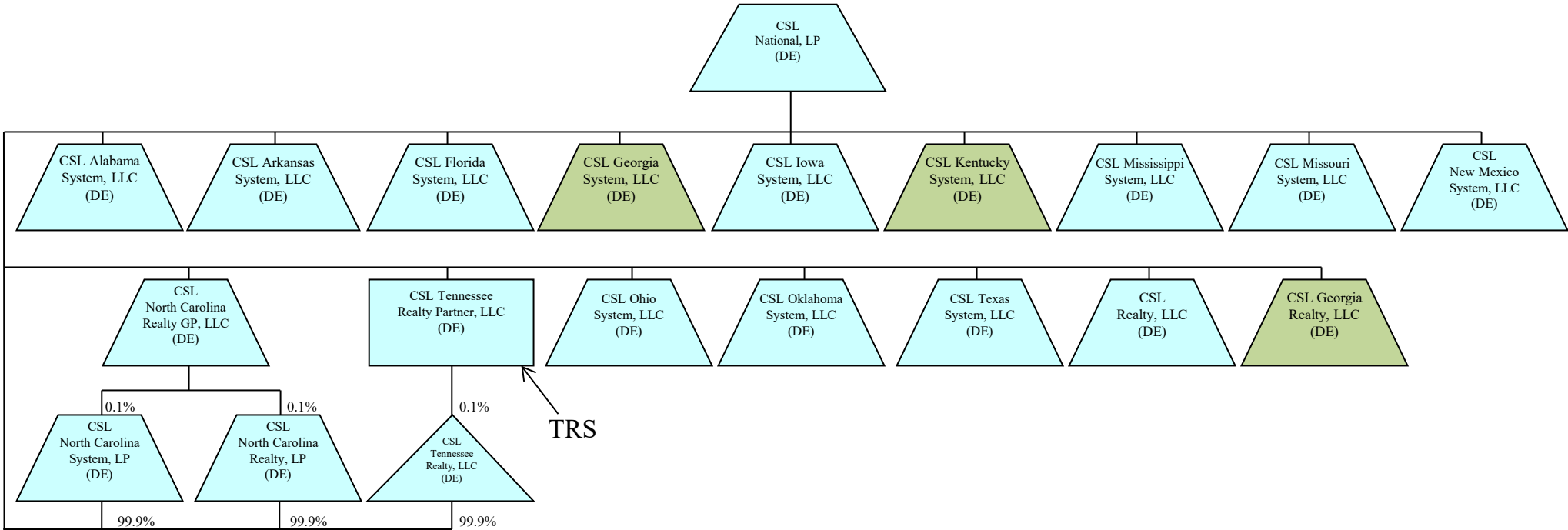
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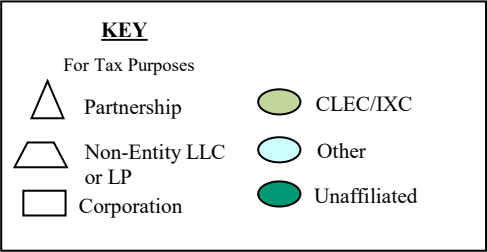
Uniti Group Inc.

Heritage CS&L

Organizational Chart

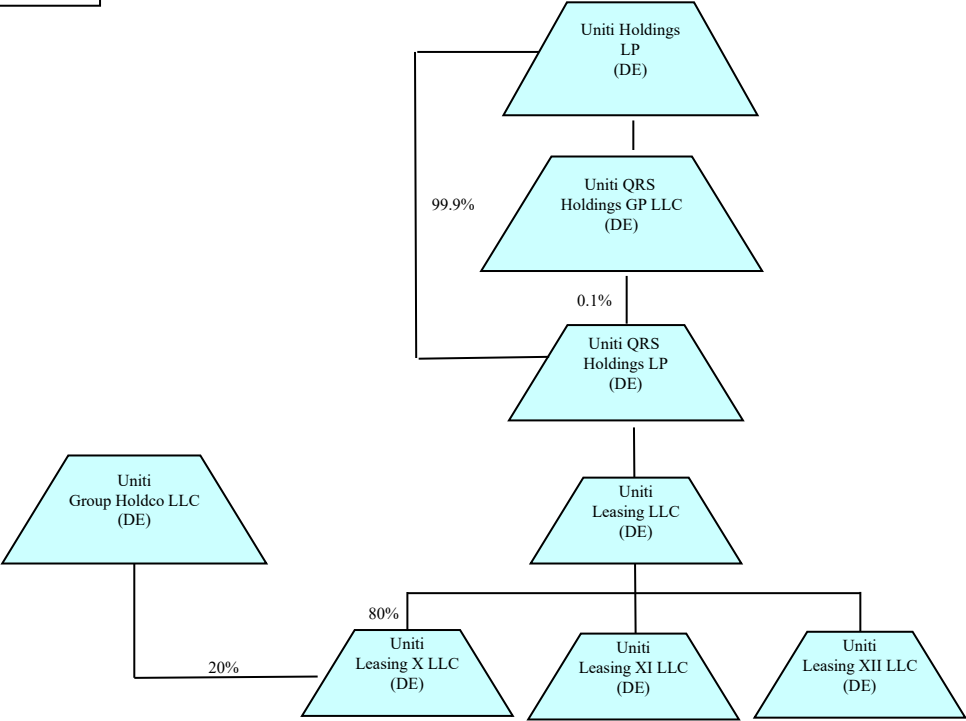


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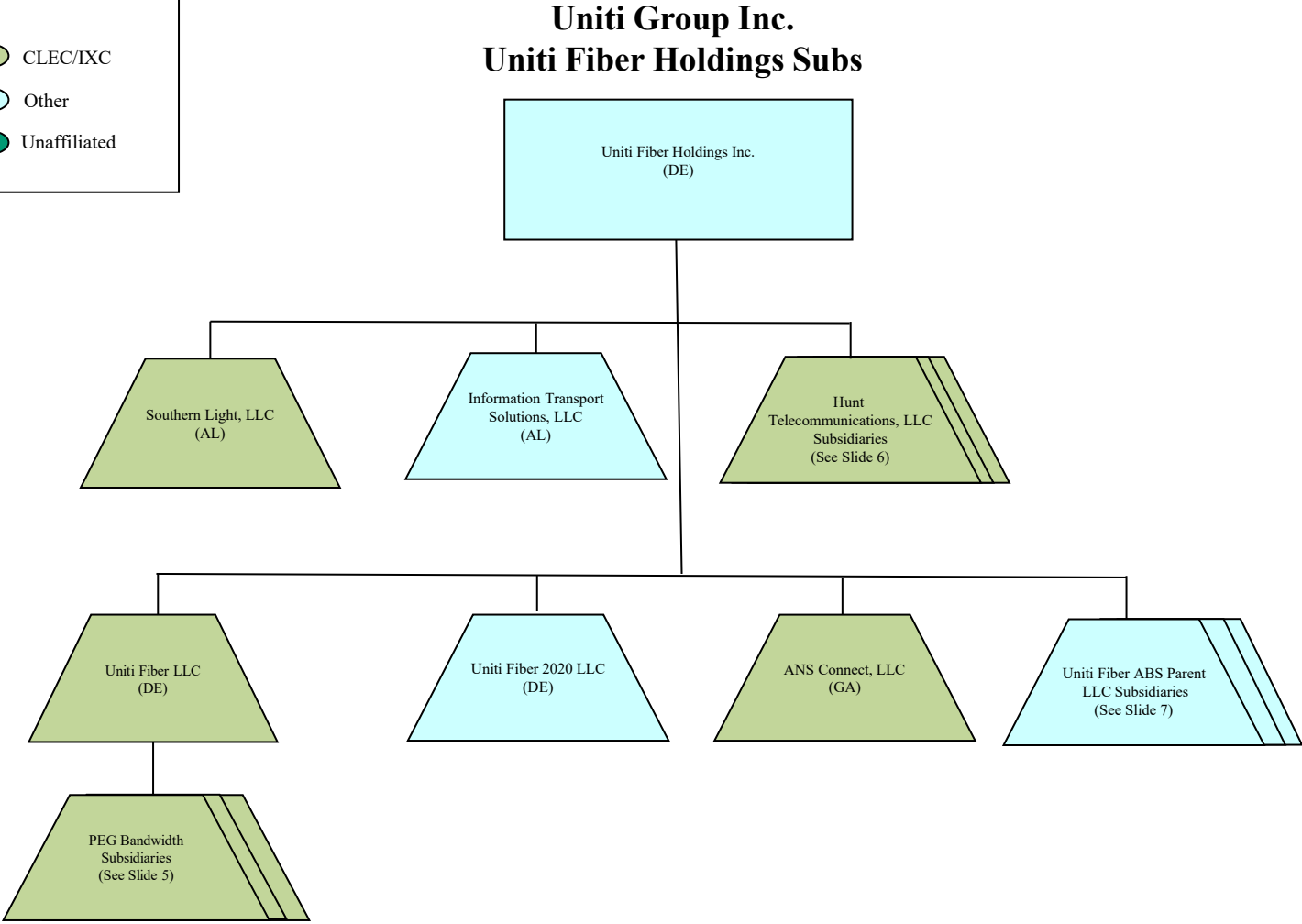
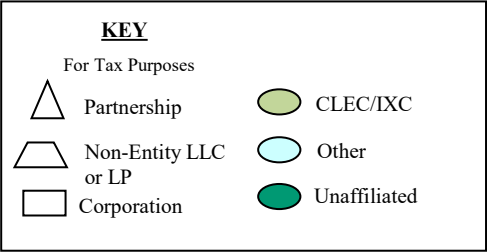


Uniti Group Inc.

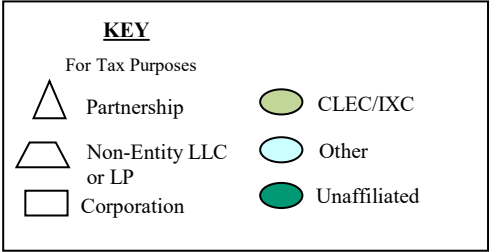
Uniti Holdings Subs



(Unless otherwise indicated, all ownership percentages are 100%)



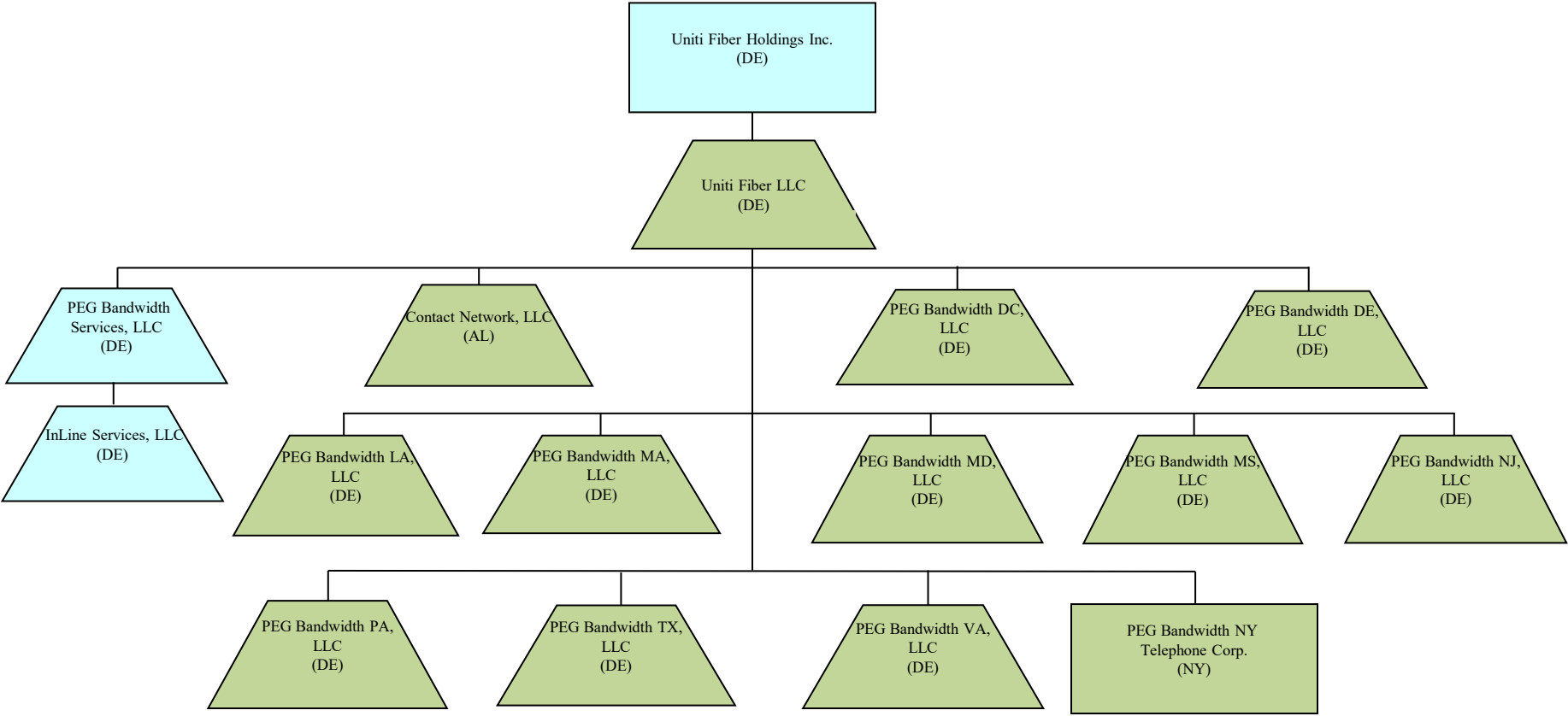
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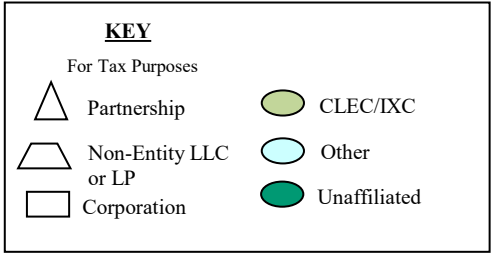
Uniti Group Inc.

PEG

Organizational Chart



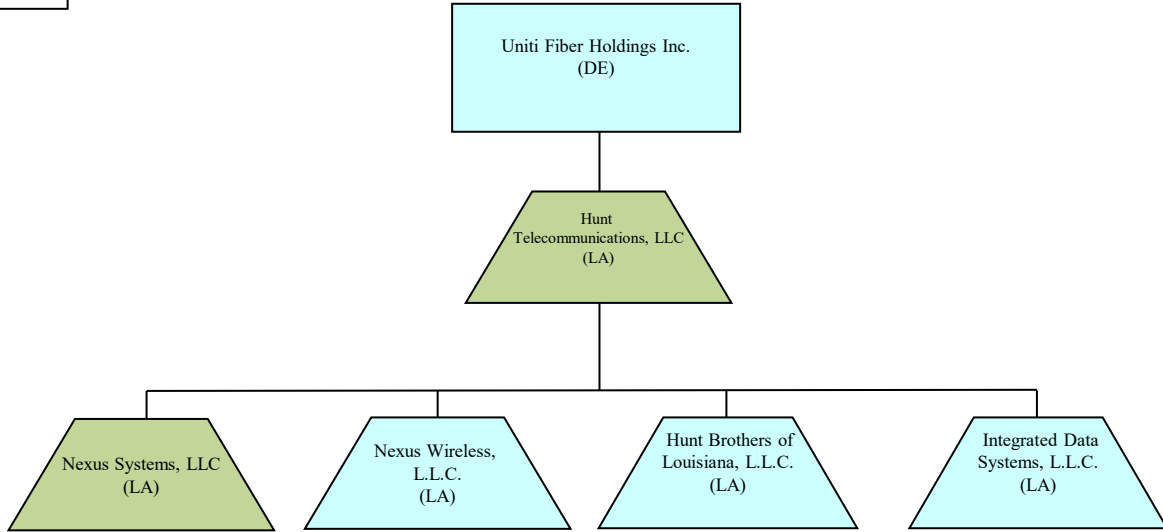
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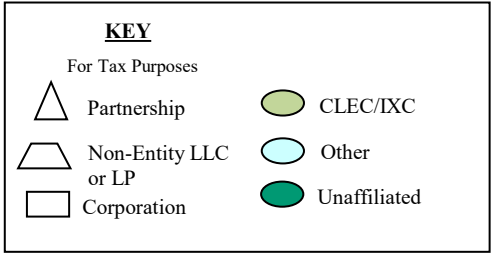
Uniti Group Inc.

HUNT

Organizational Chart



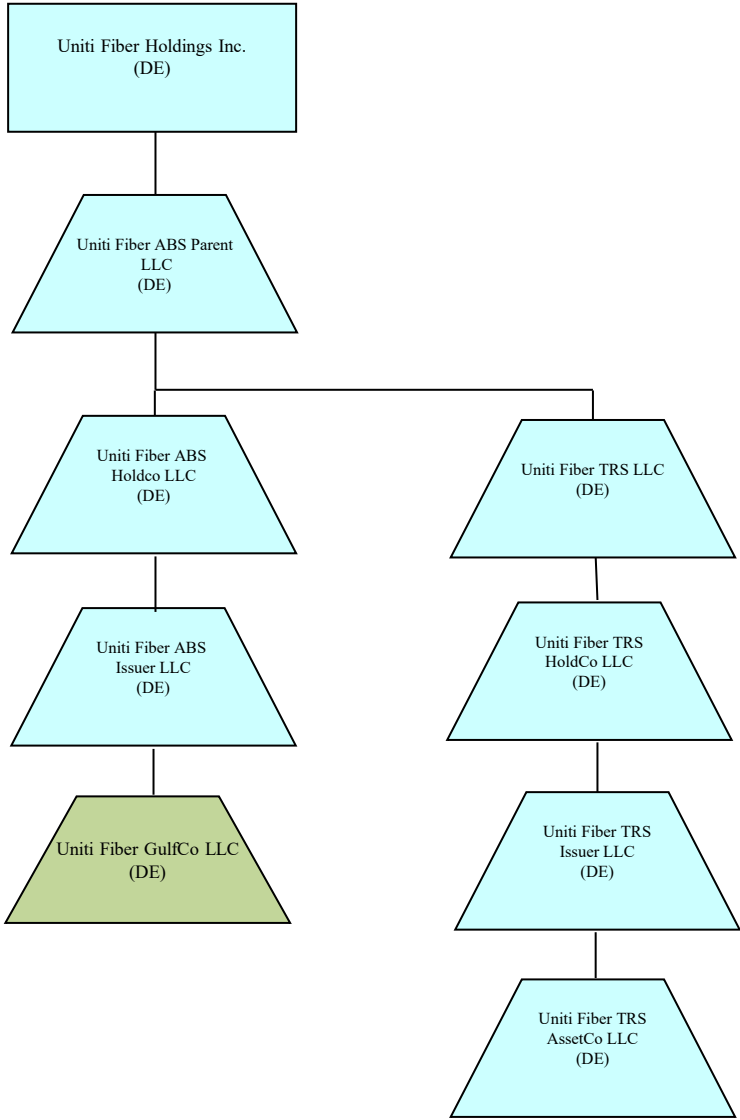
(Unless otherwise indicated, all ownership percentages are 100%)



Uniti Group Inc.

ABS Entities

Organizational Chart



(Unless otherwise indicated, all ownership percentages are 100%)

EXHIBIT B

Formation Documents

Delaware

The First State

Page 1

*I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF
DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT
COPY OF THE CERTIFICATE OF FORMATION OF "UNITI FIBER GULFCO
LLC", FILED IN THIS OFFICE ON THE NINTH DAY OF JANUARY, A.D.
2024, AT 6:24 O`CLOCK P.M.*


Jeffrey W. Bullock, Secretary of State

2911427 8100
SR# 20240077962

You may verify this certificate online at corp.delaware.gov/authver.shtml

Authentication: 202560655
Date: 01-09-24

CERTIFICATE OF FORMATION

OF

UNITI FIBER GULFCO LLC

January 9, 2024

This Certificate of Formation of Uniti Fiber GulfCo LLC (the “**Company**”) is being duly executed and filed by Uniti Fiber Bridge Borrower LLC, as an authorized person, to form a limited liability company pursuant to the provisions of the Delaware Limited Liability Company Act (6 *Del. C.* ' 18-201, *et seq.*).

FIRST: The name of the limited liability company formed hereby is Uniti Fiber GulfCo LLC.

SECOND: The address of the registered office of the Company in the State of Delaware is c/o Corporation Service Company, 251 Little Falls Drive, City of Wilmington, County of New Castle, Delaware 19808.

THIRD: The name and address of the registered agent for service of process on the Company in the State of Delaware is Corporation Service Company, 251 Little Falls Drive, City of Wilmington, County of New Castle, Delaware 19808.

IN WITNESS WHEREOF, the undersigned, intending to be legally bound hereby, has duly executed this Agreement as of the date first set forth above.

UNITI FIBER BRIDGE BORROWER
LLC, its sole member

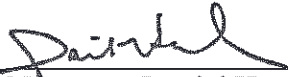
By: 
Name: Daniel Heard
Title: EVP, General Counsel and
Secretary

EXHIBIT C

Authority to Transact Business



Tre Hargett
Secretary of State

Division of Business and Charitable Organizations
Department of State
State of Tennessee
312 Rosa L. Parks Avenue, 6th Floor
Nashville, Tennessee 37243
Phone: 615-741-2286
sos.tn.gov/

LINDA J BOGGESS
511 UNION STREET, SUITE 2700
NASHVILLE, TN 37219, USA

06/12/2025

Filing Acknowledgment

Please review the filing information below and notify our office immediately of any discrepancies.

Entity Name:	UNITI FIBER GULFCO LLC		
SOS Control #:	002028285	Initial Filing Date:	06/11/2025
Entity Type:	Foreign Limited Liability Company (LLC)	Formation Locale:	Delaware
Status:	Active	Duration Term:	Perpetual
Fiscal Year Close:	December	Annual Report Due:	04/01/2026
Business County:	(No County on Record)		
Managed By:	Manager Managed		
Obligated Member Entity:	No		

Document Receipt

Receipt #: 2025-419103	Filing Fee:	\$300.00
Payment: Credit Card - 3900138283		\$300.00

Registered Agent Address:
CORPORATION SERVICE COMPANY
2908 POSTON AVE
NASHVILLE, TN 37203-1312

Principal Office Address:
2101 Riverfront Dr Ste A
Little Rock, AR 72202, USA

Congratulations on the successful filing of your **Application for Registration of Foreign Limited Liability Company** for **UNITI FIBER GULFCO LLC** in the State of Tennessee which is effective on the date shown above. Please visit the Tennessee Department of Revenue website (www.tn.gov/revenue) to determine your online tax registration requirements. If you need to obtain a Certificate of Existence for this entity, you can request, pay for, and receive it from our website.

You must file an Annual Report with this office on or before the Annual Report Due Date noted above and maintain a Registered Office and Registered Agent. Failure to do so will subject the business to Administrative Dissolution/Revocation.

Tre Hargett
Secretary of State

Tracking Number
B2025420190



Tre Hargett
Secretary of State

Application For Certificate Of Authority

Division of Business and Charitable Organizations

Department of State

State of Tennessee

312 Rosa L. Parks Avenue, 6th Floor

Nashville, Tennessee 37243

Phone: 615-741-2286

sos.tn.gov/businesses

Control #: 002028285
Filed: 06/11/2025 03:08 PM

Tre Hargett

Secretary of State

Entity Information

Entity Type: Limited Liability Company

Entity Name: UNITI FIBER GULFCO LLC

Fiscal Year Ending Month: December

Additional Designation: (No Additional Designation)

Is this a Series LLC?

☐ Yes ☒ No

Principal Office Address

2101 Riverfront Dr Ste A
Little Rock, AR 72202, USA

Mailing Address

2101 Riverfront Dr Ste A
Little Rock, AR 72202, USA

When and Where was the Organization Established?

Date Incorporated: 1/9/2024

Country: USA

State: Delaware

Period of Duration:

Perpetual

Did the business commence doing business in Tennessee prior to qualification?

☐ Yes ☒ No

Nature of Business (NAICS):

517111 - Wired Telecommunications Carriers

The Limited Liability Company will be:

Manager Managed

Do you have six or fewer members at the date of this filing?

☒ Yes ☐ No

Will this entity be registered as an Obligated Member Entity (OME)

☐ Yes ☒ No

Do you have additional uploads you would like to attach to this filing?

☐ Yes ☒ No

Registered Agent Information

CORPORATION SERVICE COMPANY
2908 POSTON AVE
NASHVILLE, TN 37203-1312

Signature

- ☒ By entering my name in the space provided below, I certify that I am authorized to file this document on behalf of this entity, have examined the document and, to the best of my knowledge and belief, it is true, correct and complete as of this day.
- ☒ Pursuant to the provisions of T.C.A. § 48-249-904 of the Tennessee Revised Limited Liability Company Act, the undersigned hereby applies for a certificate of authority to transact business in the State of Tennessee.

Signed Electronically: DANIEL HEARD

Date: 06/11/2025

Delaware

The First State

Page 1

I, CHARUNI PATIBANDA-SANCHEZ, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "UNITI FIBER GULFCO LLC" IS DULY FORMED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE NINTH DAY OF JUNE, A.D. 2025.

AND I DO HEREBY FURTHER CERTIFY THAT THE SAID "UNITI FIBER GULFCO LLC" WAS FORMED ON THE NINTH DAY OF JANUARY, A.D. 2024.

AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL TAXES HAVE BEEN PAID TO DATE.



2911427 8300

SR# 20253003136

You may verify this certificate online at corp.delaware.gov/authver.shtml

A handwritten signature in cursive script, reading "C. P. Sanchez", written in black ink.

Charuni Patibanda-Sanchez, Secretary of State

Authentication: 203892597

Date: 06-09-25



Tre Hargett
Secretary of State

Division of Business and Charitable Organizations
Department of State
State of Tennessee
312 Rosa L. Parks Avenue, 6th Floor
Nashville, Tennessee 37243
Phone: 615-741-2286
sos.tn.gov/

Date: 06/11/2025

Invoice: 2025-419103

Customer Information

LINDA J BOGGESS
UNITI FIBER GULFCO LLC
511 UNION STREET, SUITE 2700
NASHVILLE, TN 37219, USA

Tracking #	Description	Amount Paid
B2025420190	Application for Registration of Foreign Limited Liability Company for UNITI FIBER GULFCO LLC (LLC Filings)	\$ 300.00
Payment Details		
Fee Total:		\$ 300.00
Payment Total:		\$ 0.00
Amount Due:		\$ 0.00
Payment Method		
Payment Type: Credit Card		
Check/Confirmation Number: 3900138283		

EXHIBIT D

Key Management and Officers

Applicant's key management and officers are as follows:

- Kenny Gunderman, Chief Executive Officer
- Paul Bullington, SVP – Chief Financial Officer and Treasurer
- Daniel Heard, EVP – General Counsel and Secretary
- Michael Friloux, EVP – Chief Technology Officer
- Jennifer Ragsdale, SVP – Chief Administrative Officer
- Ric Chura, SVP – Chief Information Officer
- Ron Mudry, SVP – Chief Revenue Officer
- Travis Black, SVP – Chief Accounting Officer
- Bill DiTullio, VP – Investor Relations
- Joe McCourt, President – Enterprise Sales
- Ryan Fitzgerald, SVP – Finance
- Eric Daniels, President – Network
- Cathy De La Garza, President – Uniti Fiber
- John Harrobin, President – Kinetic
- Greg Ortyl, President – Wholesale and Strategic Accounts

EXHIBIT E

Key Management and Officers Biographies

Kenny Gunderman, Chief Executive Officer

Kenny Gunderman is president and chief executive officer of Uniti Group Inc. He has extensive experience in the telecommunications industry and is focused on growing Uniti's real estate portfolio of mission critical communications infrastructure. He has prior experience at Stephens, Lehman Brothers and KPMG. He currently serves on the board of the Arkansas Game and Fish Foundation and the Hendrix College Board of Trustees. Gunderman holds a Bachelor of Arts degree from Hendrix College and an MBA from Yale.

Paul Bullington, SVP – Chief Financial Officer and Treasurer

Paul Bullington is the chief financial officer and treasurer of Uniti Group Inc., previously serving as senior vice president of Strategic Operations for Uniti Fiber. Until its acquisition by Uniti in 2017, he served as the CFO of Southern Light, a position he held since the company began operating in 2001. During his time as CFO, the company was named one of the "5,000 Fastest Growing Companies in America" by Inc. Magazine for nine consecutive years. Bullington also has prior experience at Accenture and Royal Cup Coffee. He currently serves on the board of Eastern Shore Repertory Theatre and is a former director of First Community Bank in Alabama. Bullington holds a Bachelor of Science degree from Birmingham-Southern College and an MBA from The University of Chicago Booth School of Business.

Daniel Heard, EVP – General Counsel and Secretary

Daniel Heard is an executive vice president, general counsel and secretary for Uniti. Heard is responsible for the company's legal affairs and corporate governance. Heard previously was a partner in the law offices of Kutak Rock LLP in Little Rock, Arkansas. At Kutak Rock, Heard represented public companies in corporate, securities and merger and acquisition transactions. His clients comprised a wide range of industries, including telecommunications, information technology and food processing. He has extensive experience in negotiating, structuring and consummating mergers and acquisitions, public offerings of debt and equity securities and other corporate finance transactions. Heard graduated from the William H. Bowen School of Law at the University of Arkansas at Little Rock and has a Bachelor of Arts from the University of Central Arkansas.

Michael Friloux, EVP – Chief Technology Officer

Michael Friloux is an executive vice president and the chief technology officer of Uniti. He has over 30 years of telecommunications and information systems technology experience and is focused on future proofing Uniti's information technology systems. Friloux previously was chief

executive officer and president of PEG Bandwidth where he led the wireless backhaul provider through a time of rapid expansion serving 2,400 cell towers over a 15,000 route mile network through 16 states. Prior to joining PEG Bandwidth, Friloux served as president and chief operations officer for Citynet Fiber Networks where he developed the company into a leading regional wholesale carrier network spanning 13 states and 8,000 route miles. Friloux started his career as a software engineer for Sabre Computer Services (American Airlines.) He holds a Bachelor of Science degree from Oklahoma State University.

Jennifer Ragsdale, SVP – Chief Administrative Officer

Jennifer Ragsdale is senior vice president and chief administrative officer at Uniti, a Certified Great Places to Work company. Ragsdale oversees Uniti's customer experience management, human resource efforts, diversity and inclusion programs, and leads execution strategy to create a culture of high performance. Prior to joining Uniti, Ragsdale spent more than a decade in the human resources field, building and executing programs to drive operation strategies and organizational transformation. Ragsdale is a certified professional in Human Resources (PHR), a SHRM certified Human Resources Professional (SHRM-CP) and is certified in Diversity and Inclusion in HR Management. Ragsdale previously served as the president of the Central Arkansas Human Resources Association. She holds a Bachelor of Arts degree from the University of Central Arkansas.

Ric Chura, SVP – Chief Information Officer

Ric Chura is the senior vice president and chief information officer for Uniti. He previously served as Vice President of Information Technology at PEG Bandwidth, which was acquired by Uniti in 2016. He is responsible for setting Uniti's cybersecurity strategy, technology governance and compliance and has led the integration of the multitude of companies acquired by Uniti. Chura has over 20 years of experience in telecommunications industry working at Cap Gemini Ernst & Young, Predictive Systems, Callisma and FiberTower, a startup telecommunications backhaul provider. He has completed the Program on Negotiation from Harvard University and holds a Bachelor of Science, Mechanical Engineering degree from Iowa State University.

Ron Mudry, SVP – Chief Revenue Officer

Ron Mudry is Chief Revenue Officer of Uniti Group Inc. and President of Uniti Leasing. In this role, Mudry is responsible for Uniti's growth opportunities across its fiber and wireless infrastructure segments. He is also responsible for Strategy and Corporate Development. Mudry leads Uniti's sales and business development initiatives which include providing fiber based services to wireless carriers, wireline carriers, hyperscalers, content companies, cable MSOs and other wholesale customers. Mudry previously served as President of Sales and Business Development at Uniti Fiber. Mudry has over 30 years of experience in the telecommunications industry and was the founder of two start-up fiber operating companies that grew to become leaders in their industry segment. He joined Uniti in 2016 following the acquisition of Tower

Cloud, a company he founded in 2006, that was a leader in fiber, small cell and cell site backhaul services in the Southeast, U.S. Earlier in his career, he founded Progress Telecom (formed in 1998) and before that spent 15 years with GTE Corporation (now Verizon) where he held key management positions in finance, sales and marketing, international operations, treasury, strategic planning, and mergers and acquisitions. Mudry serves on the Board of Directors and Executive Committee of INCOMPAS, a telecommunications industry association. Mudry holds a Bachelor of Science degree with a major in finance from the University of Michigan and an MBA from the University of Tampa.

Travis Black, SVP – Chief Accounting Officer

Travis Black is the SVP, chief accounting officer of Uniti Group Inc. In his current role, Travis leads a team of over 40 employees and is responsible for the company's financial accounting, external reporting and financial compliance activities. Additionally, Travis oversees the company's technical accounting matters, including merger and acquisition transactions and critical accounting estimates. Travis has been with Uniti Group since 2015, and previously served as the Director of Financial Reporting. He began his career at FedEx, and he has over 18 years of experience in financial accounting and reporting for public companies. Travis holds a Bachelor of Science degree in Business Administration from the University of Tennessee and an MBA from the University of Memphis. He is also a Certified Public Accountant.

Bill DiTullio, VP – Investor Relations

Bill DiTullio has over 10 years of investor relations experience, joining Uniti's investor relations team in 2017. Bill was promoted to Vice President of Investor Relations and Finance in August of 2019. Bill originally joined Uniti through the acquisition of PEG Bandwidth in 2016, and has held several various finance roles within the organization. Prior to joining the Company, Bill served as Sr. Investor Relations Analyst at Comcast Corporation. Before that, Bill worked as an associate equity analyst at Boenning & Scattergood. Bill began his early career working for Prudential Financial in several accounting and finance roles. Bill holds a Master of Business Administration degree from Temple University and a Bachelor of Science degree in finance and accounting from Villanova University.

Joe McCourt, President – Enterprise Sales

Joe McCourt joined Uniti Fiber as the senior vice president of Enterprise Operations in January of 2019 and is responsible for leading Enterprise Sales, E-Rate Government sales and all of Uniti's Marketing. McCourt began his telecom career at MCI in 1987, holding various sales positions before moving to Brooks Brothers Clothing in 1990, serving as the director of communications. He then went on to a variety of senior executive leadership roles – from sales and marketing to operations and strategy – at communications companies including Metropolitan Fiber Systems (MFS), TW Telecom, Telcove, Level 3 Communications, DukeNet and Zayo.

Before joining Uniti Fiber in 2019, McCourt served as executive vice president and chief revenue officer for Lumos Networks.

Ryan Fitzgerald, SVP – Finance

Ryan Fitzgerald is the senior vice president of Finance at Uniti Fiber and also oversees Financial Planning & Analysis for Uniti Group as a whole. He joined privately-held PEG Bandwidth in 2011 and has been a key member of the leadership team through the various fiber-related acquisitions that now comprise Uniti Fiber. Fitzgerald began his career in 1997 at Coopers & Lybrand in the Business Recovery Services practice and then went on to join the finance team at Verticalnet, a B2B e-Commerce company. From there, he began a career in telecommunications at V-Span, a privately held videoconferencing services provider, that ultimately became part of BT Conferencing. Fitzgerald holds a Bachelor of Science degree with Distinction from The Pennsylvania State University.

Eric Daniels, President – Network

Eric Daniels is Uniti Fiber's President of Network. In his current role, he leads a team of over 400 employees and is responsible for the construction and operation of over 18,000 miles of fiber optic networks throughout the South, Mid-Atlantic, Northeast, and Midwestern United States. Prior to its purchase by Uniti Group in 2017, Daniels served as founding partner and chief operating officer of Southern Light, growing the business from its inception to eventually constructing and operating nearly 6,000 miles of fiber optic cable infrastructure. With a team of 250 employees, Daniels oversaw the engineering, construction and ongoing management of the company's physical and logical networks. With a Navy career spanning from 1989 to 2015, Daniels retired as a commander after serving in both the active duty Navy and the Navy Reserve, and was awarded two Meritorious Service Medals, four Navy Commendation Medals, two Navy Achievement Medals, and a variety of campaign and service ribbons. He was involved in nearly every major theater of operations, and was mobilized in 2003 for OPERATION IRAQI FREEDOM. Daniels is a native of Mobile, Alabama and a graduate of the US Naval Academy, the Surface Warfare Officer School, and the AEGIS Combat Systems Officer School.

Cathy De La Garza, President – Uniti Fiber

Cathleen De La Garza is president of Uniti Fiber, fostering Uniti's commitment to building and operating its fiber network, along with its "customer obsessed" focus. Previously, De La Garza acted as Uniti Fiber's Chief Development Officer. She led the development and alignment of the companies short- and long-term growth strategy. Her team – comprised of the project management, order management, off net project management, product group, and solutions team – is dedicated to both internal and external customer service as well as service implementation. As a commissioned officer in the United States Air Force, De La Garza was among the first female combat pilots in the US military, serving as an F-15C fighter pilot for twelve years. Her tours of duty included Operation Southern Watch and Operation Noble Eagle in the Middle East

and stateside. De La Garza joined the team at Southern Light after leaving the service in 2005. De La Garza holds a Bachelor of Arts in Government from the University of Texas at Austin, as well as a Master of Arts in Organizational Management from The George Washington University. Active in her community, De La Garza currently serves as a member of the Board of Directors for the Women's Foundation of Alabama, as a Regional Council member for Leadership Alabama and member of the Lower Alabama Bayhawks Lacrosse organization. Cathy participates in various veterans' organizations throughout South Alabama, including executive sponsorship for Uniti's diversity and inclusion group for Veterans and First Responders, Proud to Serve. She is a member of St. John Catholic Church (Bromley, AL), serving on the finance committee and as a religious education leader.

John Harrobin, President – Kinetic

John Harrobin, President of Kinetic, previously led the consumer business of Frontier Communications, overseeing consumer revenue, product development, sales operations, channel strategy, CRM, marketing, and data analytics. Before Frontier, John served as Chief Marketing Officer at Audible, where he directed the company's growth turnaround, brand repositioning, and content marketing expansion. Prior to that, he spent 18 years at Verizon Wireless, including as Chief Marketing Officer. John also sits on the Executive Board of Villanova University's Center for Marketing & Customer Insights. He has been recognized as an Outstanding Mentor by Advertising Women of New York, and a Top CMO by Forbes. He holds a BS from Villanova University and an MBA from Northwestern University's Kellogg School of Management.

Greg Ortyl, President – Wholesale and Strategic Accounts

Greg Ortyl is president of wholesale and strategic accounts at Uniti. Ortyl has spent most of his career in the communications infrastructure space with a successful history of leading strategic sales organizations. Ortyl co-founded PEG Bandwidth in 2009 and served as senior vice president of Sales until its acquisition by Uniti in 2016. At PEG he was responsible for overseeing the strategic customer relationships during PEG's explosive growth, highlighted by consecutive years recognized on the Inc. 500 Fastest-Growing Private Companies list. Prior to PEG, Ortyl held key sales leadership roles at Level 3 Communications, FiberTower, CenturyTel and other competitive fiber businesses. Ortyl and his wife, Becky, founded Mighty Oakes Heart Foundation, a 501(c)3 organization, in 2011, with a mission to help families with children who have congenital heart defects. Ortyl holds a Master of Business Administration and a Bachelor of Arts from St. Louis University.

EXHIBIT F

Financial Statements

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark One)

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2024

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number 001-36708

Uniti Group Inc.
(Exact name of Registrant as specified in its Charter)

Maryland	46-5230630
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
2101 Riverfront Drive	
Suite A	
Little Rock, Arkansas	72202
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (501) 850-0820

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, \$0.0001 Par Value	UNIT	The NASDAQ Global Select Market

Securities registered pursuant to Section 12(g) of the Act: **None**

Indicate by check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the Registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the Registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C.7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Act). YES ☐ NO ☒

The aggregate market value of the voting and non-voting common equity held by non-affiliates of the Registrant, based on the closing price of the shares of common stock on The NASDAQ Global Select Market on June 30, 2024 was \$694,529,639.

The number of shares of the Registrant's common stock outstanding as of February 14, 2025 was 244,229,237.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Registrant's definitive proxy statement relating to the 2025 annual meeting of stockholders are incorporated by reference into Part III of this Annual Report on Form 10-K.

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K includes forward-looking statements as defined under U.S. federal securities law. Forward-looking statements include all statements that are not historical statements of fact and those regarding our intent, belief or expectations, including, but not limited to, statements regarding: our expectations regarding the settlement we have entered into with Windstream Holdings, Inc. (together with Windstream Holdings II, LLC, its successor in interest, and its subsidiaries, “Windstream”); our expectations regarding our potential Merger (as defined herein) with Windstream; the future prospects and financial health of Windstream; our expectations about our ability to maintain our status as a real estate investment trust (a “REIT”); our expectations regarding the effect of tax-related legislation on our tax position; our expectations regarding filing an amendment to this Form 10-K to include Windstream’s audited financial statements as of and for the year ended December 31, 2024; our expectations regarding the future growth and demand of the telecommunication industry, future financing plans, business strategies, growth prospects, operating and financial performance, and our future liquidity needs and access to capital; our expectations regarding future deployment of fiber strand miles and small cell networks and recognition of revenue related thereto; our expectations regarding levels of capital expenditures; our expectations regarding the deductibility of goodwill for tax purposes; our expectations regarding the amortization of intangible assets; and our expectations regarding the payment of dividends.

Words such as “anticipate(s),” “expect(s),” “intend(s),” “plan(s),” “believe(s),” “may,” “will,” “would,” “could,” “should,” “seek(s)” and similar expressions, or the negative of these terms, are intended to identify such forward-looking statements. These statements are based on management's current expectations and beliefs and are subject to a number of risks and uncertainties that could lead to actual results differing materially from those projected, forecasted or expected. Although we believe that the assumptions underlying the forward-looking statements are reasonable, we can give no assurance that our expectations will be attained. Factors which could have a material adverse effect on our operations and future prospects or which could cause actual results to differ materially from our expectations include, but are not limited to:

- our and Windstream’s ability to consummate our Merger with Windstream on the expected terms or according to the anticipated timeline;
- the risk that the Merger Agreement (as defined herein) may be modified or terminated prior to its expiration, that the conditions to our Merger with Windstream may not be satisfied or the occurrence of any event, change or other circumstances that could give rise to the termination of the Merger Agreement;
- the effect of the announcement of our Merger with Windstream on relationships with our customers, suppliers, vendors, employees and other stakeholders and our operating results and the operating results of Windstream;
- the diversion of our management’s time on issues related to our Merger with Windstream;
- the risk that we fail to fully realize the potential benefits, expected synergies, efficiencies and cost savings from our Merger with Windstream within the expected time period (if at all);
- legal proceedings that may be instituted against us or Windstream following announcement of the Merger;
- the future prospects of our largest customer, Windstream;
- adverse impacts of inflation and higher interest rates on our employees, our business, the business of our customers and other business partners and the global financial markets;
- the ability and willingness of our customers to meet and/or perform their obligations under any contractual arrangements entered into with us, including master lease arrangements;
- the ability and willingness of our customers to renew their leases with us upon their expiration, our ability to reach agreement on the price of such renewal or ability to obtain a satisfactory renewal rent from an independent appraisal, and the ability to reposition our properties on the same or better terms in the event of nonrenewal or in the event we replace an existing tenant;

- the availability of and our ability to identify suitable acquisition opportunities and our ability to acquire and lease the respective properties on favorable terms or operate and integrate the acquired businesses;
- our ability to generate sufficient cash flows to service our outstanding indebtedness and fund our capital funding commitments;
- our ability to access debt and equity capital markets;
- the impact on our business or the business of our customers as a result of credit rating downgrades, and fluctuating interest rates;
- our ability to retain our key management personnel;
- our ability to maintain our status as a REIT;
- changes in the U.S. tax law and other federal, state or local laws, whether or not specific to REITs;
- covenants in our debt agreements that may limit our operational flexibility;
- the possibility that we may experience equipment failures, natural disasters, cyber-attacks or terrorist attacks for which our insurance may not provide adequate coverage;
- the risk that we fail to fully realize the potential benefits of or have difficulty in integrating the companies we acquire;
- other risks inherent in the communications industry and in the ownership of communications distribution systems, including potential liability relating to environmental matters and illiquidity of real estate investments; and
- additional factors discussed in Part I, Item 1A “Risk Factors” and Part II, Item 7 “Management’s Discussion and Analysis of Financial Condition and Results of Operations” of this Annual Report on Form 10-K, as well as those described from time to time in our future reports filed with the U.S. Securities and Exchange Commission (the “SEC”).

Forward-looking statements speak only as of the date of this Annual Report on Form 10-K. Except in the normal course of our public disclosure obligations, we expressly disclaim any obligation to release publicly any updates or revisions to any forward-looking statements to reflect any change in our expectations or any change in events, conditions or circumstances on which any such statement is based.

PART I

Item 1. Business.

Overview

Uniti Group Inc. (the “Company”, “Uniti”, “we”, “us” or “our”) is an independent, internally managed REIT engaged in the acquisition, construction and leasing of mission critical infrastructure in the communications industry. We are principally focused on acquiring and constructing fiber optic, copper and coaxial broadband networks and data centers.

As of December 31, 2024, Uniti and its subsidiaries own approximately 145,000 fiber network route miles, representing approximately 8.8 million fiber strand miles, approximately 231,000 route miles of copper cable lines, central office land and buildings across 44 states and beneficial rights to permits, pole agreements and easements. Refer to Part I, Item 2 “Properties” of this Annual Report on Form 10-K for a more detailed breakdown of our telecommunications properties.

For the year ended December 31, 2024, we had revenues of \$1.2 billion, net income attributable to common shareholders of \$91.3 million, FFO of \$294.5 million and AFFO of \$358.9 million. Both FFO and AFFO are non-GAAP financial measures, which we use to analyze our results. Refer to Part II, Item 7 “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” of this Annual Report on Form 10-K for definitions and additional information regarding these non-GAAP financial measures. We manage our operations in two reportable segments, Leasing and Fiber (which we refer to as Uniti Leasing and Uniti Fiber, respectively), which are described in more detail in [Note 14](#) to our consolidated financial statements contained in Part II, Item 8 “Financial Statements and Supplementary Data” in addition to our corporate operations.

Refer to Part II, Item 7 “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Overview—Significant Business Developments,” of this Annual Report on Form 10-K for information regarding significant developments in our business in 2024.

Our Proposed Merger with Windstream

On May 3, 2024, Uniti entered into an Agreement and Plan of Merger, by and between Uniti and Windstream, as amended by Amendment No. 1 to the Agreement and Plan of Merger, dated as of July 17, 2024 (as it may be further amended and/or restated from time to time, the “Merger Agreement”). Upon the terms and subject to the conditions set forth in the Merger Agreement and following a pre-closing reorganization of Windstream, an affiliate of Windstream identified as “Merger Sub” in the Merger Agreement will merge with and into Uniti (the “Merger”), with Uniti surviving the Merger, with the result that both of Uniti and Windstream’s successor by merger will be indirect wholly owned subsidiaries of Windstream Parent, Inc., a Delaware corporation that is currently an indirect wholly owned subsidiary of Windstream (“New Uniti”). In connection with the Merger, Windstream Parent, Inc. will be renamed Uniti Group Inc. Following the Merger, the common stock of New Uniti (“New Uniti Common Stock”) is expected to be listed on the Nasdaq Global Market under the proposed symbol “UNIT.” Our Merger with Windstream is subject to customary closing conditions, including, among others, approval by our stockholders and receipt of required regulatory approvals. We currently expect our Merger with Windstream to close in the second half of calendar year 2025. The foregoing summary of the Merger Agreement and the transactions contemplated thereby does not purport to be complete and is qualified in its entirety by reference to the terms and conditions of the Merger Agreement, a copy of which is incorporated by reference as Exhibits 2.3 and 2.4 to this Annual Report on Form 10-K.

New Uniti will operate under three business segments:

- **Kinetic** will leverage Uniti’s and Windstream’s fully-owned, combined 79,000 route mile fiber network to offer Windstream’s legacy residential and small business customers high-speed internet, voice, and video services.
- **Fiber Infrastructure** will combine Uniti’s legacy fiber and non-Windstream leasing businesses with the consumer competitive local exchange carrier (“CLEC”) portion of Windstream’s wholesale business to provide network bandwidth to other telecommunication carriers, enterprises and hyperscalers.
- **Managed Services** will consist of Windstream’s heritage Enterprise business, which offers managed cloud communications and security services, integrated voice and data services, and traditional voice services to mid-

market and large business customers within New Uniti's incumbent local exchange carrier ("ILEC") and CLEC markets (as described herein).

Industry

The current communications infrastructure industry is marked by the growing demand for and use of bandwidth-intensive devices and applications, such as smart devices, real-time and online streaming video, cloud-based applications, social media and mobile broadband. This growth in consumption requires the support of robust communications infrastructure, of which fiber networks and communications towers are critical components. Substantial investments have been made in recent years in fiber networks, lit services and colocation facilities to keep pace with the increased bandwidth use of both enterprise and consumer-end users. As companies attempt to keep pace with this rapidly evolving business sector, communications infrastructure continues to increase in priority and economic importance. We believe this considerable demand creates significant opportunities for us as an operator and as a funding source for operators seeking to capitalize on these trends through build outs and acquisitions of infrastructure assets.

The wireless communications industry is a prime example of the growing importance of the bandwidth infrastructure industry. As wireless traffic and mobile data consumption continue to grow worldwide, participants in the wireless communications industry are increasing their network capacity through the development of new wireless cell sites and the addition of bandwidth capacity. Consumers are demanding network quality and coverage, and as a result, wireless carriers are making significant capital investments to improve quality, expand their coverage and remain relevant in a highly competitive industry. We expect this continued growth in capital expenditures to generate high demands for bandwidth infrastructure services.

Competition

We compete for investments in the communications industry with telecommunications companies, investment companies, private equity funds, hedge fund investors, sovereign funds and other REITs who focus primarily on specific segments of the communications infrastructure industry. The communications infrastructure industry is characterized by a high degree of competition among a large number of participants, including many local, regional and global corporations. Some of our competitors are significantly larger and have greater financial resources and lower costs of capital than we have. In addition, revenues from our network properties are dependent, to an extent, on the ability of our operating partners to compete with other communication service providers.

Our Business

Currently, Uniti's primary lines of business are Uniti Leasing and Uniti Fiber, which are described in further detail below.

Uniti Leasing

Uniti Leasing is engaged in acquiring and constructing mission-critical communications assets, such as fiber, data centers, next-generation consumer broadband, coaxial and upgradeable copper, and leasing them back to anchor customers on either an exclusive or shared-tenant basis. Presently, a substantial portion of Uniti Leasing's revenue is rental revenues from leasing the Distribution Systems (as defined below) to Windstream as described below in the section titled "Significant Customers." With Uniti Leasing, our goal is to provide creative and tax-efficient solutions to additional customers, including (i) sale-leaseback transactions, whereby Uniti Leasing acquires existing infrastructure assets from communications service providers and leases them back on a long-term basis; (ii) capital investment financing, whereby Uniti Leasing offers communications service providers a cost-efficient method of raising funds for discrete capital investments to upgrade or expand their network; and (iii) mergers and acquisitions financing, whereby Uniti Leasing facilitates mergers and acquisition transactions as a capital partner. Results for Uniti Leasing are reported in our consolidated financial statements in our Uniti Leasing business segment.

Uniti Fiber

Uniti Fiber is a leading provider of infrastructure solutions, including cell site backhaul and small cell for wireless operators and ethernet, wavelengths and dark fiber for telecommunications carriers and enterprises. With Uniti Fiber, our goal is to capitalize on the rising demand by carriers and enterprises for dark fiber, establish ourselves as a proven small-cell systems provider and leverage wholesale enterprise opportunities as well as opportunities through the School and Libraries Program (commonly referred to as "E-Rate") administered by the Universal Service Administrative Company

(also known as USAC). We believe fiber is the mission-critical focal point in the modern communications infrastructure industry and that Uniti Fiber will accelerate our growth and diversification strategy and expand our relationships with high quality national and international wireless carriers.

At December 31, 2024, Uniti Fiber's revenues under contract were over \$1.2 billion, with a network consisting of approximately 3.1 million strand miles of fiber and approximately 29,755 customer connections. Results for Uniti Fiber are reported in our consolidated financial statements in our Uniti Fiber business segment.

The Company

Uniti Group Inc. was incorporated in the state of Maryland on September 4, 2014.

Uniti currently operates as a REIT for U.S. federal income tax purposes. As a REIT, the Company is generally not subject to U.S. federal income taxes on income generated by its REIT operations. We have elected to treat the subsidiaries through which we operate our fiber business, Uniti Fiber, and certain aspects of our leasing business, Uniti Leasing, as taxable REIT subsidiaries ("TRSs"). TRSs enable us to engage in activities that result in income that does not constitute qualifying income for a REIT. Our TRSs are subject to U.S. federal, state and local corporate income taxes.

The Company operates through a customary up-REIT structure, pursuant to which we hold substantially all of our assets through a partnership, Uniti Group LP, a Delaware limited partnership (the "Operating Partnership"), that we control as general partner. This structure is intended to facilitate future acquisition opportunities by providing the Company with the ability to use common units of the Operating Partnership as a tax-efficient acquisition currency. As of December 31, 2024, we are the sole general partner of the Operating Partnership and own approximately 99.99% of the partnership interests in the Operating Partnership. In addition, we have undertaken a series of transactions to permit us to hold certain of our assets indirectly through subsidiaries that are taxed as REITs, which may also facilitate future acquisition opportunities.

If our Merger with Windstream is completed, we expect that Uniti will cease to be a REIT and New Uniti would not qualify as a REIT.

Human Capital Resources

On December 31, 2024, we employed 758 people, of whom 445 work directly developing and maintaining network operations, 108 in sales and sales support, 69 in shared services, 69 accounting and finance related positions and 67 in operations support roles. None of our employees are subject to a collective bargaining agreement.

Our employees are our most important resources and their success ultimately creates our own. We fuel their success by offering career growth, recognition and appreciation programs, fulfilling work relationships, a positive and enjoyable work environment, empowerment, mentoring, and training and development opportunities. We demonstrate the value we place in our employee's financial, physical and emotional health by providing our employees with competitive salaries, health benefits, investment opportunities, vacation options and a generous paid volunteer program, among other benefits.

Communication is a critical component of operational success that is prioritized at Uniti. We not only communicate often through company-wide emails, monthly newsletters, and live town hall calls, but we also focus on methods of communication delivery. Uniti frequently releases new episodes on our internal podcast that allows us to feature key speakers to provide operational updates, announce new initiatives, and have fun getting to know those that work at Uniti on a more personal level. For the last seven years Uniti has been certified as a Great Place to Work®. Our management team strives to embody and promote our company values of united, necessary, innovative, tenacious, and integrity. As a certified Great Place to Work®, our employees say they are treated fairly, are made to feel welcome, and are proud to work at Uniti. 86% of them agree that Uniti is a great place to work. We believe our energetic and collaborative work environment is a contributing factor to our limited employee turnover and high levels of engagement.

Within our organization, we believe in unity and know that it can only be generated through connection, collaboration and respect. We are committed to fostering these ideals by hiring, developing and supporting a diverse and inclusive workplace that encourages, supports and celebrates the diverse voices of our team members. Two women sit on our board of directors and women represent approximately 25% of leadership positions across our company. A key component to our commitment includes our Diversity and Inclusion Groups ("DIGs") which support employees and allies in various experiences including diverse backgrounds, lifestyle, characteristics, and more. Uniti currently has six active DIGs that allow for enrichment, connection, community involvement, and growth for our employees. Each DIG is sponsored and supported by senior leaders across the organization.

We value our strong ethical foundation and have instituted policies and procedures designed to preserve and prioritize corporate integrity. To actively promote honest, ethical and respectful conduct, we engage in a top-down approach by requiring our directors and executives to set high standards of integrity, responsibility, and transparency. We insist all employees adhere to a code of conduct that sets standards for appropriate behavior and includes information on preventing, identifying, reporting and stopping any type of discrimination or unethical behavior.

Uniti is committed to offering competitive and inclusive benefits to meet the needs of our employees. We offer an employer-paid benefit which provides our employees comprehensive, inclusive fertility healthcare and family-forming benefits. Employees have access to exclusive resources designed to make fertility care more accessible and affordable to everyone — regardless of age, sex, sexual orientation, gender identity, or location. Uniti continues to support the mental health needs of our employees with an employer-paid virtual mental health benefit in addition to our already available Employee Assistance Program ("EAP"). Our EAP offers free, confidential assessments and short-term counseling to employees. Together, with our additional virtual mental health benefit, employees have the opportunity to seek in person or virtual assistance with personal and/or work-related problems.

Uniti will continue to seek opportunities to support the overall health and well-being of our employees as we continue to realize significant value for our stockholders, customers and communities.

Significant Customers

For the years ended December 31, 2024, 2023, and 2022, 68.3%, 67.3% and 66.5% of our revenues, respectively, were derived from leasing our Distribution Systems (as defined herein) to Windstream.

On April 24, 2015, we were separated and spun-off (the "Spin-Off") from Windstream pursuant to which Windstream contributed certain telecommunications network assets, including fiber and copper networks and other real estate (the "Distribution Systems") and a small CLEC business (the "Consumer CLEC Business") to Uniti and Uniti issued common stock and indebtedness and paid cash obtained from borrowings under Uniti's senior credit facilities to Windstream. In connection with the Spin-Off, we entered into a long-term exclusive triple-net lease (the "Master Lease") with Windstream, pursuant to which a substantial portion of our real property is leased to Windstream and from which a substantial portion of our leasing revenues are currently derived. In connection with Windstream's emergence from bankruptcy, Uniti and Windstream bifurcated the Master Lease and entered into two structurally similar master leases (collectively, the "Windstream Leases"), which amended and restated the Master Lease in its entirety. The Windstream Leases consist of (a) a master lease (the "ILEC MLA") that governs Uniti owned assets used for Windstream's ILEC operations and (b) a master lease (the "CLEC MLA") that governs Uniti owned assets used for Windstream's CLEC operations.

Prior to its emergence from bankruptcy on September 21, 2020, Windstream was a publicly traded company subject to the periodic filing requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Windstream's historic filings through their quarter ended June 30, 2020 can be found at www.sec.gov. On September 22, 2020, Windstream filed a Form 15 to terminate all filing obligations under Sections 12(g) and 15(d) under the Exchange Act. Windstream's filings are not incorporated by reference in this Annual Report on Form 10-K.

We monitor the credit quality of Windstream through numerous methods, including by (i) reviewing credit ratings of Windstream by nationally recognized credit agencies, (ii) reviewing the financial statements of Windstream that are required to be delivered to us pursuant to the Windstream Leases, (iii) monitoring new reports regarding Windstream and its business, (iv) conducting research to ascertain industry trends potentially affecting Windstream, (v) monitoring Windstream's compliance with the terms of the Windstream Leases and (vi) monitoring the timeliness of its payments under the Windstream Leases.

As of the date of this Annual Report on Form 10-K, Windstream is current on all lease payments. We note that in August 2020, Moody's Investors Service assigned a B3 corporate family rating with a stable outlook to Windstream in connection with its post-emergence exit financing. At the same time, S&P Global Ratings assigned Windstream a B- issuer rating with a stable outlook. Both ratings remain current as of the date of this filing. In addition, in order to assist us in our continuing assessment of Windstream's creditworthiness, we periodically receive certain confidential financial information and metrics from Windstream. Specifically, under the terms of the Windstream Leases, Windstream is required to provide us audited financial statements as of and for the year ended December 31, 2024 (the "2024 Financial Statements") no later than 90-days after its fiscal year-end. After receipt of the 2024 Financial Statements, Uniti expects to file a Form 10-K/A to include the 2024 Financial Statements in our annual report. Refer to Part II, Item 7 "Management's Discussion and Analysis of Financial Condition and Results of Operations," of this Annual Report on Form 10-K for additional information regarding this assessment.

Government Regulation, Licensing and Enforcement

U.S. Telecommunications Regulatory Overview

Our subsidiaries and our tenants operate in a regulated market. As operators of telecommunications facilities and services, both we and the current and future tenants of our telecommunications assets are typically subject to extensive and complex federal, state and local telecommunications laws and regulations. The Federal Communications Commission (“FCC”) regulates the provision of interstate and international telecommunications services, and state public utility commissions (“PUCs”) regulate intrastate telecommunications services. Federal and state telecommunications laws and regulations are wide-ranging, and violations of them can subject us and our tenants to civil, criminal and administrative sanctions. We expect that the telecommunications industry, in general, will continue to face increased regulation. Changes in laws and regulations and violations of federal or state laws or regulations by us or our tenants could have a significant direct or indirect effect on our operations and financial condition, as detailed below and set forth under “Risk Factors—Risks Related to Our Business.”

Our operations require that certain of our subsidiaries across all segments hold licenses or other forms of authorization from the FCC and state PUCs in those states where we operate, and in some jurisdictions our subsidiaries must file tariffs or other price lists describing their rates, terms and conditions of the services they provide. The FCC and PUCs can modify or terminate a service provider’s license or other authority to provide telecommunications services for failure to comply with applicable laws and regulations. The FCC and PUCs may also investigate our subsidiaries’ operations and may impose fines or other penalties for violations of the same. In addition, our subsidiaries are required to submit periodic reports to the FCC and PUCs documenting their revenues and other data. Some of this information is used as the basis for the imposition of various regulatory fees and other assessments. In order to engage in certain transactions in some jurisdictions, including changes of control, the encumbrance of certain assets, the issuance of securities, the incurrence of indebtedness, the guarantee of indebtedness of other entities, including subsidiaries of ours, and the transfer of assets, we may be required to provide notice and/or obtain prior approval from certain governmental agencies. Failure to obtain required approvals could subject us to fines or other penalties.

Our subsidiaries are subject to a number of federal, state, and local regulations that govern the way we can conduct our business. Such regulations may impose requirements and costs for our entities to operate and utilize local rights of way. They may also impose other operating costs on our businesses, including restrictions on pricing flexibility for certain products, minimum service quality standards, service reporting, intercarrier compensation, contributions to universal service, and other obligations. Further, the relaxation of regulatory requirements on our competitors, such as those granting us access to incumbent local exchange carrier facilities and/or services or the prices that such carriers may charge for such services or access to their facilities, may also have a detrimental effect on the businesses of our subsidiaries and/or tenants.

We have sought to structure the operations for our core real estate business in a manner to minimize the likelihood that we may be required to become regulated as a public utility or common carrier by the FCC or PUCs, but a number of our business operations are nonetheless subject to federal, state, and local regulation, and we cannot guarantee that our core real estate business will not become further subject to federal, state, and local regulation in the future.

With respect to the broadband internet services that we provide, traditionally, the FCC has recognized that broadband internet access services are “information services” subject to limited regulation. In 2015, the FCC issued a “network neutrality” decision that declared broadband internet access services to be subject to certain “telecommunications services” regulation under Title II of the Communications Act of 1934. These regulations would have limited the ways that broadband internet access service providers could structure business arrangements and manage their networks and spurred additional restrictions, which could adversely affect broadband investment and innovation. In 2017, the FCC voted to return broadband internet access service to its prior classification as “information services.” In 2023 the FCC announced its intention to consider rules aimed at subjecting broadband internet service to regulation under Title II again. However, on January 2, 2025, the U.S. Court of Appeals for the Sixth Circuit held that the FCC lacks the legal authority to reclassify broadband services such that the state of law currently is that broadband services are “information services” subject to lighter regulation at the federal level. Certain states have implemented separate network neutrality regulations subjecting such services to a variety of regulations. It is unclear at this time whether the FCC will attempt to preempt such state-based regulations and, if so, whether the agency has the legal authority to do so.

As a result of the FCC's activities, as well as state laws and regulations, it is unclear at this time how broadband internet services will be regulated in the future, and the potential impact those regulations may have on our broadband internet service business. In addition, while they have not sought to specifically regulate the manner in which broadband internet service providers manage network traffic, the FCC has nonetheless continued to adopt other forms of regulation over such

services, such as broadband labelling requirements, which may affect our operations and subject us to sanctions if we fail to comply with them. We cannot anticipate what additional requirements may be imposed on our broadband internet access business by federal, state or local authorities in the future.

Uniti Fiber

Our subsidiaries that compose Uniti Fiber own and operate significant fiber and other communications facilities throughout various regions of the United States. The provision of such services is often subject to FCC and PUC licensure in many jurisdictions, and the companies are typically licensed as CLECs and/or interexchange carriers in those states where they operate. The companies also hold various FCC wireless licenses in order to provide microwave backhaul and other wireless services. Because of the nature of the licenses that these companies hold, and the nature of the services that they provide, they are subject to various federal and state regulatory requirements, including, but not limited to, revenue and other reporting requirements and tariffing requirements. The companies must also maintain their wireless licenses with the FCC, which requires construction and notification reporting and other regulatory requirements. New fiber network construction is also subject to certain state and local governmental permitting and licensing requirements. Delays in the local and state permitting process can delay the construction of new facilities. Failure to abide by permit requirements can subject the company to fines and other penalties.

In some cases, our subsidiaries that compose Uniti Fiber utilize services or facilities of incumbent local exchange carriers through arrangements established under the Telecommunications Act of 1996 and FCC regulations. The FCC has recently issued orders allowing ILECs to stop offering such elements and/or to increase the rates that they may charge competitive providers for access to such elements. The loss of these elements, or significant price increases associated with our use of such elements, may increase our costs to maintain and construct new network facilities to replace those we may no longer access, or have other negative effects on our business such as a loss of ability to continue to provide services to certain customers.

A number of our subsidiaries that compose Uniti Fiber provide services to customers within the FCC's E-Rate and Rural Healthcare ("RHC") programs. E-Rate and RHC are federally funded programs that provide discounts to assist eligible schools, libraries, and healthcare providers to fund the acquisition and operation of certain communications services and technology. These programs are administered by the Universal Service Administrative Company under the direction of the FCC. The E-Rate and RHC programs are subject to regulatory requirements that change often, and require strict-adherence to program requirements and deadlines. Failure to abide by program and regulatory requirements can result in loss of funding, claw back of prior funding, and fines or other sanctions. The E-Rate, RHC and other programs are funded by the universal service fund ("USF") program. The USF program design, including the manner in which USF contributions are made by service providers, is currently subject to federal court challenges. They could also be modified by Congress or the FCC in the future. We cannot predict future developments or changes to the regulatory environment with respect to the USF, E-Rate or RHC programs, or the impact such developments or changes would have on our business.

Regulatory Changes

Future revenues, costs, and capital investment in the communication businesses of our tenants, Uniti Fiber, and other related entities could be adversely affected by material changes to, or decisions regarding applicability of, government requirements, including, but not limited to, changes in rules governing inter-carrier compensation, interconnection access to network facilities, state and federal USF support, rules governing the prices that can be charged for business data services, infrastructure location and siting rules, access to unbundled network elements, and other requirements. Federal and state communications laws and regulations may be amended in the future, and other new laws and regulations may affect our business. In addition, certain laws and regulations applicable to us and our competitors may be, and have been, challenged in the courts and could be vacated or modified at any time. We cannot predict future developments or changes to the regulatory environment or the impact such developments or changes would have on our business.

In addition, regulations could create significant compliance costs for us. Delays in obtaining FCC and PUC certifications and regulatory approvals could cause us to incur substantial legal and administrative expenses, and conditions imposed in connection with such approvals could adversely affect the rates that we are able to charge our customers. Both our subsidiaries and our tenants may also be affected by legislation and/or regulation imposing new or additional obligations related to, for example, law enforcement assistance, cyber-security protection, intellectual property rights protections, environmental protections, consumer privacy, tax, or other areas. We cannot predict how any such future changes may impact our business, or the business of our tenants.

Environmental Matters

A wide variety of federal, state and local environmental and occupational health and safety laws and regulations affect telecommunications operations and facilities. These laws and regulations, and their enforcement, involve complex and varied requirements, and many such laws and regulations impose strict liability for violations. Some of these federal, state and local laws may directly impact us. Under various federal, state and local environmental laws, ordinances and regulations, an owner of real property, such as us, may be liable for the costs of removal or remediation of hazardous or toxic substances at, under or disposed of in connection with such property, as well as other potential costs relating to hazardous or toxic substances (including government fines and damages for injuries to persons and adjacent property). The cost of any required remediation, removal, fines or personal property damages and the owner's liability therefore could exceed or impair the value of the property and/or the assets of the owner. In addition, the presence of such substances, or the failure to properly dispose of or remediate such substances, may adversely affect the owner's ability to sell or rent such property or to borrow using such property as collateral, which, in turn, could reduce revenues.

Insurance

We maintain, or will require in our leases (including the Windstream Leases) that our tenants maintain, applicable lines of insurance on our properties and their operations. Under the Windstream Leases, Windstream has the right to self-insure or use a captive provider with respect to its insurance obligations. We believe that the amount and scope of insurance coverage provided by our policies and the policies maintained by our tenants are customary for similarly situated companies in the telecommunications industry. However, our tenants may elect not to, or be able to, maintain the required insurance coverages, and the failure by any of them to do so could have a material adverse effect on us. We may not continue to require the same levels of insurance coverage under our leases, including the Windstream Leases, and such insurance may not be available at a reasonable cost in the future or fully cover all losses on our properties upon the occurrence of a catastrophic event. Moreover, we cannot guarantee the future financial viability of the insurers.

Available Information

Our principal executive offices are located at 2101 Riverfront Drive, Suite A, Little Rock, AR 72202 and our telephone number is (501) 850-0820. We maintain a website at www.uniti.com. Our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and any amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act are available on our website, free of charge, as soon as reasonably practicable after we electronically file such materials with, or furnish them to, the Securities and Exchange Commission. Our Exchange Act filings can also be found at www.sec.gov.

Current copies of our Code of Business Conduct and Ethics & Whistleblower Policy, Corporate Governance Guidelines, and the charters for our Audit, Compensation and Governance Committees are posted in the "Corporate Governance" section of the About Us page of our website at www.uniti.com.

Item 1A. Risk Factors

Risks Related to our Proposed Merger with Windstream

A failure to complete and close our Merger with Windstream could cause reputational harm and have a negative impact on our business, operations, earnings, financial results and the trading and pricing of our common stock.

In the event that our Merger with Windstream is not completed and does not ultimately close, such failure to complete and close our Merger with Windstream could result in irreparable reputational harm as perceived by our partners, our employees, our investors, our shareholders, investor and securities analysts, our peers, others in the telecommunications industry and any other third party whether presently known or unknown. A failure to complete and close our Merger with Windstream could have a negative impact on our business, operations, earnings, financial results and the trading and pricing of our common stock.

Completion of the Merger is subject to several conditions beyond our control that may prevent, delay or otherwise adversely affect its completion in a material way, including the required approvals described below. In addition, either we or Windstream may terminate the Merger Agreement under certain circumstances, including if the Merger is not completed by the end date determined pursuant to the Merger Agreement. If the Merger Agreement is terminated under certain specific circumstances, we may be required to reimburse Windstream for certain expenses incurred in connection with the

Merger Agreement and the transactions, up to \$25 million, or under other certain specified circumstances, we may be required to pay Windstream a termination fee of either \$55 million or \$75 million.

Failure to realize the benefits expected from our Merger with Windstream could adversely affect the value of our common stock.

There can be no assurance that we will actually realize any of the benefits expected from our Merger with Windstream, or realize such benefits within the anticipated timeframe. Anticipated benefits from our Merger with Windstream include lower costs, increased revenues, synergies and growth opportunities. Achieving these benefits will depend, in part, on our ability to combine our and Windstream's businesses successfully and efficiently. The challenges involved in this combination, which will be complex and time consuming, include the following:

- preserving our and Windstream's customer and other important relationships and attracting new business and operational relationships;
- integrating financial forecasting and controls, procedures and reporting cycles;
- consolidating and integrating corporate, information technology, finance and administrative infrastructures; and
- integrating employees and related HR systems and benefits, maintaining employee morale and retaining key employees.

If we do not successfully manage these issues and the other challenges inherent in our Merger with Windstream, then we may not achieve the anticipated benefits on our anticipated timeframe or at all and our revenue, expenses, operating results and financial condition and stock price could be materially adversely affected.

Business uncertainties while our Merger with Windstream is pending may negatively impact our ability to attract and retain personnel.

Uncertainty about the effect of our Merger with Windstream on our employees and customers may have an adverse effect on us. These uncertainties may impair our ability to attract, retain and motivate key personnel until our Merger with Windstream is completed and could cause customers and others that deal with us to seek to change their existing business relationships with us. Retention or hiring of certain employees may be challenging while our Merger with Windstream is pending, as certain employees may experience uncertainty about their future roles with the combined company. If key employees depart because of issues relating to the uncertainty and difficulty of integration or a desire not to remain with the combined entity, our business could be harmed.

If our Merger with Windstream is not completed, we will have incurred substantial expenses without realizing the expected benefits of our Merger with Windstream.

We have incurred substantial expenses in connection with the negotiation and entry into the Merger Agreement and will incur additional expenses as we move toward completion of the transactions contemplated by the Merger Agreement. If our Merger with Windstream is not completed, we would have to recognize the expenses we have incurred without realizing the expected benefits of our Merger with Windstream, which could materially impact our earnings and results of operations.

Our Merger with Windstream may distract our management from their other responsibilities and the Merger Agreement may limit our ability to pursue new opportunities.

Our Merger with Windstream could cause our management to focus their time and energies on matters related to the transaction that otherwise would be directed to our business and operations. Any such distraction on the part of our management could affect our ability to service existing business and develop new business and adversely affect our business and earnings before the completion of our Merger with Windstream.

Additionally, the Merger Agreement contains operating covenants that limit certain of our operating activities or require the approval of Windstream before we may engage in such activities during the pendency of our Merger with Windstream. These operating covenants may adversely affect our ability to develop or pursue new business opportunities.

The Merger Agreement contains provisions that limit our ability to pursue alternatives to the Merger and could discourage a potential competing transaction counterparty from making a favorable alternative transaction proposal to us.

The Merger Agreement contains provisions that make it more difficult for us to be acquired by, or enter into certain combination transactions with, a third party. The Merger Agreement contains certain provisions that restrict our ability to, among other things, solicit, initiate or take any action to knowingly induce the making, submission or announcement of, or knowingly facilitate or encourage the submission of an alternative transaction, or participate or engage in any discussions or negotiations, or cooperate with any person, with respect to an alternative transaction. In addition, following our receipt of any alternative transaction proposal that constitutes a Superior Proposal (as defined in the Merger Agreement), Windstream would have an opportunity to offer to modify the terms of the Merger Agreement before our board may withhold, qualify or modify in a manner adverse to Windstream its recommendation with respect to the Merger and before we may terminate the Merger Agreement. If the Merger Agreement is terminated by us to enter into a Superior Proposal or by Windstream if our board withholds, qualifies, modifies in a manner adverse to Windstream its recommendation with respect to the Merger or takes certain similar actions, we would be required to pay a termination fee of \$55 million to Windstream, as contemplated by the Merger Agreement.

These provisions could discourage a potential third-party acquiror or merger partner that might have an interest in acquiring or combining with all or a significant portion of us or pursuing an alternative transaction from considering or proposing such a transaction.

Shareholder litigation could prevent or delay the closing of our Merger with Windstream or otherwise negatively impact our business and operations.

We may incur additional costs in connection with the defense or settlement of any future shareholder lawsuits filed in connection with our proposed Merger with Windstream. Such litigation could have an adverse effect on our financial condition and results of operations and could prevent or delay the consummation of our Merger with Windstream.

If our Merger with Windstream is completed, Uniti shareholders may recognize taxable gain or loss for U.S. federal income tax purposes as a result of the transaction, and be liable for tax with respect to any such gain, even though they will not receive any cash in the transaction.

Based on the transaction structure set forth in the Merger Agreement, it is expected that the receipt of the New Uniti shares by our shareholders in exchange for their Uniti shares pursuant to the Merger will be a taxable transaction for U.S. federal income tax purposes, in which case a Uniti shareholder that is a U.S. person (determined for U.S. federal income tax purposes) generally will recognize a gain or loss for U.S. federal income tax purposes in an amount equal to the difference, if any, between (a) the fair market value of the shares of New Uniti received by such shareholder in the Merger and the amount of cash received in lieu of fractional shares of New Uniti shares and (b) such shareholder's adjusted tax basis in the Uniti shares surrendered in the Merger. Uniti shareholders may be liable for U.S. federal, state and/or local income taxes with respect to any such gain recognized on the transaction, even though they will not receive any cash in the transaction.

The Merger Agreement provides that we have the right, subject to certain terms and conditions, to elect to effect the Merger using, in lieu of the transaction structure set forth in the Merger Agreement, an alternative transaction structure intended to cause the Merger to qualify as a tax-free reorganization within the meaning of Section 368(a) of the Code. There can be no assurance that we will seek to exercise our rights under the Merger Agreement to effect the Merger using an alternative transaction structure. In addition, no assurance can be given that there will exist an alternative transaction structure that would comply with the limitations on our rights to elect to effect the Merger using an alternative transaction structure, or that the Merger would then qualify as a tax-free reorganization within the meaning of Section 368(a) of the Code, and there can therefore be no assurance that we will be able to effect the Merger using an alternative transaction structure. If we elect to exercise such right to effect the alternative transaction structure, we expect that the Merger will qualify as a reorganization under Section 368(a) of the Code, in which case the U.S. federal income tax consequences of the Merger to our shareholders would differ from those that would apply if the Merger were treated as a taxable transaction, including that our shareholders would generally not be permitted to recognize any loss realized on the exchange of our common stock for the common stock of New Uniti in the Merger.

Our Merger with Windstream is subject to the receipt of required approvals, consents and clearances from regulatory authorities, which if delayed or not granted or granted with unacceptable conditions, may prevent, delay or jeopardize the consummation of our Merger with Windstream, result in additional expenditures of money and resources and/or reduce the anticipated benefits of our Merger with Windstream.

Our Merger with Windstream is subject to customary closing conditions, including, among others, the receipt of the required approval by Uniti stockholders and the expiration or termination of applicable waiting periods under the HSR Act of 1976, the receipt of approvals from the FCC and certain state public utility commissions, and other applicable laws. The governmental authorities whose approval we need generally have broad discretion in making their decisions. We can

provide no assurance that required approvals, consents or clearances will be obtained in a timely manner or at all. Further, no assurance can be given that the required stockholder approval will be obtained or that the required closing conditions will be satisfied. If all required approvals, consents and clearances are obtained and the closing conditions are satisfied, no assurance can be given as to the terms, conditions and timing of the approvals, consents or clearances, which may impose requirements, limitations or costs or other restrictions on the conduct of the Company or the combined company following our Merger with Windstream. If the Merger Agreement is terminated because the requisite approval of Uniti stockholders is not obtained, then in certain circumstances we would be required to pay Windstream of a termination fee of \$55 million or, in other circumstances, to reimburse Windstream for certain expenses, not to exceed \$25 million.

If our Merger with Windstream is completed, the Windstream Leases will become intercompany agreements; the performance and financial condition of New Uniti will remain subject to Windstream's ability to satisfy its payment and other obligations under the Windstream Leases.

In the event our Merger with Windstream is completed, the Windstream Leases will become intercompany agreements within New Uniti and Windstream will remain obligated to make lease payments to Uniti pursuant to their terms. In the event Windstream's financial condition or performance deteriorates and Windstream is unable to satisfy its payment and other obligations under the Windstream Leases, the financial position and results of operations of the combined New Uniti could be materially and adversely affected.

Upon consummation of our Merger with Windstream, New Uniti will become an integrated telecommunications company and will be subject to additional risks associated with Windstream's business.

Upon consummation of our Merger with Windstream, New Uniti will become an integrated telecommunications company and will be subject to additional risks associated with Windstream's business, including:

- competition in Windstream's business markets, which could adversely affect New Uniti's results of operations and financial condition, including from cable television companies in Windstream's consumer markets that are subject to less stringent industry regulations, which could result in voice line and revenues losses in the future;
- rapid changes in technology could affect Windstream's ability to compete for business customers;
- in certain operating territories and/or at certain locations, Windstream is dependent on other carriers to provide facilities that Windstream uses to provide service to its customers;
- disruptions and congestion in Windstream's networks and infrastructure may cause it to lose customers and incur additional expenses;
- continuous increases in broadband usage may cause network capacity limitations, resulting in service disruptions or reduced capacity for customers;
- Windstream is subject to various forms of regulation from the FCC and state regulatory commissions in the states in which it operates, which limit its pricing flexibility for regulated voice and high-speed Internet products, subject it to service quality, service reporting and other obligations and expose it to the reduction of revenue from changes to the USF program, the inter-carrier compensation system, or access to interconnection with competitors' facilities;
- Windstream's operations require substantial capital expenditures, and if funds for capital expenditures are not available when needed, this could affect its service to customers and its growth opportunities;
- the level of returns on Windstream's pension plan investments and changes to the actuarial assumptions used to value its pension obligations could have a material effect on its earnings and result in material funding requirements to meet its pension obligations;
- new technologies may affect Windstream's ability to compete in its consumer markets;
- Windstream receives revenues from state and federal USF program, and any material adverse regulatory developments with respect to these funds could adversely affect our financial and operating condition;
- Windstream's relationships with other communications companies are material to its operations and their financial difficulties may adversely affect Windstream; and

- key suppliers of Windstream may experience financial difficulties that may affect New Uniti's operations.

Risks Related to our Business

We are dependent on Windstream to make payments to us under the Windstream Leases, and an event that materially and adversely affects Windstream's business, financial position or results of operations could materially and adversely affect our business, financial position or results of operations.

Windstream is the lessee of the Distribution Systems pursuant to the Windstream Leases and, therefore, is presently the source of a substantial portion of our revenues. If our Merger with Windstream is not completed, there can be no assurance that Windstream will have sufficient assets, income and access to financing to enable it to satisfy its payment and other obligations under the Windstream Leases. In recent years, Windstream has experienced annual declines in its total revenue, sales and cash flow and has undergone a restructuring under Chapter 11 of the U.S. Bankruptcy Code.

The inability or unwillingness of Windstream to meet its rent obligations under the Windstream Leases could materially adversely affect our business, financial position or results of operations, including our ability to pay dividends to our stockholders as required to maintain our status as a REIT. The inability of Windstream to satisfy its other obligations under the Windstream Leases, such as the payment of insurance, taxes and utilities, could materially and adversely affect the condition of the Distribution Systems as well as the business, financial position and results of operations of Windstream. In addition, Windstream will be dependent on distributions from its subsidiaries in order to satisfy the payment obligations under the Windstream Leases, as such, if its subsidiaries were to experience a material and adverse effect on their business, financial position or results of operations, our business, financial position or results of operations could also be materially and adversely affected.

Failure by Windstream to comply with the terms of the Windstream Leases or to comply with the regulations to which the Distribution Systems are subject could require us to find another lessee for such Distribution Systems, or a portion thereof, and there could be a decrease or cessation of rental payments by Windstream.

There is no assurance that we would be able to lease the Distribution Systems to another lessee on substantially equivalent or better terms than the Windstream Leases, or at all, successfully reposition the Distribution Systems for other uses or sell the Distribution Systems on terms that are favorable to us. It may be more difficult to find a replacement tenant for a telecommunications property than it would be to find a replacement tenant for a general commercial property due to the specialized nature of the business. Even if we are able to find a suitable replacement tenant for the Distribution Systems, transfers of operations of communication distribution systems are subject to regulatory approvals not required for transfers of other types of commercial operations, which may affect our ability to successfully transition the Distribution Systems.

We may be unable to renew the Windstream Leases on commercially attractive terms or at all.

The initial term of the Windstream Leases expires on April 30, 2030. If our Merger with Windstream is not completed, there can be no assurance that Windstream will renew the Windstream Leases upon their expiration. See "Significant Business Developments—Our Proposed Merger with Windstream" in Part II, Item 7 "Management's Discussion and Analysis of Financial Condition and Results of Operations" of this Annual Report on Form 10-K for more information about our proposed Merger with Windstream.

If our Merger with Windstream is not completed and Windstream elects to renew the Windstream Leases, we and Windstream will need to reach a mutual agreement on the rent for the renewal term. The Windstream Leases require that the renewal rent be "Fair Market Rent," and if we and Windstream are unable to agree on that amount, the renewal Fair Market Rent will be determined by an independent appraisal process. If the current rent payable by Windstream exceeds the Fair Market Rent at the time of renewal, then the renewal term rent will be lower than the current rent payable by Windstream. We are confident that any renewal established through this process will be at a rate reflecting fair value as required by the terms of the Windstream Leases and should be at an amount that will at least approximate current rent amounts, but we can provide no assurance as to the outcome of any negotiation or appraisal process. Any significant decrease in the renewal rent of the Windstream Leases could have a material adverse effect on our results of operations, financial condition and future prospects.

Our level of indebtedness could materially and adversely affect our financial position, including reducing funds available for other business purposes and reducing our operational flexibility.

As of December 31, 2024, we had outstanding long-term indebtedness of approximately \$5.86 billion, consisting of senior notes, the ABS Loan Facility (as defined herein) and a revolving credit facility provided by a syndicate of banks and other financial institutions, which, as of December 31, 2024, provided for an aggregate committed amount of borrowings up to \$500 million. Additionally, on February 3, 2025, we issued \$589.0 million of ABS Notes (as defined herein) and used a

portion of the net proceeds to repay in full the outstanding borrowings under the ABS Loan Agreement (as defined herein) and to fund the partial redemption of \$125.0 million aggregate principal amount of our 10.50% senior secured notes due 2028 at 103% on February 14, 2025. We intend to use the remainder of the net proceeds for general corporate purposes, which may include success-based capital investments. See “Significant Business Developments—Asset-Backed Notes & Bridge Loan Facility” in Part II, Item 7 “Management’s Discussion and Analysis of Financial Condition and Results of Operations” of this Annual Report on Form 10-K for more information. Subject to the restrictions set forth in our debt agreements, our board of directors may establish and change our leverage policy at any time without stockholder approval. Any significant additional indebtedness could require a substantial portion of our cash flow to make interest and principal payments due on our indebtedness. Greater demands on our cash resources may reduce funds available to us to pay dividends, make capital expenditures and acquisitions, or carry out other aspects of our business strategy. Increased indebtedness can also limit our ability to adjust rapidly to changing market conditions, make us more vulnerable to general adverse economic and industry conditions and create competitive disadvantages for us compared to other companies with relatively lower debt levels. Increased future debt service obligations may limit our operational flexibility, including our ability to acquire assets, finance or refinance our assets or sell assets as needed, and our ability to pay dividends.

Following the closing of the Merger, New Uniti may, but is not required to, consummate a Post-Closing Reorganization (as defined below), which would combine Uniti’s and Windstream’s debt into a single silo capital structure with a common parent entity. Prior to completing the Post-Closing Reorganization, each of Uniti’s and Windstream’s legacy indebtedness will remain separate within its respective organizational structure, with no cross-guarantees or credit support between legacy Uniti or Windstream. Each of Uniti’s and Windstream’s indebtedness contain restrictive covenants that impose significant restrictions on the ability of Uniti and Windstream to operate together, other than on an arm’s-length basis in accordance with the terms of such indebtedness. As a result, we may have significant restrictions on our ability to transfer assets, or otherwise enter into non-arm’s length transactions, between the Uniti and Windstream organizational structures. If the Post-Closing Reorganization is not completed, such restrictions will continue to govern the terms of each of Uniti’s and Windstream’s respective indebtedness. Such indebtedness also contains restrictive covenants that impose significant restrictions on the ability to pay dividends and make other distributions from each of Uniti and Windstream to New Uniti. As a result of these covenants, we may be limited in the manner in which we conduct our business, and we may be constrained in our ability to pay dividends or unable to engage in favorable business activities or finance future operations or capital needs. If the Post-Closing Reorganization is completed, certain of the existing agreements and arrangements presently in effect between Uniti and Windstream (such as the Windstream Leases and the 2020 settlement agreement, which requires Uniti to fund periodic settlement payments and reimburse Windstream for certain Growth Capital Improvements (as defined below)) could be (but are not required to be) terminated.

Further, any significant additional indebtedness that New Uniti may incur could require a substantial portion of cash flow to make interest and principal payments due on such indebtedness, limiting the ability to borrow additional amounts for working capital, capital expenditures or debt services requirements to execute the go-forward business strategy or other purposes. Greater demands on cash resources may reduce funds available to New Uniti to make capital expenditures and acquisitions or carry out other aspects of the business strategy. Increased indebtedness can also (i) limit our ability to adjust rapidly to changing market conditions, (ii) make New Uniti more vulnerable to general adverse economic and industry conditions, (iii) create competitive disadvantages compared to other companies with relatively lower debt levels, (iv) expose New Uniti to increased interest rate risk to the extent that our debt obligations are subject to variable interests rates or if New Uniti needs to refinance existing debt that bears interest at a rate lower than current market rates, (v) adversely affect customers, vendors, employees or creditors’ perception of New Uniti and (vi) increase the risk that New Uniti may not meet the financial or non-financial covenants contained in debt agreements or timely make all required debt payments, either of which could result in the acceleration of some or all of our outstanding indebtedness.

We anticipate that we will have sufficient access to liquidity to fund our cash needs; if we are unable to do so, we would need to reduce our spending and it could have an adverse effect on us.

We anticipate continuing to invest in our network infrastructure across our Uniti Leasing and Uniti Fiber portfolios. We anticipate that we will partially finance these needs, together with operating expenses (including our debt service obligations) from our cash on hand and cash flows provided by operating activities. We also expect the need to raise capital to fund the cash consideration in the proposed merger with Windstream, as well as obligations to Windstream, including (i) \$490.1 million of settlement payments payable over time (of which \$73.5 million remains to be paid as of December 31, 2024) and (ii) an aggregate of up to \$1.75 billion for certain growth capital improvements (of which \$725.0 million remains to be paid as of December 31, 2024) in long-term value accretive fiber and related assets made by Windstream (or other applicable tenant) to certain ILEC and CLEC properties (the “Growth Capital Improvements”) subject to the Windstream Leases (although such investments will lead to higher rent payments). However, we may need to access the capital markets to generate additional funds in an amount sufficient to fund our business operations, announced investment activities, capital expenditures, debt service and distributions to our shareholders. We are closely monitoring the equity and debt markets and will seek to access them promptly when we determine market conditions are appropriate. The amount, nature and timing of any capital markets transactions will depend on: our operating performance and other circumstances;

our then-current commitments and obligations; the amount, nature and timing of our capital requirements; any limitations imposed by our current credit arrangements; and overall market conditions. These expectations are forward-looking and subject to a number of uncertainties and assumptions. If our expectations about our liquidity prove to be incorrect or we are unable to access the capital markets as we anticipate, we would be subject to a shortfall in liquidity in the future which could lead to a reduction in our capital expenditures and/or dividends and, in an extreme case, our ability to pay our debt service obligations. If this shortfall occurs rapidly and with little or no notice, it could limit our ability to address the shortfall on a timely basis.

We intend to pursue acquisitions and seek other strategic opportunities, which may result in the use of a significant amount of management resources or significant costs, and we may not fully realize the potential benefits of such transactions.

We intend to pursue acquisitions and seek other strategic opportunities. Accordingly, we currently are, and expect in the future to be, engaged in evaluating potential transactions and other strategic alternatives. Although there is uncertainty that any of these discussions will result in definitive agreements or the completion of any transaction, we may devote a significant amount of our management resources to such a transaction, which could negatively impact our operations. We may incur significant costs in connection with seeking acquisitions or other strategic opportunities regardless of whether the transaction is completed. In the event that we consummate an acquisition or strategic alternative in the future, there is no assurance that we would fully realize the potential benefits of such a transaction. Integration may be difficult and unpredictable, and acquisition-related integration costs, including certain non-recurring charges, could materially and adversely affect our results of operations. Moreover, integrating assets and businesses may significantly burden management and internal resources, including the potential loss or unavailability of key personnel. If we fail to successfully integrate the assets and businesses we acquire, we may not fully realize the potential benefits we expect, and our operating results could be adversely affected.

We are dependent on the communications industry and may be susceptible to the risks associated with it, which could materially adversely affect our business, financial position or results of operations.

As the owner, lessor and provider of communications services and distribution systems serving the communications industry, we are impacted by the risks associated with the communications industry. Therefore, our success is and, following the successful completion of our potential Merger with Windstream, will remain dependent on the communications industry, which could be adversely affected by economic conditions in general, changes in consumer trends and preferences, changes in communications technology designed to enhance the efficiency of communications distribution systems (including lit fiber networks and wireless equipment), and other factors over which we and our tenants have no control. As we are subject to risks inherent in substantial investments in a single industry, a decrease in the communications business or development and implementation of any such new technologies would likely have an adverse effect on our revenues.

Our business is subject to government regulations and changes in current or future laws, regulations or rules could restrict our ability to operate our business in the manner currently contemplated.

Our business, and that of our tenants, is subject to federal, state and local regulation. In certain jurisdictions these regulations could be applied or enforced retroactively. Local zoning authorities and community organizations are often opposed to construction in their communities and these regulations can delay, prevent or increase the cost of new distribution system construction and modifications, thereby limiting our ability to respond to customer demands and requirements. Existing regulatory policies may materially and adversely affect the associated timing or cost of such projects and additional regulations (including, but not limited to, regulations related to public health and safety matters similar to ones adopted in recent years to prevent the spread of COVID-19, like travel restrictions, stay at home policies, temporary business closures, social distancing and vaccination requirements) may be adopted which increase delays or result in additional costs to us, or that prevent such projects in certain locations. These factors could materially and adversely affect our business, results of operations or financial condition. For more information regarding the regulations we are subject to, please see the section entitled “Business—Government Regulation, Licensing and Enforcement.”

Any further impairment of our goodwill would negatively impact our financial condition.

Goodwill represents the excess of cost over the fair value of net assets acquired in business combinations. Impairment may result from significant changes in the manner of use of the acquired assets, negative industry or economic trends and/or any changes in the key assumptions regarding our fair value. The extent to which the fair value of net assets acquired in business combinations is ultimately impacted will depend on numerous evolving factors that are presently uncertain and which we may not be able to predict. Although we assess potential impairment of our goodwill on an annual basis, negative industry or economic trends and/or any changes in key assumptions regarding our fair value may cause us to perform an interim analysis of our goodwill and cause us to report an impairment charge in the future, which could have a significant

adverse impact on our reported earnings. At December 31, 2024, we had \$157.4 million of goodwill on our consolidated balance sheet after recognizing a \$204.0 million goodwill impairment charge for the Uniti Fiber reporting unit during the year ended December 31, 2023. For a discussion of our goodwill impairment testing, see [Note 3](#) to our consolidated financial statements in Part II, Item 8 “Financial Statements and Supplementary Data” and “Critical Accounting Estimates—Goodwill” in Part II, Item 7 “Management’s Discussion and Analysis of Financial Condition and Results of Operations” of this Annual Report on Form 10-K.

We or our tenants may experience uninsured or underinsured losses, which could result in a significant loss of the capital we have invested in a property, decrease anticipated future revenues or cause us to incur unanticipated expenses.

The Windstream Leases require, and we expect that additional lease agreements that we enter into will require, that the tenant maintain comprehensive insurance and hazard insurance or self-insure its insurance obligations. However, there are certain types of losses, generally of a catastrophic nature, such as earthquakes, hurricanes and floods that may be uninsurable or not economically insurable. Insurance coverage may not be sufficient to pay the full current market value or current replacement cost of a loss. Inflation, changes in ordinances, environmental considerations, and other factors also might make it infeasible to use insurance proceeds to replace the property after such property has been damaged or destroyed. Under such circumstances, the insurance proceeds received might not be adequate to restore the economic position with respect to such property.

In addition, even if damage to our properties is covered by insurance, a disruption of business caused by a casualty event may result in loss of revenue for our tenants or us. Any business interruption insurance may not fully compensate them or us for such loss of revenue. If one of our tenants experiences such a loss, it may be unable to satisfy its payment obligations to us under its lease with us.

We rely on information technology in our operations, and any material failure, inadequacy, interruption or security failure of that technology could harm our business.

We rely on information technology networks and systems, including the internet, to process, transmit and store electronic information and to manage or support a variety of our business processes, including financial transactions and maintenance of records. We rely on commercially available systems, software, tools and monitoring to provide security for processing, transmitting and storing confidential information. Although we have taken steps to protect the security of the data maintained in our information systems, it is possible that our security measures will not be able to prevent the systems’ improper functioning, or the improper disclosure of information in the event of cyber-attacks. Physical or electronic break-ins, computer viruses, attacks by hackers and similar security breaches, can create system disruptions, shutdowns or unauthorized disclosure of confidential information. Any failure to maintain proper function, security and availability of our information systems could interrupt our operations, damage our reputation, subject us to liability claims or regulatory penalties and could materially and adversely affect us.

Additionally, many of our employees may be working remotely from their homes, which could have the effect of exacerbating any of the foregoing risks. While we have taken steps to ensure the security of our data and to prevent security breaches, many of these measures are being deployed for the first time on a widespread and sustained basis, and there is no guarantee the data security and privacy safeguards we have put in place will be completely effective or that we will not encounter some of the common risks associated with employees accessing Company data and systems remotely. As a result, we may be required to expend significant capital and other resources to protect against security breaches or to alleviate problems caused by security breaches.

Any failure of our physical infrastructure or services could lead to significant costs and disruptions.

Windstream’s and the Company’s businesses depend on providing customers with highly reliable service. The services provided are subject to failure resulting from numerous factors, including human error, power loss, improper maintenance, physical or electronic security breaches, fire, earthquake, hurricane, flood and other natural disasters, water damage, the effect of war, terrorism and any related conflicts or similar events worldwide, and sabotage and vandalism. Problems within our networks or facilities, whether within our control or the control of third-party providers, could result in service interruptions or equipment damage. We may not be able to efficiently upgrade or change our networks or facilities to meet new demands without incurring significant costs that we may not be able to pass on to customers. Given the service guarantees that may be included in Windstream’s or the Company’s agreements with customers, such disruptions could result in customer credits; however, we cannot assume that customers will accept these credits as compensation in the future, and we may face additional liability or loss of customers.

Unforeseen events could adversely affect our operations, business, and reputation.

We could be negatively impacted by unforeseen events, such as extreme weather events, natural disasters (including as a result of any potential effects of climate change), acts of vandalism or terrorism, or outbreak of highly infectious or contagious diseases. For example, the COVID-19 pandemic negatively impacted the global economy, disrupted global supply chains and created significant volatility and disruption of financial markets, and another pandemic or other unforeseen event in the future could do the same. Also, there is increasing concern that global climate change is occurring and could result in increased frequency of certain types of natural disasters and extreme weather events. We cannot predict with certainty the rate at which climate change is occurring or the potential direct or indirect impacts of climate change to our business. Any such unforeseen events could, among other things, damage or delay deployment of our communication infrastructure, interrupt or delay service to our tenants or could result in legal claims or penalties, disruption in operations, damage to our reputation, negative market perception, or costly response measures, which could adversely affect our business.

Although our businesses are considered essential, an unforeseen event, such as the COVID-19 pandemic or a future pandemic, could have material and adverse effects on our ability to successfully operate and on our financial condition, results of operations and cash flows due to, among other factors: significant disruptions or delays in our operations or network performance; increases in operating costs, inventory shortages and/or a decrease in productivity; delays in permitting activities due to the shutdown of local permitting authorities; a deterioration in our ability to operate in affected areas or delays in the supply of products or services; the impact on our contracts with customers and suppliers, including potential disputes over force majeure events; adverse impact on the timing of installs in our enterprise and wholesale customer segments at Uniti Fiber; a general reduction in business and economic activity; difficulty accessing debt and equity capital on attractive terms, or at all; our access to capital may be restricted; and the potential negative impact on the health and well-being of our personnel. We have implemented policies and procedures designed to mitigate the risk of adverse impacts of unforeseen events on our operations, but we may incur additional costs to ensure continuity of business operations caused by these events, which could adversely affect our financial condition and results of operations. However, the extent of such impacts will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of an unforeseen event and actions taken to contain it or its impact, among others.

Risks Related to the Status of Uniti as a REIT

If we failed to qualify as a REIT for those years for which we have elected REIT status or cease to qualify as a REIT in connection with our Merger with Windstream, we will be subject to U.S. federal income tax as a regular corporation and could face a substantial tax liability, which could reduce the amount of cash available for distribution to our stockholders and to service debt.

We currently operate as a REIT for U.S. federal income tax purposes, as does one of our principal operating subsidiaries. Our qualification as a REIT will depend on our satisfaction of certain highly technical and complex asset, income, organizational, distribution, stockholder ownership and other requirements, including at the level of our subsidiary REIT, on a continuing basis. Our ability to satisfy the asset tests depends upon our analysis of the characterization and fair market values of our assets, some of which are not susceptible to a precise determination and for which we may not obtain independent appraisals.

If we or our subsidiary REIT were to fail to qualify as a REIT in any taxable year, unless certain relief provisions apply, we would be subject to U.S. federal income tax on all of our taxable income at regular corporate rates and dividends paid to our stockholders would not be deductible by us in computing our taxable income. As a result, we would no longer be required to pay dividends in order to qualify to be taxed as a REIT, and we could decide to reduce the amount of dividends we pay to our stockholders. Any resulting corporate liability could be substantial and could reduce the amount of cash available for distribution to our stockholders, which in turn could have an adverse impact on the value of our common stock and to service debt. Unless we were entitled to relief under certain Code provisions, we also would be disqualified from re-electing to be taxed as a REIT for the four taxable years following the year in which we failed to qualify as a REIT.

We are subject to the statutory requirements of the locations in which we conduct business, and state and local income taxes are accrued as deemed required in the best judgment of management based on analysis and interpretation of respective tax laws.

It is expected that, following consummation of the Merger, Uniti will cease to be a REIT, and New Uniti would not qualify as a REIT, in which case we will be subject to U.S. federal income taxation after the Merger in the manner described above. See “Significant Business Developments—Our Proposed Merger with Windstream” in Part II, Item 7 “Management’s Discussion and Analysis of Financial Condition and Results of Operations” of this Annual Report on Form 10-K for more information about our proposed Merger with Windstream.

Legislative or other actions affecting REITs could have a negative effect on us

The rules dealing with federal income taxation are constantly under review by persons involved in the legislative process and by the IRS and the U.S. Department of the Treasury (“Treasury”). Changes to the tax laws affecting REITs or TRSs, which may have retroactive application, could adversely affect our stockholders or us. We cannot predict how changes in the tax laws might affect our stockholders or us. Accordingly, we cannot provide assurance that new legislation, Treasury regulations, administrative interpretations or court decisions will not significantly affect our ability to remain qualified as a REIT, the federal income tax consequences of such qualification, the determination of the amount of REIT taxable income or the amount of tax paid by our TRSs.

We could fail to qualify as a REIT if income we receive from lease transactions, such as income from Windstream pursuant to the Windstream Leases, is not treated as qualifying income

Under applicable provisions of the Code, we will not be treated as a REIT unless we satisfy various requirements, including requirements relating to the sources of our gross income. Rents received or accrued by us from Windstream or other lessees will not be treated as qualifying rent for purposes of these requirements if the relevant lease is not respected as a “true lease” for U.S. federal income tax purposes and is instead treated as a service contract, joint venture or some other type of arrangement. If any of our leases, including the Windstream Leases, are not respected as a true lease for U.S. federal income tax purposes, we may fail to qualify as a REIT.

It is expected that, following consummation of the Merger, Uniti will cease to be a REIT and New Uniti would not qualify as a REIT. See “Significant Business Developments—Our Proposed Merger with Windstream” in Part II, Item 7 “Management’s Discussion and Analysis of Financial Condition and Results of Operations” of this Annual Report on Form 10-K for more information about our proposed Merger with Windstream.

REIT distribution requirements could adversely affect our ability to execute our business plan

To qualify as a REIT, we must generally distribute annually at least 90% of our REIT taxable income, determined without regard to the dividends paid deduction and excluding any net capital gains, for the U.S. federal corporate income tax not to apply to earnings that we distribute (assuming that certain other requirements are also satisfied). To the extent that we satisfy this distribution requirement and qualify for taxation as a REIT but distribute less than 100% of our REIT taxable income, determined without regard to the dividends paid deduction and including any net capital gains, we will be subject to U.S. federal corporate income tax on our undistributed net taxable income. In addition, we will be subject to a 4% nondeductible excise tax if the actual amount that we distribute to our stockholders in a calendar year is less than a minimum amount specified for REITs under U.S. federal income tax laws. The same rules apply to our REIT subsidiary. Prior to the completion of our Merger with Windstream, we currently intend to make distributions to our stockholders, and to cause our REIT subsidiary to make distributions, to comply with the REIT requirements of the Code.

Our FFO is currently generated largely by rents paid under the Windstream Leases. From time to time, we may generate taxable income greater than our cash flow as a result of differences in timing between the recognition of taxable income and the actual receipt of cash or the effect of nondeductible capital expenditures, the creation of reserves or required debt or amortization payments. If we do not have other funds available in these situations, we could be required to borrow funds on unfavorable terms, sell assets at disadvantageous prices or distribute amounts that would otherwise be invested in future acquisitions in order to make distributions sufficient to enable us to pay out enough of our taxable income to satisfy the REIT distribution requirement and to avoid corporate income tax and the 4% excise tax in a particular year. These alternatives could increase our costs or reduce our equity. Thus, compliance with the REIT requirements may hinder our ability to grow, which could adversely affect the value of our common stock and decrease cash available to service debt.

A deterioration in Windstream’s financial condition could adversely affect our ability to continue to qualify as a REIT

In addition to satisfying the distribution requirement described above in the immediately preceding risk factor, we and our subsidiary REIT must each satisfy a number of other requirements in order to qualify as a REIT. If our Merger with Windstream is not completed, a deterioration in Windstream’s financial condition could adversely affect our ability to satisfy several of these requirements and thus our ability to continue to qualify as a REIT.

For example, in order to qualify as a REIT for any year, at the end of each calendar quarter, at least 75% of the value of our assets must consist of cash, cash items, government securities and “real estate assets” (as defined in the Code), and no more than 20% of the value of our total assets can be represented by securities (other than qualified real estate assets) of one or more TRSs. If we fail to comply with either of these requirements at the end of any calendar quarter, we must correct the failure within 30 days after the end of the calendar quarter or qualify for certain statutory relief provisions to avoid losing our REIT qualification. These same rules apply to our REIT subsidiary. Our ability to satisfy these requirements depends in substantial part on the value of the assets that are the subject of the Windstream Leases with Windstream, and any diminution in the value of such assets, including as a result of any diminution in the implied value of the Windstream

Leases as a result of changes in the financial condition or creditworthiness of Windstream or Windstream's inability or unwillingness to meet its rent and other obligations under the Windstream Leases, could adversely affect our ability to satisfy these requirements at the end of any calendar quarter, and there can be no assurance that we would be able to timely correct any such failure or otherwise qualify for any statutory relief provision. See "—Risks Related to Our Business—We are dependent on Windstream Holdings to make payments to us under the Windstream Leases, and an event that materially and adversely affects Windstream's business, financial position or results of operations could materially and adversely affect our business, financial position or results of operations." In addition, under applicable provisions of the Code, we will not be treated as a REIT for any year unless we satisfy various requirements, including requirements relating to the sources of our gross income in such year. These same rules apply to our REIT subsidiary. Our ability to satisfy these gross income tests depends in substantial part on our receipt of rents paid under the Windstream Leases. Windstream's inability or unwillingness to meet its rent and other obligations under the Windstream Leases, or any suspension, delay or other reduction in the amount of rent that we receive under the Windstream Leases could adversely affect our ability to qualify as a REIT.

It is expected that, following consummation of the Merger, Uniti will cease to be a REIT and New Uniti would not qualify as a REIT. See "Significant Business Developments—Our Proposed Merger with Windstream" in Part II, Item 7 "Management's Discussion and Analysis of Financial Condition and Results of Operations" of this Annual Report on Form 10-K for more information about our proposed Merger with Windstream.

Even if we remain qualified as a REIT, we may face other tax liabilities that reduce our cash flow

Even if we remain qualified for taxation as a REIT prior to the completion of our Merger with Windstream, we may be subject to certain U.S. federal, state and local taxes on our income and assets, including taxes on any undistributed income and state or local income, property and transfer taxes. For example, we hold some of our assets and conduct certain of our activities through a TRS that is subject to U.S. federal, state and local corporate-level income taxes as a regular C corporation. In addition, we may incur a 100% excise tax on transactions with a TRS if they are not conducted on an arm's-length basis. Any of these taxes could decrease cash available for distribution to our stockholders and servicing our debt.

Complying with the REIT requirements may cause us to forego otherwise attractive acquisition opportunities

To qualify as a REIT for U.S. federal income tax purposes, we must ensure that, at the end of each calendar quarter, at least 75% of the value of our assets consists of cash, cash items, government securities and "real estate assets" (as defined in the Code). The remainder of our investments (other than government securities, qualified real estate assets and securities issued by a TRS) generally cannot include more than 10% of the outstanding voting securities of any one issuer or more than 10% of the total value of the outstanding securities of any one issuer. In addition, in general, no more than 5% of the value of our total assets (other than government securities, qualified real estate assets and securities issued by a TRS) can consist of the securities of any one issuer, no more than 20% of the value of our total assets can be represented by securities (other than qualified real estate assets) of one or more TRSs, and no more than 25% of the value of our total assets can be represented by nonqualified publicly offered REIT debt instruments (as defined in the Code). If we fail to comply with these requirements at the end of any calendar quarter, we must correct the failure within 30 days after the end of the calendar quarter or qualify for certain statutory relief provisions to avoid losing our REIT qualification and suffering adverse tax consequences. As a result of such asset limitations, we may be required to forego otherwise attractive investments. These actions could have the effect of reducing our income and amounts available for distribution to our stockholders and servicing our debt.

Risks Related to Our Common Stock

We cannot guarantee our ability to pay dividends in the future (including if our Merger with Windstream is consummated), and we could elect to pay dividends substantially in the form of additional shares of our common stock.

To qualify as a REIT, our annual dividend must not be less than 90% of our REIT taxable income on an annual basis, determined without regard to the dividends paid deduction and excluding any net capital gains. Our ability to pay dividends may be adversely affected by a number of factors, including the risk factors herein. Dividends will be authorized by our board of directors and declared by us based upon a number of factors, including actual results of operations, restrictions under Maryland law or applicable debt covenants, our financial condition, our taxable income, the annual distribution requirements under the REIT provisions of the Code, our operating expenses and other factors our directors deem relevant.

We cannot ensure that we will achieve investment results that will allow us to make a specified level of cash dividends or year-to-year increases in cash dividends in the future. Accordingly, because we are required to make distributions in certain amounts to our shareholders in order to maintain our REIT status and avoid incurring entity-level income and excise tax, we may elect to pay one or more dividends to our shareholders substantially in the form of additional shares of common

stock. If we do so, the common stock that we distribute would be taxable dividend income to our shareholders, in whole or in part, based on the fair market value of our common stock at the time the dividend is paid.

Under the Merger Agreement with Windstream, we have agreed to suspend dividend payments or other distributions until the consummation of the Merger, except for the dividend paid on June 28, 2024 and those dividends reasonably required for us or our subsidiaries to maintain its status as a REIT or to avoid the payment or imposition of income or excise tax, among other customary exceptions. Dividend payments are not guaranteed, and our Board of Directors may decide, in its absolute discretion, at any time and for any reason, not to pay dividends or to change the amount paid as dividends.

Furthermore, while we are currently required to pay dividends in order to maintain our REIT status, if our potential Merger with Windstream is successfully completed, we expect to cease to qualify as a REIT and New Uniti would not qualify as a REIT, in which case we (and New Uniti after the Merger) would no longer be required to pay such dividends. Moreover, even if we do maintain our REIT status, after completing various procedural steps, we may elect to comply with the applicable distribution requirements by distributing, under certain circumstances, shares of our common stock in lieu of cash, which may result in holders of our common stock incurring tax liability without the receipt of a corresponding amount of cash. If we elect not to maintain our REIT status or to satisfy any required distributions in shares of common stock in lieu of cash, such action could negatively affect our business and financial condition as well as the market price of our common stock. No assurance can be given that we will pay any dividends on shares of our common stock in the future.

The market price and trading volume of our common stock may fluctuate widely

We cannot predict the prices at which our common stock may trade. The market price of our common stock has fluctuated significantly since February 15, 2019 and may continue to fluctuate significantly, depending upon many factors, including the success of our Merger with Windstream, some of which may be beyond our control.

Our charter restricts the ownership and transfer of our outstanding stock, which may have the effect of delaying, deferring or preventing a transaction or change of control of our company

In order for us to qualify as a REIT, not more than 50% in value of our outstanding shares of stock may be owned, beneficially or constructively, by five or fewer individuals at any time during the last half of each taxable year after the first year for which we elect to be taxed and qualify as a REIT. Additionally, at least 100 persons must beneficially own our stock during at least 335 days of a taxable year (other than the first taxable year for which we elect to be taxed and qualify as a REIT). Our charter, with certain exceptions, authorizes our board of directors to take such actions as are necessary or advisable to preserve our qualification as a REIT. Our charter also provides that, unless exempted by the board of directors, no person may own more than 9.8% in value or in number, whichever is more restrictive, of the outstanding shares of our common stock or more than 9.8% in value of the aggregate of the outstanding shares of all classes and series of our stock. The constructive ownership rules are complex and may cause shares of stock owned directly or constructively by a group of related individuals or entities to be constructively owned by one individual or entity. These ownership limits could delay or prevent a transaction or a change in control of us that might involve a premium price for shares of our stock or otherwise be in the best interests of our stockholders.

Item 1B. Unresolved Staff Comments.

None.

Item 1C. Cybersecurity

Risk Management and Strategy

The Company has established an information security program to assess, identify and manage material risks from cybersecurity threats, which is an integral part of the Company's overall enterprise risk management program. This program is established at the executive level, with regular reporting to, and oversight by, the Company's Board as described below.

As part of the Company's information security program, the Company maintains written policies and procedures, such as the Information Security Policy and Company's Incident Response Plan, which identify how cybersecurity measures and controls are developed, implemented, and regularly reviewed and updated. The Company's Information Security Policy identifies security controls, appropriate use, and user responsibilities for the organization that are in place to identify and manage the risk of a cybersecurity incident.

The Company has implemented a set of controls to manage information risk, utilizing controls from multiple security frameworks, specifically ISO 27001, and the Payment Card Industry Data Security Standard (PCI-DSS). The Company also conducts various internal and external information risk assessments each year, which are based on nationally accepted standards, including annual compliance required assessments, such as PCI and SOX audits, as well as ad-hoc assessments driven by emerging risks, changes in the Company's environment, or benchmark/roadmap needs. Risks identified in such assessments are considered for inclusion in the Company's risk portfolio and are then prioritized and addressed as needed through the Company's broader information security programs and policies. The risk assessment along with risk-based analysis and judgment are used to select security controls to address risks. During this process, the following factors, among others, are considered: likelihood and severity of risk, impact on the Company and others if a risk materializes, feasibility and cost of controls, and impact of controls on operations and others. Specific controls that are used to some extent include endpoint threat detection and response (EDR), identity and access management (IAM), privileged access management (PAM), logging and monitoring involving the use of security information and event management (SIEM), multi-factor authentication (MFA), firewalls and intrusion detection and prevention, encryption, and vulnerability and patch management.

Although the risks from cyber threats have not materially affected our business strategy, results of operations, or financial condition to date, we continue to closely monitor cyber risk. To protect its information and cyber assets, the Company conducts appropriate cybersecurity exercises and training. For example, employees must complete cybersecurity training at least annually, which educates our employees on the Company's policies and procedures for incident reporting, and avoiding common cybersecurity threats such as phishing attacks.

Additionally, the Company leverages third-party security firms in different capacities to implement or operate various aspects of the Company's information security program, including to conduct risk assessments, vulnerability scans, and penetration testing based on nationally accepted standards. The Company uses a variety of processes to address cybersecurity threats related to the use of third-party technology and services, such as requiring an independent assessment of the third party's information security controls where appropriate. As part of the Company's process to continuously improve its information security programs, the Company also engages third-party subject matter experts to assess and evaluate the effectiveness of various aspects of the Company's information security program.

The Company (or the third parties on which it relies) may not be able to fully, continuously, and effectively implement security controls as intended. We utilize a risk-based approach and judgment to determine the security controls to implement and it is possible we may not implement appropriate controls if we do not recognize or underestimate a particular risk. In addition, security controls, no matter how well designed or implemented, may only mitigate and not fully eliminate risks and events, when detected by security tools or third parties, may not always be immediately understood or acted upon.

Board Governance and Management

Cybersecurity risk is managed as an enterprise risk in the Company's enterprise risk management process. At the highest level, the Company's program includes multi-layered governance by management, the Audit Committee and the Board of Directors.

Ultimate responsibility for risk oversight and management generally lies with the Company's Board. To effectively manage oversight of our cybersecurity risk management practices, the Board has delegated such responsibility to the Company's Audit Committee. The Company's Chief Information Officer ("CIO") and the information security team provide reports to either the Audit Committee or the full Board on a quarterly basis on various matters, including current and emerging cybersecurity risks to the Company, internal and external assessments of the Company's information security program, and a roadmap of projects to manage its information security posture. In the event of any significant cybersecurity incidents, the Company's Incident Response Plan outlines the process to escalate communications to the Audit Committee and/or the full Board in the event of any significant cybersecurity incidents between the quarterly updates on an ad hoc basis.

At the executive and management level, the CIO has primary responsibility for the development, operation, and maintenance of the Company's information security program. The CIO has 20 years of experience in technology risk management, 12 of which have been with the Company (or its affiliates). In addition to the CIO, the Company's information security team under the direction of the CIO, implements and provides governance and functional oversight for cybersecurity controls and services. Information security processes include escalation of certain risks and incidents to the CIO and the executive team and quarterly dashboards also used to update the risk landscape.

Overall, the Company has implemented tactical processes for assessing, identifying, and managing material risks from cybersecurity threats to the company including governance at the Board level and accountability in our executive management for the execution of the Company's cyber risk management strategy and the controls designed to protect its operations. In addition, we maintain cyber insurance that is designed to protect us against certain losses related to cyber

risks, and we believe the amount and scope of this insurance are customary for similarly situated companies in the telecommunications industry. See Item 1A. "Risk Factors" for additional information regarding the Company's cybersecurity risks. Those sections of Item 1A should be read in conjunction with this Item 1C.

Item 2. Properties.

Uniti and its subsidiaries own or lease approximately 145,000 fiber network route miles, representing approximately 8.8 million fiber strand miles, approximately 231,000 route miles of copper cable lines, wireless communication towers, central office land and buildings across 44 states and beneficial rights to permits, pole agreements and easements.

Leasing Segment

Uniti Leasing's network properties include its fiber route miles and copper route miles. Below is a geographic distribution summary as of December 31, 2024:

Location	Fiber Route Miles	Copper Route Miles	Total Route Miles
GA	16,100	45,000	61,100
TX	13,900	39,100	53,000
KY	13,800	32,700	46,500
IA	9,700	31,600	41,300
OH	6,200	10,700	16,900
NC	6,000	18,000	24,000
AR	5,200	13,500	18,700
FL	3,600	8,400	12,000
IL	3,600	—	3,600
OK	2,700	12,200	14,900
IN	2,100	—	2,100
MI	2,100	—	2,100
WI	2,000	—	2,000
CA	1,800	—	1,800
MO	1,800	10,800	12,600
NM	1,800	5,200	7,000
NY	1,400	—	1,400
TN	1,400	—	1,400
AL	1,300	2,400	3,700
PA	1,300	—	1,300
VA	1,100	—	1,100
CO	1,000	—	1,000
Other ⁽¹⁾	6,800	1,300	8,100
Total	106,700	230,900	337,600

⁽¹⁾Includes 22 states.

Fiber Segment

Uniti Fiber’s network properties include its fiber route miles and wireless communications towers. Below is a geographic distribution summary of approximate fiber route miles and wireless communications towers as of December 31, 2024:

Location	Fiber Route Miles
FL	9,700
LA	7,100
GA	6,200
AL	5,500
MS	3,400
VA	1,600
NY	1,500
TX	1,200
Other ⁽¹⁾	2,200
Total	38,400

⁽¹⁾Includes 14 states.

Location	Towers
LA	9
Other ⁽¹⁾	3
Total	12

⁽¹⁾Includes 3 states.

Item 3. Legal Proceedings.

A description of legal proceedings can be found in [Note 15](#) - Commitments and Contingencies to our consolidated financial statements in Part II, Item 8 “Financial Statements and Supplementary Data,” of this Annual Report on Form 10-K and is incorporated by reference into this Item 3.

Item 4. Mine Safety Disclosures.

None.

PART II

Item 5. Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Market Information

Our common stock is traded on the NASDAQ Global Select Market under the symbol “UNIT.”

Holders

As of February 14, 2025, the closing price of our common stock was \$5.82 per share as reported on the NASDAQ Global Select Market. As of February 14, 2025, we had 244,229,237 outstanding shares of common stock, and there were approximately 15,186 registered holders of record of Uniti’s common stock. A substantially greater number of holders of Uniti common stock are “street name” or beneficial holders, whose shares of record are held by banks, brokers, and other financial institutions.

Dividends (Distributions)

Distributions with respect to our common stock are characterized for federal income tax purposes as taxable ordinary dividends, capital gains dividends, non-dividend distributions or a combination thereof. It has been our policy to declare dividends to common shareholders so as to comply with the provisions of the Internal Revenue Code governing REITs.

Any dividends must be declared by our Board of Directors, which will take into account various factors including our current and anticipated operating results, our financial position, REIT requirements, conditions prevailing in the market, restrictions in our debt documents and additional factors they deem appropriate. Dividend payments are not guaranteed and our Board of Directors may decide, in its absolute discretion, at any time and for any reason, not to pay dividends or to change the amount paid as dividends.

As a result, we may be required to record a provision in our Consolidated Financial Statements for U.S. federal income taxes related to the activities of the REIT and its pass-through subsidiaries for any undistributed income. We are subject to the statutory requirements of the locations in which we conduct business, and state and local income taxes are accrued as deemed required in the best judgment of management based on analysis and interpretation of respective tax laws.

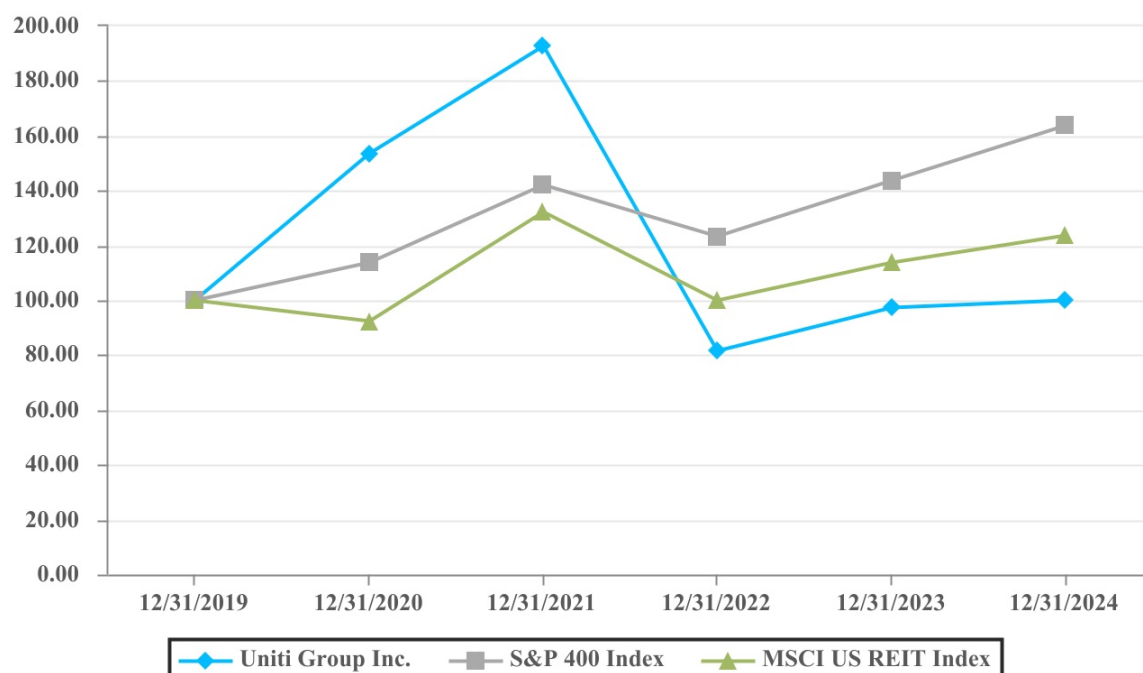
Under the Merger Agreement with Windstream, we have agreed to suspend dividend payments or other distributions until the consummation of the Merger, except for the dividend paid on June 28, 2024 and those dividends reasonably required for us or our subsidiaries to maintain its status as a REIT or to avoid the payment or imposition of income or excise tax, among other customary exceptions.

Stock Performance

The following graph shows a comparison from December 31, 2019 through December 31, 2024 on the NASDAQ Global Select Market of the cumulative total return for our common stock, the Standard & Poor's 400 Stock Index (S&P 400 Index), and the MSCI US REIT Index. The graph assumes that \$100 was invested at the market open on December 31,

2019 and that all dividends were reinvested in the common stock of Uniti, the S&P 400 Index and the MSCI US REIT Index. The stock price performance of the following graph is not necessarily indicative of future stock price performance.

Comparison of Annual Cumulative Total Return
Assumes Initial Investment of \$100



Cumulative Total Stockholder Returns
Based on Investment of \$100.00 Beginning on December 31, 2019

		12/31/2019		12/31/2020		12/31/2021		12/31/2022		12/31/2023		12/31/2024
Uniti Group Inc.	\$	100.00	\$	153.37	\$	192.70	\$	81.39	\$	97.05	\$	99.87
S&P 400 Index		100.00		113.66		141.80		123.28		143.54		163.54
MSCI US REIT Index		100.00		92.43		132.23		99.82		113.54		123.47

Issuer Purchases of Equity Securities

The table below provides information regarding shares withheld from Uniti employees to satisfy minimum statutory tax withholding obligations arising from the vesting of restricted stock granted under the Uniti Group Inc. 2015 Equity

Incentive Plan. The shares of common stock withheld to satisfy tax withholding obligations may be deemed purchases of such shares required to be disclosed pursuant to this Item 5.

Period	Total Number of Shares Purchased	Average Price Paid per Share ⁽¹⁾	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number of Shares that May Yet Be Purchased Under the Plans or Programs
October 1, 2024 to October 31, 2024	1,420	\$ 5.61	—	—
November 1, 2024 to November 30, 2024	—	—	—	—
December 1, 2024 to December 31, 2024	—	—	—	—
Total	1,420	\$ 5.61	—	—

⁽¹⁾ The average price paid per share is the weighted-average of the fair market prices at which we calculated the number of shares withheld to cover tax withholdings for the employees.

Item 6. [Reserved]

Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations.

The following management’s discussion and analysis of financial condition and results of operations describes the principal factors affecting the results of our operations, financial condition, and changes in financial condition, as well as our critical accounting estimates.

This section generally discusses 2024 and 2023 items and year-to-year comparisons between 2024 and 2023. Discussions of 2022 items and year-to-year comparisons between 2023 and 2022 that are not included in this Annual Report on Form 10-K can be found in “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in Part II, Item 7 of our Annual Report on Form 10-K for the year ended December 31, 2023 filed with the SEC on February 29, 2024, as amended by Amendment No. 1 and Amendment No. 2 thereto filed on Form 10-K/A with the SEC on March 26, 2024 and March 27, 2024, respectively (the “Annual Report”).

Overview

Company Description

Uniti is an independent, internally managed REIT engaged in the acquisition, construction and leasing of mission critical infrastructure in the communications industry. We are principally focused on acquiring and constructing fiber optic, copper and coaxial broadband networks and data centers.

On April 24, 2015, we were separated and spun-off from Windstream pursuant to which Windstream contributed certain telecommunications network assets, including the Distribution Systems and the Consumer CLEC Business to Uniti and Uniti issued common stock and indebtedness and paid cash obtained from borrowings under Uniti’s senior credit facilities to Windstream. In connection with the Spin-Off, we entered the Master Lease with Windstream, pursuant to which a substantial portion of our real property is leased to Windstream and from which a substantial portion of our leasing revenues are currently derived. In connection with Windstream’s emergence from bankruptcy, Uniti and Windstream bifurcated the Master Lease and entered into the Windstream Leases, which amended and restated the Master Lease in its entirety. The Windstream Leases consist of (a) the ILEC MLA that governs Uniti owned assets used for Windstream’s ILEC operations and (b) the CLEC MLA that governs Uniti owned assets used for Windstream’s CLEC operations.

Uniti currently operates as a REIT for U.S. federal income tax purposes. As a REIT, the Company is generally not subject to U.S. federal income taxes on income generated by its REIT operations, which includes income derived from the Windstream Leases. We have elected to treat the subsidiaries through which we operate our fiber business, Uniti Fiber, and certain aspects of our leasing business, Uniti Leasing, as TRSs. TRSs enable us to engage in activities that result in income that does not constitute qualifying income for a REIT. Our TRSs are subject to U.S. federal, state and local corporate income taxes.

The Company operates through a customary up-REIT structure, pursuant to which we hold substantially all of our assets through the Operating Partnership that we control as general partner. This structure is intended to facilitate future acquisition opportunities by providing the Company with the ability to use common units of the Operating Partnership as a tax-efficient acquisition currency. As of December 31, 2024, we are the sole general partner of the Operating Partnership and own approximately 99.99% of the partnership interests in the Operating Partnership. In addition, we have undertaken a series of transactions to permit us to hold certain assets indirectly through subsidiaries that are taxed as REITs, which may also facilitate future acquisition opportunities.

If the Merger is completed, we expect to cease to qualify as a REIT and New Uniti would not qualify as a REIT.

Segments

We manage our operations as two reportable business segments, in addition to our corporate operations:

Uniti Leasing: Represents the results of our leasing business, Uniti Leasing, which is engaged in the acquisition and construction of mission-critical communications assets and leasing them to anchor customers on either an exclusive or shared-tenant basis, in addition to the leasing of dark fiber on our existing fiber network assets that we either constructed or acquired. While the Leasing segment represents our REIT operations, certain aspects of it are also operated through TRSs.

Uniti Fiber: Represents the operations of our fiber business, which is a leading provider of infrastructure solutions, including cell site backhaul and dark fiber, to the telecommunications industry.

Corporate: Represents our corporate office and shared service functions. Certain costs and expenses, primarily related to headcount, information technology systems, insurance, professional fees and similar charges, that are directly attributable to operations of our business segments are allocated to the respective segments.

We evaluate the performance of each segment based on Adjusted EBITDA, which is a segment performance measure we define as net income determined in accordance with GAAP, before interest expense, provision for income taxes, depreciation and amortization, stock-based compensation expense and the impact, which may be recurring in nature, of transaction and integration related costs, costs associated with Windstream's bankruptcy, costs associated with litigation claims made against us, costs associated with the implementation of our enterprise resource planning system, goodwill impairment charges, severance costs, costs related to the settlement with Windstream, amortization of non-cash rights-of-use assets, the write off of unamortized deferred financing costs, costs incurred as a result of the early repayment of debt, including early tender and redemption premiums and costs associated with the termination of related hedging activities, gains or losses on dispositions, changes in the fair value of contingent consideration and financial instruments, and other similar or infrequent items (although we may not have had such charges in the periods presented). Adjusted EBITDA includes adjustments to reflect the Company's share of Adjusted EBITDA from unconsolidated entities. For more information on Adjusted EBITDA, see "Non-GAAP Financial Measures." Detailed information about our segments can be found in [Note 14](#) to our consolidated financial statements contained in Part II, Item 8 "Financial Statements and Supplementary Data."

Significant Business Developments

Amendment to Credit Agreement

On June 17, 2024, the Operating Partnership, Uniti Group Finance 2019 Inc. and CSL Capital, LLC (together the "Borrowers"), each a subsidiary of the Company, entered into Amendment No. 9 (the "Amendment") to the Credit Agreement (as defined herein). Pursuant to the Amendment, the Credit Agreement's requirement for the Operating Partnership to use commercially reasonable efforts to maintain its status as a REIT will now terminate (i) at the end of the taxable year in which the Merger (as defined below) is consummated or, (ii) at the end of the last taxable year before the year in which the Merger is consummated, if the Company determines that by reason of the Merger, the Company will cease to qualify as a REIT for the year during which the Merger is consummated.

Issuance of Senior Secured Notes

On May 17, 2024, the Operating Partnership, CSL Capital, LLC, Uniti Group Finance 2019 Inc. and Uniti Fiber Holdings Inc. (collectively, the "Issuers") completed a private offering of \$300.0 million aggregate principal amount of the 10.50% Senior Secured Notes due February 15, 2028 (the "Additional February 2028 Secured Notes"). In accordance with the terms of the indenture governing the Additional February 2028 Secured Notes, following the receipt of regulatory approval

to enable certain subsidiaries of the Operating Partnership to guarantee the Additional February 2028 Secured Notes, the Issuers caused the Additional February 2028 Secured Notes to be mandatorily exchanged for February 2028 Secured Notes (as defined herein) issued as “additional notes” under the Indenture dated as of February 14, 2023, as amended and supplemented among the Issuers, the guarantors party thereto and the trustee and collateral agent party thereto (the “2023 Indenture”). The mandatory exchange occurred on November 1, 2024, and the additional notes comprise part of the same series as the February 2028 Secured Notes issued under the 2023 Indenture and have the same CUSIP numbers as, and are fungible with, the February 2028 Secured Notes issued under the 2023 Indenture.

Our Proposed Merger with Windstream

On May 3, 2024, the Company entered into a Merger Agreement providing for a combination of the Company and Windstream such that, following a pre-closing reorganization of Windstream and the Merger, both the Company and Windstream will be indirect wholly owned subsidiaries of New Uniti. Following the Merger, the New Uniti Common Stock is expected to be listed on the Nasdaq Global Market.

The Merger intends to reunite Windstream’s business with the underlying fiber infrastructure owned by the Company to create a premier digital infrastructure company with a strong platform for value creation. Upon consummation of the Merger, the board of directors of New Uniti will initially comprise nine members, including five directors to be appointed by Uniti. It is expected that Uniti’s existing officers will serve as initial officers of New Uniti.

At the effective time of the Merger, each share of Uniti’s common stock that is issued and outstanding will automatically be cancelled and retired and converted into the right to a number of shares of New Uniti Common Stock pursuant to an exchange ratio set forth in the Merger Agreement such that the Company’s and Windstream’s stockholders are expected to hold approximately 62% and 38%, respectively, of the combined company before giving effect to the conversion of any outstanding convertible securities or the issuance of warrants to purchase New Uniti Common Stock referenced below.

In addition, at the closing of the Merger, we will fund an aggregate cash payment of \$425 million (less certain transaction expenses) that will be distributed to Windstream equityholders on a pro-rata basis (the “Merger Cash Consideration”). Windstream equityholders will also be entitled to pro rata distributions of (i) new shares of non-voting preferred stock of New Uniti with a dividend rate of 11% per year for the first six years, subject to an additional 0.5% per year during each of the seventh and eighth year after the initial issuance and further increased by an additional 1% per year during each subsequent year, subject to a cap of 16% per year and with an aggregate liquidation preference of \$575 million, and (ii) warrants to purchase New Uniti Common Stock, with an exercise price of \$0.01 per share, subject to customary adjustments, representing in the aggregate approximately 6.9% of the pro forma share total of New Uniti. We intend to fund the Merger Cash Consideration with cash on hand and borrowings under the Revolving Credit Facility (as defined herein).

Our Merger with Windstream is subject to customary closing conditions, including, among others, approval by our stockholders and receipt of required regulatory approvals, including the expiration or early termination of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 and the receipt of approvals from the Federal Communications Commission and certain state public utility commissions. We currently expect our Merger with Windstream to close in the second half of 2025.

Upon consummation of the Merger, New Uniti will become an integrated telecommunications company. Initially, the legacy Uniti and Windstream organizational structures will remain separate, and the existing agreements and arrangements presently in effect between Uniti and Windstream, such as the Windstream Leases and the settlement agreement with Windstream, which requires Uniti to fund periodic settlement payments and reimburse Windstream for certain Growth Capital Improvements, will remain in place. All Windstream debt obligations would remain obligations of Windstream and our debt obligations would remain as ours, with no cross-guarantees or credit support between the Company and Windstream. For a description of the Windstream Leases and the settlement agreement with Windstream, refer to “Liquidity and Capital Resources—Windstream Leases” within Part II, Item 7 “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in this Annual Report on Form 10-K. In September and October 2024, Windstream undertook a series of transactions through which it amended the terms of its outstanding debt to, among other things, allow for the consolidation of Uniti’s and Windstream’s debt following the completion of the Merger into a single silo under a common parent entity (the “Post-Closing Reorganization”). As a result, following the completion of the Merger, Uniti may, but is not required to, consummate the Post-Closing Reorganization. If the Post-Closing Reorganization is completed, certain existing agreements and arrangements presently in effect between Uniti and Windstream, including the Windstream Leases and the settlement agreement described above, could be (but are not required to be) terminated. In addition, if the Post-Closing Reorganization is completed, each obligor under Uniti’s outstanding debt (other than the ABS Loan Facility) would become an obligor under Windstream’s outstanding debt, and each obligor under Windstream’s outstanding debt would become an obligor under Uniti’s outstanding debt (other than the ABS Loan Facility).

In addition, we have agreed to suspend dividend payments or other distributions until the consummation of the Merger, except for the dividend paid on June 28, 2024 and those dividends reasonably required for us or our subsidiaries to maintain our status as a REIT or to avoid the payment or imposition of income or excise tax, among other customary exceptions. Finally, it is expected that, following consummation of the Merger, Uniti will cease to be a REIT and New Uniti would not qualify as a REIT.

Asset-Backed Notes & Bridge Loan Facility

On February 23, 2024, Uniti Fiber Bridge Borrower LLC (the “ABS Bridge Borrower”), Uniti Fiber Bridge HoldCo LLC and Uniti Fiber GulfCo LLC (together, the “ABS Bridge Loan Parties”), each an indirect, bankruptcy-remote subsidiary of the Company, entered into a bridge loan and security agreement, dated as of February 23, 2024 (the “ABS Loan Agreement”).

The ABS Loan Agreement provided for a secured, multi-draw term loan facility of up to \$350.0 million (the “ABS Loan Facility”). As of December 31, 2024, an aggregate of \$275.0 million principal amount of loans under the ABS Loan Facility had been drawn.

The ABS Loan Facility was secured by equity in the ABS Bridge Borrower and substantially all of the assets of the ABS Bridge Loan Parties (subject to certain customary limited exceptions) and was non-recourse to the Company. Each of the ABS Bridge Loan Parties and Uniti Fiber ABS Parent LLC (“ABS Parent”) was designated as an unrestricted subsidiary under the Credit Agreement and the applicable indentures governing the Company’s outstanding senior notes.

On February 3, 2025, Uniti Fiber ABS Issuer LLC and Uniti Fiber TRS Issuer LLC (collectively, the “ABS Notes Issuers”), each an indirect, bankruptcy-remote subsidiary of the Company, issued \$589.0 million aggregate principal amount of secured fiber network revenue term notes, consisting of \$426.0 million 5.9% Series 2025-1, Class A-2 term notes, \$65.0 million 6.4% Series 2025-1, Class B term notes and \$98.0 million 9.0% Series 2025-1, Class C term notes (collectively, the “ABS Notes”), each with an anticipated repayment date in April 2030. The ABS Notes were issued as part of a securitization transaction, pursuant to which certain of the Company’s fiber network assets and related customer contracts in the State of Florida and the Gulf Coast region of Louisiana, Mississippi and Alabama, including the assets of the ABS Bridge Loan Parties that secured the ABS Loan Facility, were contributed to the ABS Notes Issuers, Uniti Fiber GulfCo LLC and Uniti Fiber TRS AssetCo LLC (collectively, the “ABS Notes Obligors”). The cash flow from these contributed assets will be used to service the obligations under the ABS Notes.

The ABS Notes were issued pursuant to an indenture, dated as of February 3, 2025 (the “ABS Notes Base Indenture”), as supplemented by a Series 2025-1 Supplement thereto, dated as of February 3, 2025 (the “Series 2025-1 Supplement” and, together with the ABS Notes Base Indenture, the “ABS Notes Indenture”), in each case by and among the ABS Notes Obligors and Wilmington Trust, National Association, as indenture trustee.

The ABS Notes are secured by a security interest in substantially all of the assets (subject to customary limited exceptions) of the ABS Notes Obligors and are guaranteed by each ABS Notes Issuer’s respective parent entity (each an “ABS Guarantor” and, together with the ABS Notes Obligors, the “ABS Notes Parties”). The guarantee of each ABS Guarantor is secured by a security interest in the equity interests of the applicable Issuer. Neither the Company nor any subsidiary of the Company, other than the ABS Notes Parties, will guarantee or in any way be liable for the obligations under the ABS Notes. Each ABS Notes Party is a special purpose, bankruptcy remote subsidiary of the Company and is an unrestricted subsidiary under the Credit Agreement and the applicable indentures governing the Company’s outstanding senior notes.

The ABS Notes are subject to a series of customary covenants and restrictions. These covenants and restrictions include (i) that the ABS Notes Issuers maintain a liquidity reserve account to be used to make required payments in respect of the ABS Notes, (ii) provisions relating to optional and mandatory prepayments, including specified make-whole payments in the case of certain optional prepayments of the ABS Notes prior to the quarterly payment date in April 2030, and (iii) covenants relating to recordkeeping, access to information and similar matters. As provided in the base indenture governing the ABS Notes, the ABS Notes are also subject to rapid amortization in the event of a failure to maintain a stated debt service coverage ratio. A rapid amortization may be cured if the debt service coverage ratio exceeds a certain threshold for a certain period of time, upon which cure, regular amortization, if any, will resume. The ABS Notes are also subject to certain customary events of default, including events relating to non-payment of required interest, principal or other amounts due on or with respect to the ABS Notes, failure to comply with covenants within certain time frames, certain bankruptcy events, breaches of specified representations and warranties, failure of security interests to be effective and certain judgments.

On February 3, 2025, Uniti used a portion of the net proceeds from the offering of the ABS Notes to repay and terminate the ABS Loan Facility and issued a notice of redemption to redeem \$125.0 million aggregate principal amount of our 10.50% senior secured notes due 2028 (the “February 2028 Secured Notes”). Uniti redeemed the February 2028 Secured Notes called for redemption on February 14, 2025, at a redemption price of 103% of the redeemed principal amount plus accrued interest to, but excluding, the redemption date.

CableSouth

In 2018, we acquired certain fiber assets from CableSouth Media, LLC (“CableSouth”) and leased back certain of those acquired assets to CableSouth pursuant to a triple-net lease.

During the fourth quarter of 2023, the Company entered into an agreement with a fund managed by Macquarie Asset Management ("MAM") pursuant to which MAM would make a structured equity investment into CableSouth in order to assist CableSouth in the acquisition of all of our previously acquired CableSouth fiber assets and the buyout of their triple-net lease for cash consideration of \$40.0 million (the "Transaction"). The Transaction closed on January 31, 2024. See [Note 6](#) to our consolidated financial statements contained in Part II, Item 8 “Financial Statements and Supplementary Data”.

Comparison of the years ended December 31, 2024 and 2023

The following table sets forth our results of operations expressed as dollars and as a percentage of total revenues for the periods indicated:

(Thousands)	Year Ended December 31, 2024	% of Revenues	Year Ended December 31, 2023	% of Revenues
Revenues:				
Revenue from rentals				
Uniti Leasing	\$ 873,964	74.9%	\$ 845,925	73.6%
Uniti Fiber	55,244	4.7%	65,903	5.7%
Total revenue from rentals	929,208	79.6%	911,828	79.3%
Service revenues				
Uniti Leasing	6,526	0.6%	6,847	0.6%
Uniti Fiber	231,193	19.8%	231,156	20.1%
Total service revenues	237,719	20.4%	238,003	20.7%
Total revenues	1,166,927	100.0%	1,149,831	100.0%
Costs and Expenses:				
Interest expense, net	511,364	43.8%	512,349	44.6%
Depreciation and amortization	314,810	27.0%	310,528	27.0%
General and administrative expense	105,019	9.0%	102,732	8.9%
Operating expense (exclusive of depreciation, accretion and amortization)	140,377	12.0%	144,276	12.6%
Goodwill impairment	—	0.0%	203,998	17.7%
Transaction related and other costs	38,734	3.3%	12,611	1.1%
Gain on sale of real estate	(18,953)	(1.6%)	(2,164)	(0.2%)
Other (income) expense, net	(301)	0.0%	18,386	1.6%
Total costs and expenses	1,091,050	93.5%	1,302,716	113.3%
Income (Loss) before income taxes and equity in earnings from unconsolidated entities	75,877	6.5%	(152,885)	(13.3%)
Income tax benefit	(17,555)	(1.5%)	(68,474)	(6.0%)
Equity in earnings from unconsolidated entities	—	0.0%	(2,662)	(0.3%)
Net income (loss)	93,432	8.0%	(81,749)	(7.1%)
Net income (loss) attributable to noncontrolling interests	26	0.0%	(36)	0.0%
Net income (loss) attributable to shareholders	93,406	8.0%	(81,713)	(7.1%)
Participating securities' share in earnings	(2,080)	(0.2%)	(1,207)	(0.1%)
Dividends declared on convertible preferred stock	(20)	0.0%	(20)	0.0%
Net income (loss) attributable to common shareholders	\$ 91,306	7.8%	\$ (82,940)	(7.2%)

The following table sets forth revenues, Adjusted EBITDA and net loss of our reportable segments for the years ended December 31, 2024 and 2023:

(Thousands)	Year Ended December 31, 2024			
	Uniti Leasing	Uniti Fiber	Corporate	Total of Reportable Segments
Revenues	\$ 880,490	\$ 286,437	\$ —	\$ 1,166,927
Adjusted EBITDA	\$ 851,178	\$ 111,557	\$ (22,669)	\$ 940,066
Less:				
Interest expense, net	(1,266)	39,150	473,480	511,364
Depreciation and amortization	182,363	132,391	56	314,810
Other, net				4,726
Transaction related and other costs				38,734
Gain on sale of real estate				(18,953)
Stock-based compensation				13,508
Income tax benefit	1,199	(18,977)	223	(17,555)
Net Income				<u>\$ 93,432</u>

(Thousands)	Year Ended December 31, 2023			
	Uniti Leasing	Uniti Fiber	Corporate	Total of Reportable Segments
Revenues	\$ 852,772	\$ 297,059	\$ —	\$ 1,149,831
Adjusted EBITDA	\$ 829,557	\$ 115,723	\$ (21,778)	\$ 923,502
Less:				
Interest expense, net	—	17,724	494,625	512,349
Depreciation and amortization	178,872	131,600	56	310,528
Other, net				20,893
Transaction related and other costs				12,611
Gain on sale of real estate				(2,164)
Goodwill impairment	—	203,998	—	203,998
Stock-based compensation				12,491
Income tax expense (benefit)	990	(68,671)	(793)	(68,474)
Adjustments for equity in earnings from unconsolidated entities	3,019	—	—	3,019
Net loss				<u>\$ (81,749)</u>

	Operating Metrics As of December 31,		
	2024	2023	% Increase / (Decrease)
Operating metrics:			
Uniti Leasing:			
Fiber strand miles	5,700,000	5,510,000	3.4%
Copper route miles	231,000	231,000	0.0%
Uniti Fiber:			
Fiber strand miles	3,050,000	2,960,000	3.0%
Customer connections	29,755	28,599	4.0%

Revenues

Uniti Leasing – Uniti Leasing revenues are primarily attributable to rental revenue from leasing our Distribution Systems to Windstream pursuant to the Windstream Leases. Under the Windstream Leases, Windstream is responsible for the costs related to operating the Distribution Systems, including property taxes, insurance, and maintenance and repair costs. As a result, we do not record an obligation related to the payment of property taxes, as Windstream makes direct payments to the taxing authorities. The initial term of the Windstream Leases expires on April 30, 2030. Annual rent under the Windstream Leases is \$675.6 million, and is subject to annual escalation at a rate of 0.5%. The rent for the first year of each renewal term under the Windstream Leases will be an amount agreed to by us and Windstream. While the agreements require that the renewal rent be "Fair Market Rent," if we are unable to agree, the renewal Fair Market Rent will be determined by an independent appraisal process. Commencing with the second year of each renewal term, the renewal rent will increase at an escalation rate of 0.5%. For a description of the Windstream Leases, see Part II, Item 7 Management's Discussion and Analysis of Financial Condition and Results of Operations in "Liquidity and Capital Resources—Windstream Leases."

(Thousands)	Year Ended December 31,			
	2024		2023	
	Amount	% of Segment Revenues	Amount	% of Segment Revenues
Uniti Leasing revenues:				
Windstream Leases:				
Cash revenue				
Cash rent	\$ 675,596	76.7 %	\$ 672,235	78.8 %
GCI revenue	54,757	6.2 %	32,003	3.8 %
Total cash revenue	730,353	82.9 %	704,238	82.6 %
Non-cash revenue				
TCI revenue	50,889	5.8 %	46,967	5.5 %
GCI revenue	12,713	1.4 %	16,319	1.9 %
Other straight-line revenue	3,354	0.4 %	6,722	0.8 %
Total non-cash revenue	66,956	7.6 %	70,008	8.2 %
Total Windstream revenue	797,309	90.6 %	774,246	90.8 %
Other services	83,181	9.4 %	78,526	9.2 %
Total Uniti Leasing revenues	\$ 880,490	100.0 %	\$ 852,772	100.0%

The increase in tenant funded capital improvements ("TCIs") revenue is attributable to continued investment by Windstream. Windstream invested \$263.1 million in TCIs during the year ended December 31, 2024, offset by the Growth Capital Improvement (as defined in "Liquidity and Capital Resources - Windstream Leases") reimbursements of capital improvements that were completed in 2023 that, as allowed under the Windstream Leases, were previously classified as TCIs of \$104.6 million. The total amount invested in TCIs by Windstream since the inception of the Windstream Leases (including the Master Lease) was \$1.4 billion as of December 31, 2024 and \$1.2 billion as of December 31, 2023.

The increase in GCI revenue is attributable to continued reimbursement by Uniti. Uniti reimbursed \$230.8 million in Growth Capital Improvements during the year ended December 31, 2024. Subsequent to December 31, 2024, Windstream requested and we reimbursed \$161.4 million of qualifying Growth Capital Improvements. As of the date of this Annual Report on Form 10-K, we have reimbursed a total of \$1.2 billion of Growth Capital Improvements.

For the year ended December 31, 2024, we recognized \$83.2 million of revenues from other services including non-Windstream triple-net leasing and dark fiber indefeasible rights of use arrangements, compared to \$78.5 million for the year ended December 31, 2023. The increase is primarily driven by revenues from new customer arrangements.

Because a substantial portion of our revenue and cash flows are derived from lease payments by Windstream pursuant to the Windstream Leases, there could be a material adverse impact on our consolidated results of operations, liquidity, financial condition and/or ability to maintain our status as a REIT and service debt if Windstream were to become unable to generate sufficient cash to make payments to us.

Under the terms of the Windstream Leases, Windstream is required to provide us audited financial statements as of and for the year ended December 31, 2024 (the “2024 Financial Statements”) no later than 90-days after its fiscal year-end. After receipt of the 2024 Financial Statements, Uniti expects to file a Form 10-K/A to include the 2024 Financial Statements in our annual report. As of the date of this Annual Report on Form 10-K, Windstream is current on all lease payments required under the Windstream Leases.

Uniti Fiber – Revenue components for the Uniti Fiber segment for the years ended December 31, 2024 and 2023 consisted of the following:

(Thousands)	Year Ended December 31,			
	2024		2023	
	Amount	% of Segment Revenues	Amount	% of Segment Revenues
Uniti Fiber revenues:				
Lit backhaul services	\$ 74,340	26.0%	\$ 74,538	25.1%
Enterprise and wholesale	105,174	36.7%	97,834	32.9%
E-Rate and government	48,438	16.9%	55,682	18.8%
Dark fiber and small cells	55,244	19.3%	65,903	22.2%
Other services	3,241	1.1%	3,102	1.0%
Total Uniti Fiber revenues	<u>\$ 286,437</u>	<u>100.0%</u>	<u>\$ 297,059</u>	<u>100.0%</u>

For the years ended December 31, 2024 and 2023, we recognized \$286.4 million and \$297.1 million of revenue, respectively, in our Uniti Fiber segment. The decrease in revenues of \$10.6 million is primarily due to a reduction in one-time early termination and cancellation revenues associated with dark fiber and small cells of \$10.7 million and a reduction in non-recurring equipment and installation sales of \$7.2 million in E-rate and government revenues, partially offset by an increase in enterprise and wholesale revenues of \$7.3 million driven primarily by increased customer connections and internet services.

Interest Expense, net

(Thousands)	Year Ended December 31,		
	2024	2023	Increase / (Decrease)
Interest expense, net:			
Cash:			
Senior secured notes	\$ 321,104	\$ 318,244	\$ 2,860
Senior unsecured notes	139,427	142,188	(2,761)
Senior secured revolving credit facility - variable rate	7,212	14,077	(6,865)
ABS Loan Facility	18,906	—	18,906
Other	(2,848)	983	(3,831)
Total cash interest	483,801	475,492	8,309
Non-cash:			
Amortization of deferred financing costs and debt discount	22,738	18,498	4,240
Accretion of settlement payable	6,224	10,506	(4,282)
Write off of deferred financing costs and debt discount	—	10,412	(10,412)
Pre-tax gain on extinguishment of debt	—	(1,269)	1,269
Interest rate cap	1,489	—	1,489
Capitalized interest	(2,888)	(1,290)	(1,598)
Total non-cash interest	27,563	36,857	(9,294)
Total interest expense, net	\$ 511,364	\$ 512,349	\$ (985)

Interest expense for the year ended December 31, 2024 decreased \$1.0 million compared to the year ended December 31, 2023. The decrease is primarily due to a loss on extinguishment of debt of \$32.3 million recognized in the first quarter of 2023 related to the 7.875% senior secured notes due 2025 (the "2025 Secured Notes"), which included \$10.3 million of non-cash interest expense for the write off of the unamortized discount and deferred financing costs and \$22.0 million of cash interest expense for the redemption premium, a reduction in cash interest expense on the Revolving Credit Facility (as defined in "Liquidity and Capital Resources – Credit Agreement") of \$6.9 million, and a reduction in the accretion expense on the settlement payable of \$4.3 million, partially offset by an increase in cash interest on our senior secured notes and the ABS Loan Facility of \$43.8 million.

Depreciation and Amortization Expense

We incur depreciation and amortization expense related to our property, plant and equipment, corporate assets and intangible assets. Depreciation and amortization expense for our reportable segments for the years ended December 31, 2024 and 2023 consisted of the following:

(Thousands)	Year Ended December 31,		
	2024	2023	Increase / (Decrease)
Depreciation and amortization expense by segment:			
Depreciation expense			
Uniti Leasing	\$ 175,446	\$ 171,955	\$ 3,491
Uniti Fiber	109,607	108,786	821
Corporate	56	56	—
Total depreciation expense	285,109	280,797	4,312
Amortization expense			
Uniti Leasing	6,917	6,917	—
Uniti Fiber	22,784	22,814	(30)
Total amortization expense	29,701	29,731	(30)
Total depreciation and amortization expense	\$ 314,810	\$ 310,528	\$ 4,282

Uniti Leasing – Depreciation expense increased \$3.5 million for the year ended December 31, 2024 as compared to the year ended December 31, 2023. The increase is primarily attributable to asset additions since December 31, 2023, partially offset by the decrease associated with the CableSouth network sale in the first quarter of 2024.

Uniti Fiber – Depreciation expense increased \$0.8 million for the year ended December 31, 2024 as compared to the year ended December 31, 2023. The increase is primarily attributable to asset additions since December 31, 2023.

General and Administrative Expense

General and administrative expenses include compensation costs, including stock-based compensation awards, professional and legal services, corporate office costs and other costs associated with the administrative activities of our segments.

(Thousands)	Year Ended December 31,			
	2024		2023	
	Amount	% of Consolidated Revenues	Amount	% of Consolidated Revenues
General and administrative expense by segment:				
Uniti Leasing	\$ 12,129	1.0%	\$ 11,597	1.0%
Uniti Fiber	61,808	5.3%	62,033	5.4%
Corporate	31,082	2.7%	29,102	2.5%
Total general and administrative expenses	\$ 105,019	9.0%	\$ 102,732	8.9%

Uniti Leasing – General and administrative expense increased \$0.5 million for the year ended December 31, 2024 as compared to the year ended December 31, 2023. The increase is primarily attributable to an increase in personnel expenses of \$0.7 million, partially offset by a decrease in taxes and fees of \$0.2 million.

Uniti Fiber – General and administrative expense decreased \$0.2 million for the year ended December 31, 2024 as compared to the year ended December 31, 2023. The decrease is primarily attributable to a decrease in legal and professional fees of \$0.7 million and increased gains on the sale of assets of \$1.7 million, partially offset by an increase in personnel expense of \$1.2 million and insurance expense of \$1.0 million.

Corporate – Corporate general and administrative expense increased \$2.0 million for the year ended December 31, 2024 as compared to the year ended December 31, 2023. The increase is primarily attributable to an increase in legal and professional fees of \$2.9 million and personnel expense of \$1.1 million, partially offset by a decrease in insurance expense of \$2.3 million.

Operating Expense

Operating expense consists of network related costs, such as dark fiber and tower rents, lit service and maintenance expense and costs associated with our construction activities.

(Thousands)	Year Ended December 31,			
	2024		2023	
	Amount	% of Consolidated Revenues	Amount	% of Consolidated Revenues
Operating expense by segment:				
Uniti Leasing	\$ 23,159	2.0%	\$ 22,377	1.9%
Uniti Fiber	117,218	10.0%	121,899	10.6%
Total operating expenses	\$ 140,377	12.0%	\$ 144,276	12.5%

Uniti Leasing – Operating expense increased \$0.8 million for the year ended December 31, 2024 as compared to the year ended December 31, 2023. The increase is primarily attributable to an increase in off network expenses of \$1.0 million.

Uniti Fiber – Operating expense decreased \$4.7 million for the year ended December 31, 2024 as compared to the year ended December 31, 2023. The decrease is primarily attributable to a decrease in off network expenses of \$2.8 million and a decrease in non-recurring equipment and installation expenses of \$2.9 million, partially offset by an increase in personnel expense of \$0.7 million.

Goodwill Impairment

During the year ended December 31, 2023, as a result of macroeconomic and financial market factors, specifically increased interest rates impacting our discount rate, we concluded that it was more likely than not that the fair value of the Uniti Fiber segment, estimated using a combination of the income approach and market approach, was less than its carrying amount. Accordingly, we recorded a \$204.0 million (\$151.9 million net of tax) impairment on the Uniti Fiber segment during the year ended December 31, 2023. We recorded no impairment during the year ended December 31, 2024. For additional information on this goodwill impairment see “Critical Accounting Estimate – Goodwill” below and Note 3 to our consolidated financial statements contained in Part II, Item 8 “Financial Statements and Supplementary Data.”

Transaction Related and Other Costs

Transaction related costs include acquisition pursuit, transaction and integration costs, including unsuccessful acquisition pursuit costs. For the year ended December 31, 2024, we incurred \$38.7 million of Transaction Related and Other Costs (as defined below), compared to \$12.6 million of such costs during the year ended December 31, 2023. The increase relates primarily to costs associated with the Merger.

Gain on Sale of Real Estate

Gain on sale of real estate was \$19.0 million for the year ended December 31, 2024 as compared to \$2.2 million for the year ended December 31, 2023. The change primarily relates to the \$19.0 million gain recognized on the January 31, 2024 sale of the CableSouth fiber assets and the buyout of their triple-net lease for cash consideration of \$40 million.

Other Expense (Income), net

Other expense (income), net changed \$18.7 million for the year ended December 31, 2024 as compared to the year ended December 31, 2023, which included \$20.6 million of costs related to the issuance of the February 2028 Secured Notes.

Income Tax Benefit

The income tax benefit recorded for the years ended December 31, 2024 and 2023 relates to the following:

(Thousands)	Year Ended December 31,	
	2024	2023
Income tax benefit		
Pre-tax loss (Uniti Fiber)	\$ (19,118)	\$ (68,671)
REIT state and local taxes	1,606	1,459
Return to accrual adjustments	(89)	(1,297)
Other	46	35
Total income tax benefit	<u>\$ (17,555)</u>	<u>\$ (68,474)</u>

The primary difference between income tax benefit related to Uniti Fiber pre-tax loss for 2024 versus 2023 is the tax effect of the 2023 impairment of goodwill.

Non-GAAP Financial Measures

We refer to EBITDA, Adjusted EBITDA, Funds From Operations (“FFO”) (as defined by the National Association of Real Estate Investment Trusts (“NAREIT”)) and Adjusted Funds From Operations (“AFFO”) in our analysis of our results of operations, which are not required by, or presented in accordance with, accounting principles generally accepted in the United States (“GAAP”). While we believe that net income, as defined by GAAP, is the most appropriate earnings measure, we also believe that EBITDA, Adjusted EBITDA, FFO and AFFO are important non-GAAP supplemental measures of operating performance for a REIT.

We define “EBITDA” as net income, as defined by GAAP, before interest expense, provision for income taxes and depreciation and amortization. We define “Adjusted EBITDA” as EBITDA before stock-based compensation expense and the impact, which may be recurring in nature, of incremental acquisition, pursuit, transaction and integration costs (including unsuccessful acquisition pursuit costs), costs associated with Windstream’s bankruptcy, costs associated with litigation claims made against us, and costs associated with the implementation of our enterprise resource planning system, (collectively, “Transaction Related and Other Costs”), costs related to the settlement with Windstream, goodwill impairment charges, severance costs, amortization of non-cash rights-of-use assets, the write off of unamortized deferred financing costs, costs incurred as a result of the early repayment of debt, including early tender and redemption premiums and costs associated with the termination of related hedging activities, gains or losses on dispositions, changes in the fair value of contingent consideration and financial instruments, and other similar or infrequent items (although we may not have had such charges in the periods presented). Adjusted EBITDA includes adjustments to reflect the Company’s share of Adjusted EBITDA from unconsolidated entities. We believe EBITDA and Adjusted EBITDA are important supplemental measures to net income because they provide additional information to evaluate our operating performance on an unleveraged basis. In addition, Adjusted EBITDA is calculated similar to defined terms in our material debt agreements used to determine compliance with specific financial covenants. Since EBITDA and Adjusted EBITDA are not measures calculated in accordance with GAAP, they should not be considered as alternatives to net income determined in accordance with GAAP.

Because the historical cost accounting convention used for real estate assets requires the recognition of depreciation expense except on land, such accounting presentation implies that the value of real estate assets diminishes predictably over time. However, since real estate values have historically risen or fallen with market and other conditions, presentations of operating results for a REIT that uses historical cost accounting for depreciation could be less informative. Thus, NAREIT created FFO as a supplemental measure of operating performance for REITs that excludes historical cost depreciation and amortization, among other items, from net income, as defined by GAAP. FFO is defined by NAREIT as net income attributable to common shareholders computed in accordance with GAAP, excluding gains or losses from real estate dispositions, plus real estate depreciation and amortization and impairment charges, and includes adjustments to reflect the Company’s share of FFO from unconsolidated entities. We compute FFO in accordance with NAREIT’s definition.

The Company defines AFFO, as FFO excluding (i) Transaction Related and Other Costs; (ii) costs related to the litigation settlement with Windstream, accretion on our settlement obligation, and gains on the prepayment of our settlement obligation as these items are not reflective of ongoing operating performance; (iii) goodwill impairment charges; (iv)

certain non-cash revenues and expenses such as stock-based compensation expense, amortization of debt and equity discounts, amortization of deferred financing costs, depreciation and amortization of non-real estate assets, amortization of non-cash rights-of-use assets, straight line revenues, non-cash income taxes, and the amortization of other non-cash revenues to the extent that cash has not been received, such as revenue associated with the amortization of TCIs; and (v) the impact, which may be recurring in nature, of the write-off of unamortized deferred financing fees, additional costs incurred as a result of the early repayment of debt, including early tender and redemption premiums and costs associated with the termination of related hedging activities, executive severance costs, taxes associated with tax basis cancellation of debt, gains or losses on dispositions, changes in the fair value of contingent consideration and financial instruments and similar or infrequent items less maintenance capital expenditures. AFFO includes adjustments to reflect the Company's share of AFFO from unconsolidated entities. We believe that the use of FFO and AFFO, and their respective per share amounts, combined with the required GAAP presentations, improves the understanding of operating results of REITs among investors and analysts, and makes comparisons of operating results among such companies more meaningful. We consider FFO and AFFO to be useful measures for reviewing comparative operating performance. In particular, we believe AFFO, by excluding certain revenue and expense items, can help investors compare our operating performance between periods and to other REITs on a consistent basis without having to account for differences caused by unanticipated items and events, such as transaction and integration related costs. The Company uses FFO and AFFO, and their respective per share amounts, only as performance measures, and FFO and AFFO do not purport to be indicative of cash available to fund our future cash requirements. While FFO and AFFO are relevant and widely used measures of operating performance of REITs, they do not represent cash flows from operations or net income as defined by GAAP and should not be considered an alternative to those measures in evaluating our liquidity or operating performance.

Further, our computations of EBITDA, Adjusted EBITDA, FFO and AFFO may not be comparable to that reported by other REITs or companies that do not define FFO in accordance with the current NAREIT definition or that interpret the current NAREIT definition or define EBITDA, Adjusted EBITDA and AFFO differently than we do.

The reconciliation of our net loss to EBITDA and Adjusted EBITDA and of our net loss attributable to common shareholders to FFO and AFFO for the years ended December 31, 2024 and 2023 is as follows:

(Thousands)	Year Ended December 31,	
	2024	2023
Net income (loss)	\$ 93,432	\$ (81,749)
Depreciation and amortization	314,810	310,528
Interest expense, net	511,364	512,349
Income tax benefit	(17,555)	(68,474)
EBITDA	\$ 902,051	\$ 672,654
Stock based compensation	13,508	12,491
Transaction related and other costs	38,734	12,611
Gain on sale of real estate	(18,953)	(2,164)
Goodwill impairment	—	203,998
Other, net ⁽¹⁾	4,726	20,893
Adjustments for equity in earnings from unconsolidated entities	—	3,019
Adjusted EBITDA	\$ 940,066	\$ 923,502

(1) A reconciliation of Other (income) expense, net as reported in our Consolidated Statements of Income (Loss) to other, net is as follows:

(Thousands)	Year Ended December 31,	
	2024	2023
Other expense (income), net	\$ (301)	\$ 18,386
Amortization of non-cash rights-of-use assets ^(a)	3,370	3,034
Severance costs ^(b)	1,657	—
Insurance recovery ^(a)	—	(527)
Other, net	\$ 4,726	\$ 20,893

(a) Included within the Operating expense (exclusive of depreciation and amortization) line item in our Consolidated Statements of Income (Loss).

(b) Included within the General and administration expense line item in our Consolidated Statements of Income (Loss).

(Thousands)	Year Ended December 31,	
	2024	2023
Net income (loss) attributable to common shareholders	\$ 91,306	\$ (82,940)
Real estate depreciation and amortization	226,419	221,115
Gain on sale of real estate assets, net of tax	(18,905)	(2,164)
Participating securities share in earnings	2,080	1,207
Participating securities share in FFO	(6,344)	(2,064)
Real estate depreciation and amortization from unconsolidated entities	—	1,740
Adjustments for noncontrolling interests	(42)	(100)
FFO attributable to common shareholders	\$ 294,514	\$ 136,794
Transaction related and other costs	38,734	12,611
Amortization of deferred financing costs and debt discount	22,738	18,498
Write off of deferred financing costs and debt discount	—	10,412
Gain on extinguishment of debt	—	(1,269)
Costs related to the early repayment of debt	—	51,997
Stock based compensation	13,508	12,491
Gain on sale of unconsolidated entity, net of tax	—	(2,476)
Non-real estate depreciation and amortization	88,391	89,413
Goodwill impairment, net of tax	—	151,856
Straight-line revenues and amortization of below-market lease intangibles	(30,584)	(37,944)
Maintenance capital expenditures	(8,064)	(6,962)
TCI revenue amortization	(50,889)	(46,967)
Other, net	(9,414)	(4,370)
Adjustments for equity in earnings from unconsolidated entities	—	1,280
Adjustments for noncontrolling interests	(13)	(112)
AFFO attributable to common shareholders	\$ 358,921	\$ 385,252

Critical Accounting Estimates

We make certain judgments and use certain estimates and assumptions when applying accounting principles in the preparation of our financial statements. The nature of the estimates and assumptions are material due to the levels of subjectivity and judgment necessary to account for highly uncertain factors or the susceptibility of such factors to change. We have identified the following critical accounting estimates, as they are the most important to our financial statement presentation and require difficult, subjective and complex judgments.

We believe the current assumptions and other considerations used to estimate amounts reflected in our financial statements are appropriate. However, if actual experience differs from the assumptions and other considerations used in estimating amounts reflected in our financial statements, the resulting changes could have a material adverse effect on our results of operations and, in certain situations, could have a material adverse effect on our financial condition.

Income Taxes

We elected on our initial U.S. federal income tax return to be treated as a REIT under the Internal Revenue Code of 1986, as amended (the “Code”). To qualify as a REIT, we must distribute at least 90% of our annual REIT taxable income to shareholders, and meet certain organizational and operational requirements, including asset holding requirements. As a REIT, we will generally not be subject to U.S. federal income tax on income that we distribute as dividends to our shareholders. If we fail to qualify as a REIT in any taxable year, prior to the completion of our Merger with Windstream

(or if our Merger with Windstream is not consummated, if we fail to qualify as a REIT in future taxable years), we will be subject to U.S. federal income tax on our taxable income at regular corporate income tax rates, and we could not deduct dividends paid to our shareholders in computing taxable income. Any resulting corporate liability could be substantial and could materially and adversely affect our net income and net cash available for distribution to shareholders. Unless we were entitled to relief under certain Code provisions, we also would be disqualified from reelecting to be taxed as a REIT for the four taxable years following the year in which we failed to qualify or cease to qualify as a REIT.

We are subject to the statutory requirements of the locations in which we conduct business, and state and local income taxes are accrued as deemed required in the best judgment of management based on analysis and interpretation of respective tax laws.

We have elected to treat the subsidiaries through which we operate Uniti Fiber and certain subsidiaries of Uniti Leasing as TRSs. TRSs enable us to engage in activities that result in income that does not constitute qualifying income for a REIT. Our TRSs are subject to U.S. federal, state and local corporate income taxes.

Deferred tax assets and liabilities are recognized under the asset and liability method for the estimated future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax balances are adjusted to reflect tax rates based on currently enacted tax laws, which will be in effect in the years in which the temporary differences are expected to reverse. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the results of operations in the period of the enactment date. A valuation allowance is recorded to reduce the carrying amounts of deferred tax assets unless it is more likely than not that such assets will be realized.

We recognize the benefit of tax positions that are "more likely than not" to be sustained upon examination based on their technical merit. The benefit of a tax position is measured at the largest amount that has a greater than 50 percent likelihood of being realized upon ultimate settlement. If applicable, we will report tax-related penalties and interest expense as a component of income tax expense.

The Company may be subject to state corporate level tax in a certain limited number of states on any built-in gain recognized from a sale of assets occurring within a ten-year recognition period after the Spin-Off. The five-year recognition period applicable for federal corporate level tax on any built-in gain recognized from a sale of assets occurring within five years after the Spin-Off expired in 2020.

Revenue Recognition

Leasing revenues are primarily derived from providing access to or usage of leased networks and facilities. Leasing revenues are recognized on a straight-line basis over the initial lease term. Revenues derived from other telecommunications services, including broadband, long distance and enhanced service revenues are recognized monthly as services are provided. Sales of customer premise equipment are recognized when products are delivered to and accepted by customers.

Service revenues are primarily derived from providing broadband transport and backhaul communications services and are recognized using the following five step model: (i) identify the contract with a customer, (ii) identify the performance obligation in the contract, (iii) determine the transaction price, (iv) allocate the transaction price, and (v) recognize revenue when the related performance obligation is satisfied. Services provided to the Company's customers are pursuant to contractual fee-based arrangements, which generally provide for recurring fees charged for the use of designated portions of the Company's network and typically range for a period of three to ten years. The Company's revenue arrangements often include upfront fees charged to the customer for the cost of establishing the necessary components of the Company's network prior to the commencement of use by the customer. Fees charged to customers for the recurring use of the Company's network are recognized during the related periods of service. Upfront fees that are billed in advance of providing services are deferred until such time the customer accepts the Company's network and then are recognized as service revenues ratably over a period in which substantive services required under the revenue arrangement are expected to be performed, which is the initial term of the arrangement.

Impairment of Property, Plant and Equipment

We continually monitor events and changes in circumstances that could indicate that the carrying amount of our property, plant and equipment may not be recoverable or realized. When indicators of potential impairment suggest that the carrying

value may not be recoverable, we assess the recoverability by estimating whether we will recover the carrying value of those assets through its undiscounted future cash flows and the eventual disposition of the asset. If, based on this analysis, we do not believe that we will be able to recover the carrying value of our property, plant and equipment, we would record an impairment loss to the extent that the carrying value exceeds the estimated fair value of the related assets. During the years ended December 31, 2024 and 2023, no impairment losses were recognized.

Goodwill

As of December 31, 2024 and 2023, all of our goodwill is included in our Uniti Fiber segment. Goodwill is recognized for the excess of purchase price over the fair value of net assets of businesses acquired. Goodwill is reviewed for impairment at least annually. Our annual impairment test is performed with a valuation date of October 1. In accordance with ASC 350-20, *Intangibles-Goodwill and Other*, we evaluate goodwill for impairment between annual impairment tests if an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying amount (a “Triggering Event”). On the occurrence of a Triggering Event, an entity has the option to first assess qualitative factors to determine whether a quantitative impairment test is necessary. If it is more likely than not that goodwill is impaired, the fair value of the reporting unit must be compared with its carrying value. Unless circumstances otherwise dictate, the annual impairment test is performed in the fourth quarter. Application of the goodwill impairment test requires significant judgment, including the identification of reporting units, assignment of assets and liabilities to reporting units, and the assignment of goodwill to reporting units.

During the year ended December 31, 2024, no impairment losses were recognized.

During the third quarter of 2023, the Company identified a Triggering Event and, therefore, performed a qualitative and quantitative goodwill impairment test with a valuation date of September 30, 2023. The Triggering Event was a result of macroeconomic and financial market factors, specifically increased interest rates impacting our discount rate. As a result, we concluded that the fair value of the Uniti Fiber reporting unit, estimated using a combination of the income approach and market approach, was less than its carrying amount. Accordingly, we recorded a \$204.0 million (\$151.9 million net of tax) goodwill impairment charge in the Uniti Fiber segment during the three months ended September 30, 2023.

During the third quarter of 2022, the Company identified a Triggering Event and, therefore, performed a qualitative and quantitative goodwill impairment test with a valuation date of September 30, 2022. The Triggering Event was a result of macroeconomic and financial market factors, specifically increased interest rates impacting our discount rate. As a result, we concluded that the fair value of the Uniti Fiber reporting unit, estimated using a combination of the income approach and market approach, was less than its carrying amount. Accordingly, we recorded a \$216.0 million (\$205.7 million net of tax) goodwill impairment charge in the Uniti Fiber reporting unit during the three months ended September 30, 2022. During the fourth quarter of 2022, we performed an additional quantitative and qualitative impairment test, and concluded that as a result of the continuing macroeconomic and financial market factors, specifically increased interest rates impacting our discount rate, the fair value of the Uniti Fiber reporting unit was less than its carrying amount. As a result, we recorded a \$24.5 million (\$18.2 million net of tax) goodwill impairment charge in the Uniti Fiber reporting unit during the three months ended December 31, 2022.

We estimate the fair value of our Fiber reporting unit using a combination of an income approach based on the present value of estimated future cash flows and a market approach based on market data of comparable businesses and acquisition multiples paid in recent transactions. We evaluate the appropriateness of each valuation methodology in determining the weighting applied to each methodology in the determination of the concluded fair value. If the carrying amount of a reporting unit's net assets is less than its fair value, no impairment exists. If the carrying amount of the reporting unit is greater than the fair value of the reporting unit, an impairment loss must be recognized for the excess and recorded in the Consolidated Statements of Income (Loss) not to exceed the carrying amount of goodwill.

Inherent in our preparation of cash flow projections are significant assumptions and estimates derived from a review of our operating results and business plans, which includes expected revenue and expense growth rates, capital expenditure plans and cost of capital. In determining these assumptions, we consider our ability to execute on our plans, future economic conditions, interest rates and other market data. Many of the factors used in assessing fair value are outside the control of management, and these assumptions and estimates may change in future periods. Small changes in these assumptions or estimates could materially affect our cash flow projections, and therefore could affect the likelihood and amount of potential impairment in future periods. Potential events that could negatively impact these assumptions or estimates may include customer losses or poor execution of our business plans, which impact revenue growth, cost escalation impacting margin, the level of capital expenditures required to sustain our growth and market factors, including stock price

fluctuations and increased rates, impacting our cost of capital. For example, if we were to experience a significant delay in our permitting process in the construction of our fiber networks, the timing of effected cash flows could impact long term growth rates and negatively impact the income approach, leading to potential impairment. As a result, should our expectations of average projected revenue growth percentage, average projected EBITDA margin percentage and/or average projected capital expenditures as a percentage of revenue change, we may experience future impairment to goodwill (while other assumptions remain constant). Furthermore, a deterioration in market factors such as stock prices or increased interest rates and/or declines in acquisition multiples utilized in the market approach could affect the likelihood and amount of potential impairment.

Liquidity and Capital Resources

Our principal liquidity needs are to fund operating expenses, meet debt service obligations, fund investment activities, including capital expenditures, and to fund the Merger Cash Consideration. Furthermore, following consummation of our settlement agreement with Windstream, including entry into the Windstream Leases, we are obligated (i) to make \$490.1 million of cash payments to Windstream in equal installments over 20 consecutive quarters beginning in October 2020 and (ii) to reimburse Windstream for up to an aggregate of \$1.75 billion for Growth Capital Improvements in long-term value accretive fiber and related assets made by Windstream through 2029. To date, we have paid \$411.4 million of the \$490.1 million due to Windstream under the settlement agreement. Uniti's reimbursement commitment for Growth Capital Improvements does not require Uniti to reimburse Windstream for maintenance or repair expenditures (except for costs incurred for fiber replacements to the CLEC MLA leased property, up to \$70 million during the term), and each such reimbursement is subject to underwriting standards. Uniti's total annual reimbursement commitments for the Growth Capital Improvements under both Windstream Leases (and under separate equipment loan facilities) were limited to \$125 million in 2020, and \$225 million in 2021, 2022, 2023, and 2024; and are limited to \$175 million per year in 2025 and 2026; and \$125 million per year in 2027 through 2029. As of December 31, 2024, we have reimbursed a total of \$1.0 billion in Growth Capital Improvements.

Our primary sources of liquidity and capital resources are cash on hand, cash provided by operating activities (primarily from the Windstream Leases), available borrowings under our credit agreement by and among the Operating Partnership, CSL Capital, LLC and Uniti Group Finance 2019 Inc., the guarantors party thereto, Bank of America, N.A., as administrative agent, collateral agent swing line lender and an L/C issuer and certain other lenders named therein (the "Credit Agreement"), and proceeds from the issuance of debt and equity securities. See "—Outlook" for additional information concerning our near-term and long-term liquidity requirements.

As of December 31, 2024, we had total cash and cash equivalents of \$183.8 million, including \$28.3 million of restricted cash and cash equivalents, and \$500.0 million of borrowing availability under our revolving credit facility maturing on September 24, 2027 (the "Revolving Credit Facility"). Subsequent to December 31, 2024, other than \$161.4 million of Growth Capital Improvements and the February 14, 2025 redemption of \$125.0 million aggregate principal amount of the outstanding February 2028 Secured Notes at 103%, there have been no material outlays of funds outside of our scheduled interest payments. Availability under our Revolving Credit Facility is subject to various conditions, including a maximum secured leverage ratio of 5.0:1. In addition, if we incur debt under our Revolving Credit Facility or otherwise such that our total leverage ratio exceeds 6.5:1, our Revolving Credit Facility would impose restrictions on our ability to pay dividends. There were no such restrictions as of December 31, 2024.

(Thousands)	Year Ended December 31,	
	2024	2023
Cash flow from operating activities:		
Net cash provided by operating activities	\$ 366,695	\$ 353,129

Net cash provided by operating activities is primarily attributable to our leasing activities, which includes the leasing of mission-critical communications assets to anchor customers on either an exclusive or shared-tenant basis, in addition to the leasing of dark fiber network assets to the telecommunications industry. Cash used in operating activities includes compensation and related costs, interest payments, and other changes in working capital. Net cash provided by operating activities was \$366.7 million and \$353.1 million for the years ended December 31, 2024 and 2023, respectively. The increase in net cash provided by operating activities during the year ended December 31, 2024 is primarily attributable to changes in working capital, including the timing of interest payments, partially offset by an increase in cash interest expense of \$8.3 million, a decrease in distributions from unconsolidated entities of \$4.0 million, and an increase in cash paid for the interest rate cap of \$2.2 million.

(Thousands)	Year Ended December 31,	
	2024	2023
Cash flow from investing activities:		
Proceeds from sale of unconsolidated entity	\$ 40,000	\$ —
Proceeds from sale of other equipment	2,397	3,146
Proceeds from sale of real estate	40,241	2,545
Other capital expenditures	(354,834)	(417,002)
Net cash used in investing activities	<u>\$ (272,196)</u>	<u>\$ (411,311)</u>

Net cash used in investing activities decreased \$139.1 million for the year ended December 31, 2024 compared to the year ended December 31, 2023, primarily driven by proceeds from the sale of our investment in BB Fiber Holdings LLC of \$40.0 million, proceeds from the sale of the CableSouth network of \$40.0 million, and a decrease in Uniti Fiber and Uniti Leasing capital expenditures of \$62.2 million.

(Thousands)	Year Ended December 31,	
	2024	2023
Cash flow from financing activities:		
Repayment of debt	\$ (122,942)	\$ (2,263,662)
Proceeds from issuance of Notes	309,000	2,600,000
Dividends paid	(108,455)	(107,405)
Payments of settlement payable	(98,022)	(98,022)
Borrowings under revolving credit facility	130,000	506,000
Payments under revolving credit facility	(338,000)	(486,000)
Proceeds from ABS Loan Facility	275,000	—
Finance lease payments	(2,652)	(2,262)
Payments for financing costs	(15,778)	(26,955)
Payment for settlement of common stock warrant	—	(56)
Termination of bond hedge option	—	59
Costs related to early repayment of debt	—	(44,303)
Distributions paid to noncontrolling interest	(37)	(48)
Payment for exchange of noncontrolling interest	(92)	—
Employee stock purchase plan	657	730
Payments related to tax withholding for stock-based compensation	(1,595)	(1,433)
Net cash provided by financing activities	<u>\$ 27,084</u>	<u>\$ 76,643</u>

Net cash provided by financing activities was \$27.1 million for the year ended December 31, 2024, which was primarily driven by proceeds received from the issuance of the February 2028 Secured Notes of \$309.0 million, proceeds from the ABS Loan Facility of \$275.0 million, and borrowings under the Revolving Credit Facility of \$130.0 million, partially offset by the repayment of the 4.00% Exchangeable Notes due June 15, 2024 (the "Exchangeable Notes") of \$122.9 million, dividend payments of \$108.5 million, payments under the Revolving Credit Facility of \$338.0 million, settlement payments of \$98.0 million, and payments for financing costs of \$15.8 million. Cash provided by financing activities was \$76.6 million for the year ended December 31, 2023, which was primarily driven by proceeds received from the issuance of the February 2028 Secured Notes of \$2.6 billion and borrowings under the Revolving Credit Facility of \$506.0 million, partially offset by the repayment of the 2025 Secured Notes of \$2.3 billion, dividend payments of \$107.4 million, settlement payments of \$98.0 million, payments under the Revolving Credit Facility of \$486.0 million, payments for financing costs of \$27.0 million, and costs related to the early repayment of debt of \$44.3 million.

Windstream Leases

The initial term of the Windstream Leases expires on April 30, 2030. The aggregate initial annual rent under the Windstream Leases is \$663.0 million. The Windstream Leases contain cross-guarantees and cross-default provisions, which will remain effective as long as Windstream or an affiliate is the tenant under both of the Windstream Leases and unless and until the landlords under the ILEC MLA are different from the landlords under the CLEC MLA. The Windstream Leases permit Uniti to transfer its rights and obligations and otherwise monetize or encumber the Windstream Leases, together or separately, so long as Uniti does not transfer interests in either Windstream Lease to a Windstream competitor.

Pursuant to the Windstream Leases, Windstream (or any successor tenant under a Windstream Lease) has the right to cause Uniti to reimburse up to an aggregate \$1.75 billion of Growth Capital Improvements. Uniti's reimbursement commitment for Growth Capital Improvements does not require Uniti to reimburse Windstream for maintenance or repair expenditures (except for costs incurred for fiber replacements to the CLEC MLA leased property, up to \$70 million during the term), and each such reimbursement is subject to underwriting standards. Uniti's total annual reimbursement commitments for the Growth Capital Improvements under both Windstream Leases (and under separate equipment loan facilities) were limited to \$125 million in 2020, and \$225 million per year in 2021, 2022, 2023, and 2024, and are limited to \$175 million per year in 2025 and 2026; and \$125 million per year in 2027 through 2029. If the cost incurred by Windstream (or the successor tenant under a Windstream Lease) for Growth Capital Improvements in any calendar year exceeds the annual limit for such calendar year, Windstream (or such tenant, as the case may be) may submit such excess costs for reimbursement in any subsequent year and such excess costs shall be funded from the annual commitment amounts in such subsequent period. In addition, to the extent that reimbursements for Growth Capital Improvements funded in any calendar year during the term is less than the annual limit for such calendar year, the unfunded amount in any calendar year will carry-over and may be added to the annual limits for subsequent calendar years, subject to an annual limit of \$250 million in any calendar year, except that, during calendar year 2022, Uniti's combined total obligation to fund Growth Capital Improvements may exceed \$250 million to the extent of any unfunded excess amounts from calendar year 2021.

Starting on the first anniversary of each installment of reimbursement for a Growth Capital Improvement, the rent payable by Windstream under the applicable Windstream Lease will increase by an amount equal to 8.0% (the "Rent Rate") of such installment of reimbursement. The Rent Rate will thereafter increase to 100.5% of the prior Rent Rate on each anniversary of each reimbursement. In the event that the tenant's interest in either Windstream Lease is transferred by Windstream under the terms thereof (unless transferred to the same transferee), or if Uniti transfers its interests as landlord under either Windstream Lease (unless to the same transferee), the reimbursement rights and obligations will be allocated between the ILEC MLA and the CLEC MLA by Windstream, provided that the maximum that may be allocated to the CLEC MLA following such transfer is \$20 million per year. If Uniti fails to reimburse any Growth Capital Improvement reimbursement payment or equipment loan funding request as and when it is required to do so under the terms of the Windstream Leases, and such failure continues for thirty (30) days, then such unreimbursed amounts may be applied as an offset against the rent owed by Windstream under the Windstream Leases (and such amounts will thereafter be treated as if Uniti had reimbursed them).

Uniti and Windstream have entered into separate ILEC and CLEC Equipment Loan and Security Agreements (collectively, the "Equipment Loan Agreement") in which Uniti will provide up to \$125 million (limited to \$25 million in any calendar year) of the \$1.75 billion of Growth Capital Improvements commitments discussed above in the form of loans for Windstream to purchase equipment related to network upgrades or to be used in connection with the Windstream Leases. Interest on these loans will accrue at 8% from the date of the borrowing. All equipment financed through the Equipment Loan Agreement is the sole property of Windstream; however, Uniti will receive a first-lien security interest in the equipment purchased with the loans. If the cost incurred by Windstream (or the successor tenant under a Windstream Lease) for Growth Capital Improvements in any calendar year exceeds the annual limit for such calendar year, Windstream (or such tenant, as the case may be) may submit such excess costs for reimbursement in any subsequent year and such excess costs shall be funded from the annual commitment amounts in such subsequent period. No such loans have been made as of December 31, 2024.

Up-REIT Operating Partnership Units

Our up-REIT structure enables us to acquire properties by issuing to sellers, as a form of consideration, limited partnership interests in our Operating Partnership. We believe that this structure will facilitate our ability to acquire individual properties and portfolios of properties by enabling us to structure transactions which will defer taxes payable by a seller

while preserving our available cash for other purposes, including the possible payment of dividends. We would expect to eliminate this structure when we complete the Merger with Windstream.

Senior Notes

At December 31, 2024, the Operating Partnership and certain of its subsidiaries had outstanding \$2.9 billion aggregate principal amount of the February 2028 Secured Notes, \$570.0 million aggregate principal amount of 4.750% Senior Secured Notes due April 15, 2028 (the “April 2028 Secured Notes”), \$700.0 million aggregate principal amount of 6.00% Senior Unsecured Notes due January 15, 2030 (the “2030 Notes”), and \$1.1 billion aggregate principal amount of 6.50% Senior Unsecured Notes due February 15, 2029 (the “2029 Notes”).

Convertible Notes

At December 31, 2024, the Company had outstanding \$306.5 million aggregate principal amount of 7.50% Convertible Senior Notes due December 1, 2027 (the “Convertible 2027 Notes”). The Convertible 2027 Notes are guaranteed by each of the Company’s subsidiaries that is an issuer, obligor or guarantor under the Company’s existing senior notes (except initially those subsidiaries that require regulatory approval prior to guaranteeing the Convertible 2027 Notes). The Convertible 2027 Notes are convertible into cash, shares of the Company’s common stock, or a combination thereof, at the Company’s election at an initial conversion rate of 137.1742 shares of the Company’s common stock per \$1,000 principal amount (equal to an initial conversion price of approximately \$7.29 per share) subject to adjustment.

Credit Agreement

The Borrowers are party to the Credit Agreement, which as of December 31, 2024, provided for the \$500 million Revolving Credit Facility that matures on September 24, 2027, which provides us with the ability to obtain revolving loans as well as swingline loans and letters of credit from time to time.

The Borrowers are subject to customary covenants under the Credit Agreement, including an obligation to maintain a consolidated secured leverage ratio, as defined in the Credit Agreement, not to exceed 5.00 to 1.00. We are permitted, subject to customary conditions, to incur other indebtedness, so long as, on a pro forma basis after giving effect to any such indebtedness, our consolidated total leverage ratio, as defined in the Credit Agreement, does not exceed 6.50 to 1.00 and, if such debt is secured, our consolidated secured leverage ratio, as defined in the Credit Agreement, does not exceed 4.00 to 1.00. In addition, the Credit Agreement contains customary events of default, including a cross default provision whereby the failure of the Borrowers or certain of their subsidiaries to make payments under other debt obligations, or the occurrence of certain events affecting those other borrowing arrangements, could trigger an obligation to repay any amounts outstanding under the Credit Agreement. In particular, a repayment obligation could be triggered if (i) the Borrowers or certain of their subsidiaries fail to make a payment when due of any principal or interest on any other indebtedness aggregating \$75.0 million or more, or (ii) an event occurs that causes, or would permit the holders of any other indebtedness aggregating \$75.0 million or more to cause, such indebtedness to become due prior to its stated maturity. As of December 31, 2024, the Borrowers were in compliance with all of the covenants under the Credit Agreement.

A termination of either Windstream Lease would result in an “event of default” under the Credit Agreement if a replacement lease is not entered into within ninety (90) calendar days and we do not maintain pro forma compliance with a consolidated secured leverage ratio, as defined in the Credit Agreement, of 5.00 to 1.00.

Borrowings under the Revolving Credit Facility bear interest at a rate equal to either a base rate plus an applicable margin ranging from 2.75% to 3.50% or a Term SOFR rate plus an applicable margin ranging from 3.75% to 4.50%, in each case, calculated in a customary manner and determined based on our consolidated secured leverage ratio. We are required to pay a quarterly commitment fee under the Revolving Credit Facility equal to 0.50% of the average amount of unused commitments during the applicable quarter (subject to a step-down to 0.40% per annum of the average amount of unused commitments during the applicable quarter upon achievement of a consolidated secured leverage ratio not to exceed a certain level), as well as quarterly letter of credit fees equal to the product of (A) the applicable margin with respect to Term SOFR borrowings and (B) the average amount available to be drawn under outstanding letters of credit during such quarter.

In connection with the up-REIT Reorganization, the Operating Partnership replaced the Company and assumed its

obligations as an obligor under the Credit Agreement. The Company is a guarantor to all series of senior notes and under the Credit Agreement. Separate financial statements of the Operating Partnership have not been included since the Operating Partnership is not a registrant.

Asset-Backed Notes & Bridge Loan Facility

On February 23, 2024, the ABS Bridge Loan Parties, each an indirect, bankruptcy-remote subsidiary of the Company, entered into the ABS Loan Agreement.

The ABS Loan Agreement provided for a secured, multi-draw ABS Loan Facility of up to \$350.0 million. As of December 31, 2024, an aggregate of \$275.0 million principal amount of loans under the ABS Loan Facility had been drawn.

The ABS Loan Facility was secured by equity in the ABS Bridge Borrower and substantially all of the assets of the ABS Bridge Loan Parties (subject to certain customary limited exceptions) and was non-recourse to the Company. Each of the ABS Bridge Loan Parties and ABS Parent was designated as an unrestricted subsidiary under the Credit Agreement and the applicable indentures governing the Company's outstanding senior notes.

On February 3, 2025, the ABS Notes Issuers, each an indirect, bankruptcy-remote subsidiary of the Company, issued \$589.0 million aggregate principal amount of the ABS Notes, each with an anticipated repayment date in April 2030. The ABS Notes were issued as part of a securitization transaction, pursuant to which certain of the Company's fiber network assets and related customer contracts in the State of Florida and the Gulf Coast region of Louisiana, Mississippi and Alabama, including the assets of the ABS Bridge Loan Parties that secured the ABS Loan Facility, were contributed to the ABS Notes Obligors. The cash flow from these contributed assets will be used to service the obligations under the ABS Notes.

The ABS Notes were issued pursuant to the ABS Notes Indenture, by and among the ABS Notes Obligors, and Wilmington Trust, National Association, as indenture trustee.

The ABS Notes are secured by a security interest in substantially all of the assets (subject to customary limited exceptions) of the ABS Notes Obligors and are guaranteed by the ABS Notes Parties. The guarantee of each ABS Guarantor is secured by a security interest in the equity interests of the applicable ABS Notes Issuer. Neither the Company nor any subsidiary of the Company, other than the ABS Notes Parties, will guarantee or in any way be liable for the obligations under the ABS Notes. Each ABS Notes Party is a special purpose, bankruptcy remote subsidiary of the Company and is an unrestricted subsidiary under the Credit Agreement and the applicable indentures governing the Company's outstanding senior notes.

The ABS Notes are subject to a series of customary covenants and restrictions. These covenants and restrictions include (i) that the ABS Notes Issuers maintain a liquidity reserve account to be used to make required payments in respect of the ABS Notes, (ii) provisions relating to optional and mandatory prepayments, including specified make-whole payments in the case of certain optional prepayments of the ABS Notes prior to the quarterly payment date in April 2030, and (iii) covenants relating to recordkeeping, access to information and similar matters. As provided in the base indenture governing the ABS Notes, the ABS Notes are also subject to rapid amortization in the event of a failure to maintain a stated debt service coverage ratio. A rapid amortization may be cured if the debt service coverage ratio exceeds a certain threshold for a certain period of time, upon which cure, regular amortization, if any, will resume. The ABS Notes are also subject to certain customary events of default, including events relating to non-payment of required interest, principal or other amounts due on or with respect to the ABS Notes, failure to comply with covenants within certain time frames, certain bankruptcy events, breaches of specified representations and warranties, failure of security interests to be effective and certain judgments.

On February 3, 2025, Uniti used a portion of the net proceeds from the offering of the ABS Notes to repay and terminate the ABS Loan Facility and issued a notice of redemption to redeem \$125.0 million aggregate principal amount of our February 2028 Secured Notes. Uniti redeemed the February 2028 Secured Notes called for redemption on February 14, 2025, at a redemption price of 103% of the redeemed principal amount plus accrued interest to, but excluding, the redemption date and intends to use the remainder of the net proceeds for general corporate purposes, which may include success-based capital investments.

Outlook

We anticipate continuing to invest in our network infrastructure across our Uniti Leasing and Uniti Fiber portfolios. We also expect to fund the \$425 million (less certain transaction expenses) cash consideration in our Merger with Windstream, as well as obligations to Windstream, including (i) \$490.1 million of settlement payments payable over time (of which \$73.5 million remains to be paid as of December 31, 2024) and (ii) an aggregate of up to \$1.75 billion for certain growth

capital improvements (of which \$725.0 million remains to be paid as of December 31, 2024). We anticipate that we will partially finance these needs, as well as operating expenses (including our debt service obligations), from our cash on hand, borrowings under our Revolving Credit Facility, a portion of the net proceeds from the issuance and sale of the ABS Notes, and cash flows provided by operating activities. As of December 31, 2024, we had \$500 million in borrowing availability under our Revolving Credit Facility. In addition, we anticipate our cash on hand and borrowing availability under the Revolving Credit Facility, combined with our cash flows provided by operating activities, will be sufficient to fund our business operations, reimbursement commitments for Growth Capital Improvements and obligations under the settlement agreement with Windstream, and debt service over the next twelve months. However, we may need to access the capital markets to generate additional funds to fund such expenditures. On a longer-term basis, the Company believes the same sources of liquidity and capital will be sufficient to satisfy these liquidity needs and anticipated capital expenditures, which we anticipate will be in line with historic amounts. See “Liquidity and Capital Resources” and “—Capital Expenditures” for additional information. A significant portion of the Company's indebtedness matures within the next four years, and the Company expects that it will need to refinance or repay its indebtedness at maturity by raising additional capital (which could include a combination of equity offerings and/or debt offerings) or instead seek to extend the applicable maturity dates of its indebtedness. We closely monitor the equity and debt markets and may seek to access them promptly if and when we determine market conditions are appropriate.

The amount, nature and timing of any capital markets transactions will depend on: our operating performance and other circumstances; our then-current commitments and obligations; the amount, nature and timing of our capital requirements; any limitations imposed by our current credit arrangements; and overall market conditions. These expectations are forward-looking and subject to a number of uncertainties and assumptions. If our expectations about our liquidity prove to be incorrect or we are unable to access the capital markets as we anticipate, we would be subject to a shortfall in liquidity in the future which could lead to a reduction in our capital expenditures and/or dividends and, in an extreme case, our ability to pay our debt service obligations. If this shortfall occurs rapidly and with little or no notice, it could limit our ability to address the shortfall on a timely basis.

In addition to exploring potential capital markets transactions, the Company regularly evaluates market conditions, its liquidity profile, and various financing alternatives for opportunities to enhance its capital structure. If opportunities are favorable, the Company may refinance or repurchase existing debt. However, there can be no assurances that any debt refinancing would be on similar or more favorable terms than our existing arrangements. This would include the risk that interest rates could increase and/or there may be changes to our existing covenants.

Contractual Obligations

We enter into various contractual arrangements as a part of our normal operations. Many of these contractual obligations are discussed in the notes to our consolidated financial statements contained in Part II, Item 8 “Financial Statements and Supplementary Data”. As of December 31, 2024, material obligations discussed in the notes to our consolidated financial statements included principal and interest payments on our long-term debt discussed above and in [Note 11](#), operating and finance leases discussed in [Note 5](#), and reimbursement commitments for growth capital improvements and cash payments related to the settlement agreement discussed in [Note 3](#).

In addition, we have material purchase commitments related to network deployment for success-based projects for which we have a signed customer contract before we commit resources to expand our network. As of December 31, 2024, purchase commitments totaled \$10.0 million due in 2025 and \$0.5 million due in 2026. Projections of future cash flows are subject to substantial uncertainty as discussed throughout Part II, Item 7 “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and particularly in Part I, Item 1A “Risk Factors” of this Annual Report on Form 10-K. Debt agreements may be renewed or refinanced if we determine it is advantageous to do so.

The Subsidiary Borrowers

During 2024, we formed the ABS Parent and the ABS Bridge Loan Parties, each an indirect, bankruptcy-remote subsidiary of the Company. Concurrently, we designated the ABS Parent and ABS Bridge Loan Parties as unrestricted subsidiaries under the Credit Agreement and the applicable indentures governing the Company’s outstanding senior notes.

For additional information concerning the financial position and results of operations of ABS Parent and the ABS Bridge Loan Parties (our unrestricted subsidiaries as of December 31, 2024), please see Note 22 to our consolidated financial statements contained in Part II, Item 8 “Financial Statements and Supplementary Data.”

Dividends

We have elected to be taxed as a REIT for U.S. federal income tax purposes. U.S. federal income tax law generally requires that a REIT distribute annually at least 90% of its REIT taxable income, without regard to the deduction for dividends paid and excluding net capital gains, and that it pay tax at regular corporate rates to the extent that it annually distributes less than 100% of its taxable income. In order to maintain our REIT status, we intend to make dividend payments of all or substantially all of our taxable income to holders of our common stock out of assets legally available for this purpose, if and to the extent authorized by our board of directors. Before we make any dividend payments, whether for U.S. federal income tax purposes or otherwise, we must first meet both our operating requirements and debt service obligations. If our cash available for distribution is less than our taxable income, we could be required to sell assets or borrow funds to make cash dividends or we may make a portion of the required dividend in the form of a taxable distribution of stock or debt securities.

The following table below sets out details regarding our cash dividends on our common stock:

Period	Payment Date	Cash Dividend Per Share	Record Date
January 1, 2024 - March 31, 2024	April 12, 2024	\$ 0.15	March 28, 2024
April 1, 2024 - June 30, 2024	June 28, 2024	\$ 0.15	June 14, 2024

Under the Merger Agreement with Windstream, we have agreed to suspend dividend payments or other distributions until the consummation of the Merger, except for the dividend paid on June 28, 2024 and those dividends reasonably required for us or our subsidiaries to maintain its status as a REIT or to avoid the payment or imposition of income or excise tax, among other customary exceptions. Any dividends must be declared by our Board of Directors, which will take into account various factors including our current and anticipated operating results, our financial position, REIT requirements, conditions prevailing in the market, restrictions in our debt documents and additional factors they deem appropriate. Dividend payments are not guaranteed, and our Board of Directors may decide, in its absolute discretion, at any time and for any reason, not to pay dividends or to change the amount paid as dividends.

Capital Expenditures

(Thousands)	Twelve Months Ended December 31, 2024			
	Success Based	Maintenance	Non-Network	Total
Capital expenditures:				
Uniti Leasing, excluding growth capital improvements	\$ 16,577	\$ —	\$ —	\$ 16,577
Growth capital improvements	230,815	—	—	230,815
Uniti Fiber	98,651	8,064	604	107,319
Corporate	—	—	123	123
Total capital expenditures	<u>\$ 346,043</u>	<u>\$ 8,064</u>	<u>\$ 727</u>	<u>\$ 354,834</u>

We categorize our capital expenditures as either (i) success-based, (ii) maintenance, or (iii) non-network. We define success-based capital expenditures as those related to installing existing or anticipated contractual customer service orders. Maintenance capital expenditures are those necessary to keep existing network elements fully operational. We anticipate continuing to invest in our network infrastructure across our Uniti Leasing and Uniti Fiber businesses and expect that cash on hand and cash flows provided by operating activities will be sufficient to support these investments. We have the right, but not the obligation (except for Growth Capital Improvements), to reimburse growth capital expenditures in certain of our lease arrangements where we are the lessor.

Uniti's total annual reimbursement commitments to Windstream for the Growth Capital Improvements is discussed above in this Part II, Item 7 "Management's Discussion and Analysis of Financial Condition and Results of Operations" in "Liquidity and Capital Resources—Windstream Leases." Growth Capital Improvements are treated as success-based capital improvements based on the rents paid with respect to such amounts.

If circumstances warrant, we may need to take measures to conserve cash, which may include a suspension, delay or reduction in success-based capital expenditures.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk.

Interest Rate Risk

In fiscal year 2024, our primary market risk exposure was interest rate risk with respect to our variable rate indebtedness under our Revolving Credit Facility, which had no aggregate principal balance as of December 31, 2024. A hypothetical 10% change in interest rates effective at December 31, 2024, would have had a \$0.7 million impact on Uniti's results of operations for the year ended December 31, 2024.

An increase in interest rates could make the financing of any acquisition by us more costly. Rising interest rates could also limit our ability to refinance our debt when it matures or cause us to pay higher interest rates upon refinancing and increase interest expense on refinanced indebtedness.

Item 8. Financial Statements and Supplementary Data.

**Uniti Group Inc.
Consolidated Financial Statements
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Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors

Uniti Group Inc.:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of Uniti Group Inc. and subsidiaries (the Company) as of December 31, 2024 and 2023, the related consolidated statements of income (loss), comprehensive income (loss), shareholders' deficit, and cash flows for each of the years in the three-year period ended December 31, 2024, and the related notes and financial statement schedules I to III (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2024, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2024, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated February 21, 2025 expressed an unqualified opinion on the effectiveness of the Company's internal control over financial reporting.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of a critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Fair Value of Uniti Fiber Reporting Unit

As discussed in Notes 3 and 10 to the consolidated financial statements, the Company's consolidated goodwill balance was \$157.4 million as of December 31, 2024, all of which is associated with the Uniti Fiber segment. The Company performs goodwill impairment testing on an annual basis and whenever events or changes in circumstances occur that would more likely than not reduce the fair value of the reporting unit below its carrying amount. The Company estimated the fair value of the Uniti Fiber reporting unit using a combination of an income approach based on the present value of estimated future cash flows and a market approach based on market data of comparable businesses.

We identified the evaluation of the fair value of the Uniti Fiber reporting unit as a critical audit matter. We performed risk assessment procedures to determine the significant assumptions used to estimate the fair value of the reporting

unit. Specifically, forecasted revenue, profit margin, and capital expenditures were challenging to test as they represent subjective estimates of future operations. The discount rate and long-term growth rate were also challenging to test as they represent subjective judgments about the investment market for infrastructure operations and assets. Minor changes to these assumptions, either individually or in aggregate, could have a significant effect on the Company's assessment of the fair value of the reporting unit. Additionally, the audit effort associated with the evaluation of the fair value of the reporting unit required specialized skills and knowledge.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls related to the Company's reporting unit fair value determination. This included controls related to forecasted revenue, profit margin, and capital expenditures as well as the discount rate and long-term growth rate. We evaluated the forecasted revenue and profit margins by comparing them to peer company analyst reports. We also obtained an understanding of the Company's intent to carry out particular courses of action by inspecting their written plans and other relevant documentation, and assessed how the Company incorporated those planned actions into forecasted revenue, profit margins and capital expenditures. We compared the Company's historical revenue, profit margin and capital expenditure forecasts to actual results to assess the Company's ability to accurately forecast. We evaluated the Company's forecasted revenue, profit margin, and capital expenditures by comparing them to historical results. We also evaluated whether the information used in the determination of the fair value of the reporting unit was consistent with other information used internally, presented to the Board of Directors, and used to develop other externally presented financial information. In addition, we involved a valuation professional with specialized skills and knowledge, who assisted in evaluating the Company's discount rate and long-term growth rate by comparing them to market data for comparable entities.

/s/ KPMG LLP

We have served as the Company's auditor since 2020

Dallas, Texas
February 21, 2025

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors
Uniti Group Inc.:

Opinion on Internal Control Over Financial Reporting

We have audited Uniti Group Inc. and subsidiaries' (the Company) internal control over financial reporting as of December 31, 2024, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2024, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2024 and 2023, the related consolidated statements of income (loss), comprehensive income (loss), shareholders' deficit, and cash flows for each of the years in the three-year period ended December 31, 2024, and the related notes and financial statement schedules I to III (collectively, the consolidated financial statements), and our report dated February 21, 2025 expressed an unqualified opinion on those consolidated financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Annual Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ KPMG LLP
Dallas, Texas
February 21, 2025

Uniti Group Inc.
Consolidated Balance Sheets

(Thousands, except par value)	December 31, 2024	December 31, 2023
Assets:		
Property, plant and equipment, net	\$ 4,209,747	\$ 3,982,069
Cash and cash equivalents	155,593	62,264
Restricted cash and cash equivalents	28,254	—
Accounts receivable, net	51,418	46,358
Goodwill	157,380	157,380
Intangible assets, net	275,414	305,115
Straight-line revenue receivable	108,870	90,988
Operating lease right-of-use assets, net	126,791	125,105
Other assets, net	40,556	118,117
Deferred income tax assets, net	128,045	109,128
Assets held for sale	—	28,605
Derivative asset	77	—
Total Assets	\$ 5,282,145	\$ 5,025,129
Liabilities and Shareholders' Deficit:		
Liabilities:		
Accounts payable, accrued expenses and other liabilities, net	\$ 89,688	\$ 119,340
Settlement payable (Note 3)	71,785	163,583
Intangible liabilities, net	145,703	156,397
Accrued interest payable	143,901	133,683
Deferred revenue	1,400,952	1,273,661
Dividends payable	665	36,162
Operating lease liabilities	80,504	84,404
Finance lease obligations	17,190	18,110
Notes and other debt, net	5,783,597	5,523,579
Liabilities held for sale	—	331
Total liabilities	7,733,985	7,509,250
Commitments and contingencies (Note 15)		
Shareholders' Deficit:		
Preferred stock, \$0.0001 par value, 50,000 shares authorized, no shares issued and outstanding	—	—
Common stock, \$0.0001 par value, 500,000 shares authorized, issued and outstanding: 237,513 shares at December 31, 2024 and 236,559 at December 31, 2023	24	24
Additional paid-in capital	1,236,045	1,221,824
Accumulated other comprehensive loss	(634)	—
Distributions in excess of accumulated earnings	(3,687,808)	(3,708,240)
Total Uniti shareholders' deficit	(2,452,373)	(2,486,392)
Noncontrolling interests:		
Operating partnership units	283	2,021
Cumulative non-voting convertible preferred stock, \$0.01 par value, 6 shares authorized, 3 issued and outstanding	250	250
Total shareholders' deficit	(2,451,840)	(2,484,121)
Total Liabilities and Shareholders' Deficit	\$ 5,282,145	\$ 5,025,129

The accompanying notes are an integral part of these consolidated financial statements.

Uniti Group Inc.
Consolidated Statements of Income (Loss)

(Thousands, except per share data)	Year Ended December 31,		
	2024	2023	2022
Revenues:			
Revenue from rentals			
Uniti Leasing	\$ 873,964	\$ 845,925	\$ 822,867
Uniti Fiber	55,244	65,903	69,547
Total revenue from rentals	929,208	911,828	892,414
Service revenues			
Uniti Leasing	6,526	6,847	4,590
Uniti Fiber	231,193	231,156	231,843
Total service revenues	237,719	238,003	236,433
Total revenues	1,166,927	1,149,831	1,128,847
Costs and Expenses:			
Interest expense, net	511,364	512,349	376,832
Depreciation and amortization	314,810	310,528	292,788
General and administrative expense	105,019	102,732	100,992
Operating expense (exclusive of depreciation, accretion and amortization)	140,377	144,276	143,131
Goodwill impairment (Note 3)	—	203,998	240,500
Transaction related and other costs	38,734	12,611	10,340
Gain on sale of real estate	(18,953)	(2,164)	(433)
Gain on sale of operations	—	—	(176)
Other (income) expense, net	(301)	18,386	(7,269)
Total costs and expenses	1,091,050	1,302,716	1,156,705
Income (loss) before income taxes and equity in earnings from unconsolidated entities			
	75,877	(152,885)	(27,858)
Income tax benefit	(17,555)	(68,474)	(17,365)
Equity in earnings from unconsolidated entities	—	(2,662)	(2,371)
Net income (loss)	93,432	(81,749)	(8,122)
Net income (loss) attributable to noncontrolling interests	26	(36)	153
Net income (loss) attributable to shareholders	93,406	(81,713)	(8,275)
Participating securities' share in earnings	(2,080)	(1,207)	(1,135)
Dividends declared on convertible preferred stock	(20)	(20)	(20)
Net income (loss) attributable to common shareholders	<u>\$ 91,306</u>	<u>\$ (82,940)</u>	<u>\$ (9,430)</u>
Income (loss) earnings per common share (Note 13)			
Basic	<u>\$ 0.38</u>	<u>\$ (0.35)</u>	<u>\$ (0.04)</u>
Diluted	<u>\$ 0.38</u>	<u>\$ (0.35)</u>	<u>\$ (0.04)</u>
Weighted-average number of common shares outstanding			
Basic	<u>237,306</u>	<u>236,401</u>	<u>235,567</u>
Diluted	<u>237,306</u>	<u>236,401</u>	<u>235,567</u>

The accompanying notes are an integral part of these consolidated financial statements.

Uniti Group Inc.
Consolidated Statements of Comprehensive Income (Loss)

(Thousands)	Year Ended December 31,		
	2024	2023	2022
Net income (loss)	\$ 93,432	\$ (81,749)	\$ (8,122)
Other comprehensive income (loss):			
Unrealized loss on valuation of interest rate cap	(656)	—	—
Reclassification of realized interest on interest rate cap	22	—	—
Interest rate swap termination	—	—	9,243
Other comprehensive income (loss)	(634)	—	9,243
Comprehensive income (loss)	92,798	(81,749)	1,121
Comprehensive income (loss) attributable to noncontrolling interest	26	(36)	232
Comprehensive income (loss) attributable to shareholders	\$ 92,772	\$ (81,713)	\$ 889

The accompanying notes are an integral part of these consolidated financial statements.

Uniti Group Inc.
Consolidated Statements of Shareholders' Deficit

(Thousands, except share data)	Preferred Stock		Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Distributions in Excess of Accumulated Earnings	Noncontrolling Interest - OP Units	Noncontrolling Interest - Non- voting Preferred Shares	Total Shareholders' Deficit
	Shares	Amount	Shares	Amount						
Balance at December 31, 2021	—	\$ —	234,779,247	\$ 23	\$ 1,214,830	\$ (9,164)	\$ (3,333,481)	\$ 13,893	\$ 125	\$ (2,113,774)
2022 Activity:										
Net Loss	—	—	—	—	—	—	(8,275)	153	—	(8,122)
Other comprehensive income	—	—	—	—	—	9,164	—	79	—	9,243
Common stock dividends declared (\$0.60 per share)	—	—	—	—	—	—	(141,753)	—	—	(141,753)
Distributions to noncontrolling interest	—	—	—	—	—	—	—	(127)	—	(127)
Issuance of non-voting convertible preferred stock	—	—	—	—	—	—	(125)	—	125	—
Exchange of noncontrolling interest	—	—	244,682	—	7,257	—	—	(11,877)	—	(4,620)
Payments related to tax withholding for stock-based compensation	—	—	—	—	(4,913)	—	—	—	—	(4,913)
Stock-based compensation	—	—	735,702	0	12,751	—	—	—	—	12,751
Issuance of common stock - employee stock purchase plan	—	—	69,854	—	589	—	—	—	—	589
Payments to settle capped call option	—	—	—	—	(21,149)	—	—	—	—	(21,149)
Payment for settlement of common stock warrant	—	—	—	—	(522)	—	—	—	—	(522)
Termination of bond hedge option	—	—	—	—	1,190	—	—	—	—	1,190
Balance at December 31, 2022	—	\$ —	235,829,485	\$ 24	\$ 1,210,033	\$ —	\$ (3,483,634)	\$ 2,121	\$ 250	\$ (2,271,206)
2023 Activity:										
Net loss	—	—	—	—	—	—	(81,713)	(36)	—	(81,749)
Common stock dividends declared (\$0.60 per share)	—	—	—	—	—	—	(142,893)	—	—	(142,893)
Distributions to noncontrolling interest	—	—	—	—	—	—	—	(64)	—	(64)
Payments related to tax withholding for stock-based compensation	—	—	—	—	(1,433)	—	—	—	—	(1,433)
Stock-based compensation	—	—	556,475	—	12,491	—	—	—	—	12,491
Issuance of common stock - employee stock purchase plan	—	—	172,641	—	730	—	—	—	—	730
Payment for settlement of common stock warrant	—	—	—	—	(56)	—	—	—	—	(56)

	Preferred Stock		Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Distributions in Excess of Accumulated Earnings	Noncontrolling Interest - OP Units	Noncontrolling Interest - Non- voting Preferred Shares	Total Shareholders' Deficit
(Thousands, except share data)	Shares	Amount	Shares	Amount						
Termination of bond hedge option	—	—	—	—	59	—	—	—	—	59
Balance at December 31, 2023	—	\$ —	236,558,601	\$ 24	\$ 1,221,824	\$ —	\$ (3,708,240)	\$ 2,021	\$ 250	\$ (2,484,121)
2024 Activity:										
Net income	—	—	—	—	—	—	93,406	26	—	93,432
Other comprehensive loss	—	—	—	—	—	(634)	—	—	—	(634)
Common stock dividends declared (\$0.30 per share)	—	—	—	—	—	—	(72,974)	—	—	(72,974)
Distributions to noncontrolling interest	—	—	—	—	—	—	—	(21)	—	(21)
Exchange of noncontrolling interest	—	—	76,466	—	1,651	—	—	(1,743)	—	(92)
Payments related to tax withholding for stock-based compensation	—	—	—	—	(1,595)	—	—	—	—	(1,595)
Stock-based compensation	—	—	662,245	—	13,508	—	—	—	—	13,508
Issuance of common stock - employee stock purchase plan	—	—	216,183	—	657	—	—	—	—	657
Balance at December 31, 2024	—	\$ —	237,513,495	\$ 24	\$ 1,236,045	\$ (634)	\$ (3,687,808)	\$ 283	\$ 250	\$ (2,451,840)

The accompanying notes are an integral part of these consolidated financial statements.

Uniti Group Inc.
Consolidated Statements of Cash Flows

(Thousands)	Year Ended December 31,		
	2024	2023	2022
Cash flow from operating activities			
Net income (loss)	\$ 93,432	\$ (81,749)	\$ (8,122)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Depreciation and amortization	314,810	310,528	292,788
Amortization of deferred financing costs and debt discount	22,738	18,498	18,147
Loss (Gain) on debt extinguishment	—	31,187	(10,754)
Interest rate swap termination	—	—	9,243
Interest rate cap amortization	1,489	—	—
Deferred income taxes	(18,917)	(68,497)	(28,909)
Equity in earnings of unconsolidated entities	—	(2,662)	(2,371)
Distributions of cumulative earnings from unconsolidated entities	—	3,964	3,969
Cash paid for interest rate swap settlement	—	—	(10,413)
Cash paid for interest rate cap	(2,200)	—	—
Straight-line rental revenues	(30,584)	(37,944)	(40,925)
Stock-based compensation	13,508	12,491	12,751
Goodwill impairment (Note 3)	—	203,998	240,500
(Gain) Loss on asset disposals	(872)	(573)	898
Gain on sale of real estate	(18,953)	(2,164)	(433)
Gain on sale of operations	—	—	(176)
Gain on sale of unconsolidated entity	—	(2,646)	(7,923)
Accretion of settlement payable	6,224	10,506	11,714
Other	2,767	701	(72)
Changes in assets and liabilities:			
Accounts receivable	(5,060)	(3,727)	(4,176)
Other assets	15,961	15,795	15,148
Accounts payable, accrued expenses and other liabilities	(27,648)	(54,577)	(30,769)
Net cash provided by operating activities	366,695	353,129	460,115
Cash flow from investing activities			
Capital expenditures	(354,834)	(417,002)	(427,567)
Proceeds from sale of equipment	2,397	3,146	1,815
Proceeds from sale of operations	—	—	541
Proceeds from sale of real estate, net of cash	40,241	2,545	665
Proceeds from sale of unconsolidated entity	40,000	—	32,527
Net cash used in investing activities	(272,196)	(411,311)	(392,019)
Cash flow from financing activities			
Repayment of debt	(122,942)	(2,263,662)	(194,043)
Proceeds from issuance of Notes	309,000	2,600,000	306,500
Dividends paid	(108,455)	(107,405)	(142,950)
Payments of settlement payable	(98,022)	(98,022)	—
Borrowings under revolving credit facility	130,000	506,000	180,000
Payments under revolving credit facility	(338,000)	(486,000)	(192,000)
Proceeds from ABS Loan Facility	275,000	—	—
Finance lease payments	(2,652)	(2,262)	(1,193)
Payments for financing costs	(15,778)	(26,955)	(9,852)
Payments for capped call option	—	—	(21,149)
Payment for settlement of common stock warrant	—	(56)	(522)
Proceeds from termination of bond hedge option	—	59	1,190
Costs related to early repayment of debt	—	(44,303)	—
Distributions paid to noncontrolling interest	(37)	(48)	(233)
Payment for exchange of noncontrolling interest	(92)	—	(4,620)
Proceeds from employee stock purchase plan	657	730	589
Payments related to tax withholding for stock-based compensation	(1,595)	(1,433)	(4,913)
Net cash provided by (used in) financing activities	27,084	76,643	(83,196)

Net increase (decrease) in cash, restricted cash and cash equivalents	121,583	18,461	(15,100)
Cash, restricted cash and cash equivalents at beginning of period	62,264	43,803	58,903
Cash, restricted cash and cash equivalents at end of period	\$ 183,847	\$ 62,264	\$ 43,803
Non-cash investing and financing activities:			
Property and equipment acquired but not yet paid	\$ 10,186	\$ 8,798	\$ 8,519
Tenant capital improvements	\$ 263,087	\$ 167,763	\$ 119,685
Sale of unconsolidated entity	\$ —	\$ 40,000	\$ —

The accompanying notes are an integral part of these consolidated financial statements.

Uniti Group Inc.
Notes to the Consolidated Financial Statements

Note 1. Organization and Description of Business

Uniti Group Inc. (the “Company,” “Uniti,” “we,” “us,” or “our”) was incorporated in the state of Maryland on September 4, 2014. We are an independent internally managed real estate investment trust (“REIT”) engaged in the acquisition, construction and leasing of mission critical infrastructure in the communications industry. We are principally focused on acquiring and constructing fiber optic, copper and coaxial broadband networks and data centers. We manage our operations focused on our two primary lines of business: Uniti Fiber and Uniti Leasing.

The Company operates through a customary “up-REIT” structure, pursuant to which we hold substantially all of our assets through a partnership, Uniti Group LP, a Delaware limited partnership (the “Operating Partnership”) that we control as general partner. The up-REIT structure is intended to facilitate future acquisition opportunities by providing the Company with the ability to use common units of the Operating Partnership as a tax-efficient acquisition currency. As of December 31, 2024, we are the sole general partner of the Operating Partnership and own approximately 99.99% of the partnership interests in the Operating Partnership.

Our Proposed Merger with Windstream

On May 3, 2024, the Company entered into an Agreement and Plan of Merger, by and between the Company and Windstream Holdings, Inc. (“Windstream Holdings” and together with Windstream Holdings II, LLC, its successor in interest, and its subsidiaries, “Windstream”), as amended by Amendment No. 1 to the Agreement and Plan of Merger, dated July 17, 2024 (as it may be further amended and/or restated from time to time, the “Merger Agreement”). Upon the terms and subject to the conditions set forth in the Merger Agreement and following a pre-closing reorganization of Windstream, an affiliate of Windstream identified as “Merger Sub” in the Merger Agreement will merge with and into Uniti (the “Merger”), with Uniti surviving the Merger, with the result that both of Uniti and Windstream's successor by merger will be indirect wholly owned subsidiaries of Windstream Parent, Inc., a Delaware corporation that is currently an indirect wholly owned subsidiary of Windstream (“New Uniti”). Following the Merger, the common stock of New Uniti (“New Uniti Common Stock”) is expected to be listed on the Nasdaq Global Market.

The Merger intends to reunite Windstream’s business with the underlying fiber infrastructure owned by the Company to create a premier digital infrastructure company with a strong platform for value creation. Upon consummation of the Merger, the board of directors of New Uniti will initially comprise nine members, including five directors to be appointed by Uniti. It is expected that Uniti’s existing officers will serve as initial officers of New Uniti.

At the effective time of the Merger, each share of Uniti’s common stock that is issued and outstanding will automatically be cancelled and retired and converted into the right to a number of shares of New Uniti Common Stock pursuant to an exchange ratio set forth in the Merger Agreement such that the Company's and Windstream's stockholders are expected to hold approximately 62% and 38%, respectively, of the combined company before giving effect to the conversion of any outstanding convertible securities or the issuance of warrants to purchase New Uniti Common Stock referenced below.

In addition, at the closing of the Merger, we will fund an aggregate cash payment of \$425 million (less certain transaction expenses) that will be distributed to Windstream equityholders on a pro-rata basis (the “Merger Cash Consideration”). Windstream equityholders will also be entitled to pro rata distributions of (i) new shares of non-voting preferred stock of New Uniti with a dividend rate of 11% per year for the first six years, subject to an additional 0.5% per year during each of the seventh and eighth year after the initial issuance and further increased by an additional 1% per year during each subsequent year, subject to a cap of 16% per year and with an aggregate liquidation preference of \$575 million, and (ii) warrants to purchase New Uniti Common Stock, with an exercise price of \$0.01 per share, subject to customary adjustments, representing in the aggregate approximately 6.9% of the pro forma share total of New Uniti. We intend to fund the Merger Cash Consideration with cash on hand and borrowings under the Revolving Credit Facility (as defined herein).

Our Merger with Windstream is subject to customary closing conditions, including, among others, approval by our stockholders and receipt of required regulatory approvals, including the expiration or early termination of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 and the receipt of approvals from the Federal Communications Commission and certain state public utility commissions. We currently expect our Merger with Windstream to close in the second half of 2025.

Upon consummation of the Merger, New Uniti will become an integrated telecommunications company. Initially, the legacy Uniti and Windstream organizational structures will remain separate, and the existing agreements and arrangements presently in effect between Uniti and Windstream, such as the Windstream Leases (as defined below) and the settlement agreement with Windstream, which requires Uniti to fund periodic settlement payments and reimburse Windstream for certain Growth Capital Improvements (as defined below), will remain in place. All Windstream debt obligations would remain obligations of Windstream and our debt obligations would remain as ours, with no cross-guarantees or credit support between the Company and Windstream. For a description of the Windstream Leases and the settlement agreement with Windstream, refer to Note 5. In September and October 2024, Windstream undertook a series of transactions through which it amended the terms of its outstanding debt to, among other things, allow for the consolidation of Uniti's and Windstream's debt following the completion of the Merger into a single silo under a common parent entity (the "Post-Closing Reorganization"). As a result, following the completion of the Merger, Uniti may, but is not required to, consummate the Post-Closing Reorganization. If the Post-Closing Reorganization is completed, certain existing agreements and arrangements presently in effect between Uniti and Windstream, including the Windstream Leases and the settlement agreement described above, could be (but are not required to be) terminated. In addition, if the Post-Closing Reorganization is completed, each obligor under Uniti's outstanding debt (other than the ABS Loan Facility, as defined below) would become an obligor under Windstream's outstanding debt, and each obligor under Windstream's outstanding debt would become an obligor under Uniti's outstanding debt (other than the ABS Loan Facility).

In addition, we have agreed to suspend dividend payments or other distributions until the consummation of the Merger, except for the dividend paid on June 28, 2024 and those dividends reasonably required for us or our subsidiaries to maintain our status as a REIT or to avoid the payment or imposition of income or excise tax, among other customary exceptions. Finally, it is expected that, following consummation of the Merger, Uniti will cease to be a REIT and New Uniti would not qualify as a REIT.

Note 2. Basis of Presentation and Consolidation

The accompanying Consolidated Financial Statements include all accounts of the Company and, its wholly-owned and/or controlled subsidiaries, including the Operating Partnership. Under the Accounting Standards Codification 810, *Consolidation* ("ASC 810"), the Operating Partnership is considered a variable interest entity and is consolidated in the Consolidated Financial Statements of Uniti Group Inc. because the Company is the primary beneficiary. All material intercompany balances and transactions have been eliminated.

ASC 810 provides guidance on the identification of entities for which control is achieved through means other than voting rights ("VIEs") and the determination of which business enterprise, if any, should consolidate the VIEs. Generally, the consideration of whether an entity is a VIE applies when either: (1) the equity investors (if any) lack (i) the ability to make decisions about the entity's activities through voting or similar rights, (ii) the obligation to absorb the expected losses of the entity, or (iii) the right to receive the expected residual returns of the entity; (2) the equity investment at risk is insufficient to finance that entity's activities without additional subordinated financial support; or (3) the equity investors have voting rights that are not proportionate to their economic interests and substantially all of the activities of the entity involve or are conducted on behalf of an investor with a disproportionately small voting interest. The Company consolidates VIEs in which it is considered to be the primary beneficiary. The primary beneficiary is defined as the entity having both of the following characteristics: (1) the power to direct the activities that, when taken together, most significantly impact the VIE's performance; and (2) the obligation to absorb losses and right to receive the returns from the VIE that would be significant to the VIE.

The accompanying Consolidated Financial Statements have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP") for financial information set forth in the Accounting Standards Codification ("ASC"), as published by the Financial Accounting Standards Board ("FASB"), and with the applicable rules and regulations of the Securities and Exchange Commission ("SEC").

Note 3. Summary of Significant Accounting Policies

Use of Estimates—The preparation of financial statements, in accordance with GAAP, requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and disclosure of contingent assets and liabilities. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements, and such differences could be material.

Liquidity.—We anticipate continuing to invest in our network infrastructure across our Uniti Leasing and Uniti Fiber portfolios. We also expect to fund the \$425 million (less certain transaction expenses) cash consideration in the Merger, as well as obligations to Windstream, including (i) \$490.1 million of settlement payments payable over time (of which \$73.5 million remains to be paid as of December 31, 2024) and (ii) an aggregate of up to \$1.75 billion for certain Growth Capital Improvements (as defined below) (of which \$725.0 million remains to be paid as of December 31, 2024). We anticipate these expenditures will be met, as well as operating expenses (including our debt service obligations), in the near term from our cash on hand, borrowings under our Revolving Credit Facility (as defined in Note 11), a portion of the net proceeds from the issuance and sale of the ABS Notes (as defined in Note 11), and cash flows provided by operating activities.

Our 2024 capital expenditures of \$354.8 million and dividend payments of \$108.5 million exceeded our 2024 cash flow from operating activities of \$366.7 million, which led us to seek additional external sources of capital. We will closely monitor the equity and debt markets and may seek to access those markets when we deem conditions are appropriate. The amount, nature and timing of any capital markets transactions will depend on our operating performance, capital requirements, and the availability of those capital markets, all of which are subject to uncertainties.

Property, Plant and Equipment.—Property, plant and equipment is stated at original cost, net of accumulated depreciation. The Company capitalizes costs incurred in bringing property, plant and equipment to an operational state, including all activities directly associated with the acquisition, construction, and installation of the related assets it owns. The Company capitalizes a portion of the interest costs it incurs for assets that require a period of time to get them ready for their intended use. The amount of interest that is capitalized is based on the average accumulated expenditures made during the period involved in bringing the assets comprising a network to an operational state at the Company's weighted average interest rate during the respective accounting period.

The Company also enters into leasing arrangements providing for the long-term use of constructed fiber that is then integrated into the Company's network infrastructure. For each lease that qualifies as a finance lease, the present value of the lease payments, which may include both periodic lease payments over the term of the lease as well as upfront payments to the lessor, is capitalized at the inception of the lease and included in property and equipment. As of December 31, 2024 and 2023, the accumulated amortization of our finance lease assets was \$23.3 million and \$20.4 million, respectively.

On April 24, 2015, we were separated and spun-off (the "Spin-Off") from Windstream pursuant to which Windstream contributed certain telecommunications network assets, including fiber and copper networks and other real estate (the "Distribution Systems") to Uniti. Certain property, plant and equipment acquired as part of our Spin-Off is depreciated using a group composite depreciation method. Under this method, when property is retired, the original cost, net of salvage value, is charged against accumulated depreciation and no immediate gain or loss is recognized on the disposition of the property. For all other property, which includes amortization of finance lease assets, depreciation is computed using the straight-line method over the estimated useful life of the respective property. When the property is retired or otherwise disposed of, the related cost and accumulated depreciation are written-off, with the corresponding gain or loss reflected in operating results. Construction in progress includes direct materials and labor related to fixed assets during the construction period. Depreciation begins once the construction period has ceased and the related asset is placed into service, and the asset will be depreciated over its useful life.

Costs of maintenance and repairs to property, plant and equipment subject to triple-net leasing arrangements are the responsibility of our tenant. Costs of maintenance and repairs to property, plant and equipment not subject to triple-net leasing arrangements are expensed as incurred.

Tenant Capital Improvements.—The leases with Windstream (as discussed below) provide that tenant funded capital improvements ("TCIs"), defined as maintenance, repair, overbuild, upgrade or replacements to the leased network, including, without limitation, the replacement of copper distribution systems with fiber distribution systems, automatically become property of Uniti upon their construction by Windstream. We receive non-monetary consideration related to the TCIs as they automatically become our property, and we recognize the cost basis of TCIs that are capital in nature as property, plant and equipment and deferred revenue. We depreciate the property, plant and equipment over their estimated useful lives and amortize the deferred revenue as additional leasing revenues over the same depreciable life of the TCI assets. At December 31, 2024 and 2023, the net book value of TCIs recorded as a component of property, plant and equipment on our Consolidated Balance Sheets was \$1.1 billion and \$970.1 million, respectively. For the years ended December 31, 2024, 2023 and 2022, we recognized \$50.9 million, \$47.0 million, and \$43.2 million, respectively, of revenue and depreciation expense related to TCIs.

Impairment of Long-Lived Assets—We review long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset group may not be recoverable from future undiscounted net cash flows we expect the asset group to generate. If the asset group is not fully recoverable, an impairment loss would be recognized for the difference between the carrying value of the asset group and its estimated fair value based on discounted net future cash flows. Assets held for sale, if any, are reported at the lower of the carrying amount or fair value less cost to sell. Assets held for sale are no longer depreciated once held for sale criteria are met. During the years ended December 31, 2024, 2023 and 2022, there were no events or changes in circumstances indicating that the carrying amount of any of our asset groups was not recoverable from future undiscounted net cash flows we expect the asset groups to generate, and no impairment losses were recognized.

Asset Retirement Obligations—The Company records obligations to perform asset retirement activities, primarily including requirements to remove equipment from leased space or customer sites as required under the terms of the related lease and customer agreements. The fair value of the liability for asset retirement obligations, which represents the net present value of the estimated expected future cash outlay, is recognized in the period in which it is incurred and the fair value of the liability can reasonably be estimated. The liability accretes as a result of the passage of time and related accretion expense is recognized in the Consolidated Statements of Income (Loss). The associated asset retirement costs are capitalized as an additional carrying amount of the related long-lived asset and depreciated on a straight-line basis over the asset's useful life. As of December 31, 2024 and 2023, our aggregate carrying amount of asset retirement obligations totaled \$16.7 million and \$16.8 million, respectively. During the years ended December 31, 2024 and December 31, 2023, we incurred \$0.1 million and \$6.5 million in liabilities related to asset retirement obligations, respectively. During the years ended December 31, 2024, 2023, and 2022, we recognized \$1.0 million, \$2.8 million, and \$1.7 million of accretion expense related to asset retirement obligations, respectively, included in depreciation and amortization expense in our Consolidated Statements of Income (Loss).

Cash and Cash Equivalents—Cash and cash equivalents include all non-restricted cash held at financial institutions and other non-restricted highly liquid short-term investments with original maturities of three months or less.

Restricted Cash and Cash Equivalents—Restricted cash and cash equivalents represent funds that are restricted for an obligation under the ABS Loan Facility (as defined in [Note 11](#)) to maintain three months of interest and other expenses.

The following table provides a reconciliation of cash and cash equivalents and restricted cash and cash equivalents within the Consolidated Balance Sheets to the total cash and cash equivalents and restricted cash and cash equivalents within the Consolidated Statements of Cash Flows.

(Thousands)	December 31, 2024	December 31, 2023
Cash and cash equivalents	\$ 155,593	\$ 62,264
Restricted cash and cash equivalents	28,254	—
Cash, restricted cash and cash equivalents at end of period	<u>\$ 183,847</u>	<u>\$ 62,264</u>

Derivative Instruments and Hedging Activities—We account for our derivatives in accordance with FASB ASC 815, *Derivatives and Hedging*, in which we reflect all derivative instruments at fair value as either assets or liabilities on our Consolidated Balance Sheets. For derivative instruments that are designated and qualify as hedging instruments, we record the effective portion of the gain or loss on the hedged instruments as a component of accumulated other comprehensive income or loss. Any ineffective portion of a derivative's change in fair value is immediately recognized within net income. For derivatives that do not meet the criteria for hedge accounting, changes in fair value are immediately recognized within net income.

Intangible Assets—Intangible assets are presented in the financial statements at cost less accumulated amortization and are amortized using the straight-line method over their estimated useful lives.

Transaction Related and Other Costs—The Company expenses non-capitalizable transaction related and other costs in the period in which they are incurred and services are received. Transaction related costs include acquisition pursuit, transaction and integration costs, including unsuccessful acquisition pursuit costs. Pursuit and transaction costs include professional services (legal, accounting, advisory, regulatory, etc.), finder's fees, travel expenses, and other direct expenses associated with a business acquisition. Integration costs include direct costs necessary to integrate an acquired business, including professional services, systems and data conversion, severance and retention bonuses payable to employees of an acquired business. In addition, other costs, such as costs incurred as a result of Windstream's bankruptcy filing, costs

associated with Windstream's claims against us, and costs associated with the implementation of our enterprise resource planning system are included within this line item on the Consolidated Statements of Income (Loss).

Settlement Payable—On July 25, 2019, in connection with Windstream's bankruptcy, Windstream filed a complaint with the Bankruptcy Court against Uniti and certain of its affiliates, alleging, among other things, that the Master Lease (as defined in [Note 5](#)) should be recharacterized as a financing arrangement, that certain rent payments and TCIs made by Windstream under the Master Lease constitute constructive fraudulent transfers, that the Master Lease is a lease of personal property and that Uniti breached certain of its obligations under the Master Lease. On March 2, 2020, Uniti and Windstream jointly announced that they agreed to the Settlement (as defined below) to resolve any and all claims and causes of action that have been or may be asserted against Uniti by Windstream, including all litigation brought by Windstream and certain of its creditors in the context of Windstream's bankruptcy, and on May 12, 2020, the Bankruptcy Court entered an order approving Windstream's assumption of the Master Lease as part of the Settlement (as defined below).

In connection with Windstream's emergence from bankruptcy on September 21, 2020, Uniti entered into several agreements and consummated several transactions, including a stock transaction closed on September 18, 2020 in which we issued 38,633,470 shares of Uniti common stock to certain first lien creditors of Windstream and transferred the proceeds to Windstream and an asset transaction closed on September 18, 2020, in which we paid to Windstream approximately \$284.6 million in exchange for certain fiber assets and dark fiber dark fiber indefeasible rights of use related thereto, to implement its settlement (the "Settlement") with Windstream pursuant to the settlement agreement dated as of May 12, 2020 between Uniti and Windstream. Pursuant to the Settlement, Uniti and Windstream agreed to mutual releases with respect to any and all liability related to any claims and causes of action between them, including those brought by Windstream and certain of its creditors relating to Windstream's Chapter 11 proceedings and the Master Lease. On January 8, 2021, Windstream filed in the bankruptcy court a stipulation and order dismissing the adversary proceeding against Uniti with prejudice subject to the terms set forth in the settlement agreement. The stipulation and order was entered by the bankruptcy court on January 25, 2021.

In accordance with the Settlement, we also have a number of ongoing obligations including the following:

- i. we are obligated to make \$490.1 million of cash payments to Windstream in equal installments over 20 consecutive quarters beginning in October 2020, and we may prepay any installments due on or after the first anniversary of the settlement agreement (discounted at a 9% rate). As of December 31, 2024, the Company has made payments totaling \$411.4 million; and
- ii. we are obligated to reimburse Windstream for Growth Capital Improvements as described in [Note 5](#).

Debt Issuance Costs—The Company recognizes debt issuance costs related to a recognized debt liability as a direct deduction from the carrying amount of the debt liability, consistent with debt discounts. The costs, which include underwriting, legal, and other direct costs related to the issuance of debt, are amortized over the contractual term of the debt using the effective interest method.

Revenue Recognition—The following is a description of principal activities, separated by reportable segments (see [Note 14](#)), from which the Company generates its revenues. We exclude from the transaction price any amounts collected from customers for sales taxes and therefore, they are not included in revenue.

Uniti Leasing

Uniti Leasing revenue represents the results from our Uniti Leasing segment, which is engaged in the acquisition and construction of mission-critical communications assets and leasing them to anchor customers on either an exclusive or shared-tenant basis. See discussion in "Leases" in this [Note 3](#) and [Note 5](#).

The Windstream Leases (as defined in [Note 5](#)) are long-term exclusive triple-net leases, whereby Windstream is responsible for the costs related to operating the Distribution Systems, including property taxes, insurance and maintenance and repair costs. As a result, we do not record an obligation related to the payment of property taxes or insurance, as Windstream makes direct payments to the taxing authorities and insurance carriers, respectively.

Uniti Fiber

The Uniti Fiber segment represents the operations of our fiber business, Uniti Fiber, which provides:

- i. Consumer, enterprise, wholesale, and backhaul lit fiber revenue is recognized over the life of the contracts in a pattern that reflects the satisfaction of Uniti's stand-ready obligation to provide lit fiber services. The transaction price is equal to the monthly-recurring charge multiplied by the contract term, plus any non-recurring or variable charges. For each contract, the customer is invoiced monthly.
- ii. E-Rate contracts involve providing lit fiber services to schools and libraries, and revenue is recognized over the life of the contract in a pattern that reflects the satisfaction of Uniti's stand-ready obligation to provide lit fiber services. The transaction price is equal to the monthly-recurring charge multiplied by the contract term, plus any non-recurring or variable charges. For each contract, the customer is invoiced monthly.
- iii. Construction revenue is generated from contracts to provide various construction services such as equipment installation or the laying of fiber. Construction revenue is recognized over time as construction activities occur as we are either enhancing a customer's owned asset or constructing an asset with no alternative use to us and we would be entitled to our costs plus a reasonable profit margin if the contract was terminated early by the customer. We are utilizing our costs incurred as the measure of progress of satisfying our performance obligation.
- iv. Dark fiber and small cell arrangements represent operating leases and revenue is recognized under the leasing guidance. When (i) a customer makes an advance payment or (ii) a customer is contractually obligated to pay any amounts in advance, which is not deemed a separate performance obligation, deferred leasing revenue is recorded. This leasing revenue is recognized ratably over the expected term of the contract, unless the pattern of service suggests otherwise.
- v. The Company generates revenues from other services, such as consultation services and equipment sales. Revenue from the sale of customer premise equipment and modems that are not provided as an essential part of the telecommunications services, including broadband, long distance, and enhanced services is recognized when products are delivered to and accepted by the customer. Revenue from customer premise equipment and modems provided as an essential part of the telecommunications services, including broadband, long distance, and enhanced services are recognized over time in a pattern that reflects the satisfaction of the service performance obligation.

Commissions – Under Topic 606 and Topic 340, *Other Assets and Deferred Costs*, we capitalize commission fees as costs of obtaining a contract when those commissions are incremental and expected to be recovered from the revenue contract and we amortize those capitalized costs consistent with the pattern of transfer of the product or service to which the capitalized costs relate. At December 31, 2024 and 2023, our net deferred contract costs were \$15.2 million and \$14.5 million, respectively. The amortization of these costs is included in general and administrative expense on the Consolidated Statements of Income (Loss) and for the years ended December 31, 2024, 2023 and 2022 was \$5.2 million, \$4.4 million and \$3.7 million, respectively.

We are exposed to credit losses primarily through our trade receivables. We assess ability to pay for certain customers by considering a variety of factors, such as the customer's established credit rating, if available, and our assessment of creditworthiness. We determine the allowance for credit losses on accounts receivable using a combination of specific reserves for accounts that are deemed to exhibit credit loss indicators and general reserves that are determined using loss rates based on historical experience and economic expectations. We update our estimate of credit loss reserves quarterly, considering recent write-offs, collections information and underlying economic expectations. The allowance for credit losses is recorded in accounts receivable, net on our Consolidated Balance Sheets. At December 31, 2024 and 2023, our allowance for credit losses was \$2.5 million and \$3.2 million, respectively. Credit losses for the years ended December 31, 2024, 2023 and 2022 were \$1.1 million, \$1.2 million and \$0.6 million, respectively.

Straight-Line Revenue Receivable—We evaluate the collectability of our straight-line revenue receivables in accordance with the provisions of Topic 842, Leases ("ASC 842"), where if the collectability of lease payments is not probable at the

commencement date, or at any time during the lease term, then we limit the lease revenue to the lesser of the revenue recognized on a straight-line basis or cash basis. If our assessment of collectability changes after the commencement date, we record the difference between the lease revenue that would have been recognized on a straight-line basis and cash basis as a current period adjustment to lease revenue.

Leases—We determine if an arrangement is a lease at contract inception. A lease exists when a contract conveys the right to control the use of identified property, plant, or equipment for a period of time in exchange for consideration.

As a lessee, we enter into lease contracts including ground, tower, equipment, building, automobile, colocation and fiber lease arrangements, and service contracts that may include embedded leases.

When we are the lessee, we classify leases as either finance or operating leases based on the principle of whether or not the lease is effectively a financed purchase. This classification will determine whether lease expense is comprised of amortization on the right-of-use (“ROU”) asset and interest expense recognized based on an effective interest method (a finance lease) or as a single lease cost recognized on a straight-line basis over the term of the lease (an operating lease). We recognize an ROU asset and a lease liability for all leases with a term of greater than 12 months regardless of classification. We recognize the lease payments associated with our short-term leases, which have lease terms less than 12 months, as an expense on a straight-line basis over the lease term.

ROU assets and lease liabilities related to operating leases where we are the lessee are separately stated on our Consolidated Balance Sheets. The ROU asset is initially measured as the initial amount of the lease liability adjusted for lease payments made at or before the lease commencement date, plus any initial direct costs incurred less, any lease incentives received. The ROU asset is subsequently measured throughout the lease term at the carrying amount of the lease liability, plus initial direct costs, plus (minus) any prepaid (accrued) lease payments, less the unamortized balance of lease incentives received. The lease liabilities are initially and subsequently measured at the present value of the unpaid lease payments. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

ROU assets and lease liabilities related to finance leases where we are the lessee are included in property, plant and equipment, net and finance lease obligations, respectively, on our Consolidated Balance Sheets. The ROU asset is initially measured as the initial amount of the lease liability adjusted for lease payments made at or before the lease commencement date, plus any initial direct costs incurred less, any lease incentives received. The ROU asset is subsequently amortized using the straight-line method from the lease commencement date to the earlier of the end of its useful life or the end of the lease term unless the lease transfers ownership of the underlying asset to us, or we are reasonably certain to exercise an option to purchase the underlying asset. In those cases, the ROU asset is amortized over the useful life of the underlying asset. The lease liabilities are initially measured in the same manner as operating leases and are subsequently measured at amortized cost using the effective interest method. Amortization of the finance lease assets is recognized and presented separately from interest expense on the lease liability, as part of depreciation and amortization expense on the Consolidated Statements of Income (Loss).

We have lease agreements which include lease and nonlease components. For leases where we are a lessee, we have elected to combine lease and nonlease components for all lease contracts. For leases where we are the lessor, we combine the lease and non-lease components when the components qualify to be combined and we account for the combined arrangement based on whether the lease or non-lease component is predominant. Maintenance services are the primary nonlease components and the combined components typically are treated as leases for revenue recognition purposes. We have elected to exclude sales taxes from lease payments in arrangements where we are a lessor.

Operating leases where we are the lessor are included in Uniti Leasing and Unit Fiber revenues on our Consolidated Statements of Income (Loss).

For operating leases where we are the lessor, we continue recognizing the underlying asset and depreciating it over its estimated useful life. Lease income is recognized on a straight-line basis over the lease term. Leasing revenue is not recognized when collection of all contractual rents over the term of the agreement is not probable. When collection is not probable, we limit the lease revenue to the lesser of the revenue recognized on a straight-line basis or cash basis.

From time to time we may enter into sales-type lease arrangements as a lessor that may include (i) a lessee obligation to purchase the leased equipment at the end of the lease term, (ii) a bargain purchase option, (iii) a lease term having a duration that is for the major part of the remaining economic life of the leased equipment or (iv) provides for minimum

lease payments with a present value amounting to substantially all of the fair value of the leased asset at the date of lease commencement.

Variable lease payments associated with our leases are recognized when the event, activity, or circumstance in the lease agreement on which those payments are assessed occurs. Variable lease payments are presented within Uniti Leasing and Unit Fiber revenues and general and administrative expense and operating expense in our Consolidated Statements of Income (Loss) in the same line item as revenue arising from fixed lease payments (operating leases where we are the lessor) and expense arising from fixed lease payments (operating leases where we are the lessee) or amortization of the ROU asset (finance leases), respectively.

We monitor for events or changes in circumstances that require a reassessment of a lease. When a reassessment results in the remeasurement of a lease liability, a corresponding adjustment is made to the carrying amount of the corresponding ROU asset unless doing so would reduce the carrying amount of the ROU asset to an amount less than zero. In that case, the amount of the adjustment that would result in a negative ROU asset balance is recorded in general and administrative and operating expense in our Consolidated Statements of Income (Loss).

Key lease estimates and judgments include how we determined (i) the discount rate we use to discount the unpaid lease payments to present value, (ii) lease term and (iii) lease payments.

- i. ASC 842 requires a lessor to discount its unpaid lease payments using the interest rate implicit in the lease and a lessee to discount its unpaid lease payments using the interest rate implicit in the lease or, if that rate cannot be readily determined, its incremental borrowing rate. As we generally do not know the implicit rate for our leases where we are the lessee, we use our incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. Our incremental borrowing rate for a lease is the rate of interest we would have to pay on a collateralized basis to borrow an amount equal to the lease payments under similar terms.
- ii. The lease term for all of our leases includes the noncancellable period of the lease plus any additional periods covered by either a lessee option to extend (or not to terminate) the lease that the lessee is reasonably certain to exercise, or an option to extend (or not to terminate) the lease controlled by the lessor.
- iii. Lease payments included in the measurement of the lease asset or liability comprise the following: (i) fixed payments (including in-substance fixed payments), (ii) variable payments that depend on index or rate based on the index or rate at lease commencement, and (iii) the exercise price of a lessee option to purchase the underlying asset if the lessee is reasonably certain to exercise.

Stock-Based Compensation—We account for stock-based compensation using the fair value method of accounting. We have determined that our stock-based payment awards granted in exchange for employee services qualify as equity classified awards, which are measured based on the fair value of the award on the date of the grant. The fair value of restricted stock-based payments is based on the market value of our common stock on the date of grant. The fair value of performance-based awards, which have performance conditions, is based on a Monte Carlo simulation. The fair value of all stock-based compensation is recognized over the period during which an employee is required to provide services in exchange for the award. The expense recognized includes the impact of forfeitures as they occur. See [Note 12](#).

Income Taxes—We elected on our initial U.S. federal income tax return to be treated as a REIT under the Internal Revenue Code of 1986, as amended (the “Code”). To qualify as a REIT, we must distribute at least 90% of our annual REIT taxable income, determined without regard to the dividends paid deduction and excluding any capital gains, to shareholders, and meet certain organizational and operational requirements, including asset holding requirements. As a REIT, we will generally not be subject to U.S. federal income tax on income that we distribute as dividends to our shareholders. If we fail to qualify as a REIT in any taxable year, prior to the completion of our Merger with Windstream (or if our Merger with Windstream is not consummated, if we fail to qualify as a REIT in future taxable years), we will be subject to U.S. federal income tax on our taxable income at regular corporate income tax rates, and we could not deduct dividends paid to our shareholders in computing taxable income. Any resulting corporate liability could be substantial and could materially and adversely affect our net income and net cash available for distribution to shareholders. Unless we were entitled to relief

under certain Code provisions, we also would be disqualified from reelecting to be taxed as a REIT for the four taxable years following the year in which we failed to qualify or cease to qualify as a REIT.

We may be required to record a provision in our Consolidated Financial Statements for U.S. federal income taxes related to the activities of the REIT and its passthrough subsidiaries for any undistributed income. We are subject to the statutory requirements of the locations in which we conduct business, and state and local income taxes are accrued as deemed required in the best judgment of management based on analysis and interpretation of respective tax laws.

We have elected to treat the subsidiaries through which we operate Uniti Fiber and certain subsidiaries of Uniti Leasing as taxable REIT subsidiaries ("TRSs"). TRSs enable us to engage in activities that result in income that does not constitute qualifying income for a REIT. Our TRSs are subject to U.S. federal, state and local corporate income taxes.

Deferred tax assets and liabilities are recognized under the asset and liability method for the estimated future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax balances are adjusted to reflect tax rates based on currently enacted tax laws, which will be in effect in the years in which the temporary differences are expected to reverse. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the results of operations in the period of the enactment date. A valuation allowance is recorded to reduce the carrying amounts of deferred tax assets unless it is more likely than not that such assets will be realized.

We recognize the benefit of tax positions that are "more likely than not" to be sustained upon examination based on their technical merit. The benefit of a tax position is measured at the largest amount that has a greater than 50 percent likelihood of being realized upon ultimate settlement. If applicable, we will report tax-related penalties and interest expense as a component of income tax expense. We currently have unrecognized tax benefits of \$1.7 million recorded in deferred income taxes on our Consolidated Balance Sheet.

The Company may be subject to state corporate level tax in a certain limited number of states on any built-in gain recognized from a sale of assets occurring within a ten-year recognition period after the Spin-Off. The five-year recognition period applicable for federal corporate level tax on any built-in gain recognized from a sale of assets occurring within five years after the Spin-Off expired in 2020.

Business Combinations and Asset Acquisitions—In accordance with ASC 805, *Business Combinations*, we apply the acquisition method of accounting for acquisitions meeting the definition of a business combination or asset acquisition, where assets acquired and liabilities assumed are recorded at fair value at the date of each acquisition, and the results of operations are included with those of the Company from the dates of the respective acquisitions. The fair value of the acquired assets and liabilities are estimated using the income, market and/or cost approach. The income approach utilizes the present value of estimated future cash flows that a business or asset can be expected to generate, while under the market approach, the fair value of an asset or business reflects the price at which comparable assets are purchased under similar circumstances. Inherent in our preparation of cash flow projections are significant assumptions and estimates derived from a review of operating results, business plans, expected growth rates, capital expenditure plans, cost of capital and tax rates. We also make certain forecasts about future economic conditions, interest rates and other market data. Many of the factors used in assessing fair value are outside the control of management. Small changes in these assumptions or estimates could materially affect the cash flow projections, and therefore could affect the estimated fair value. Impacts of these assumptions or estimates include customer retention, execution of our business plans, which impact growth, cost escalation impacting margin, the level of capital expenditures required to sustain our growth and market factors, including interest rate and stock price fluctuations, impacting our cost of capital.

For acquisitions meeting the definition of a business combination, any excess of the purchase price paid by the Company over the amounts recognized for assets acquired and liabilities assumed is recorded as goodwill. ASC 805 also requires acquirers to, among other things, estimate the acquisition date fair value of any contingent consideration and recognize any subsequent changes in the fair value of contingent consideration in earnings. When provisional amounts are initially recorded, the Company continues to evaluate acquisitions for a period not to exceed one year after the applicable acquisition date of each transaction to determine whether any additional adjustments are needed to the allocation of the purchase price paid for the assets acquired and liabilities assumed.

For acquisitions meeting the definition of an asset acquisition, the fair value of the consideration transferred, including transaction costs, is allocated to the assets acquired and liabilities assumed based on their relative fair values. There are significant judgments and estimates used in determining the fair values of the assets acquired and liabilities assumed, which

include assumptions with respect to items such as replacement cost, land value, assemblage factor, discount rate, lease-up period, implied rents per strand mile, and useful life. No goodwill is recognized in an asset acquisition.

Noncontrolling Interest—The limited partner equity interests in our Operating Partnership are exchangeable on a one-for-one basis for shares of our common stock or, at our election, cash of equivalent value. All of the limited partner equity interests in our Operating Partnership not held by the Company are reflected as noncontrolling interests. In the Consolidated Statements of Income (Loss), we allocate net income (loss) attributable to noncontrolling interests to arrive at net income (loss) attributable to shareholders based on their proportionate share.

For transactions that result in changes to the Company's ownership interest in our Operating Partnership, the carrying amount of noncontrolling interests is adjusted to reflect such changes. The difference between the fair value of the consideration received or paid and the amount by which the noncontrolling interest is adjusted is reflected as an adjustment to additional paid-in capital on the Consolidated Balance Sheets.

Investments in Unconsolidated Entities—We report our investments in unconsolidated entities under the equity method of accounting. We adjust our investments in unconsolidated entities for additional contributions made, distributions received as well as our share of the investees' earnings or losses, which are reported on a 30-day lag for the investment in BB Fiber Holdings LLC ("Fiber Holdings") and on a 90-day lag for the investment in Harmoni Towers LP ("Harmoni"), and are included in equity in earnings from unconsolidated entities in our Consolidated Statements of Income (Loss).

On December 21, 2023, the Company completed the sale of its investment in Fiber Holdings to MIP IV MidWest Fiber Parent LLC, our partner in the investment, for total cash consideration of \$40.0 million, which was received in January of 2024. The receivable was included within Other Assets on the Consolidated Balance Sheet as of December 31, 2023. As a result of the transaction, during the fourth quarter of 2023 we recorded a pre-tax gain of \$2.6 million within other expense (income), net and \$0.2 million of income tax expense within our Consolidated Statements of Income (Loss).

On June 21, 2022, the Company completed the sale of its investment in Harmoni to Palistar Communications Infrastructure GP LLC, our partner in the investment, for total cash consideration of \$32.5 million. As a result of the transaction, during the second quarter of 2022 we recorded a pre-tax gain of \$7.9 million within other expense (income), net and \$6.7 million of income tax expense within our Consolidated Statements of Income (Loss).

Goodwill—As of December 31, 2024, and 2023, all of our goodwill is included in our Uniti Fiber segment. Goodwill is recognized for the excess of purchase price over the fair value of net assets of businesses acquired. Goodwill is reviewed for impairment on an annual basis. Our annual impairment test is performed with a valuation date of October 1. In accordance with ASC 350-20, *Intangibles-Goodwill and Other* ("ASC 350-20"), we evaluate goodwill for impairment between annual impairment tests if an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying amount (a "Triggering Event"). On the occurrence of a Triggering Event, an entity has the option to first assess qualitative factors to determine whether a quantitative impairment test is necessary. If it is more likely than not that goodwill is impaired, the fair value of the reporting unit must be compared with its carrying value. Unless circumstances otherwise dictate, the annual impairment test is performed in the fourth quarter. Application of the goodwill impairment test requires significant judgment, including: the identification of reporting units; assignment of assets and liabilities to reporting units; assignment of goodwill to reporting units; and the estimation of the fair value of a reporting unit.

During the year ended December 31, 2024, no impairment losses were recognized.

During the third quarter of 2023, the Company identified a Triggering Event under ASC 350-20 and, therefore, performed a qualitative and quantitative goodwill impairment test with a valuation date of September 30, 2023. The Triggering Event was a result of macroeconomic and financial market factors, specifically increased interest rates impacting our discount rate. As a result, we concluded that the fair value of the Uniti Fiber reporting unit, estimated using a combination of the income approach and market approach, was less than its carrying amount. Accordingly, we recorded a \$204.0 million goodwill impairment charge in the Uniti Fiber reporting unit.

During the third quarter of 2022, the Company identified a Triggering Event under ASC 350-20 and, therefore, performed a qualitative and quantitative goodwill impairment test with a valuation date of September 30, 2022. The Triggering Event was a result of macroeconomic and financial market factors, specifically increased interest rates impacting our discount rate. As a result, we concluded that the fair value of the Uniti Fiber reporting unit, estimated using a combination of the income approach and market approach, was less than its carrying amount. Accordingly, we recorded a \$216.0 million

goodwill impairment charge in the Uniti Fiber reporting unit. During the fourth quarter of 2022, we performed an additional quantitative and qualitative impairment test, and concluded that as a result of the continuing macroeconomic and financial market factors, specifically increased interest rates impacting our discount rate, the fair value of the Uniti Fiber reporting unit was less than its carrying amount. As a result, we recorded an additional \$24.5 million goodwill impairment charge in the Uniti Fiber reporting unit.

We estimate the fair value of our reporting units (which are our segments) using a combination of an income approach based on the present value of estimated future cash flows and a market approach based on market data of comparable businesses and acquisition multiples paid in recent transactions. We evaluate the appropriateness of each valuation methodology in determining the weighting applied to each methodology in the determination of the concluded fair value. If the carrying amount of a reporting unit's net assets is less than its fair value, no impairment exists. If the carrying amount of the reporting unit is greater than the fair value of the reporting unit, an impairment loss must be recognized for the excess and recorded in the Consolidated Statements of Income (Loss) not to exceed the carrying amount of goodwill.

Inherent in our preparation of cash flow projections are significant assumptions and estimates derived from a review of our operating results and business plans, which includes expected revenue and expense growth rates, capital expenditure plans and cost of capital. In determining these assumptions, we consider our ability to execute on our plans, future economic conditions, interest rates and other market data. Many of the factors used in assessing fair value are outside the control of management, and these assumptions and estimates may change in future periods. Small changes in these assumptions or estimates could materially affect our cash flow projections, and therefore could affect the likelihood and amount of potential impairment in future periods. Potential events that could negatively impact these assumptions or estimates may include customer losses or poor execution of our business plans, which impact revenue growth, cost escalation impacting margin, the level of capital expenditures required to sustain our growth and market factors, including stock price fluctuations and increased rates, impacting our cost of capital. For example, if we were to experience a significant delay in our permitting process in the construction of our fiber networks, the timing of effected cash flows could impact long term growth rates and negatively impact the income approach, leading to potential impairment. As a result, should our expectations of average projected revenue growth percentage, average projected EBITDA margin percentage and/or average projected capital expenditures as a percentage of revenue change, we may experience future impairment to goodwill (while other assumptions remain constant). Furthermore, a deterioration in market factors such as stock prices or increased interest rates and/or declines in acquisition multiples utilized in the market approach could affect the likelihood and amount of potential impairment.

Earnings per Share—Outstanding restricted stock awards that contain rights to non-forfeitable dividends are deemed to be participating securities, requiring the application of the two-class method of computing basic and dilutive earnings per share.

Basic earnings per share includes only the weighted average number of common shares outstanding during the period. Dilutive earnings per share includes the weighted average number of common shares and the dilutive effect of restricted stock, performance-based awards outstanding during the period, the Convertible 2027 Notes and the Exchangeable Notes, when such awards are dilutive. See [Note 13](#).

Concentration of Credit Risks—Revenue under the Windstream Leases provided 68.3% of our revenue for the year ended December 31, 2024, 67.3% of our revenue for the year ended December 31, 2023, and 66.5% of our revenue for the year ended December 31, 2022. Because a substantial portion of our revenue and cash flows are derived from lease payments by Windstream pursuant to the Windstream Leases, there could be a material adverse impact on our consolidated results of operations, liquidity, financial condition and/or ability to pay dividends and service debt if Windstream were to default under the Windstream Leases or otherwise experiences operating or liquidity difficulties and becomes unable to generate sufficient cash to make payments to us.

Prior to its emergence from bankruptcy on September 21, 2020, Windstream was a publicly traded company subject to the periodic filing requirements of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Windstream historic filings through their quarter ended June 30, 2020 can be found at www.sec.gov. On September 22, 2020, Windstream filed a Form 15 to terminate all filing obligations under Sections 12(g) and 15(d) under the Exchange Act. Windstream’s filings are not incorporated by reference in this Annual Report on Form 10-K.

We monitor the credit quality of Windstream through numerous methods, including by (i) reviewing credit ratings of Windstream by nationally recognized credit agencies, (ii) reviewing the financial statements of Windstream that are required to be delivered to us pursuant to the Windstream Leases, (iii) monitoring new reports regarding Windstream and

its business, (iv) conducting research to ascertain industry trends potentially affecting Windstream, (v) monitoring Windstream's compliance with the terms of the Windstream Leases and (vi) monitoring the timeliness of its payments under the Windstream Leases.

As of the date of this Annual Report on Form 10-K, Windstream is current on all lease payments. We note that in August 2020, Moody's Investor Service assigned a B3 corporate family rating with a stable outlook to Windstream in connection with its post-emergence exit financing. At the same time, S&P Global Ratings assigned Windstream a B- issuer rating with a stable outlook. These ratings were both upgrades from Windstream's pre-bankruptcy ratings. Both ratings remain current as of the date of this filing. In order to assist us in our continuing assessment of Windstream's creditworthiness, we periodically receive certain confidential financial information and metrics from Windstream.

Recently Adopted Accounting Pronouncements

In November 2023, the FASB issued Accounting Standards Update ("ASU") 2023-07, Segment Reporting—Improvements to Reportable Segment Disclosures ("ASU 2023-07"), which requires incremental disclosures related to reportable segments. Specifically, the ASU requires disclosure of significant segment expense categories and amounts for each reportable segment. The ASU is effective for fiscal years beginning after December 15, 2023, and interim periods in fiscal years beginning after December 15, 2024, with early adoption permitted. The Company adopted ASU 2023-07 on December 31, 2024, and the adoption had no significant impact on the Company's consolidated financial statements. See Note 14.

Recently Issued Accounting Pronouncements Not Yet Adopted

In November 2024, the FASB issued ASU 2024-03, *Disaggregation of Income Statement Expenses*, which requires additional disclosure about specific types of expenses included in the expense captions presented on the face of the income statement, as well as disclosures about selling expenses. The ASU is effective for fiscal years beginning after December 15, 2026, and interim periods in fiscal years beginning after December 15, 2027, with early adoption permitted. The Company is currently evaluating this guidance to determine the impact it will have on our financial statements.

Note 4. Revenues

Disaggregation of Revenue

The following table presents our revenues disaggregated by revenue stream.

(Thousands)	Year Ended December 31,		
	2024	2023	2022
<i>Revenue disaggregated by revenue stream</i>			
Revenue from contracts with customers			
Uniti Fiber			
Lit backhaul	\$ 74,340	\$ 74,538	\$ 78,977
Enterprise and wholesale	105,174	97,834	85,820
E-Rate and government	48,438	55,682	64,219
Other	3,241	3,102	2,827
Uniti Fiber	231,193	231,156	231,843
Uniti Leasing	6,526	6,847	4,590
Total revenue from contracts with customers	237,719	238,003	236,433
Revenue accounted for under leasing guidance			
Uniti Leasing	873,964	845,925	822,867
Uniti Fiber	55,244	65,903	69,547
Total revenue accounted for under leasing guidance	929,208	911,828	892,414
Total revenue	\$ 1,166,927	\$ 1,149,831	\$ 1,128,847

At December 31, 2024 and 2023, lease receivables were \$28.8 million and \$22.0 million, respectively, and receivables from contracts with customers were \$19.1 million and \$18.8 million, respectively.

Contract Assets (Unbilled Revenue) and Liabilities (Deferred Revenue)

Contract assets primarily consist of unbilled construction revenue where we are utilizing our costs incurred as the measure of progress of satisfying our performance obligation. Contract assets are reported within accounts receivables, net on our Consolidated Balance Sheets. When the contract price is invoiced, the related unbilled receivable is reclassified to trade accounts receivable, where the balance will be settled upon the collection of the invoiced amount. Contract liabilities are generally comprised of upfront fees charged to the customer for the cost of establishing the necessary components of the Company's network prior to the commencement of use by the customer. Fees charged to customers for the recurring use of the Company's network are recognized during the related periods of service. Upfront fees that are billed in advance of providing services are deferred until such time the customer accepts the Company's network and then are recognized as service revenues ratably over a period in which substantive services required under the revenue arrangement are expected to be performed, which is the initial term of the arrangement. During the years ended December 31, 2024, 2023, and 2022, we recognized revenues of \$3.6 million, \$4.1 million, and \$6.4 million, respectively that was included in the December 31, 2023, December 31, 2022, and December 31, 2021 contract liabilities balance, respectively.

The following table provides information about contract assets and contract liabilities accounted for under Topic 606.

(Thousands)	Contract Assets	Contract Liabilities
Balance at December 31, 2023	\$ 26	\$ 11,109
Balance at December 31, 2024	\$ —	\$ 10,014

Transaction Price Allocated to Remaining Performance Obligations

Performance obligations within contracts to stand ready to provide services are typically satisfied over time or as those services are provided. Contract liabilities primarily relate to deferred revenue from upfront customer payments. The deferred revenue is recognized, and the liability reduced, over the contract term as the Company completes the performance obligation. As of December 31, 2024, our future revenues (i.e. transaction price related to remaining performance obligations) under contracts accounted for under ASC 606 totaled \$613.4 million, of which \$543.8 million is related to contracts that are currently being invoiced and have an average remaining contract term of 3.0 years, while \$69.6 million represents our backlog for sales bookings which have yet to be installed and have an average remaining contract term of 5.3 years. We do not disclose the value of unsatisfied performance obligations for contracts that have an original expected duration of one year or less.

Note 5. Leases

Lessor Accounting

We lease communications towers, ground, colocation, other communication equipment and dark fiber to tenants under operating leases. Our leases have initial lease terms ranging from less than one year to 35 years, most of which include options to extend or renew the leases for less than one year to 20 years (based on the satisfaction of certain conditions as defined in the lease agreements), and some of which may include options to terminate the leases within one to six months. Certain lease agreements contain provisions for future rent increases. Payments due under the lease contracts include fixed payments plus, for some of our leases, variable payments.

The components of lease income for the years ended December 31, 2024 and 2023 are as follows:

(Thousands)	Year Ended December 31, 2024	Year Ended December 31, 2023
Lease income - operating leases	\$ 929,208	\$ 911,828

Lease payments to be received under non-cancellable operating leases where we are the lessor for the remainder of the lease terms as of December 31, 2024 are as follows:

(Thousands)	December 31, 2024 ⁽¹⁾
2025	\$ 838,612
2026	845,192
2027	845,712
2028	845,687
2029	845,050
Thereafter	782,772
Total lease receivables	\$ 5,003,025

⁽¹⁾ Total future minimum lease payments to be received include \$4.1 billion relating to the Windstream Leases.

The underlying assets under operating leases where we are the lessor as of December 31, 2024 and 2023 are summarized as follows:

(Thousands)	December 31, 2024	December 31, 2023
Land	\$ 26,711	\$ 26,533
Building and improvements	350,829	347,700
Poles	341,548	314,488
Fiber	4,222,895	3,862,635
Equipment	437	436
Copper	3,972,806	3,974,410
Conduit	90,193	90,087
Tower assets	58	58
Finance lease assets	1,889	1,890
Other assets	10,432	10,434
	9,017,798	8,628,671
Less: accumulated depreciation	(5,852,579)	(5,690,066)
Underlying assets under operating leases, net	\$ 3,165,219	\$ 2,938,605

Depreciation expense for the underlying assets under operating leases where we are the lessor for the years ended December 31, 2024 and 2023 is summarized as follows:

(Thousands)	Year Ended December 31, 2024	Year Ended December 31, 2023
Depreciation expense for underlying assets under operating leases	\$ 186,447	\$ 182,906

Lessee Accounting

We have commitments under operating leases for communications towers, ground, colocation, other communication equipment, dark fiber lease arrangements and buildings. We also have finance leases for automobiles and dark fiber lease arrangements. Our leases have initial lease terms ranging from less than one year to 30 years, most of which include options to extend or renew the leases for less than one year to 20 years, and some of which may include options to terminate the leases within one to six months. Certain lease agreements contain provisions for future rent increases. Payments due under the lease contracts include fixed payments plus, for some of our leases, variable payments.

As of December 31, 2024, we have short term lease commitments amounting to approximately \$4.2 million.

The components of lease cost are presented within general and administrative expense and operating expense, while sublease income is presented within revenues in our Consolidated Statements of Income (Loss) for the years ended December 31, 2024 and 2023 are as follows:

(Thousands)	Year Ended December 31, 2024	Year Ended December 31, 2023
<i>Finance lease cost</i>		
Amortization of ROU assets	\$ 4,190	\$ 4,066
Interest on lease liabilities	1,732	1,575
Total finance lease cost	5,922	5,641
Operating lease cost	24,916	22,999
Short-term lease cost	4,223	3,525
Variable lease cost	630	938
Less sublease income	(17,856)	(14,590)
Total lease cost	<u>\$ 17,835</u>	<u>\$ 18,513</u>

Amounts reported in the Consolidated Balance Sheets for leases where we are the lessee as of December 31, 2024 and 2023 were as follows:

(Thousands)	Location on Consolidated Balance Sheets	December 31, 2024	December 31, 2023
<i>Operating leases</i>			
ROU asset, net	Operating lease right-of-use assets, net	\$ 126,791	\$ 125,105
Lease liability	Operating lease liabilities	80,504	84,404
<i>Finance leases</i>			
ROU asset, gross	Property, plant and equipment, net	\$ 52,789	\$ 52,589
Lease liability	Finance lease obligations	17,190	18,110
<i>Weighted-average remaining lease term</i>			
Operating leases		13.8 years	13.4 years
Finance leases		7.5 years	8.7 years
<i>Weighted-average discount rate</i>			
Operating leases		10.4 %	10.3 %
Finance leases		10.0 %	9.9 %

Other information related to leases as of December 31, 2024 and 2023 are as follows:

(Thousands)	Year Ended December 31, 2024	Year Ended December 31, 2023
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows for finance leases	\$ 1,732	\$ 1,575
Operating cash flows for operating leases	31,311	22,326
Financing cash flows for finance leases	2,652	2,262
Non-cash items:		
New operating leases and remeasurements, net	\$ 18,961	\$ 32,490
New finance leases and remeasurements, net	1,792	5,687

Future lease payments under non-cancellable leases as of December 31, 2024 are as follows:

(Thousands)	Operating Leases	Finance Leases
2025	\$ 17,962	\$ 4,232
2026	14,404	4,106
2027	11,568	3,399
2028	9,870	2,572
2029	8,352	1,877
Thereafter	97,856	7,395
Total undiscounted lease payments	\$ 160,012	\$ 23,581
Less: imputed interest	(79,508)	(6,391)
Total lease liabilities	<u>\$ 80,504</u>	<u>\$ 17,190</u>

Future sublease rentals as of December 31, 2024 are as follows:

(Thousands)	Sublease Rentals
2025	\$ 16,350
2026	16,601
2027	16,833
2028	16,826
2029	15,137
Thereafter	140,322
Total	<u>\$ 222,069</u>

Windstream Leases

Pursuant to the Spin-Off, Uniti entered into a long-term exclusive triple-net lease (the “Master Lease”) with Windstream, pursuant to which a substantial portion of our real property is leased to Windstream and from which a substantial portion of our leasing revenues are currently derived. In connection with Windstream’s emergence from bankruptcy, Uniti and Windstream bifurcated the Master Lease and entered into two structurally similar master leases that each expire on April 30, 2030 (collectively, the “Windstream Leases”), which Windstream Leases amended and restated the Master Lease in its entirety. The Windstream Leases consist of two leases: (a) a master lease (the “ILEC MLA”) that governs Uniti owned assets used for Windstream’s incumbent local exchange carrier (“ILEC”) operations and (b) a master lease (the “CLEC MLA”) that governs Uniti owned assets used for Windstream’s competitive local exchange carrier (“CLEC”) operations. The aggregate initial annual rent under the Windstream Leases is \$663.0 million. The tenants under the ILEC MLA are Windstream Holdings II, LLC (“Windstream Holdings II,” successor in interest to Windstream Holdings, Inc.), Windstream Services II, LLC (“Windstream Services II,” successor in interest to Windstream Services LLC), and certain

subsidiaries and/or newly formed affiliated entities operating the ILECs, and the landlords under the ILEC MLA are the Uniti entities that own the applicable ILEC assets. Similarly, the tenants under the CLEC MLA are Windstream Holdings II, Windstream Services II, and certain subsidiaries and/or newly formed affiliated entities operating CLECs, and the landlords under the CLEC MLA are the Uniti entities that own the CLEC assets. The Windstream Leases contain cross-guarantees and cross-default provisions, which will remain effective as long as Windstream or an affiliate is the tenant under both of the Windstream Leases and unless and until the landlords under the ILEC MLA are different from the landlords under the CLEC MLA. The Windstream Leases permit Uniti to transfer its rights and obligations and otherwise monetize or encumber the Windstream Leases, together or separately, so long as Uniti does not transfer interests in either Windstream Lease to a Windstream competitor.

In addition, the Windstream Leases impose certain financial restrictions on Windstream if Windstream fails to maintain certain financial covenants. Windstream covenants not to incur certain indebtedness (other than certain refinancing in a principal amount that does not exceed the sum of the principal amount of the indebtedness refinanced, the accrued and unpaid interest on such indebtedness refinanced and any other amounts owing thereon and any customary costs incurred in connection with such refinancing or drawings under its third party syndicated revolving credit facility, in an amount not to exceed \$750 million) if its total leverage ratio, pro forma for the incurrence of such indebtedness, would exceed 3.00:1.00. Further, Windstream covenants not to incur certain additional indebtedness, pay dividends, repurchase stock or prepay unsecured debt, or enter into a transaction with an entity controlled by a member of the board without Uniti's consent if Windstream's total leverage ratio exceeds 3.50:1.00. Notwithstanding the foregoing, the financial covenants described herein shall not apply at any time in which Windstream maintains a corporate family rating of not less than "B2" by Moody's and either "B" by Standard & Poor's or "B" by Fitch Ratings.

Pursuant to the Windstream Leases, Windstream (or any successor tenant under a Windstream Lease) has the right to cause Uniti to reimburse up to an aggregate \$1.75 billion for certain growth capital improvements in long-term value accretive fiber and related assets made by Windstream (or the applicable tenant under the Windstream Lease) to certain ILEC and CLEC properties (the "Growth Capital Improvements"). Uniti's reimbursement commitment for Growth Capital Improvements does not require Uniti to reimburse Windstream for maintenance or repair expenditures (except for costs incurred for fiber replacements to the CLEC MLA leased property, up to \$70 million during the term), and each such reimbursement is subject to underwriting standards. Uniti's total annual reimbursement commitments for the Growth Capital Improvements under both Windstream Leases (and under separate equipment loan facilities) were limited to \$125 million in 2020 and \$225 million per year in 2021, 2022, 2023 and 2024; and are limited to \$175 million per year in 2025 and 2026; and \$125 million per year in 2027 through 2029.

If the cost incurred by Windstream (or the successor tenant under a Windstream Lease) for Growth Capital Improvements in any calendar year exceeds the annual limit for such calendar year, Windstream (or such tenant, as the case may be) may submit such excess costs for reimbursement in any subsequent year and such excess costs shall be funded from the annual commitment amounts in such subsequent period. In addition, to the extent that reimbursements for Growth Capital Improvements funded in any calendar year during the term is less than the annual limit for such calendar year, the unfunded amount in any calendar year will carry-over and may be added to the annual limits for subsequent calendar years, subject to an annual limit of \$250 million in any calendar year, except that, during calendar year 2021, Uniti's combined total obligation to fund Growth Capital Improvements may exceed \$250 million to the extent of any unfunded excess amounts from calendar year 2020. Starting on the first anniversary of each installment of reimbursement for a Growth Capital Improvement, the rent payable by Windstream under the applicable Windstream Lease will increase by an amount equal to 8.0% (the "Rent Rate") of such installment of reimbursement. The Rent Rate will thereafter increase to 100.5% of the prior Rent Rate on each anniversary of each reimbursement. In the event that the tenant's interest in either Windstream Lease is transferred by Windstream under the terms thereof (unless transferred to the same transferee), or if Uniti transfers its interests as landlord under either Windstream Lease (unless to the same transferee), the reimbursement rights and obligations will be allocated between the ILEC MLA and the CLEC MLA by Windstream, provided that the maximum that may be allocated to the CLEC MLA following such transfer is \$20 million per year. If Uniti fails to reimburse any Growth Capital Improvement payment or equipment loan funding request as and when it is required to do so under the terms of the Windstream Leases, and such failure continues for thirty (30) days, then such unreimbursed amounts may be applied as an offset against the rent owed by Windstream under the Windstream Leases (and such amounts will thereafter be treated as if Uniti had reimbursed them).

Uniti and Windstream have entered into separate ILEC and CLEC Equipment Loan and Security Agreements (collectively "Equipment Loan Agreement") in which Uniti will provide up to \$125 million (limited to \$25 million in any calendar year) of the \$1.75 billion of Growth Capital Improvement commitments discussed above in the form of loans for Windstream to purchase equipment related to network upgrades or to be used in connection with the Windstream Leases. Interest on these

loans will accrue at 8% from the date of the borrowing. All equipment financed through the Equipment Loan Agreement is the sole property of Windstream; however, Uniti will receive a first-lien security interest in the equipment purchased with the loans. No such loans have been made to Windstream as of December 31, 2024.

The Windstream Leases provide that TCIs, defined as maintenance, repair, overbuild, upgrade or replacement to the Distribution Systems, including without limitation, the replacement of copper distribution systems with fiber distribution systems, automatically become property of Uniti upon their construction by Windstream. We receive non-monetary consideration related to TCIs as they automatically become our property, and we recognize the cost basis of TCIs that are capital in nature as real estate investments and deferred revenue. We depreciate the real estate investments over their estimated useful lives and amortize the deferred revenue as additional leasing revenues over the same depreciable life of the TCI assets. TCIs exclude Growth Capital Improvements as and when reimbursed by Uniti.

During the year ended December 31, 2024, Uniti reimbursed \$230.8 million of Growth Capital Improvements, of which \$104.6 million, as allowed for under the Settlement, represented the reimbursement of capital improvements completed in 2023 that were previously classified as TCIs. Subsequent to December 31, 2024, Windstream requested and we reimbursed \$161.4 million of qualifying Growth Capital Improvements that were reported as TCIs as of December 31, 2024. As of the date of this Annual Report on Form 10-K, we have reimbursed a total of \$1.2 billion of Growth Capital Improvements.

Note 6. Assets and Liabilities Held for Sale

In 2018, we acquired certain fiber assets from CableSouth Media, LLC ("CableSouth") and leased back certain of those acquired assets to CableSouth pursuant to a triple-net lease.

During the fourth quarter of 2023, the Company entered into an agreement with a fund managed by Macquarie Asset Management ("MAM") pursuant to which MAM would make a structured equity investment into CableSouth in order to assist CableSouth in the acquisition of all of our previously acquired CableSouth fiber assets and the buyout of their triple-net lease for cash consideration of \$40 million (the "Transaction"). The Transaction closed on January 31, 2024 and the Company recorded a \$19.0 million gain on sale of real estate in the Condensed Consolidated Statements of Income (Loss).

The following table presents the assets and liabilities, associated with the Transaction, which were classified as held for sale as of December 31, 2023:

(Thousands)	December 31, 2023
Assets:	
Property, plant and equipment, net	\$ 25,842
Straight-line revenue receivable	2,763
Total Assets	\$ 28,605
Liabilities:	
Accounts payable, accrued expenses and other liabilities, net	\$ 67
Deferred revenue	264
Total Liabilities	\$ 331

The assets and liabilities associated with the Transaction are included in the results of the Uniti Leasing segment. The sale does not represent a strategic shift that will have a major effect on operations and financial results and, therefore, did not qualify for presentation as a discontinued operation.

Note 7. Fair Value of Financial Instruments

FASB ASC 820, *Fair Value Measurements*, establishes a hierarchy of valuation techniques based on the observability of inputs utilized in measuring assets and liabilities at fair values. This hierarchy establishes market-based or observable inputs as the preferred source of values, followed by valuation models using management assumptions in the absence of market inputs. The three levels of the hierarchy are as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity can access at the assessment date;

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3 – Unobservable inputs for the asset or liability.

Our financial instruments consist of cash and cash equivalents, accounts and other receivables, derivative instruments, our outstanding notes and other debt, settlement payable, interest and dividends payable.

The following table summarizes the fair value of our financial instruments at December 31, 2024 and 2023:

(Thousands)	Total	Quoted Prices in Active Markets (Level 1)	Prices with Other Observable Inputs (Level 2)	Prices with Unobservable Inputs (Level 3)
At December 31, 2024				
Assets				
Derivative asset	\$ 77	\$ —	\$ 77	\$ —
Total	\$ 77	\$ —	\$ 77	\$ —
At December 31, 2024				
Liabilities				
Senior secured notes - 10.50%, due February 15, 2028	\$ 3,098,766	\$ —	\$ 3,098,766	\$ —
Senior secured notes - 4.75%, due April 15, 2028	534,518	—	534,518	—
Senior unsecured notes - 6.50%, due February 15, 2029	1,007,399	—	1,007,399	—
Senior unsecured notes - 6.00%, due January 15, 2030	616,217	—	616,217	—
Convertible senior notes - 7.50% due December 1, 2027	348,613	—	348,613	—
ABS Loan Facility, variable rate, due September 1, 2025	273,625	—	273,625	—
Settlement payable	71,723	—	71,723	—
Total	\$ 5,950,861	\$ —	\$ 5,950,861	\$ —
At December 31, 2023				
Liabilities				
Senior secured notes - 10.50%, due February 15, 2028	\$ 2,624,596	\$ —	\$ 2,624,596	\$ —
Senior secured notes - 4.75%, due April 15, 2028	488,205	—	488,205	—
Senior unsecured notes - 6.50%, due February 15, 2029	796,125	—	796,125	—
Senior unsecured notes - 6.00%, due January 15, 2030	486,675	—	486,675	—
Exchangeable senior unsecured notes - 4.00%, due June 15, 2024	122,140	—	122,140	—
Convertible senior notes - 7.50%, due December 1, 2027	301,755	—	301,755	—
Senior secured revolving credit facility, variable rate, due September 24, 2027	207,979	—	207,979	—
Settlement payable	160,550	—	160,550	—
Total	\$ 5,188,025	\$ —	\$ 5,188,025	\$ —

The carrying value of cash and cash equivalents, accounts and other receivables, interest and dividends payable approximate fair values due to the short-term nature of these financial instruments.

The total principal balance of our Notes and other debt was \$5.86 billion at December 31, 2024, with a fair value of \$5.88 billion. The estimated fair value of the Notes and other debt was based on available external pricing data and current market rates for similar debt instruments, among other factors, which are classified as Level 2 inputs within the fair value hierarchy. Derivative instruments are carried at fair value. See [Note 9](#).

Given the limited trade activity of the Exchangeable Notes, the fair value of the Exchangeable Notes (see [Note 11](#)) is determined based on inputs that are observable in the market and have been classified as Level 2 in the fair value hierarchy. Specifically, we estimated the fair value of the Exchangeable Notes based on readily available external pricing information, quoted market prices, and current market rates for similar convertible debt instruments.

Uniti is required to make \$490.1 million of cash payments to Windstream in equal installments over 20 consecutive quarters beginning October 2020 (the "Settlement Payable") (see [Note 3](#)). The Settlement Payable was recorded at fair value, using the present value of future cash flows. The future cash flows are discounted using discount rate input based on observable market data. Accordingly, we classify inputs used as Level 2 in the fair value hierarchy. The remaining Settlement Payable is \$71.8 million and is reported as settlement payable on our Consolidated Balance Sheets at December 31, 2024. There have been no changes in the valuation methodologies used since the initial recording.

Note 8. Property, Plant and Equipment

The carrying value of property, plant and equipment is as follows:

(Thousands)	Depreciable Lives ⁽¹⁾	December 31, 2024	December 31, 2023
Land	Indefinite	\$ 30,577	\$ 30,099
Building and improvements	3 - 40 years	374,668	366,490
Poles	30 years	341,548	314,489
Fiber	30 years	5,253,959	4,835,623
Equipment	5 - 7 years	499,678	460,463
Copper	20 years	3,972,806	3,974,410
Conduit	30 years	90,193	90,087
Tower assets	20 years	1,221	1,221
Finance lease assets	See Note 3	52,789	52,589
Other assets	15 - 20 years	10,450	10,436
Construction in progress	See Note 3	36,774	49,771
Corporate assets	3 - 7 years	16,499	15,731
		10,681,162	10,201,409
Less accumulated depreciation		(6,471,415)	(6,219,340)
Property, plant and equipment, net		\$ 4,209,747	\$ 3,982,069

⁽¹⁾ Certain property acquired from Windstream is depreciated using Windstream's estimated useful lives. Specifically, certain Fiber assets are depreciated using an average 20 year life.

Finance lease assets above predominantly represent fiber leases, where we have the exclusive, unrestricted, and infeasible right to use one, a pair, or more strands of fiber of a fiber cable.

Depreciation expense for the years ended December 31, 2024, 2023, and 2022 was \$285.1 million, \$280.8 million and \$263.0 million, respectively.

Note 9. Derivative Instruments and Hedging Activities

The Company uses derivative instruments to mitigate the effects of interest rate volatility inherent in our variable rate debt, which could unfavorably impact our future earnings and forecasted cash flows. The Company does not use derivative instruments for speculative or trading purposes.

On March 1, 2024, the Company entered into an interest rate cap agreement (the "ABS Loan Interest Rate Cap") related to the ABS Loan Facility (as defined in [Note 11](#)). This interest rate cap was designated as a cash flow hedge, has a notional value of \$275.0 million, and effectively caps the one-month term secured overnight financing rate ("SOFR") at 4.50%.

The following table presents the fair value of the Company's derivatives designated as hedging instruments as of December 31, 2024 and December 31, 2023 respectively:

(Thousands)	Location on Condensed Consolidated Balance Sheets	December 31, 2024	December 31, 2023
Interest rate caps	Derivative asset	\$ 77	\$ —

The following table presents the effects of the Company's derivative financial instrument on the Condensed Consolidated Statements of Income (Loss) for the periods presented:

(Thousands)	Year Ended December 31, 2024	Year Ended December 31, 2023
Derivatives in Cash Flow Hedging Relationships (Interest Rate Caps)		
Amount of loss recognized on derivative in Other Comprehensive Loss	\$ (656)	\$ —
Amounts reclassified from Accumulated Other Comprehensive Loss into Interest Expense	\$ (22)	\$ —
Total Amount of Interest Expense Presented in the Condensed Consolidated Statements of Income (Loss)	\$ 511,364	\$ 512,349

The company estimates that an additional \$0.7 million will be reclassified from accumulated other comprehensive income (loss) as a decrease to interest expense over the next twelve months.

Note 10. Goodwill and Intangible Assets

Changes in the carrying amount of goodwill occurring during the year ended December 31, 2024 and 2023, are as follows:

(Thousands)	Uniti Fiber	Total
Goodwill at December 31, 2022	\$ 672,878	\$ 672,878
Accumulated impairment charges as of December 31, 2022	(311,500)	(311,500)
Balance at December 31, 2022	361,378	361,378
Impairment charges	(203,998)	(203,998)
Balance as of December 31, 2023	157,380	157,380
Impairment charges (Note 3)	—	—
Balance at December 31, 2024	\$ 157,380	\$ 157,380
Goodwill at December 31, 2024	\$ 672,878	\$ 672,878
Accumulated impairment charges as of December 31, 2024	(515,498)	(515,498)
Balance at December 31, 2024	\$ 157,380	\$ 157,380

The carrying value of our other intangible assets is as follows:

(Thousands)	December 31, 2024		December 31, 2023	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Finite life intangible assets:				
Customer lists	\$ 416,104	\$ (174,326)	\$ 416,104	\$ (151,542)
Contracts	52,536	(27,910)	52,536	(21,343)
Underlying rights	10,497	(1,487)	10,497	(1,137)
Total intangible assets	\$ 479,137		\$ 479,137	
Less: accumulated amortization	(203,723)		(174,022)	
Total intangible assets, net	<u>\$ 275,414</u>		<u>\$ 305,115</u>	
Finite life intangible liabilities:				
Acquired below-market leases	\$ 191,154	\$ (45,451)	\$ 191,154	\$ (34,757)
Total intangible liabilities	191,154		191,154	
Less: accumulated amortization	(45,451)		(34,757)	
Total intangible liabilities, net	<u>\$ 145,703</u>		<u>\$ 156,397</u>	

As of December 31, 2024, the remaining weighted average amortization period of the Company's intangible assets was 13.2 years, 25.8 years, and 3.8 years for customer lists, contracts and underlying rights, respectively. As of December 31, 2024 the total remaining weighted average amortization period for total intangible assets was 12.8 years.

Amortization expense for the years ended December 31, 2024, 2023 and 2022 was \$29.7 million, \$29.7 million and \$29.8 million, respectively. Amortization expense is estimated to be \$29.7 million in 2025, \$29.7 million in 2026, \$29.7 million in 2027, \$28.1 million in 2028 and \$23.1 million in 2029.

We recognize the amortization of below-market leases in revenue in arrangements where we are the lessor. Revenue related to the amortization of the below-market leases for the years ended December 31, 2024, 2023 and 2022 was \$10.7 million, \$10.7 million, and \$10.7 million respectively. As of December 31, 2024, the remaining weighted average amortization period of the Company's intangible liabilities was 15.2 years. Revenue due to the amortization of the below-market leases is estimated to be \$10.7 million in 2025, \$10.7 million in 2026, \$10.7 million in 2027, \$10.2 million in 2028, and \$8.8 million in 2029.

Note 11. Notes and Other Debt

All debt, including the senior secured credit facility and notes described below, are obligations of the Operating Partnership and certain of its subsidiaries as discussed below. The Company is, however, a guarantor of such debt.

Notes and other debt is as follows:

(Thousands)	December 31, 2024	December 31, 2023
Principal amount	\$ 5,861,500	\$ 5,617,442
Less unamortized discount, premium and debt issuance costs	(77,903)	(93,863)
Notes and other debt less unamortized discount and debt issuance costs	<u>\$ 5,783,597</u>	<u>\$ 5,523,579</u>

Notes and other debt at December 31, 2024 and 2023 consisted of the following:

(Thousands)	December 31, 2024		December 31, 2023	
	Principal	Unamortized Discount, Premium and Debt Issuance Costs	Principal	Unamortized Discount, Premium and Debt Issuance Costs
Senior secured notes - 10.50%, due February 15, 2028 (discount is based on imputed interest rate of 10.99%)	2,900,000	(37,522)	2,600,000	(48,290)
Senior secured notes - 4.75%, due April 15, 2028 (discount is based on imputed interest rate of 5.04%)	570,000	(4,998)	570,000	(6,360)
Senior unsecured notes - 6.50%, due February 15, 2029 (discount is based on imputed interest rate of 6.83%)	1,110,000	(13,101)	1,110,000	(15,761)
Senior unsecured notes - 6.00%, due January 15, 2030 (discount is based on imputed interest rate of 6.27%)	700,000	(8,000)	700,000	(9,307)
Exchangeable senior unsecured notes - 4.00%, due June 15, 2024 (discount is based on imputed interest rate of 4.77%)	—	—	122,942	(427)
Convertible senior notes - 7.50%, due December 1, 2027 (discount is based on imputed interest rate of 8.29%)	306,500	(6,273)	306,500	(8,092)
ABS Loan Facility, variable rate, due September 1, 2025 (discount is based on imputed interest rate of 10.33%)	275,000	(3,671)	—	—
Senior secured revolving credit facility, variable rate, due September 24, 2027	—	(4,338)	208,000	(5,625)
Total	\$ 5,861,500	\$ (77,903)	\$ 5,617,442	\$ (93,863)

At December 31, 2024, notes and other debt included the following: (i) no balance under the Revolving Credit Facility (as defined below) pursuant to that certain credit agreement, dated as of April 24, 2015, by and among the Operating Partnership, Uniti Group Finance 2019 Inc. and CSL Capital, LLC (hereinafter, the “Borrowers”), the guarantors party thereto, Bank of America, N.A., as administrative agent, collateral agent, swing line lender and an L/C issuer and certain other lenders named therein (the “Credit Agreement”); (ii) \$275.0 million under the bridge loan and security agreement (the “ABS Loan Agreement”), a multi-draw term loan facility dated February 23, 2024, entered into by and among Uniti Fiber Bridge Borrower LLC (the “ABS Bridge Borrower”), Uniti Fiber Bridge HoldCo LLC and Uniti Fiber GulfCo LLC (together, the “ABS Bridge Loan Parties”), each an indirect subsidiary of the Company, Wilmington Trust, National Association, as administrative agent, collateral agent, account bank and verification agent, Barclays Bank PLC, as facility agent, and the lenders identified therein; (iii) \$2.9 billion aggregate principal amount of the 10.50% Senior Secured Notes due February 15, 2028 (the “February 2028 Secured Notes”); (iv) \$570.0 million aggregate principal amount of 4.75% Senior Secured Notes due April 15, 2028 (the “April 2028 Secured Notes”); (v) \$1.11 billion aggregate principal amount of 6.50% Senior Unsecured Notes due February 15, 2029 (the “2029 Notes”); (vi) \$700.0 million aggregate principal amount of 6.00% Senior Unsecured Notes due January 15, 2030 (the “2030 Notes”); and (vii) \$306.5 million aggregate principal amount of 7.50% Convertible Senior Notes due December 1, 2027 (the “Convertible 2027 Notes” and collectively with the February 2028 Secured Notes, April 2028 Secured Notes, 2029 Notes, and the 2030 Notes, the “Notes”).

Credit Agreement

The Borrowers are party to the Credit Agreement, which provides for a \$500 million revolving credit facility that will mature on September 24, 2027 (the “Revolving Credit Facility”) and provides us with the ability to obtain revolving loans as well as swing line loans and letters of credit from time to time. On June 17, 2024, the Borrowers, each a subsidiary of the Company, entered into Amendment No. 9 (the “Amendment”) to the Credit Agreement. Pursuant to the Amendment, the Credit Agreement’s requirement for the Operating Partnership to use commercially reasonable efforts to maintain its status as a REIT will now terminate (i) at the end of the taxable year in which the Merger is consummated or, (ii) at the end of the last taxable year before the year in which the Merger is consummated, if the Company determines that by reason of such proposed merger, the Company will cease to qualify as a REIT for the year during which the Merger is consummated.

All obligations under the Credit Agreement are guaranteed by (i) the Company and (ii) certain of the Operating Partnership's subsidiaries (the "Subsidiary Guarantors") and are secured by substantially all of the assets of the Borrowers and the Subsidiary Guarantors.

The Borrowers are subject to customary covenants under the Credit Agreement, including an obligation to maintain a consolidated secured leverage ratio, as defined in the Credit Agreement, not to exceed 5.00 to 1.00. We are permitted, subject to customary conditions, to incur other indebtedness, so long as, on a pro forma basis after giving effect to any such indebtedness, our consolidated total leverage ratio, as defined in the Credit Agreement, does not exceed 6.50 to 1.00 and, if such debt is secured, our consolidated secured leverage ratio, as defined in the Credit Agreement, does not exceed 4.00 to 1.00. In addition, the Credit Agreement contains customary events of default, including a cross default provision whereby the failure of the Borrowers or certain of their subsidiaries to make payments under other debt obligations, or the occurrence of certain events affecting those other borrowing arrangements, could trigger an obligation to repay any amounts outstanding under the Credit Agreement. In particular, a repayment obligation could be triggered if (i) the Borrowers or certain of their subsidiaries fail to make a payment when due of any principal or interest on any other indebtedness aggregating \$75.0 million or more, or (ii) an event occurs that causes, or would permit the holders of any other indebtedness aggregating \$75.0 million or more to cause, such indebtedness to become due prior to its stated maturity. As of December 31, 2024, the Borrowers were in compliance with all of the covenants under the Credit Agreement.

A termination of either Windstream Lease would result in an "event of default" under the Credit Agreement if a replacement lease is not entered into within ninety (90) calendar days and we do not maintain pro forma compliance with a consolidated secured leverage ratio, as defined in the Credit Agreement, of 5.00 to 1.00.

Borrowings under the Revolving Credit Facility bear interest at a rate equal to either a base rate plus an applicable margin ranging from 2.75% to 3.50% or a Term SOFR plus an applicable margin ranging from 3.75% to 4.50%, in each case, calculated in a customary manner and determined based on our consolidated secured leverage ratio. We are required to pay a quarterly commitment fee under the Revolving Credit Facility equal to 0.50% of the average amount of unused commitments during the applicable quarter (subject to a step-down to 0.40% per annum of the average amount of unused commitments during the applicable quarter upon achievement of a consolidated secured leverage ratio not to exceed a certain level), as well as quarterly letter of credit fees equal to the product of (A) the applicable margin with respect to Term SOFR borrowings and (B) the average amount available to be drawn under outstanding letters of credit during such quarter.

The Notes

Secured Notes

On April 20, 2021, the Borrowers issued \$570.0 million aggregate principal amount of the April 2028 Secured Notes. The April 2028 Secured Notes mature on April 15, 2028 and bear interest at a rate of 4.750% per year. Interest is payable on April 15 and October 15 of each year.

On February 14, 2023, the Operating Partnership, CSL Capital, LLC, Uniti Group Finance 2019 Inc. and Uniti Fiber Holdings Inc. (collectively, the "Issuers") issued \$2.6 billion aggregate principal amount of the February 2028 Secured Notes. The Issuers used the net proceeds from the offering to fund the redemption in full of the Issuers' outstanding 7.875% senior secured notes due 2025 (the "2025 Secured Notes, and together with the April 2028 Secured Notes, the "Secured Notes"), to repay outstanding borrowings under the Revolving Credit Facility and to pay any related premiums, fees and expenses in connection with the foregoing. On February 14, 2023, the Issuers deposited the full redemption price of \$2.25 billion for the 2025 Secured Notes with the trustee and satisfied and discharged their obligations with respect to the 2025 Secured Notes at such time. During the first quarter of 2023, we recorded \$32.3 million of loss on the extinguishment of the 2025 Secured Notes within interest expense, net on the Condensed Consolidation Statements of Income (Loss), which includes \$10.3 million of non-cash interest expense for the write off of the unamortized discount and deferred financing costs and \$22.0 million of cash interest expense for the redemption premium. The February 2028 Secured Notes mature on February 15, 2028 and bear interest at a rate of 10.50% per year. Interest is payable on March 15 and September 15 of each year, beginning on September 15, 2023.

On May 17, 2024, in connection with the issuance of the February 2028 Secured Notes, the Issuers completed a private offering of \$300.0 million aggregate principal amount of February 2028 Secured Notes (the "Additional February 2028 Secured Notes"). In accordance with the terms of the indenture governing the Additional February 2028 Secured Notes, following the receipt of regulatory approval to enable certain subsidiaries of the Operating Partnership to guarantee the

Additional February 2028 Secured Notes, the Issuers caused the Additional February 2028 Secured Notes to be mandatorily exchanged for February 2028 Secured Notes issued as “additional notes” under the Indenture dated as of February 14, 2023, as amended and supplemented among the Issuers, the guarantors party thereto and the trustee and collateral agent party thereto (the “2023 Indenture”). The mandatory exchange occurred on November 1, 2024, and the additional notes comprise part of the same series as the February 2028 Secured Notes issued under the 2023 Indenture and have the same CUSIP numbers as, and are fungible with, the February 2028 Secured Notes issued under the 2023 Indenture.

On February 3, 2025, Uniti issued a notice of redemption to redeem \$125.0 million aggregate principal amount of our February 2028 Secured Notes. Uniti redeemed the February 2028 Secured Notes called for redemption on February 14, 2025, at a redemption price of 103% of the redeemed principal amount plus accrued interest to, but excluding, the redemption date.

The Secured Notes and the related guarantees are secured by liens on substantially all of the assets of the issuers and guarantors thereto, which assets also ratably secure obligations under the senior secured credit facilities, in each case, subject to certain exceptions and permitted liens. The collateral does not include real property (below a specified threshold of value) but includes certain fixtures and other equipment as well as cash that we receive pursuant to the Windstream Leases.

The indentures governing the Secured Notes contain customary high yield covenants limiting the ability of the Operating Partnership and its restricted subsidiaries to: incur or guarantee additional indebtedness; incur or guarantee secured indebtedness; pay dividends or distributions on, or redeem or repurchase, capital stock; make certain investments or other restricted payments; sell assets; enter into transactions with affiliates; merge or consolidate or sell all or substantially all of their assets; and create restrictions on the ability to pay dividends or other amounts to the Borrowers or Issuers, as applicable. These covenants are subject to a number of limitations, qualifications and exceptions. The indentures governing the Secured Notes also contain customary events of default. As of December 31, 2024, the Company was in compliance with all of the covenants under the indentures governing the Secured Notes.

Senior Unsecured Notes

On February 2, 2021, the Borrowers issued \$1.11 billion aggregate principal of the 2029 Notes. The 2029 Notes mature on February 15, 2029 and bear interest at a rate of 6.50% per year. Interest on the 2029 Notes is payable on February 15 and August 15 of each year.

On October 13, 2021, the Issuers issued \$700.0 million aggregate principal amount of the 2030 Notes (together with the 2029 Notes, the “Senior Unsecured Notes”). The 2030 Notes mature on January 15, 2030 and bear interest at a rate of 6.000% per year. Interest on the 2030 Notes is payable on January 15 and July 15 of each year, beginning on July 15, 2022.

The indentures governing the Senior Unsecured Notes contain customary high yield covenants limiting the ability of the Operating Partnership and its restricted subsidiaries to: incur or guarantee additional indebtedness; incur or guarantee secured indebtedness; pay dividends or distributions on, or redeem or repurchase, capital stock; make certain investments or other restricted payments; sell assets; enter into transactions with affiliates; merge or consolidate or sell all or substantially all of their assets; and create restrictions on the ability to pay dividends or other amounts to the Issuers or Borrowers, as applicable. These covenants are subject to a number of important and significant limitations, qualifications and exceptions. The indentures governing the Senior Unsecured Notes also contain customary events of default. As of December 31, 2024, the Company was in compliance with all of the covenants under the indentures governing the Senior Unsecured Notes.

The Senior Unsecured Notes are fully and unconditionally guaranteed, jointly and severally, on a senior unsecured basis by the Company and by each of the Operating Partnership’s existing and future domestic restricted subsidiaries (other than the Borrowers or Issuers, as applicable) that guarantees indebtedness under the Company’s senior secured credit facilities. The guarantees are subject to release under specified circumstances, including certain circumstances in which such guarantees may be automatically released without the consent of the holders of the Senior Unsecured Notes.

The Exchangeable Notes

On June 28, 2019, Uniti Fiber Holdings Inc., a subsidiary of the Company, issued \$345 million aggregate principal amount of the 4.00% Exchangeable Notes due June 15, 2024 (the “Exchangeable Notes”). The Exchangeable Notes were senior

unsecured notes and were guaranteed by the Company and each of the Company's subsidiaries (other than Uniti Fiber Holdings Inc.) that was an issuer, obligor or guarantor under the Company's Notes. Interest on the Exchangeable Notes was payable semiannually in arrears on June 15 and December 15 of each year. The Exchangeable Notes were exchangeable into cash, shares of the Company's common stock, or a combination thereof, at Uniti Fiber Holdings Inc.'s election, subject to limitations under the Company's Credit Agreement.

On June 25, 2019, concurrently with the pricing Exchangeable Notes, and on June 27, 2019, concurrently with the exercise by the initial purchasers involved in the offering of the Exchangeable Notes (the "Initial Purchasers") of their option to purchase additional Exchangeable Notes, Uniti Fiber Holdings Inc., the issuer of the Exchangeable Notes, entered into exchangeable note hedge transactions with respect to the Company's common stock (the "Note Hedge Transactions") with certain of the Initial Purchasers or their respective affiliates (collectively, the "Counterparties"). The Note Hedge Transactions covered, subject to anti-dilution adjustments substantially similar to those applicable to the Exchangeable Notes, the same number of shares of the Company's common stock that initially underlie the Exchangeable Notes in the aggregate and were exercisable upon exchange of the Exchangeable Notes. The Note Hedge Transactions had an initial strike price that corresponded to the initial exchange price of the Exchangeable Notes, subject to anti-dilution adjustments substantially similar to those applicable to the Exchangeable Notes.

On June 25, 2019, concurrently with the pricing of the Exchangeable Notes, and on June 27, 2019 concurrently with the exercise by the Initial Purchasers of their option to purchase additional Exchangeable Notes, the Company entered into warrant transactions to sell to the Counterparties warrants (the "Warrants") to acquire, subject to anti-dilution adjustments, up to approximately 27.8 million shares of the Company's common stock in the aggregate at an exercise price of approximately \$16.42 per share. The initial maximum number of shares of the Company's common stock that could be issued pursuant to the Warrants was approximately 55.5 million. The maximum number of shares of the Company's common stock that could be issued pursuant to the Warrants subsequently decreased due to the partial unwind agreements that the Company entered into with the Counterparties in connection with each repurchase of Exchangeable Notes.

On December 12, 2022, in connection with the issuance of the Convertible 2027 Notes (as discussed below), approximately \$207.1 million aggregate principal amount of the Exchangeable Notes was repurchased for \$194.0 million. As a result, we recognized a gain on extinguishment of \$10.8 million, which is comprised of a \$13.1 million gain on the repurchase of the Exchangeable Notes and a \$2.3 million write off of the related unamortized deferred financing costs, within interest expense, net on the Consolidated Statements of Income (Loss).

On December 7, 2022, in connection with the Company's repurchase of the Exchangeable Notes, the Company entered into partial unwind agreements with the Counterparties to unwind a portion of the Note Hedge Transactions and the Warrants described above (collectively, the "Unwind Transactions"). In connection with the Unwind Transactions, the Company received cash as a termination payment for the portion of the Note Hedge Transactions that were unwound, and the Company delivered cash as a termination payment in respect of the portion of the Warrants that were unwound. The amount of cash that was received, which was approximately \$1.2 million, and the amount of cash that was delivered to the Counterparties, which was approximately \$0.5 million, were based generally on the termination values of the unwound portions of such instruments.

On March 21, 2023, the Company repurchased approximately \$15.0 million of the Exchangeable Notes for total cash consideration of \$13.7 million. During the first quarter of 2023, we recorded \$1.1 million of gain on extinguishment of debt, net within interest expense on our Condensed Consolidated Statements of Income (Loss), which included \$0.1 million of non-cash interest expense for the write off of the unamortized discount and deferred financing costs.

The Exchangeable Notes matured on June 15, 2024 and the outstanding principal balance of \$122.9 million was repaid upon maturity.

The Note Hedge Transactions expired on June 15, 2024, upon the maturity and repayment of the Exchangeable Notes. The Warrants also terminated in June 2024 and are no longer outstanding.

Convertible 2027 Notes

On December 12, 2022, the Company issued \$300 million aggregate principal amount of the Convertible 2027 Notes and on December 23, 2022, the Company issued an additional \$6.5 million aggregate principal amount of the Convertible 2027 Notes pursuant to an over-allotment option. The Convertible 2027 Notes are guaranteed by each of the Company's subsidiaries that is an issuer, obligor or guarantor under the Company's existing senior notes (except initially those subsidiaries that require regulatory approval prior to guaranteeing the Convertible 2027 Notes). Interest on the Convertible

2027 Notes is payable semiannually in arrears on June 1 and December 1 of each year, beginning on June 1, 2023. The Convertible 2027 Notes are convertible into cash, shares of the Company's common stock, or a combination thereof, at the Company's election at an initial conversion rate of 137.1742 shares of the Company's common stock per \$1,000 principal amount (equal to an initial conversion price of approximately \$7.29 per share) subject to adjustment. The Convertible 2027 Notes will mature on December 1, 2027, unless earlier converted, redeemed or repurchased.

The net proceeds from the sale of the Convertible 2027 Notes were approximately \$298.1 million, after deducting discounts and commissions to the initial purchasers and other estimated fees and expenses. The Company contributed approximately \$198.1 million of the net proceeds of the offering to Uniti Fiber Holdings Inc., a wholly owned subsidiary of the Company, to fund the repurchase of, and to pay accrued and unpaid interest with respect to, approximately \$207.1 million aggregate principal amount of the Exchangeable Notes issued by Uniti Fiber Holdings Inc. The Company also used approximately \$21.1 million of the net proceeds from the offering of the Convertible 2027 Notes to pay for the cost of the Capped Calls discussed below.

On December 7, 2022, in connection with the pricing of the Convertible 2027 Notes, the Company entered into privately negotiated capped call transactions (the "Capped Calls") with certain financial institutions at a cost of \$21.1 million. The Capped Calls cover the same number of shares of the Company's common stock that initially underlie the Convertible 2027 Notes in the aggregate. By entering into the Capped Calls, the Company expects to reduce the potential dilution to its common stock (or, in the event a conversion of the Convertible 2027 Notes is settled in cash, to reduce its cash payment obligation) in the event that at the time of conversion of the Convertible 2027 Notes its common stock price exceeds the conversion price of the Convertible 2027 Notes. The cap price of the Capped Calls will initially be \$10.63 per share of common stock, which represents a premium of 75% over the last reported sale price of the Company's common stock of \$6.08 per share on December 7, 2022 and is subject to customary anti-dilution adjustments substantially similar to those applicable to the Convertible 2027 Notes. The Capped Calls meet the criteria for classification in equity, are not remeasured each reporting period and are included as a reduction to additional paid-in-capital within stockholders' equity.

For the years ended December 31, 2024, 2023 and 2022, total interest expense related to the Convertible 2027 Notes was \$24.8 million, \$24.7 million, and \$1.3 million with coupon interest expense of \$23.0 million, \$23.0 million, and \$1.2 million and the amortization of debt issuance costs of \$1.8 million, \$1.7 million, and \$0.1 million, respectively.

Asset-Backed Notes & Bridge Loan Facility

On February 23, 2024, the ABS Bridge Loan Parties, each an indirect, bankruptcy-remote subsidiary of the Company, entered into the ABS Loan Agreement, dated as of February 23, 2024.

The ABS Loan Agreement provided for a secured, multi-draw term loan facility of up to \$350.0 million (the "ABS Loan Facility"). As of December 31, 2024, an aggregate of \$275.0 million principal amount of loans under the ABS Loan Facility had been drawn.

The ABS Loan Facility was secured by equity in the ABS Bridge Borrower and substantially all of the assets of the ABS Bridge Loan Parties (subject to certain customary limited exceptions) and was non-recourse to the Company. Each of the ABS Bridge Loan Parties and Uniti Fiber ABS Parent LLC ("ABS Parent") was designated as an unrestricted subsidiary under the Credit Agreement and the applicable indentures governing the Company's outstanding senior notes.

On February 3, 2025, Uniti Fiber ABS Issuer LLC and Uniti Fiber TRS Issuer LLC (collectively, the "ABS Notes Issuers"), each an indirect, bankruptcy-remote subsidiary of the Company, issued \$589.0 million aggregate principal amount of secured fiber network revenue term notes, consisting of \$426.0 million 5.9% Series 2025-1, Class A-2 term notes, \$65.0 million 6.4% Series 2025-1, Class B term notes and \$98.0 million 9.0% Series 2025-1, Class C term notes (collectively, the "ABS Notes"), each with an anticipated repayment date in April 2030. The ABS Notes were issued as part of a securitization transaction, pursuant to which certain of the Company's fiber network assets and related customer contracts in the State of Florida and the Gulf Coast region of Louisiana, Mississippi and Alabama, including the assets of the ABS Bridge Loan Parties that secured the ABS Loan Facility, were contributed to the ABS Notes Issuers, Uniti Fiber GulfCo LLC and Uniti Fiber TRS AssetCo LLC (collectively, the "ABS Notes Obligor"). The cash flow from these contributed assets will be used to service the obligations under the ABS Notes.

The ABS Notes were issued pursuant to an indenture, dated as of February 3, 2025 (the "ABS Notes Base Indenture"), as supplemented by a Series 2025-1 Supplement thereto, dated as of February 3, 2025 (the "Series 2025-1 Supplement" and, together with the ABS Notes Base Indenture, the "ABS Notes Indenture"), in each case by and among the ABS Notes Obligor and Wilmington Trust, National Association, as indenture trustee.

The ABS Notes are secured by a security interest in substantially all of the assets (subject to customary limited exceptions) of the ABS Notes Obligor and are guaranteed by each ABS Notes Issuer's respective parent entity (each an "ABS

Guarantor” and, together with the ABS Notes Obligors, the "ABS Notes Parties"). The guarantee of each ABS Guarantor is secured by a security interest in the equity interests of the applicable ABS Notes Issuer. Neither the Company nor any subsidiary of the Company, other than the ABS Notes Parties, will guarantee or in any way be liable for the obligations under the ABS Notes. Each ABS Notes Party is a special purpose, bankruptcy remote subsidiary of the Company and is an unrestricted subsidiary under the Credit Agreement and the applicable indentures governing the Company’s outstanding senior notes.

The ABS Notes are subject to a series of customary covenants and restrictions. These covenants and restrictions include (i) that the ABS Notes Issuers maintain a liquidity reserve account to be used to make required payments in respect of the ABS Notes, (ii) provisions relating to optional and mandatory prepayments, including specified make-whole payments in the case of certain optional prepayments of the ABS Notes prior to the quarterly payment date in April 2030, and (iii) covenants relating to recordkeeping, access to information and similar matters. As provided in the base indenture governing the ABS Notes, the ABS Notes are also subject to rapid amortization in the event of a failure to maintain a stated debt service coverage ratio. A rapid amortization may be cured if the debt service coverage ratio exceeds a certain threshold for a certain period of time, upon which cure, regular amortization, if any, will resume. The ABS Notes are also subject to certain customary events of default, including events relating to non-payment of required interest, principal or other amounts due on or with respect to the ABS Notes, failure to comply with covenants within certain time frames, certain bankruptcy events, breaches of specified representations and warranties, failure of security interests to be effective and certain judgments.

Uniti used a portion of the net proceeds from the offering of the ABS Notes to repay and terminate the ABS Loan Facility and to fund the partial redemption of the February 2028 Secured Notes, and it intends to use the remainder of the net proceeds for general corporate purposes, which may include success-based capital investments. See Note 23.

Deferred Financing Cost

Deferred financing costs were incurred in connection with the issuance of the Notes and the credit facilities. These costs are amortized using the effective interest method over the term of the related indebtedness, and are included in interest expense in our Consolidated Statements of Income (Loss). For the year ended December 31, 2024, 2023 and 2022, we recognized \$23.8 million, \$18.1 million and \$17.5 million of non-cash interest expense, respectively, related to the amortization of deferred financing costs.

Aggregate annual maturities of our long-term obligations at December 31, 2024 are as follows:

(Thousands)	
2025	\$ 275,000
2026	—
2027	306,500
2028	3,470,000
2029	1,110,000
Thereafter	700,000
Total	<u>\$ 5,861,500</u>

Note 12. Stock-Based Compensation

The Company’s Board of Directors adopted the Uniti Group Inc. 2015 Equity Incentive Plan (the “Equity Plan”), which is administered by the Compensation Committee of the Board of Directors. Awards issuable under the Equity Plan include incentive stock options, “non-qualified” stock options, stock appreciation rights, performance units and performance shares, restricted shares, and restricted stock units.

Restricted Awards

During the year ended December 31, 2024, the Company granted 5,614,904 shares of restricted stock to employees, which had a fair value of \$24.3 million as of the date of grant. We calculate the grant date fair value of non-vested shares of restricted stock awards using the closing sale prices on the trading day on the grant date. The restricted stock awards are amortized on a straight-line basis to expense over the vesting period, which is generally three years. As of December 31,

2024, there were 3,442,584 shares available for future issuance under the Equity Plan. The following table sets forth the number of unvested restricted stock awards and the weighted-average fair value of these awards at the date of grant:

	Restricted Awards	Weighted Average Fair Value at Grant Date	Aggregate Intrinsic Value ⁽¹⁾ (\$000s)
Unvested balance December 31, 2023	2,096,993	\$ 7.41	
Granted	5,614,904	\$ 4.32	
Forfeited	(133,616)	\$ 6.45	
Vested	(934,900)	\$ 8.08	
Unvested balance, December 31, 2024	6,643,381	\$ 4.69	\$ 36,539

- (1) The aggregate intrinsic value is calculated using the market value of our common stock as of December 31, 2024. The market value as of December 31, 2024 was \$5.50 per share, which was the closing price of our common stock reported for transactions effected on the NASDAQ Global Select Market on December 31, 2024, the final trading day of 2024.

During the year ended December 31, 2023, there were 1,505,876 shares of restricted stock granted with a weighted-average fair value of \$5.78 per share. During the year ended December 31, 2022, there were 925,059 shares of restricted stock granted with a weighted-average fair value of \$9.52 per share.

The total fair value of shares vested for the years ended December 31, 2024, 2023 and 2022 was \$5.2 million, \$3.8 million and \$8.7 million, respectively.

As of December 31, 2024, total unrecognized compensation expense on restricted awards was approximately \$9.9 million, and the expense is expected to be recognized over a weighted average vesting period of 0.9 years.

Performance Awards

The Company grants long-term incentives to members of management in the form of performance-based restricted stock units (“PSUs”) under the Equity Plan. The number of PSUs earned is based on the Company’s achievement of specified performance goals, over a specified performance period, and may range from 0% to 200% of the target shares. The PSUs have a service condition that will expire at the end of the three-year performance period provided that the holder continues to be employed by the Company at the end of the performance period. Holders of PSUs are entitled to dividend equivalents, which will be accrued and paid in cash upon the vesting of a PSU. Dividend equivalents are forfeited to the extent that the underlying PSU is forfeited.

On February 21, 2024, we issued 537,939 PSUs equal to 100% of the target amount, with an aggregate fair value of \$4.5 million on the grant date. The PSUs, in addition to a service condition, are subject to the Company’s performance versus the total return of our peer group, as defined in the Compensation Committee, of other publicly traded REIT’s and telecommunication companies. Upon evaluating the results of the market conditions, the final number of shares is determined, and such shares vest based on satisfaction of the service condition. The PSUs are amortized on a straight-line basis over the vesting period. During the year ended December 31, 2024, no PSUs were forfeited due to termination of service. The following table sets forth the number of unvested PSUs and the weighted-average fair value of these awards at the date of grant:

	Performance Awards	Weighted Average Fair Value at Grant Date	Aggregate Intrinsic Value ⁽¹⁾ (\$000s)
Unvested balance December 31, 2023	1,053,188	\$ 12.06	
Granted	537,939	\$ 8.40	
Forfeited	—	\$ —	
Vested	(178,565)	\$ 16.08	
Unvested balance, December 31, 2024	1,412,562	\$ 10.15	\$ 7,769

- (1) The aggregate intrinsic value is calculated using the market value of our common stock as of December 31, 2024. The market value as of December 31, 2024 was \$5.50 per share, which was the closing price of our common stock reported for transactions effected on the NASDAQ Global Select Market on December 31, 2024, the final trading day of 2024.

During the year ended December 31, 2023, there were 449,614 PSUs granted with a weighted-average fair value of \$8.22 per share. During the year ended December 31, 2022, there were 425,010 PSUs granted with a weighted-average fair value of \$14.42 per share.

As of December 31, 2024, total unrecognized compensation expense related to PSUs was approximately \$6.8 million, and the weighted-average vesting period was 1.2 years. The fair value of each PSU award is estimated at the date of grant using a Monte Carlo simulation. The simulation requires assumptions for expected volatility, risk-free return, and dividend yield. Our assumptions include a 0% dividend yield, which is the mathematical equivalent to reinvesting the dividends over the three-year performance period as is consistent with the terms of the PSUs. The following table summarizes the assumptions used to value the PSUs granted during the years ended December 31, 2024, 2023 and 2022:

	Year Ended December 31,		
	2024	2023	2022
Expected term (years)	3.0	3.0	3.0
Expected volatility	60.6 %	56.8 %	40.6 %
Expected annual dividend	0.0 %	0.0 %	0.0 %
Risk free rate	4.4 %	4.4 %	1.8 %

Employee Stock Purchase Plan

The Company's Board of Directors adopted the Uniti Group Inc. Employee Stock Purchase Plan (the "ESPP"). The ESPP authorizes us to issue up to 2,000,000 shares of our common stock to any of our employees so long as the employee is employed on the first day of the applicable offering period. Under the ESPP, there are two six-month plan periods during each calendar year, one beginning January 1 and ending on June 30, and one beginning on July 1 and ending on December 31. Under the terms of the ESPP, employees can choose each plan period to have up to 15% of their annual base earnings, limited to \$25,000 withheld to purchase our common stock. The purchase price of the stock is 85% of the lower of its beginning-of-period or end-of-period market price. Under the ESPP the Company issued 216,183, 172,641 and 69,854 shares during the years ended December 31, 2024, 2023 and 2022, respectively. As of December 31, 2024, there were 1,286,297 shares available for future issuance under the ESPP. The following table summarizes the assumptions used to value the purchase rights granted under the ESPP during the years ended December 31, 2024, 2023 and 2022:

	Year Ended December 31,		
	2024	2023	2022
Expected term (years)	0.5	0.5	0.5
Expected volatility	59.0 %	58.0 %	12.0 %
Expected annual dividend	18.7 %	12.2 %	6.1 %
Risk free rate	5.3 %	5.4 %	2.5 %

For the years ended December 31, 2024, 2023 and 2022, we recognized \$13.5 million, \$12.5 million and \$12.8 million, respectively, of compensation expense related to restricted stock awards, performance-based awards and the ESPP, which is recorded in general and administrative expense on our Consolidated Statements of Income (Loss).

Note 13. Earnings Per Share

Our restricted stock awards are considered participating securities as they receive non-forfeitable rights to dividends at the same rate as common stock. As participating securities, we included these instruments in the computation of earnings per share under the two-class method described in FASB ASC 260, *Earnings per Share*.

We also have outstanding PSUs that contain forfeitable rights to receive dividends. Therefore, the awards are considered non-participating restrictive shares and not dilutive under the two-class method until performance conditions are met.

During the year ended December 31, 2024, approximately 1,412,563 PSUs were excluded from the computation of diluted earnings per share, as their effect would have been anti-dilutive. During the year ended December 31, 2023, approximately 1,053,189 PSUs were excluded from the computation of diluted net loss per share, as their effect would have been anti-dilutive. During the year ended December 31, 2022, approximately 604,000 PSUs were excluded from the computation of diluted net loss per share because the performance conditions had not been met.

The dilutive effect of the Exchangeable Notes, which were repaid on June 15, 2024 ([see Note 11](#)) and the Convertible 2027 Notes are calculated by using the “if-converted” method. This assumes an add-back of interest, net of income taxes, to net income attributable to shareholders as if the securities were converted at the beginning of the reporting period (or at time of issuance, if later) and the resulting common shares included in the number of weighted average shares. The dilutive effect of the Warrants ([see Note 11](#)) is calculated using the treasury-stock method. During the years ended December 31, 2024, 2023 and 2022, the Warrants were excluded from diluted shares outstanding because the exercise price exceeded the average market price of our common stock for the reporting period.

The following sets forth the computation of basic and diluted earnings per share under the two-class method:

(Thousands, except per share data)	Year Ended December 31,		
	2024	2023	2022
Basic earnings per share:			
Numerator:			
Net income (loss) attributable to shareholders	\$ 93,406	\$ (81,713)	\$ (8,275)
Less: Income allocated to participating securities	(2,080)	(1,207)	(1,135)
Dividends declared on convertible preferred stock	(20)	(20)	(20)
Net income (loss) attributable to common shares	\$ 91,306	\$ (82,940)	\$ (9,430)
Denominator:			
Basic weighted-average common shares outstanding	237,306	236,401	235,567
Basic earnings (loss) per common share	\$ 0.38	\$ (0.35)	\$ (0.04)

(Thousands, except per share data)	Year Ended December 31,		
	2024	2023	2022
Diluted earnings per share:			
Numerator:			
Net income (loss) attributable to shareholders	\$ 93,406	\$ (81,713)	\$ (8,275)
Less: Income allocated to participating securities	(2,080)	(1,207)	(1,135)
Dividends declared on convertible preferred stock	(20)	(20)	(20)
Impact on if-converted dilutive securities	—	—	—
Net income (loss) attributable to common shares	\$ 91,306	\$ (82,940)	\$ (9,430)
Denominator:			
Basic weighted-average common shares outstanding	237,306	236,401	235,567
Impact on if-converted dilutive securities	—	—	—
Effect of dilutive non-participating securities	—	—	—
Weighted-average shares for dilutive earnings per common share	237,306	236,401	235,567
Dilutive earnings (loss) per common share	\$ 0.38	\$ (0.35)	\$ (0.04)

For the year ended December 31, 2024, 48,024,097 potential common shares related to the Convertible 2027 Notes and the Exchangeable Notes were excluded from the computation of earnings per share, as their effect would have been anti-dilutive. For the year ended December 31, 2023, 53,700,524 potential common shares related to the Convertible 2027 Notes and the Exchangeable Notes were excluded from the computation of earnings per share, as their effect would have been anti-dilutive.

Note 14. Segment Information

Our management, including our chief executive officer, managed our operations as two reportable segments, Uniti Leasing and Uniti Fiber, in addition to our corporate operations, as described below.

Uniti Leasing: Represents the operations of our leasing business, Uniti Leasing, which is engaged in the acquisition and construction of mission-critical communications assets and leasing them to anchor customers on either an exclusive or shared-tenant basis, in addition to the leasing of dark fiber on our existing dark fiber network assets that we either constructed or acquired. While the Leasing segment represents our REIT operations, certain aspects of the Leasing segment are also operated through taxable REIT subsidiaries.

Uniti Fiber: Represents the operations of our fiber business, Uniti Fiber, which is a leading provider of infrastructure solutions, including cell site backhaul and dark fiber, to the telecommunications industry.

Corporate: Represents our corporate office and shared service functions. Certain costs and expenses, primarily related to headcount, insurance, professional fees and similar charges, that are directly attributable to operations of our business segments are allocated to the respective segments.

Management evaluates the performance of each segment using Adjusted EBITDA, which is a segment performance measure we define as net income determined in accordance with GAAP, before interest expense, provision for income taxes, depreciation and amortization, stock-based compensation expense and the impact, which may be recurring in nature, of transaction and integration costs, costs associated with Windstream's bankruptcy, costs associated with litigation claims made against us, costs associated with the implementation of our enterprise resource planning system, goodwill impairment charges, severance costs, costs related to the Settlement with Windstream, amortization of non-cash rights-of-use assets, the write off of unamortized deferred financing costs, costs incurred as a result of the early repayment of debt, including early tender and redemption premiums and costs associated with the termination of related hedging activities, gains or losses on dispositions, changes in the fair value of contingent consideration and financial instruments, and other similar or infrequent items (although we may not have had such charges in the periods presented). Adjusted EBITDA includes adjustments to reflect the Company's share of Adjusted EBITDA from unconsolidated entities. The Company believes that net income, as defined by GAAP, is the most appropriate earnings metric; however, we believe that Adjusted EBITDA serves as a useful supplement to net income because it allows investors, analysts and management to evaluate the performance of our segments in a manner that is comparable period over period. Adjusted EBITDA should not be considered as an alternative to net income as determined in accordance with GAAP.

The Company's chief executive officer, who is our chief operating decision maker, reviews Adjusted EBITDA for the purpose of making operating decisions, assessing financial performance, and deciding how to allocate resources (including employees, property, and financial or capital resources) for each segment predominantly in the annual budget and forecasting process. The chief operating decision maker considers budget-to-actual variances monthly when making decisions about allocating capital and personnel to the segments.

Selected financial data related to our segments is presented below for the years ended December 31, 2024, 2023 and 2022:

(Thousands)	Year Ended December 31, 2024			
	Uniti Leasing	Uniti Fiber	Corporate	Total of Reportable Segments
Revenues	\$ 880,490	\$ 286,437	\$ —	\$ 1,166,927
Adjusted EBITDA	\$ 851,178	\$ 111,557	\$ (22,669)	\$ 940,066
Less:				
Interest expense, net	(1,266)	39,150	473,480	511,364
Depreciation and amortization	182,363	132,391	56	314,810
Other, net				4,726
Transaction related and other costs				38,734
Gain on sale of real estate				(18,953)
Stock-based compensation				13,508
Income tax expense (benefit)	1,199	(18,977)	223	(17,555)
Net Income				\$ 93,432
Capital expenditures	\$ 247,392	\$ 107,319	\$ 123	\$ 354,834

(Thousands)	Year Ended December 31, 2023			
	Uniti Leasing	Uniti Fiber	Corporate	Total of Reportable Segments
Revenues	\$ 852,772	\$ 297,059	\$ —	\$ 1,149,831
Adjusted EBITDA	\$ 829,557	\$ 115,723	\$ (21,778)	\$ 923,502
Less:				
Interest expense, net	—	17,724	494,625	512,349
Depreciation and amortization	178,872	131,600	56	310,528
Other, net				20,893
Transaction related and other costs				12,611
Gain on sale of real estate				(2,164)
Goodwill impairment	—	203,998	—	203,998
Stock-based compensation				12,491
Income tax expense (benefit)	990	(68,671)	(793)	(68,474)
Adjustments for equity in earnings from unconsolidated entities	3,019	—	—	3,019
Net loss				\$ (81,749)
Capital expenditures	\$ 277,235	\$ 139,767	\$ —	\$ 417,002

(Thousands)	Year Ended December 31, 2022			
	Uniti Leasing	Uniti Fiber	Corporate	Total of Reportable Segments
Revenues	\$ 827,457	\$ 301,390	\$ —	\$ 1,128,847
Adjusted EBITDA	\$ 806,027	\$ 125,361	\$ (25,492)	\$ 905,896
Less:				
Interest expense, net	—	18,851	357,981	376,832
Depreciation and amortization	172,007	120,666	115	292,788
Other, net				(4,790)
Transaction related and other costs				10,340
Gain on sale of operations				(176)
Gain on sale of real estate				(433)
Goodwill impairment	—	240,500	—	240,500
Stock-based compensation				12,751
Income tax expense (benefit)	1,253	(29,031)	10,413	(17,365)
Adjustments for equity in earnings from unconsolidated entities	3,571	—	—	3,571
Net loss				<u>\$ (8,122)</u>
Capital expenditures	\$ 263,269	\$ 163,962	\$ 336	\$ 427,567

Significant segment expenses for our reportable segments are presented below for the periods indicated:

(Thousands)	Uniti Fiber		
	Year Ended December 31,		
	2024	2023	2022
Revenues	\$ 286,437	\$ 297,059	\$ 301,390
Less:			
Employee-related (excluding stock-based compensation):			
Operating Expense	24,606	23,899	25,331
General and Administrative Expense	35,051	33,859	30,226
Network ^(a)	74,221	77,783	71,609
Installation, Equipment, & Other Non-recurring Charges ^(a)	12,030	13,820	20,800
Insurance ^(b)	4,691	3,727	2,463
Professional Fees ^(b)	4,325	4,560	4,318
Other	19,956	23,688	21,282
Adjusted EBITDA	<u>\$ 111,557</u>	<u>\$ 115,723</u>	<u>\$ 125,361</u>

(a) Included within the Operating Expense (exclusive of depreciation, accretion and amortization) line item in our Consolidated Statements of Income (Loss).

(b) Included within the General and Administration Expense line item in our Consolidated Statements of Income (Loss).

Employee-related expenses include employee salaries, related taxes and benefits, short-term cash incentive compensation and travel and entertainment expenses. Other includes office rent, IT costs, taxes and fees, advertising, other overhead expenses, and EBITDA adjustments.

(Thousands)	Uniti Leasing		
	Year Ended December 31,		
	2024	2023	2022
Revenues	\$ 880,490	\$ 852,772	\$ 827,457
Less:			
Employee-related (excluding stock-based compensation):			
Operating Expense	644	359	1,117
General and Administrative Expense	5,751	5,385	7,661
Network ^(a)	20,513	18,751	14,803
Other	2,404	(1,280)	(2,151)
Adjusted EBITDA	<u>\$ 851,178</u>	<u>\$ 829,557</u>	<u>\$ 806,027</u>

(a) Included within the Operating Expense (exclusive of depreciation, accretion and amortization) line item in our Consolidated Statements of Income (Loss).

Employee-related expenses include employee salaries, related taxes and benefits, short-term cash incentive compensation and travel and entertainment expenses. Other includes insurance, professional fees, taxes and fees, other overhead expenses, and EBITDA adjustments.

Total assets by business segment as of December 31, 2024 and December 31, 2023 are as follows:

(Thousands)	December 31,	
	2024	2023
Uniti Leasing	\$ 3,158,309	\$ 2,936,972
Uniti Fiber	1,985,828	1,956,381
Corporate	138,008	131,776
Total of reportable segments	<u>\$ 5,282,145</u>	<u>\$ 5,025,129</u>

Note 15. Commitments and Contingencies

Litigation

In the ordinary course of our business, we are subject to claims and administrative proceedings, none of which we believe are material or would be expected to have, individually or in the aggregate, a material adverse effect on our business, financial condition, cash flows or results of operations.

Note 16. Accumulated Other Comprehensive Loss

In 2015, we entered into fixed for floating interest rate swap agreements to mitigate the interest rate risk inherent in our variable rate senior secured term loan facility. As result of the repayment of the senior secured term loan facility in 2020, we entered into receive-fixed interest rate swaps to offset our existing pay-fixed interest rate swaps, which matured on October 24, 2022. The Company discontinued hedge accounting as the hedge accounting requirements were no longer met and amounts in accumulated other comprehensive income (loss) as of the date of de-designation, were reclassified to interest expense as the hedged transactions impacted earnings.

On March 1, 2024, the Company entered into the ABS Loan Interest Rate Cap related to the ABS Loan Facility (as defined in [Note 11](#)). This interest rate cap was designated as a cash flow hedge, has a notional value of \$275.0 million, and effectively caps the one-month term SOFR at 4.50%.

Changes in accumulated other comprehensive income (loss) by component is as follows for the years ended December 31, 2024, 2023 and 2022:

(Thousands)	2024	2023	2022
Cash flow hedge:			
Balance at beginning of period attributable to shareholders	\$ —	\$ (30,353)	\$ (30,353)
Change in fair value of derivative asset	(656)	—	—
Amounts reclassified from accumulated other comprehensive income	22	—	—
Net other comprehensive loss	(634)	(30,353)	(30,353)
Less: Other comprehensive loss attributable to noncontrolling interest	0	—	—
Balance at end of period	(634)	(30,353)	(30,353)
Interest rate swap termination:			
Balance at beginning of period attributable to common shareholders	—	30,353	21,189
Amounts reclassified from accumulated other comprehensive income	—	—	9,243
Balance at end of period	—	30,353	30,432
Less: Other comprehensive income attributable to noncontrolling interest	—	—	79
Balance at end of period attributable to common shareholders	—	30,353	30,353
Accumulated other comprehensive loss at end of period	<u>\$ (634)</u>	<u>\$ —</u>	<u>\$ —</u>

Note 17. Income Taxes

We elected on our initial U.S. federal income tax return to be treated as a REIT under the Code. To qualify as a REIT, we must distribute at least 90% of our annual REIT taxable income, determined without regard to the dividends paid deduction and excluding any capital gains, to shareholders, and meet certain organizational and operational requirements, including asset holding requirements. As a REIT, we will generally not be subject to U.S. federal income tax on income that we distribute as dividends to our shareholders. If we fail to qualify as a REIT in any taxable year unless certain relief provisions apply, prior to the completion of our Merger with Windstream (or if our Merger with Windstream is not consummated, if we fail to qualify as a REIT in future taxable years), we will be subject to U.S. federal income tax on our taxable income at regular corporate income tax rates, and we could not deduct dividends paid to our shareholders in computing taxable income. Any resulting corporate liability could be substantial and could materially and adversely affect our net income and net cash available for distribution to shareholders. Unless we were entitled to relief under certain Code provisions, we also would be disqualified from reelecting to be taxed as a REIT for the four taxable years following the year in which we failed to qualify or cease to qualify as a REIT.

We are subject to the statutory requirements of the locations in which we conduct business, and state and local income taxes are accrued as deemed required in the best judgment of management based on analysis and interpretation of respective tax laws.

We have elected to treat the subsidiaries through which we operate Uniti Fiber and certain subsidiaries of Uniti Leasing as TRSs. TRSs enable us to engage in activities that result in income that does not constitute qualifying income for a REIT. Our TRSs are subject to U.S. federal, state and local corporate income taxes.

Income tax expense (benefit) for the years ended December 31, 2024, 2023 and 2022 as reported in the accompanying Consolidated Statements of Income (Loss) was comprised of the following:

(Thousands)	Year Ended December 31,		
	2024	2023	2022
Current			
Federal	\$ (311)	\$ (753)	\$ 8,782
State	1,673	776	2,762
Total current expense	1,362	23	11,544
Deferred			
Federal	(14,852)	(53,188)	(22,804)
State	(4,065)	(15,309)	(6,105)
Total deferred benefit	(18,917)	(68,497)	(28,909)
Total income tax benefit	<u>\$ (17,555)</u>	<u>\$ (68,474)</u>	<u>\$ (17,365)</u>

An income tax expense reconciliation between the U.S. statutory tax rate and the effective tax rate is as follows:

(Thousands)	Year Ended December 31,		
	2024	2023	2022
Income (loss) from continuing operations, before tax	\$ 75,877	\$ (150,223)	\$ (25,487)
Income tax expense (benefit) at U.S. statutory federal rate	15,976	(31,547)	(5,352)
Increases (decreases) resulting from:			
State taxes, net of federal benefit	(1,715)	(11,219)	(2,255)
Benefit of REIT status	(31,925)	(24,796)	(46,604)
Impairment of nondeductible goodwill	—	—	36,895
Return to accrual	(121)	(1,298)	(44)
Permanent differences	230	386	(5)
Income tax benefit	<u>\$ (17,555)</u>	<u>\$ (68,474)</u>	<u>\$ (17,365)</u>

The effective tax rate on income from continuing operations differs from tax at the statutory rate primarily due to our status as a REIT, and goodwill impairment in 2022 and 2023 which is not fully deductible for tax purposes.

Deferred tax assets and liabilities are recognized for the estimated future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases.

The components of the Company's deferred tax assets and liabilities are as follows:

(Thousands)	December 31, 2024	December 31, 2023
Deferred tax assets:		
Deferred revenue	\$ 35,907	\$ 31,123
Stock-based compensation	776	629
Asset retirement obligation	1,742	1,511
Inventory reserve	132	133
Excess business interest expense	35,104	24,090
Lease asset liability	12,050	12,715
Settlement obligation	509	605
Debt discount and interest expense	122	841
Other intangible amortization	20,874	27,494
Other	3,762	4,560
Net operating loss carryforwards	169,488	156,482
Deferred tax assets	\$ 280,466	\$ 260,183
Deferred tax liabilities:		
Property, plant and equipment	\$ (100,285)	\$ (97,459)
Customer list intangible	(34,578)	(37,159)
Right of use asset	(13,531)	(12,489)
Deferred or prepaid costs	(3,834)	(3,792)
Other	(193)	(156)
Deferred tax liabilities	\$ (152,421)	\$ (151,055)
Deferred tax asset, net	\$ 128,045	\$ 109,128

As of December 31, 2024, the Company's deferred tax assets were primarily the result of U.S. federal and state net operating loss ("NOL") carryforwards.

As of each reporting date, the Company's management considers new evidence, both positive and negative, that could impact management's view with regard to future realization of deferred tax assets. Management has evaluated sources of future taxable income, including the Company's significant deferred tax liabilities and available tax planning strategies, and determined that sufficient positive evidence exists as of December 31, 2024, to conclude that it is more likely than not that all of its deferred tax assets are realizable, and therefore, no valuation allowance has been recorded.

We have total federal NOL carryforwards as of December 31, 2024 of approximately \$164.4 million which will expire between 2030 and 2037, and approximately \$441.4 million which will not expire but the utilization of which will be limited to 80% of taxable income annually under provisions enacted in the Tax Cut and Jobs Act.

With the exception of Tower Cloud, Inc., whose outstanding equity we acquired 100% of in August 2016, and Uniti Fiber Holdings Inc., our 2021 returns remain open to examination. As Tower Cloud, Inc. and Uniti Fiber Holdings Inc. have NOLs available to carry forward, the applicable tax years will generally remain open to examination several years after the applicable loss carryforwards have been utilized or expire.

The Company or its subsidiaries file tax returns in the U.S. federal jurisdiction, various state and local jurisdictions, and certain foreign jurisdictions. A reconciliation of the Company's beginning and ending liability for unrecognized tax benefits is as follows:

(Thousands)	2024	2023
Balance at January 1	\$ 1,734	\$ 1,734
Balance at December 31	\$ 1,734	\$ 1,734

The Company's entire liability for unrecognized tax benefit is expected to be recognized as income within the next 12 months as the period for assessment of tax expires.

The Company recognizes accrued interest and penalties related to unrecognized tax benefits as additional tax expense. The Company recorded no interest expense and penalties for the period ending December 31, 2024. The Company's balance of accrued interest and penalties related to unrecognized tax benefits as of December 31, 2024 was \$1.3 million.

Note 18. Supplemental Cash Flow Information

Cash paid for interest expense, net of capitalized interest and income taxes, net of refunds for the years ended December 31, 2024, 2023 and 2022 is as follows:

(Thousands)	Year Ended December 31,		
	2024	2023	2022
Cash payments for:			
Interest, net of capitalized interest	\$ 472,430	\$ 460,734	\$ 335,920
Income taxes, net of refunds	\$ 2,573	\$ 1,289	\$ 9,437

Note 19. Capital Stock

The limited partner equity interests in our Operating Partnership (commonly called "OP Units"), are exchangeable on a one-for-one basis for shares of our common stock or, at our election, cash of equivalent value.

During the year ended December 31, 2024, the Company exchanged 91,188 OP Units held by third parties, of which 76,466 OP Units were exchanged for an equal number of shares of our common stock and 14,722 OP Units were purchased for cash consideration of \$0.1 million, representing approximately 86% of the OP Units held by third parties with a carrying value of \$1.7 million as of the exchange dates. During the year ended December 31, 2023, the company exchanged no OP Units held by third parties. During the year ended December 31, 2022, the Company exchanged 591,349 OP Units held by third parties, of which 244,683 OP Units were exchanged for an equal number of common shares of the Company and 346,667 OP Units were exchanged for cash consideration of \$4.6 million, representing approximately 85% of the OP Units held by third parties with a carrying value of \$11.9 million as of the exchange dates.

We are authorized to issue up to 500,000,000 shares of voting common stock and 50,000,000 shares of preferred stock, of which 237,513,495 and 0 shares, respectively, were outstanding at December 31, 2024. We had 262,486,505 shares of voting common stock available for issuance at December 31, 2024.

Note 20. Dividends (Distributions)

Distributions with respect to our common stock is characterized for federal income tax purposes as taxable ordinary dividends, capital gains dividends, non-dividend distribution or a combination thereof. For the years ended December 31,

2024, 2023, and 2022, our common stock distribution per share was \$0.45, \$0.45 and \$0.75, respectively, characterized as follows:

	Year Ended December 31,		
	2024	2023	2022
Ordinary dividends	\$ 0.39	\$ 0.45	\$ 0.75
Capital gain distribution	\$ 0.04	\$ —	\$ —
Non-dividend distributions	\$ 0.02	\$ —	\$ —
Total	\$ 0.45	\$ 0.45	\$ 0.75

Note 21. Employee Benefit Plan

We sponsor a defined contribution plan under section 401(k) of the Internal Revenue Code, which covers employees who are 21 years of age and over. Under this plan, we match voluntary employee contributions at a rate of 100% for the first 3% of an employee's annual compensation and at a rate of 50% for the next 2% of an employee's annual compensation. Employees vest in our contribution immediately. Our expense related to the plan recognized for the years ended December 31, 2024, 2023 and 2022 was \$2.2 million, \$2.3 million and \$2.2 million, respectively.

We sponsor a deferred compensation plan. The plan is established and maintained by the Company primarily to permit certain management or highly compensated employees of the Company and its subsidiaries, within the meaning of Section 301(a) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), to defer a percentage of their compensation. The plan is an unfunded deferred compensation plan intended to qualify for the exemptions provided in, and shall be administered in a manner consistent with Section 201, 301 and 401 of ERISA and Section 409A of the Internal Revenue Code of 1986, as amended.

Note 22. Supplementary Unrestricted Subsidiary Information

During 2024, we formed ABS Parent and the ABS Bridge Loan Parties, each an indirect, bankruptcy-remote subsidiary of the Company. Concurrently, we designated the ABS Parent and ABS Bridge Loan Parties as unrestricted subsidiaries under the Credit Agreement and the applicable indentures governing the Company's outstanding senior notes. See Note 11.

Below are the Consolidated Balance Sheets as of December 31, 2024, September 30, 2024, June 30, 2024, and March 31, 2024, and the Consolidated Statements of Income (Loss) for the year ended December 31, 2024, the nine months ended September 30, 2024, the six months ended June 30, 2024, and the three months ended March 31, 2024, respectively, of such unrestricted subsidiaries (in thousands):

UNAUDITED SUPPLEMENTAL INFORMATION

(Thousands)	Year Ended December 31, 2024			
	Unrestricted Subsidiaries	Restricted Subsidiaries	Eliminations	Consolidated
Assets:				
Property, plant and equipment, net	\$ 446,498	\$ 3,763,249	\$ —	\$ 4,209,747
Cash and cash equivalents	1,743	153,850	—	155,593
Restricted cash and cash equivalents	28,149	105	—	28,254
Accounts receivable, net	9,032	46,309	(3,923)	51,418
Goodwill	—	157,380	—	157,380
Intangible assets, net	—	275,414	—	275,414
Straight-line revenue receivable	798	108,072	—	108,870
Operating lease right-of-use assets, net	—	126,791	—	126,791
Other assets, net	—	211,031	(170,475)	40,556
Deferred income tax assets, net	—	128,045	—	128,045
Derivative asset	77	—	—	77
Total Assets	\$ 486,297	\$ 4,970,246	\$ (174,398)	\$ 5,282,145
Liabilities and Shareholders' Deficit				
Liabilities:				
Accounts payable, accrued expenses and other liabilities, net	\$ 3,386	\$ 90,225	\$ (3,923)	\$ 89,688
Settlement payable (Note 3)	—	71,785	—	71,785
Intangible liabilities, net	—	145,703	—	145,703
Accrued interest payable	921	142,980	—	143,901
Deferred revenue	43,521	1,357,431	—	1,400,952
Dividends payable	—	665	—	665
Operating lease liabilities	—	80,504	—	80,504
Finance lease obligations	—	17,190	—	17,190
Notes and other debt, net	271,329	5,512,268	—	5,783,597
Total liabilities	319,157	7,418,751	(3,923)	7,733,985
Shareholders' Deficit:				
Total shareholders' deficit	167,140	(2,448,505)	(170,475)	(2,451,840)
Total Liabilities and Shareholders' Deficit	\$ 486,297	\$ 4,970,246	\$ (174,398)	\$ 5,282,145

As of September 30, 2024				
(Thousands)	Unrestricted Subsidiaries	Restricted Subsidiaries	Eliminations	Consolidated
Assets:				
Property, plant and equipment, net	\$ 451,670	\$ 3,704,872	\$ —	\$ 4,156,542
Cash and cash equivalents	303	33,774	—	34,077
Restricted cash and cash equivalents	19,206	105	—	19,311
Accounts receivable, net	7,362	48,013	(3,771)	51,604
Goodwill	—	157,380	—	157,380
Intangible assets, net	—	282,839	—	282,839
Straight-line revenue receivable	706	105,117	—	105,823
Operating lease right-of-use assets, net	—	126,791	—	126,791
Other assets, net	—	242,652	(202,656)	39,996
Deferred income tax assets, net	—	124,077	—	124,077
Derivative asset	231	—	—	231
Total Assets	\$ 479,478	\$ 4,825,620	\$ (206,427)	\$ 5,098,671
Liabilities and Shareholders' Deficit				
Liabilities:				
Accounts payable, accrued expenses and other liabilities, net	\$ 3,825	\$ 95,790	\$ (3,771)	\$ 95,844
Settlement payable	—	95,147	—	95,147
Intangible liabilities, net	—	148,377	—	148,377
Accrued interest payable	(374)	56,936	—	56,562
Deferred revenue	10,000	1,289,759	—	1,299,759
Dividends payable	—	2	—	2
Operating lease liabilities	—	78,785	—	78,785
Finance lease obligations	—	17,869	—	17,869
Notes and other debt, net	270,017	5,512,616	—	5,782,633
Total liabilities	283,468	7,295,281	(3,771)	7,574,978
Shareholders' Deficit:				
Total shareholders' deficit	196,010	(2,469,661)	(202,656)	(2,476,307)
Total Liabilities and Shareholders' Deficit	\$ 479,478	\$ 4,825,620	\$ (206,427)	\$ 5,098,671

As of June 30, 2024				
(Thousands)	Unrestricted Subsidiaries	Restricted Subsidiaries	Eliminations	Consolidated
Assets:				
Property, plant and equipment, net	\$ 456,842	\$ 3,635,957	\$ —	\$ 4,092,799
Cash and cash equivalents	14	118,749	—	118,763
Restricted cash and cash equivalents	12,624	104	—	12,728
Accounts receivable, net	6,182	55,888	(5,416)	56,654
Goodwill	—	157,380	—	157,380
Intangible assets, net	—	290,264	—	290,264
Straight-line revenue receivable	597	101,113	—	101,710
Operating lease right-of-use assets, net	—	128,837	—	128,837
Other assets, net	—	241,769	(201,070)	40,699
Deferred income tax assets, net	—	117,780	—	117,780
Derivative asset	1,616	—	—	1,616
Total Assets	\$ 477,875	\$ 4,847,841	\$ (206,486)	\$ 5,119,230
Liabilities and Shareholders' Deficit				
Liabilities:				
Accounts payable, accrued expenses and other liabilities, net	\$ 3,560	\$ 88,961	\$ (5,416)	\$ 87,105
Settlement payable	—	118,232	—	118,232
Intangible liabilities, net	—	151,050	—	151,050
Accrued interest payable	199	142,028	—	142,227
Deferred revenue	9,862	1,232,303	—	1,242,165
Dividends payable	—	1,134	—	1,134
Operating lease liabilities	—	79,812	—	79,812
Finance lease obligations	—	18,110	—	18,110
Notes and other debt, net	268,737	5,503,072	—	5,771,809
Total liabilities	282,358	7,334,702	(5,416)	7,611,644
Shareholders' Deficit:				
Total shareholders' deficit	195,517	(2,486,861)	(201,070)	(2,492,414)
Total Liabilities and Shareholders' Deficit	\$ 477,875	\$ 4,847,841	\$ (206,486)	\$ 5,119,230

As of March 31, 2024				
(Thousands)	Unrestricted Subsidiaries	Restricted Subsidiaries	Eliminations	Consolidated
Assets:				
Property, plant and equipment, net	\$ 463,736	\$ 3,578,749	\$ —	\$ 4,042,485
Cash and cash equivalents	—	43,058	—	43,058
Restricted cash and cash equivalents	7,580	104	—	7,684
Accounts receivable, net	9,301	45,094	(5,811)	48,584
Goodwill	—	157,380	—	157,380
Intangible assets, net	—	297,689	—	297,689
Straight-line revenue receivable	525	96,134	—	96,659
Operating lease right-of-use assets, net	—	131,810	—	131,810
Other assets, net	—	243,510	(201,039)	42,471
Deferred income tax assets, net	—	114,904	—	114,904
Derivative asset	1,845	—	—	1,845
Total Assets	\$ 482,987	\$ 4,708,432	\$ (206,850)	\$ 4,984,569
Liabilities and Shareholders' Deficit				
Liabilities:				
Accounts payable, accrued expenses and other liabilities, net	\$ —	\$ 95,850	\$ (5,811)	\$ 90,039
Settlement payable	—	141,043	—	141,043
Intangible liabilities, net	—	153,724	—	153,724
Accrued interest payable	1,698	50,099	—	51,797
Deferred revenue	9,713	1,217,741	—	1,227,454
Dividends payable	—	37,048	—	37,048
Operating lease liabilities	—	81,778	—	81,778
Finance lease obligations	—	18,473	—	18,473
Notes and other debt, net	267,490	5,393,206	—	5,660,696
Total liabilities	278,901	7,188,962	(5,811)	7,462,052
Shareholders' Deficit:				
Total shareholders' deficit	204,086	(2,480,530)	(201,039)	(2,477,483)
Total Liabilities and Shareholders' Deficit	\$ 482,987	\$ 4,708,432	\$ (206,850)	\$ 4,984,569

Year Ended December 31, 2024				
(Thousands)	Unrestricted Subsidiaries	Restricted Subsidiaries	Eliminations	Consolidated
Total Revenues	\$ 71,494	\$ 1,109,598	\$ (14,165)	\$ 1,166,927
Costs and Expenses:				
Interest expense, net	24,068	487,296	—	511,364
Depreciation and amortization	17,238	297,572	—	314,810
General and administrative expense	32,889	86,295	(14,165)	105,019
Operating expense (exclusive of depreciation, accretion and amortization)	—	140,377	—	140,377
Transaction related and other costs	—	38,734	—	38,734
Gain on sale of real estate	—	(18,953)	—	(18,953)
Other (income) expense, net	—	(301)	—	(301)
Total costs and expenses	74,195	1,031,020	(14,165)	1,091,050
Income (loss) before income taxes and equity in earnings from unconsolidated entities	(2,701)	78,578	—	75,877
Income tax benefit	—	(17,555)	—	(17,555)
Net income (loss)	\$ (2,701)	\$ 96,133	\$ —	\$ 93,432

	Nine Months Ended September 30, 2024			
(Thousands)	Unrestricted Subsidiaries	Restricted Subsidiaries	Eliminations	Consolidated
Total Revenues	\$ 46,785	\$ 836,782	\$ (9,955)	\$ 873,612
Costs and Expenses:				
Interest expense, net	16,950	364,743	—	381,693
Depreciation and amortization	12,067	222,795	—	234,862
General and administrative expense	23,594	66,907	(9,955)	80,546
Operating expense (exclusive of depreciation, accretion and amortization)	—	106,753	—	106,753
Transaction related and other costs	—	31,068	—	31,068
Gain on sale of real estate	—	(18,999)	—	(18,999)
Other (income) expense, net	—	(301)	—	(301)
Total costs and expenses	52,611	772,966	(9,955)	815,622
Income (loss) before income taxes and equity in earnings from unconsolidated entities	(5,826)	63,816	—	57,990
Income tax benefit	—	(13,869)	—	(13,869)
Net income (loss)	<u>\$ (5,826)</u>	<u>\$ 77,685</u>	<u>\$ —</u>	<u>\$ 71,859</u>

	Six Months Ended June 30, 2024			
(Thousands)	Unrestricted Subsidiaries	Restricted Subsidiaries	Eliminations	Consolidated
Total Revenues	\$ 24,249	\$ 562,792	\$ (5,676)	\$ 581,365
Costs and Expenses:				
Interest expense, net	9,786	240,900	—	250,686
Depreciation and amortization	6,895	148,642	—	155,537
General and administrative expense	13,257	46,268	(5,676)	53,849
Operating expense (exclusive of depreciation, accretion and amortization)	—	72,234	—	72,234
Transaction related and other costs	—	16,664	—	16,664
Gain on sale of real estate	—	(18,999)	—	(18,999)
Other (income) expense, net	—	(301)	—	(301)
Total costs and expenses	29,938	505,408	(5,676)	529,670
Income (loss) before income taxes and equity in earnings from unconsolidated entities	(5,689)	57,384	—	51,695
Income tax benefit	—	(7,934)	—	(7,934)
Net income (loss)	<u>(5,689)</u>	<u>65,318</u>	<u>—</u>	<u>59,629</u>

(Thousands)	Three Months Ended March 31, 2024			
	Unrestricted Subsidiaries	Restricted Subsidiaries	Eliminations	Consolidated
Total Revenues	\$ 5,581	\$ 280,837	\$ —	\$ 286,418
Costs and Expenses:				
Interest expense, net	2,295	120,916	—	123,211
Depreciation and amortization	—	77,485	—	77,485
General and administrative expense	72	28,061	—	28,133
Operating expense (exclusive of depreciation, accretion and amortization)	—	35,198	—	35,198
Transaction related and other costs	—	5,687	—	5,687
Gain on sale of real estate	—	(18,999)	—	(18,999)
Other (income) expense, net	—	(282)	—	(282)
Total costs and expenses	2,367	248,066	—	250,433
Income (loss) before income taxes and equity in earnings from unconsolidated entities	3,214	32,771	—	35,985
Income tax benefit	—	(5,363)	—	(5,363)
Net income (loss)	<u>\$ 3,214</u>	<u>\$ 38,134</u>	<u>\$ —</u>	<u>\$ 41,348</u>

Note 23. Subsequent Events

On February 3, 2025, the ABS Notes Issuers, each an indirect, bankruptcy-remote subsidiary of the Company, issued \$589.0 million aggregate principal amount of the ABS Notes, each with an anticipated repayment date in April 2030. The ABS Notes were issued as part of a securitization transaction, pursuant to which certain of the Company's fiber network assets and related customer contracts in the State of Florida and the Gulf Coast region of Louisiana, Mississippi and Alabama, including the assets of the ABS Bridge Loan Parties that secured the ABS Loan Facility, were contributed to the ABS Notes Obligors. The cash flow from these contributed assets will be used to service the obligations under the ABS Notes.

On February 3, 2025, Uniti used a portion of the net proceeds from the offering of the ABS Notes to repay and terminate the ABS Loan Facility and issued a notice of redemption to redeem \$125.0 million aggregate principal amount of our February 2028 Secured Notes. Uniti redeemed the February 2028 Secured Notes called for redemption on February 14, 2025, at a redemption price of 103% of the redeemed principal amount plus accrued interest to, but excluding, the redemption date. See [Note 11](#) for additional information.

Item 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure.

None.

Item 9A. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

We have established disclosure controls and procedures, as such term is defined in Rule 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), that are designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is accumulated and communicated to management, including our principal executive and principal financial officers as appropriate, to allow timely decisions regarding required disclosure.

Our management, with the participation of our principal executive officer and principal financial officer, evaluated the effectiveness of our disclosure controls and procedures as of December 31, 2024, and based on this evaluation, our

principal executive officer and principal financial officer concluded that our disclosure controls and procedures were effective as of December 31, 2024.

Management's Annual Report on Internal Control Over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Rule 13a-15(f) and 15d-15(f) under the Exchange Act. Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles, and includes those policies and procedures that:

- Pertain to the maintenance of records, that in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate.

Our management, with the participation of our principal executive officer and principal financial officer, assessed the effectiveness of our internal control over financial reporting as of December 31, 2024. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in *Internal Control - Integrated Framework (2013)*.

Based on that evaluation, management concluded that the Company's internal control over financial reporting was effective as of December 31, 2024.

Our independent registered public accounting firm, KPMG LLP, who audited the consolidated financial statements included in this Annual Report on Form 10-K, has also audited the effectiveness of the Company's internal control over financial reporting as of December 31, 2024. KPMG LLP's report appears in Part II, Item 8 of this Annual Report on Form 10-K.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting, as such term is defined in Rule 13a-15(f) and 15d-15(f) under the Exchange Act, during the quarter ended December 31, 2024 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information.

(a) None.

(b) During the three months ended December 31, 2024, none of the Company's directors or officers (as defined in Rule 16a-1(f) under the Exchange Act) adopted or terminated a Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement (as such terms are defined in Item 408 of Regulation S-K).

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections.

Not applicable.

PART III

Item 10. Directors, Executive Officers and Corporate Governance.

Except as set forth below, the information required by this item is incorporated by reference from the definitive proxy statement to be filed within 120 days after December 31, 2024, pursuant to Regulation 14A under the Exchange Act in connection with our 2025 annual meeting of stockholders.

We have a code of ethics as defined in Item 406 of Regulation S-K which applies to all of our directors and employees, including our principal executive officer, principal financial officer, principal accounting officer or controller, and persons performing similar functions. A copy of this code of ethics, titled “Code of Business Conduct and Ethics and Whistleblower Policy,” is available free of charge in the *Corporate Governance* section of the About Us page on our website at www.uniti.com. We intend to satisfy the disclosure requirements of Form 8-K regarding any amendment to, or a waiver from, any provision of our code of ethics by posting such amendment or waiver on our website.

Item 11. Executive Compensation.

The information required by this item is incorporated by reference from the definitive proxy statement to be filed within 120 days after December 31, 2024, pursuant to Regulation 14A under the Exchange Act in connection with our 2025 annual meeting of stockholders.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

Except as set forth below, the information required by this item is incorporated by reference from the definitive proxy statement to be filed within 120 days after December 31, 2024, pursuant to Regulation 14A under the Exchange Act in connection with our 2025 annual meeting of stockholders.

Securities Authorized for Issuance Under Equity Compensation Plans

The following table contains information about our equity compensation plan as of December 31, 2024:

EQUITY COMPENSATION PLAN INFORMATION

Plan category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
	(a)	(b)	(c)
Equity compensation plans approved by security holders	—	—	4,728,881
Equity compensation plans not approved by security holders	—	—	—
Total	—	—	4,728,881

1	Amount includes 3,442,584 shares available for issuance under the Uniti Group Inc. 2015 Equity Incentive Plan and 1,286,297 shares under the Uniti Group Inc. Employee Stock Purchase Plan.
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Item 13. Certain Relationships and Related Transactions, and Director Independence.

The information required by this item is incorporated by reference from the definitive proxy statement to be filed within 120 days after December 31, 2024, pursuant to Regulation 14A under the Exchange Act in connection with our 2025 annual meeting of stockholders.

Item 14. Principal Accountant Fees and Services.

The information required by this item is incorporated by reference from the definitive proxy statement to be filed within 120 days after December 31, 2024, pursuant to Regulation 14A under the Exchange Act in connection with our 2025 annual meeting of stockholders.

PART IV

Item 15. Exhibits and Financial Statement Schedules.

Financial Statements

See Index to Consolidated Financial Statements in “Financial Statements and Supplementary Data.”

Financial Statement Schedules

Uniti Group Inc. Schedule I – Condensed Financial Information of the Registrant (Parent Company) Condensed Balance Sheets as of December 31, 2024 and 2023, and the related Condensed Statements of Comprehensive Income and Cash Flows for each of the three years ended December 31, 2024, including the related notes, appearing on pages S-1, S-2, S-3, and S-4 of this report.

Uniti Group Inc. Schedule II – Valuation and Qualifying Accounts for each of the three years ended December 31, 2024 appearing on page S-5 of this report.

Uniti Group Inc. Schedule III – Schedule of Real Estate Investments and Accumulated Depreciation as of December 31, 2024 appearing on page S-6 of this report.

Index to Exhibits

Exhibit No.	Description
2.1	Separation and Distribution Agreement, dated as of March 26, 2015, by and among Windstream Holdings, Inc., Windstream Services, LLC and Communications Sales & Leasing, Inc. (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K dated and filed with the SEC as of March 26, 2015 (File No. 001-36708))
2.2	Second Amended and Restated Agreement of Limited Partnership of Uniti Group LP, dated as of December 12, 2022 (incorporated by reference to Exhibit 2.2 to the Company's Annual Report on Form 10-K dated and filed with the SEC as of February 28 2023 (File No. 001-36708))
2.3	Agreement and Plan of Merger, dated as of May 3, 2024, by and between Uniti Group Inc. and Windstream Holdings II, LLC (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K dated and filed with the SEC as of May 3, 2024 (File No. 001-36708))
2.4	Amendment No. 1 to Agreement and Plan of Merger, dated July 17, 2024, by and between Uniti Group Inc. and Windstream Holdings II, LLC (incorporated by reference to Exhibit 2.2 to the Company's Quarterly Report on Form 10-Q dated and filed with the SEC as of August 1, 2024 (File No. 001-36708))
3.1	Articles of Amendment and Restatement of Communications Sales & Leasing, Inc. (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K dated and filed with the SEC as of April 10, 2015 (File No. 001-36708))
3.2	Articles of Amendment of Communications Sales & Leasing, Inc. (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K dated and filed with the SEC as of February 28, 2017 (File No. 001-36708))
3.3	Articles of Amendment of Uniti Group Inc. (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K dated and filed with the SEC as of May 18, 2018 (File No. 001-36708))
3.4	Amended and Restated Bylaws of Uniti Group Inc., as amended November 1, 2023 (incorporated by reference to Exhibit 3.1 to the Company's Quarterly Report on Form 10-Q dated and filed with the SEC as of November 2, 2023 (File No. 001-36708))
4.1	Description of the Registrant's Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934 (incorporated by reference to Exhibit 4.1 to the Company's Annual Report on Form 10-K dated and filed with the SEC as of February 29, 2024 (File No. 001-36708))
4.2	Indenture, dated February 2, 2021, by and among Uniti Group LP, Uniti Group Finance 2019 Inc. and CSL Capital, LLC, as Issuers, the guarantors party thereto and Deutsche Bank Trust Company Americas, as trustee, governing the 6.500% Senior Notes due 2029 (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K dated and filed with the SEC as of February 2, 2021 (File No. 001-36708))

4.3	Form of 6.500% Senior Notes due 2029 (included in Exhibit 4.2 above) (incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K dated and filed with the SEC as of February 2, 2021 (File No. 001-36708))
4.4	Indenture, dated as April 20, 2021, by and among Uniti Group LP, Uniti Group Finance 2019 Inc. and CSL Capital, LLC, as issuers, the guarantors party thereto, and Deutsche Bank Trust Company Americas, as trustee and collateral agent, governing the 4.750% Senior Secured Notes due 2028 (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed with the SEC on April 20, 2021 (File No. 001-36708))
4.5	Form of 4.750% Senior Secured Notes due 2028 (included in Exhibit 4.4 above) (incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K filed with the SEC on April 20, 2021 (File No. 001-36708))
4.6	Indenture, dated October 13, 2021, by and among Uniti Group LP, Uniti Fiber Holdings Inc., Uniti Group Finance 2019 Inc. and CSL Capital, LLC, as Issuers, the guarantors party thereto and Deutsche Bank Trust Company Americas, as trustee, governing the 6.000% Senior Notes due 2030 (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K dated and filed with the SEC as of October 13, 2021 (File No. 001-36708))
4.7	Form of 6.000% Senior Notes due 2030 (included in Exhibit 4.6 above) (incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K dated and filed with the SEC as of October 13, 2021 (File No. 001-36708))
4.8	Indenture, dated December 12, 2022, among Uniti Group Inc., the other guarantors party thereto and Deutsche Bank Trust Company Americas (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K dated and filed with the SEC as of December 12, 2022 (File No. 001-36708))
4.9	Form of 7.50% Convertible Senior Notes due 2027 (included in Exhibit 4.8 above) (incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K dated and filed with the SEC as of December 12, 2022 (File No. 001-36708))
4.10	Indenture, dated as February 14, 2023, by and among Uniti Group LP, Uniti Fiber Holdings Inc., Uniti Group Finance 2019 Inc. and CSL Capital, LLC, as issuers, the guarantors party thereto, and Deutsche Bank Trust Company Americas, as trustee and collateral agent, governing the 10.50% Senior Secured Notes due 2028 (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed with the SEC on February 14, 2023 (File No. 001-36708))
4.11	Form of 10.50% Senior Secured Notes due 2028 (included in Exhibit 4.10 above) (incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K dated and filed with the SEC as of February 14, 2023 (File No. 001-36708))
4.12	Indenture, dated May 17, 2024, by and among Uniti Group LP, Uniti Group Finance 2019 Inc., Uniti Fiber Holdings Inc. and CSL Capital, LLC, as Issuers, the guarantors party thereto and Deutsche Bank Trust Company Americas, as trustee and collateral agent, governing the 10.50% Senior Secured Notes due 2028 (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K dated and filed with the SEC as of May 17, 2024 (File No. 001-36708))
4.13	Form of 10.50% Senior Secured Notes due 2028 (included in Exhibit 4.12) (incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K dated and filed with the SEC as of May 17, 2024 (File No. 001-36708))
4.14	Second Supplemental Indenture, dated as of November 1, 2024, among Uniti Group LP, Uniti Fiber Holdings Inc., Uniti Group Finance 2019 Inc. and CSL Capital, LLC, as Issuers, the guarantors named therein, and Deutsche Bank Company Americas, as trustee and collateral agent, relating to the 10.50% Senior Secured Notes due 2028 (incorporated by reference to Exhibit 4.1 to the Company's Quarterly Report on Form 10-Q dated and filed with the SEC as of November 8, 2024 (File No. 001-36708))
4.15	Base Indenture, dated as of February 3, 2025, by and among Uniti Fiber ABS Issuer LLC, Uniti Fiber TRS Issuer LLC, Uniti Fiber GulfCo LLC, Uniti Fiber TRS AssetCo LLC and Wilmington Trust, National Association, as indenture trustee (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed with the SEC as of February 3, 2025 (File No. 001-36708))
4.16	Series 2025-1 Supplement, dated as of February 3, 2025, by and among Uniti Fiber ABS Issuer LLC, Uniti Fiber TRS Issuer LLC, Uniti Fiber GulfCo LLC, Uniti Fiber TRS AssetCo LLC and Wilmington Trust, National Association, as indenture trustee (incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K filed with the SEC as of February 3, 2025 (File No. 001-36708))
10.1	Settlement Agreement, dated as of May 12, 2020 by and among Windstream Holdings, Inc., Windstream Services, LLC and certain of their subsidiaries, and Uniti Group Inc. and certain of its subsidiaries (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on May 15, 2020 (File No. 001-36708))

10.2	Amended and Restated ILEC Master Lease, entered into as of September 18, 2020, by and between CSL National, LP and the other entities listed therein, as Landlord, and Windstream Holdings II, LLC (as successor in interest to Windstream Holdings, Inc.), Windstream Services II, LLC (as successor in interest to Windstream Services, LLC) and the other entities listed therein, as Tenant (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed with the SEC on November 9, 2020 (File No. 001-36708)).
10.3	Amended and Restated CLEC Master Lease, entered into as of September 18, 2020, by and between CSL National, LP and the other entities listed therein, as Landlord, and Windstream Holdings II, LLC (as successor in interest to Windstream Holdings, Inc.), Windstream Services II, LLC (as successor in interest to Windstream Services, LLC) and the other entities listed therein, as Tenant (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q filed with the SEC on November 9, 2020 (File No. 001-36708)).
10.4	Tax Matters Agreement, entered into as of April 24, 2015, by and among Windstream Holdings, Inc., Windstream Services, LLC and Communications Sales & Leasing, Inc. (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K dated and filed with the SEC as of April 27, 2015 (File No. 001-36708)).
10.5	Credit Agreement, dated as of April 24, 2015, by and among Communications Sales & Leasing, Inc. and CSL Capital, LLC, as Borrowers, the guarantors party thereto, the lenders party thereto from time to time and Bank of America, N.A., as administrative agent, collateral agent, swing line lender and L/C issuer (incorporated by reference to Exhibit 10.10 to the Company's Current Report on Form 8-K dated and filed with the SEC as of April 27, 2015 (File No. 001-36708)).
10.6	Amendment No. 1 to the Credit Agreement, dated as of October 21, 2016 by and among Communications Sales & Leasing, Inc. and CSL Capital, LLC, as borrowers, the guarantors party thereto, the lenders party thereto, and Bank of America, N.A., as administrative agent and collateral agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated and filed with the SEC as of October 21, 2016 (File No. 001-36708)).
10.7	Amendment No. 2 to the Credit Agreement, dated as of February 9, 2017 by and among Communications Sales & Leasing, Inc. and CSL Capital, LLC, as borrowers, the guarantors party thereto, the lenders party thereto, and Bank of America, N.A., as administrative agent and collateral agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated and filed with the SEC as of February 9, 2017 (File No. 001-36708)).
10.8	Amendment No. 3 (Incremental Amendment) to the Credit Agreement, dated as of April 28, 2017 by and among Uniti Group Inc. and CSL Capital, LLC, as borrowers, the guarantors party thereto, the lenders party thereto, and Bank of America, N.A., as administrative agent and collateral agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated as of May 1, 2017 and filed with the SEC as of May 2, 2017 (File No. 001-36708)).
10.9	Amendment No. 4 and Limited Waiver to the Credit Agreement, dated as of March 18, 2019, among Uniti Group Inc., as parent guarantor, Uniti Group LP, Uniti Group Finance Inc. and CSL Capital, LLC, as borrowers, the guarantors party thereto, the lenders party thereto, and Bank of America, N.A., as administrative agent and collateral agent (incorporated by reference to Exhibit 10.11 to the Company's Annual Report on Form 10-K dated and filed with the SEC as of March 18, 2019 (File No. 001-36708)).
10.10	Amendment No. 5 to the Credit Agreement, dated as of June 24, 2019, among Uniti Group Inc., as parent guarantor, Uniti Group LP, Uniti Group Finance Inc., and CSL Capital, LLC, as borrowers, the guarantors party thereto, the lenders party thereto, and Bank of America, N.A., as administrative agent and collateral agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated and filed with the SEC as of June 24, 2019 (File No. 001-36708)).
10.11	Amendment No. 6 and Limited Waiver to the Credit Agreement, dated as of February 10, 2020, among Uniti Group LP, Uniti Group Finance 2019 Inc. and CSL Capital, LLC, as borrowers, the guarantor party thereto, the lenders party thereto, and Bank of America, N.A., as administrative agent and collateral agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on February 10, 2020 (File No. 001-36708)).
10.12	Amendment No. 7 to the Credit Agreement, dated as of December 10, 2020, by and among Uniti Group Inc., as parent guarantor, Uniti Group LP, Uniti Group Finance Inc., and CSL Capital, LLC, as borrowers, the guarantors party thereto, the lenders party thereto, and Bank of America, N.A., as administrative agent and collateral agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated and filed with the SEC as of December 10, 2020 (File No. 001-36708)).

10.13	Amendment No. 8 to the Credit Agreement, dated as of March 24, 2023, among Uniti Group LP, Uniti Group Finance Inc. and CSL Capital LLC, as borrowers, the guarantor party thereto, the lenders party thereto, and Bank of America, N.A., as administrative agent and collateral agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated and filed with the SEC as of March 27, 2023 (File No. 001-36708))
10.14	Amendment No. 9 to the Credit Agreement, dated as of June 17, 2024, among Uniti Group LP, Uniti Group Finance Inc. and CSL Capital LLC, as borrowers, the guarantor party thereto, the lenders party thereto, and Bank of America, N.A., as administrative agent and collateral agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated June 17, 2024 and filed with the SEC as of June 18, 2024 (File No. 001-36708))
10.15	Agreement of Resignation, Appointment and Acceptance, dated as of June 26, 2019, by and among Uniti Group LP, CSL Capital, LLC, Uniti Group Finance, Inc., and Uniti Fiber Holdings, Inc., as Issuers, and Deutsche Bank Trust Company Americas, as successor trustee, and Wells Fargo Bank, N.A., as resigning trustee (incorporated by reference to Exhibit 10.4 to the Company's Quarterly Report on Form 10-Q dated and filed with the SEC as of August 8, 2019 (File No. 001-36708))
10.16	Borrower Assumption Agreement and Joinder, dated as of May 9, 2017 by and among Uniti Group Inc., as initial borrower, Uniti Group LP and Uniti Group Finance Inc., as borrowers, the guarantors party thereto, the lenders party thereto, and Bank of America, N.A., as administrative agent and collateral agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated and filed with the SEC as of May 9, 2017 (File No. 001-36708))
10.17	Recognition Agreement, dated April 24, 2015, by and among CSL National, LP and the other entities listed therein, as Landlord, and Windstream Holdings, Inc., as Tenant, and JPMorgan Chase Bank, N.A., as administrative agent and collateral agent (incorporated by reference to Exhibit 10.11 to the Company's Current Report on Form 8-K dated and filed with the SEC as of April 27, 2015 (File No. 001-36708))
10.18	Form of Capped Call Transaction Confirmation (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated and filed with the SEC as of December 12, 2022 (File No. 001-36708))
10.19+	Employment Agreement between Uniti Group Inc. and Kenneth Gunderman, effective as of December 14, 2018 (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated and filed with the SEC as of December 14, 2018 (File No. 001-36708))
10.20+	Form of Severance Agreement for executive officers (incorporated by reference to Exhibit 10.18 to the Company's Annual Report on Form 10-K dated and filed with the SEC as of February 28, 2023 (File No. 001-36708))
10.21+	Uniti Group Inc. 2015 Equity Incentive Plan, as amended and restated effective April 11, 2023 (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q dated and filed with the SEC as of May 4, 2023 (File No. 001-36708))
10.22+	Form of Restricted Shares Agreement for employees (incorporated by reference to Exhibit 10.19 to the Company's Annual Report on Form 10-K dated and filed with the SEC as of March 18, 2019 (File No. 001-36708))
10.23+	Form of Restricted Shares Agreement for executive officers (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K dated May 16, 2024 and filed with the SEC as of May 20, 2024 (File No. 001-36708))
10.24+*	Form of Restricted Shares Agreement for executive officers
10.25+	Form of Performance-Based Restricted Stock Unit Agreement (incorporated by reference to Exhibit 10.21 to the Company's Annual Report on Form 10-K dated and filed with the SEC as of March 18, 2019 (File No. 001-36708))
10.26+	Form of Performance-Based Restricted Stock Unit Agreement (incorporated by reference to Exhibit 10.22 to the Company's Annual Report on Form 10-K dated and filed with the SEC as of February 28, 2023 (File No. 001-36708))
10.27+	Form of Performance-Based Restricted Stock Unit Agreement for executive officers (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated May 16, 2024 and filed with the SEC as of May 20, 2024 (File No. 001-36708))
10.28+*	Form of Performance-Based Restricted Stock Unit Agreement for executive officers
10.29+	Form of Restricted Shares Agreement for non-employee directors (incorporated by reference to Exhibit 10.5 to the Company's Current Report on Form 8-K dated and filed with the SEC as of June 3, 2015 (File No. 001-36708))

10.30+	Form of Indemnity Agreement (incorporated by reference to Exhibit 10.20 to the Company's Registration Statement on Form S-4 dated and filed with the SEC as of July 2, 2015 (File No. 333-205450))
10.31+	Communications Sales & Leasing, Inc. Deferred Compensation Plan, effective August 10, 2015 (incorporated by reference to Exhibit 10.20 to the Company's Quarterly Report on Form 10-Q dated and filed with the SEC as of August 13, 2015 (File No. 001-36708))
10.32+	Uniti Group Inc. Amended and Restated Employee Stock Purchase Plan (incorporated by reference to Exhibit 99.1 to the Company's Registration Statement on Form S-8 dated and filed with the SEC as of June 7, 2018 (File No. 333-225501))
10.33+	Uniti Group Inc. Annual Short-Term Incentive Plan (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q dated and filed with the SEC as of May 11, 2020 (File No. 001-36708))
10.34	Bridge Loan and Security Agreement, dated as of February 23, 2024, by and among Uniti Fiber Bridge Borrower LLC, Uniti Fiber Bridge HoldCo LLC, the subsidiary guarantors from time to time party thereto, Wilmington Trust, National Association, as administrative agent, collateral agent, account bank and verification agent, Barclays Bank PLC, as facility agent, and the lenders from time to time party thereto (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated and filed with the SEC as of February 26, 2024 (File No. 001-36708))
10.35	Voting Agreement, dated as of May 3, 2024, between Uniti Group Inc., Elliott Investment Management L.P., Elliott Associates, L.P., Elliott International, L.P. and DEVONIAN II ICAV (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated and filed with the SEC as of May 3, 2024 (File No. 001-36708))
10.36	Unitholder Agreement, dated as of May 3, 2024, by and between Uniti Group Inc., Elliott Investment Management L.P., Elliott Associates, L.P., Elliott International, L.P., Nexus Aggregator L.P. and, solely for purposes of Section 2(b), Windstream Holdings II, LLC (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K dated and filed with the SEC as of May 3, 2024 (File No. 001-36708))
10.37	Unitholder Agreement, dated as of May 3, 2024, by and between Uniti Group Inc. and certain Windstream investors (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K dated and filed with the SEC as of May 3, 2024 (File No. 001-36708))
10.38	Form Stockholder Agreement, to be entered into by and among New Uniti, Elliott Investment Management L.P., Elliott Associates, L.P., Elliott International, L.P., Nexus Aggregator L.P. and DEVONIAN II ICAV (incorporated by reference to Exhibit 10.4 to the Company's Current Report on Form 8-K dated and filed with the SEC as of May 3, 2024 (File No. 001-36708))
10.39	Form Stockholder Agreement, to be entered into by and among New Uniti and certain Windstream investors (incorporated by reference to Exhibit 10.5 to the Company's Current Report on Form 8-K dated and filed with the SEC as of May 3, 2024 (File No. 001-36708))
19*	Uniti Group Inc. Insider Trading Policy
21.1*	List of Subsidiaries of Uniti Group Inc.
23.1*	Consent of KPMG LLP, independent registered public accounting firm
31.1*	Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1*	Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2*	Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
97	Uniti Group Inc. Policy Regarding Repayment or Forfeiture of Certain Compensation by Executive Officers ("Clawback Policy") (incorporated by reference to Exhibit 97 to the Company's Annual Report on Form 10-K dated and filed with the SEC as of February 29, 2024 (File No. 001-36708))
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document

101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

* Filed herewith

+ Constitutes a management contract or compensation plan or arrangement.

Item 16. Form 10-K Summary.

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

UNITI GROUP INC.

Date: February 21, 2025 By: /s/ Kenneth A. Gunderman
Kenneth A. Gunderman
President and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

Name	Title	Date
<u>/s/ Kenneth A. Gunderman</u> Kenneth A. Gunderman	President and Chief Executive Officer <i>(Principal Executive Officer)</i>	February 21, 2025
<u>/s/ Paul E. Bullington</u> Paul E. Bullington	Senior Vice President – Chief Financial Officer and Treasurer <i>(Principal Financial Officer)</i>	February 21, 2025
<u>/s/ Travis T. Black</u> Travis T. Black	Senior Vice President – Chief Accounting Officer <i>(Principal Accounting Officer)</i>	February 21, 2025
<u>/s/ Francis X. Frantz</u> Francis X. Frantz	Chairman and Director	February 21, 2025
<u>/s/ Jennifer S. Banner</u> Jennifer S. Banner	Director	February 21, 2025
<u>/s/ Scott G. Bruce</u> Scott G. Bruce	Director	February 21, 2025
<u>/s/ Carmen Perez-Carlton</u> Carmen Perez-Carlton	Director	February 21, 2025

Uniti Group Inc.
Schedule I – Condensed Financial Information of
The Registrant (Parent Company)
Condensed Balance Sheets

(Thousands, except par value)	December 31, 2024	December 31, 2023
Assets:		
Cash and cash equivalents	\$ 946	\$ 627
Total Assets	\$ 946	\$ 627
Liabilities:		
Accrued other liabilities	\$ 6,545	\$ 6,441
Dividends payable	663	36,144
Notes and other debt, net	300,227	298,408
Cash distributions and losses in excess of investments in consolidated subsidiaries	2,145,884	2,146,026
Total liabilities	2,453,319	2,487,019
Shareholders' Deficit:		
Preferred stock, \$0.0001 par value, 50,000 shares authorized, no shares issued and outstanding	—	—
Common stock, \$0.0001 par value, 500,000 shares authorized, issued and outstanding: 237,513 shares at December 31, 2024 and 236,559 at December 31, 2023	24	24
Additional paid-in capital	1,236,045	1,221,824
Accumulated other comprehensive loss	(634)	—
Distributions in excess of accumulated earnings	(3,687,808)	(3,708,240)
Total Uniti shareholders' deficit	(2,452,373)	(2,486,392)
Total Liabilities, Convertible Preferred Stock, and Shareholders' Deficit	\$ 946	\$ 627

See notes to Consolidated Financial Statements of Uniti Group Inc. included in Financial Statements and Supplementary Data.

Uniti Group Inc.
Schedule I – Condensed Financial Information of
The Registrant (Parent Company)
Condensed Statements of Comprehensive Income (Loss)

(Thousands)	Year Ended December 31,		
	2024	2023	2022
Costs and Expenses:			
Interest Expense	\$ 24,807	\$ 24,625	\$ —
General and administrative expense	44	56	(17)
Transaction related costs	38	9	57
Total costs and expenses	24,889	24,690	40
Operating loss	(24,889)	(24,690)	(40)
Earnings (loss) from consolidated subsidiaries	118,518	(57,816)	2,178
Income (loss) before income taxes	93,629	(82,506)	2,138
Income tax expense (benefit)	223	(793)	10,413
Net income (loss) attributable to shareholders	93,406	(81,713)	(8,275)
Comprehensive income (loss) attributable to shareholders	<u>\$ 92,772</u>	<u>\$ (81,713)</u>	<u>\$ 889</u>

See notes to Consolidated Financial Statements of Uniti Group Inc. included in Financial Statements and Supplementary Data.

Uniti Group Inc.
Schedule I – Condensed Financial Information of
The Registrant (Parent Company)
Condensed Statements of Cash Flows

(Thousands)	Year Ended December 31,		
	2024	2023	2022
Cash flow from operating activities			
Net cash provided by (used in) operating activities	\$ 108,315	\$ 104,630	\$ (134,179)
Cash flow from investing activities			
Proceeds from sale of real estate, net of cash	—	—	—
Net cash provided by investing activities	—	—	—
Cash flow from financing activities			
Dividends paid	(108,455)	(107,405)	(142,950)
Proceeds from issuance of Notes	—	—	306,500
Payments for financing costs	—	—	(9,852)
Payment for settlement of common stock warrant	—	(56)	(522)
Net share settlement	(1,595)	(1,432)	(4,913)
Proceeds from termination of bond hedge option	—	59	1,190
Payments for capped call option	—	—	(21,149)
Intercompany transactions, net	1,397	1,368	4,907
Employee stock purchase plan	657	730	589
Net cash (used in) provided by financing activities	(107,996)	(106,736)	133,800
Net increase (decrease) in cash and cash equivalents	319	(2,106)	(379)
Cash and cash equivalents at beginning of period	627	2,733	3,112
Cash and cash equivalents at end of period	\$ 946	\$ 627	\$ 2,733

See notes to Consolidated Financial Statements of Uniti Group Inc. included in Financial Statements and Supplementary Data.

Uniti Group Inc.
Schedule I – Condensed Financial Information of
The Registrant (Parent Company)
Notes to Condensed Financial Statements

Note 1. Background and Basis of Presentation

Uniti Group Inc.'s ("Uniti" or "the Company") parent company financial information has been derived from its consolidated financial statements and should be read in conjunction with the consolidated financial statements and notes of Uniti and its subsidiaries included in Item 8 "Financial Statements and Supplementary Data" in this Annual Report on Form 10-K.

Note 2. Subsidiary Transactions

Investment in Subsidiaries

During 2017, the parent company completed its reorganization (the "up-REIT Reorganization") to operate through a customary "up-REIT" structure, pursuant to which we hold substantially all of our assets through the Operating Partnership, that we control as general partner, with the only significant difference between the financial position and results of operations of the Operating Partnership and its subsidiaries compared to the consolidated financial position and consolidated results of operations of Uniti is that the results for the Operating Partnership and its subsidiaries do not include Uniti's Consumer CLEC segment, which consisted of Talk America Services, LLC. We substantially completed the wind down of the Consumer CLEC Business as of the end of the second quarter of 2020. The up-REIT structure is intended to facilitate future acquisition opportunities by providing the Company with the ability to use common units of the Operating Partnership as a tax-efficient acquisition currency. As of December 31, 2024, Uniti is the sole general partner of the Operating Partnership and own approximately 99.99% of the partnership interests in the Operating Partnership.

Dividends

Cash dividends received from subsidiaries and recorded in Cash Flow from Operating Activities in the Condensed Statement of Cash Flows were \$106.7 million, \$106.4 million and \$141.4 million for the years ended December 31, 2024, 2023 and 2022, respectively.

Uniti Group Inc.
Schedule II – Valuation and Qualifying Accounts
(dollars in thousands)

Column A	Column B	Column C		Column D	Column E
Description	Balance at Beginning of Period	Additions		Deductions	Balance at End of Period
		Charged to Cost and Expenses	Charged to Other Accounts		
Allowance for Doubtful Accounts					
Year Ended December 31, 2024	\$ 3,243	\$ 1,126	\$ —	\$ (1,884)	\$ 2,485
Year Ended December 31, 2023	\$ 2,876	\$ 1,302	\$ —	\$ (935)	\$ 3,243
Year Ended December 31, 2022	\$ 2,717	\$ 571	\$ 17	\$ (429)	\$ 2,876

Uniti Group Inc.
Schedule III – Real Estate Investments and Accumulated Depreciation
As of December 31, 2024
(dollars in thousands)

Col. A	Col. B	Col. C	Col. D		Col. E	Col. F	Col. G	Col. H	Col. I
Description	Encumbrances	Initial cost to company ⁽¹⁾	Cost capitalized subsequent to acquisition ⁽¹⁾⁽³⁾		Gross Amount Carried at Close of Period ⁽⁵⁾	Accumulated Depreciation	Date of Construction ⁽²⁾	Date Acquired ⁽²⁾	Life on which Depreciation in Latest Income Statements is Computed
			Improvements	Carry Costs					
Land	\$ —	(1)	(1)	(1)	\$ 26,711	\$ —	(2)	(2)	Indefinite
Building and improvements	—	(1)	(1)	(1)	350,829	219,952	(2)	(2)	3 - 40 years
Poles	—	(1)	(1)	(1)	341,548	208,071	(2)	(2)	30 years
Fiber	—	(1)	(1)	(1)	3,974,475	1,793,513	(2)	(2)	30 years
Copper	—	(1)	(1)	(1)	3,972,806	3,501,166	(2)	(2)	20 years
Conduit	—	(1)	(1)	(1)	90,193	75,320	(2)	(2)	30 years
Towers	—	(1)	(1)	(1)	58	24	(2)	(2)	20 years
Other assets	—	(1)	(1)	(1)	10,432	5,655	(2)	(2)	15 - 20 years
Construction in progress	—	(1)	(1)	(1)	4,639	—	(2)	(2)	See Note 3

⁽¹⁾ Given the voluminous nature and variety of our real estate investment assets, this schedule omits columns C and D from the schedule III presentation.

⁽²⁾ Because additions and improvements to our real estate investment assets are ongoing, construction and acquisition dates are not applicable.

⁽³⁾ For the year ended December 31, 2024, the amount of capitalized costs related to the Distribution Systems is as follows (millions):

Tenant capital improvements ⁽⁴⁾	\$ 263.1
Growth capital improvements ⁽⁵⁾	\$ 230.8

⁽⁴⁾ Tenant capital improvements (“TCIs”) represent, maintenance, repair, overbuild, upgrade or replacements to the leased network, including, without limitation, the replacement of copper distribution systems with fiber distribution systems. We receive non-monetary consideration related to the TCIs as they automatically become our property, and we recognize the cost basis of TCIs that are capital in nature.

⁽⁵⁾ Pursuant to the Windstream Leases, Windstream (or any successor tenant under a Windstream Lease) has the right to cause Uniti to reimburse up to an aggregate \$1.75 billion for certain Growth Capital Improvements in long-term value accretive fiber and related assets made by Windstream (or the applicable tenant under the Windstream Lease) to certain ILEC and CLEC properties.

⁽⁶⁾ Aggregate cost for Federal income tax purposes related to our real estate investment assets is \$7.9 billion.

Uniti Group Inc.
Schedule III – Real Estate Investments and Accumulated Depreciation
As of December 31, 2024
(dollars in thousands)

	2024	2023
Gross amount at beginning	\$ 8,395,630	\$ 8,066,830
Additions during period:		
Tenant capital improvements ⁽¹⁾	158,523	132,622
Growth capital improvements ⁽¹⁾	230,815	250,000
Acquisitions	11,128	28,244
Other	—	—
Total additions	400,466	410,866
Deductions during period:		
Cost of real estate sold or disposed	24,405	25,004
Other	—	57,062
Total deductions	24,405	82,066
Balance at end	\$ 8,771,691	\$ 8,395,630

⁽¹⁾ During the year ended December 31, 2024, TCIs totaled \$263.1 million, offset by \$104.6 million which represented the reimbursement of Growth Capital Improvements completed in 2023 that were previously classified as TCIs and are included within the Growth Capital Improvement additions of \$230.8 million.

	2024	2023
Gross amount of accumulated depreciation at beginning	\$ 5,649,568	\$ 5,509,904
Additions during period:		
Depreciation	178,075	175,085
Other	—	—
Total additions	178,075	175,085
Deductions during period:		
Amount of accumulated depreciation for assets sold or disposed	23,942	24,587
Other	—	10,834
Total deductions	23,942	35,421
Balance at end	\$ 5,803,701	\$ 5,649,568

**UNITI GROUP INC.
2015 EQUITY INCENTIVE PLAN**

RESTRICTED SHARES AGREEMENT - TIME-BASED VESTING ONLY

Summary of Restricted Share Grant

Uniti Group Inc., a Maryland corporation (the “Company”), grants to the Grantee named below, in accordance with the terms of the Uniti Group Inc. 2015 Equity Incentive Plan (the “Plan”), and this Restricted Shares Agreement (the “Agreement”), the following number of Restricted Shares covered by this Agreement (the “Restricted Shares”), on the Date of Grant set forth below:

Name of Grantee:

Number of Restricted Shares:

Date of Grant:

Terms of Agreement

1. Grant of Restricted Shares. Subject to and upon the terms, conditions, and restrictions set forth in this Agreement and in the Plan, the Company hereby grants to the Grantee as of the Date of Grant, the total number of Restricted Shares (the “Restricted Shares”) set forth above. The Restricted Shares shall be fully paid and nonassessable.

2. Vesting of Restricted Shares.

(a) The Restricted Shares shall become vested and nonforfeitable (“Vested”) if the Grantee shall have remained in the continuous employ of the Company or a Subsidiary through the vesting dates set forth below with respect to the percentage of Restricted Shares set forth next to such date:

Vesting Date	Percentage of Restricted Shares Vesting on such Vesting Date
---------------------	---

(b) Notwithstanding the provisions of Section 2(a), in the event the Grantee experiences a Company-approved retirement (as determined in the sole discretion of the

Committee), the Grantee shall immediately become Vested in a pro rata portion of his or her Restricted Shares based on the number of days the Grantee was employed by the Company between the Date of Grant and the final Vesting Date; provided, however, that if such retirement occurs during the one-year period following a Change in Control, then the Restricted Shares shall become immediately vested in full.

(c) Notwithstanding the provisions of Section 2(a) or 2(b), all of the Restricted Shares covered by this Agreement shall immediately become Vested if, during the vesting period, the Grantee's employment with the Company and its Subsidiaries is terminated without Cause, the Grantee terminates his or her employment with the Company or a Subsidiary for Good Reason, or the Grantee dies or becomes permanently disabled (as determined by the Committee) while in the employ of the Company or a Subsidiary.

(d) Notwithstanding anything contained in this Agreement to the contrary, the Committee may, in its sole discretion, at any time declare the Restricted Shares vested and nonforfeitable on such terms and conditions as it deems appropriate.

3. Forfeiture of Shares. The Restricted Shares that have not yet Vested pursuant to Section 2 (including without limitation any cash dividends or distributions and any non-cash proceeds related to the Restricted Shares for which the record date occurs on or after the date of forfeiture) shall be forfeited automatically without further action or notice if the Grantee ceases to be employed by the Company or a Subsidiary (other than as provided in Section 2(b) or 2(c)) . In the event of a forfeiture of the Restricted Shares, the stock book entry account representing the Restricted Shares covered by this Agreement shall be cancelled and all Restricted Shares shall be returned to the Company.

4. Transferability. The Restricted Shares may not be sold, exchanged, assigned, transferred, pledged, encumbered or otherwise disposed of by the Grantee, except to the Company, until the Restricted Shares have become nonforfeitable as provided in Section 2. Any purported transfer or encumbrance in violation of the provisions of this Section 4 shall be void, and the other party to any such purported transaction shall not obtain any rights to or interest in such Restricted Shares. The Committee, in its sole discretion, when and as is permitted by the Plan, may waive the restrictions on transferability with respect to all or a portion of the Restricted Shares, provided that any permitted transferee (other than the Company) shall remain subject to all the terms and conditions applicable to the Restricted Shares prior to such transfer.

5. Dividend, Voting and Other Rights. Except as otherwise provided herein, from and after the Date of Grant, the Grantee shall have all of the rights of a stockholder with respect to the Restricted Shares, including the right to vote the Restricted Shares and receive any cash dividends that may be paid thereon (which such dividends shall be paid no later than the end of the calendar year in which the dividends are paid to the holders of the Common Shares or, if later, the 15th day of the third month following the date the dividends are paid to the holders of the Common Shares); provided, however, that any additional Common Shares or other securities that the Grantee may become entitled to receive pursuant to a stock dividend, stock split, combination of shares, recapitalization, merger, consolidation, separation or reorganization or

any other change in the capital structure of the Company shall be considered Restricted Shares and shall be subject to the same restrictions as the Restricted Shares covered by this Agreement. Any cash dividends paid with respect to the Restricted Shares shall be reported on the Grantee's annual wage and tax statement (Form W-2) as compensation and shall be subject to all applicable tax withholdings as provided in Section 10.

6. Custody of Restricted Shares; Stock Power. Until the Restricted Shares have become Vested as provided in Section 2, the Restricted Shares shall be issued in book-entry only form and shall not be represented by a certificate. The restrictions set forth in this Agreement shall be reflected on the stock transfer records maintained by or on behalf of the Company. By execution of this Agreement and effective until the Restricted Shares have become Vested as provided in Section 2, the Grantee hereby irrevocably constitute and appoint a person or persons of the Company's choosing, or any of them, attorneys-in-fact to transfer the Restricted Shares on the stock transfer records of the Company with full power of substitution. The Grantee agrees to take any and all other actions (including without limitation executing, delivering, performing and filing such other agreements, instruments and documents) as the Company may deem necessary or appropriate to carry out and give effect to the provisions of this Agreement.

7. Continuous Employment. For purposes of this Agreement, the continuous employment of the Grantee with the Company and its Subsidiaries shall not be deemed to have been interrupted, and the Grantee shall not be deemed to have ceased to be an employee of the Company and its Subsidiaries, by reason of the transfer of his or her employment among the Company and its Subsidiaries or a leave of absence approved by the Committee.

8. No Employment Contract; Disclaimer. Nothing contained in this Agreement shall confer upon the Grantee any right with respect to continuance of employment by the Company and its Subsidiaries, nor limit or affect in any manner the right of the Company and its Subsidiaries to terminate the employment or adjust the compensation of the Grantee, in each case with or without cause. By acceptance of this Agreement, the Grantee acknowledges and agrees that neither this Agreement nor any other agreement awarded prior to the date hereof under any equity compensation plan of the Company or its subsidiaries has created or shall create, or be deemed or construed to create or have created, (i) a contractual, equitable, or other right to receive future grants of equity awards, or other benefits in lieu of equity awards, or (ii) a fiduciary duty or other comparable duty of trust or confidence owed to the Grantee (or any successor, assign, affiliate or family member of the Grantee) by the Company and its affiliates and their respective officers, directors, employees, agents or contractors.

9. Relation to Other Benefits. Any economic or other benefit to the Grantee under this Agreement or the Plan shall not be taken into account in determining any benefits to which the Grantee may be entitled under any profit-sharing, retirement or other benefit or compensation plan maintained by the Company or a Subsidiary and shall not affect the amount of any life insurance coverage available to any beneficiary under any life insurance plan covering employees of the Company or a Subsidiary.

10. Taxes and Withholding. The Grantee is responsible for any federal, state, local or other taxes with respect to the Restricted Shares (including the grant, the Vesting, the receipt of Common Shares, the sale of Common Shares and the receipt of dividends or distributions, if any). The Company does not guarantee any particular tax treatment or results in connection with the grant or Vesting of the Restricted Shares or the payment of dividends or distributions. If the Company or any Subsidiary is required to withhold any federal, state, local or other taxes in connection with the delivery or vesting of the Restricted Shares, the Grantee shall pay the tax or make provisions that are satisfactory to the Company or such Subsidiary for the payment thereof. The Grantee may elect to satisfy all or any portion of any such withholding obligation by surrendering to the Company or such Subsidiary a portion of the Common Shares that become Vested hereunder, and the Common Shares so surrendered by the Grantee shall be credited against any such withholding obligation at the Market Value per Share of such Common Shares on the date of such surrender.

11. Section 83(b) Election Prohibited. As a condition to receiving this award, the Grantee acknowledges and agrees that he or she shall not file an election under Section 83(b) of the Code with respect to all or any portion of the Restricted Shares.

12. Compliance with Law. The Company shall make reasonable efforts to comply with all applicable federal and state securities laws and listing requirements of the NASDAQ or any national securities exchange with respect to the Restricted Shares; provided, however, notwithstanding any other provision of this Agreement, the Restricted Shares shall not be delivered or become Vested if the delivery or vesting thereof would result in a violation of any such law or listing requirement.

13. Amendments. Subject to the terms of the Plan, the Committee may modify this Agreement upon written notice to the Grantee. Any amendment to the Plan shall be deemed to be an amendment to this Agreement to the extent that the amendment is applicable hereto. Notwithstanding the foregoing, no amendment of the Plan or this Agreement shall adversely affect the rights of the Grantee under this Agreement regarding Restricted Shares that are then vested under the Plan without the Grantee's consent.

14. Severability. In the event that one or more of the provisions of this Agreement shall be invalidated for any reason by a court of competent jurisdiction, any provision so invalidated shall be deemed to be separable from the other provisions hereof, and the remaining provisions hereof shall continue to be valid and fully enforceable.

15. Relation to Plan. This Agreement is subject to the terms and conditions of the Plan. This Agreement and the Plan contain the entire agreement and understanding of the parties with respect to the subject matter contained in this Agreement, and supersede all prior written or oral communications, representations and negotiations in respect thereto. In the event of any inconsistency between the provisions of this Agreement and the Plan, the Plan shall govern. Capitalized terms used herein without definition shall have the meanings assigned to them in the Plan. The Committee acting pursuant to the Plan, as constituted from time to time, shall, except

as expressly provided otherwise herein, have the right to determine any questions which arise in connection with the grant of the Restricted Shares.

16. Successors and Assigns. Without limiting Section 4, the provisions of this Agreement shall inure to the benefit of, and be binding upon, the successors, administrators, heirs, legal representatives and assigns of the Grantee, and the successors and assigns of the Company.

17. Governing Law. The interpretation, performance, and enforcement of this Agreement shall be governed by the laws of the State of Maryland, without giving effect to the principles of conflict of laws thereof.

18. Electronic Delivery. The Grantee hereby consents and agrees to electronic delivery of any documents that the Company may elect to deliver (including, but not limited to, prospectuses, prospectus supplements, grant or award notifications and agreements, account statements, annual and quarterly reports, and all other forms of communications) in connection with this and any other award made or offered under the Plan. The Grantee understands that, unless earlier revoked by the Grantee by giving written notice to the Secretary of the Company, this consent shall be effective for the duration of the Agreement. The Grantee also understands that he or she shall have the right at any time to request that the Company deliver written copies of any and all materials referred to above at no charge. The Grantee hereby consents to any and all procedures the Company has established or may establish for an electronic signature system for delivery and acceptance of any such documents that the Company may elect to deliver, and agrees that his or her electronic signature is the same as, and shall have the same force and effect as, his or her manual signature. The Grantee consents and agrees that any such procedures and delivery may be effected by a third party engaged by the Company to provide administrative services related to the Plan.

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed on its behalf by its duly authorized officer and the Grantee has also executed this Agreement, as of the Date of Grant.

UNITI GROUP INC.

By: Kenny A. Gunderman

Title: President and CEO

By clicking the **Approve** button, the Grantee hereby acknowledges that a copy of the Plan, Plan Summary and Prospectus and the Company's most recent Annual Report and Proxy Statement (the "Prospectus Information") are available for viewing on the Company's intranet site at www.uniti.com. The Grantee hereby consents to receiving this Prospectus Information electronically, or, in the alternative, agrees to contact Jennifer Ragsdale at 501-850-0820 to request a paper copy of the Prospectus Information at no charge. The Grantee represents that he or she is familiar with the terms and provisions of the Prospectus Information and hereby accepts the award of Restricted Shares on the terms and conditions set forth herein and in the Plan. These

terms and conditions constitute a legal contract that will bind both you and the Company as soon as you click the **Approve** button.

**UNITI GROUP INC.
2015 EQUITY INCENTIVE PLAN**

PERFORMANCE-BASED RESTRICTED STOCK UNIT AGREEMENT

Summary of Restricted Stock Unit Award

As of the Date of Grant set forth below, Uniti Group Inc., a Maryland corporation (the “Company”), grants to the Grantee named below, in accordance with the terms of the Uniti Group Inc. 2015 Equity Incentive Plan (the “Plan”), and this Restricted Stock Unit Agreement (the “Agreement”), the contingent right to receive all, a portion or a multiple of the Target Number of Restricted Stock Units set forth below:

Name of Grantee:

Target Number of Restricted Stock Units:

Date of Grant:

Terms of Agreement

1. **Grant of Restricted Stock Units.** Subject to and upon the terms, conditions, and restrictions set forth in this Agreement and in the Plan, the Company hereby grants to the Grantee as of the Date of Grant this Performance-Based Restricted Stock Unit Award, which represents the contingent right to receive all, a portion, or a multiple of the Target Number of Restricted Stock Units (the “Restricted Stock Units”) set forth herein. Except as otherwise provided herein, each Restricted Stock Unit shall represent the right to receive one Common Share and shall at all times be equal in value to one Common Share.

2. **Right to Receive Payment.**

(a) In General.

(i) The Grantee shall vest in all or a portion, or a multiple, of the Target Number of Restricted Stock Units on [Date] (the “Vesting Date”), in accordance with the performance matrix attached hereto as Appendix A (the “Performance Matrix”, and the performance goals set forth therein, the “Performance Goals”); provided that the Grantee shall have remained in the continuous employ of the Company or any Subsidiary through the Vesting Date. The “Performance Period” within which the Performance Matrix is measured shall be the period of time from the Date of Grant to the Vesting Date, subject to a 20-day trailing average following the beginning and end of the Performance Period.

(ii) Notwithstanding the provisions of Section 2(a)(i), in the event the Grantee's employment with the Company and its Subsidiaries is terminated without Cause, the Grantee terminates his or her employment with the Company or a Subsidiary for Good Reason, the Grantee experiences a Company-approved retirement (as determined in the sole discretion of the Committee), or the Grantee dies or becomes permanently disabled (as determined by the Committee) while in the employ of the Company or any Subsidiary, the Grantee shall remain eligible to vest in his or her Restricted Stock Units on the Vesting Date subject to the Performance Matrix and actual performance achieved. On the Vesting Date following such termination of employment, the Grantee shall vest (x) in the case of the Participant's death or disability, the number of the Restricted Stock Units which Grantee would have been entitled had such termination of employment not occurred and (y) in the case of any other termination of employment set forth in this Section 2(a)(ii), in a pro-rated portion of the Restricted Stock Units which Grantee would have been entitled had such termination of employment not occurred, based on the number of days the Grantee was employed by the Company between the Date of Grant and the Vesting Date.

(iii) Notwithstanding anything contained in this Agreement, in the event of a Change in Control, the Restricted Stock Units covered by this Agreement (and not previously forfeited under Section 3) shall be deemed earned in an amount equal to 200% of the Target Number of Restricted Stock Units but shall otherwise remain subject to the service vesting conditions set forth in Section 2(a)(i) and 2(a)(ii). Notwithstanding the foregoing, if, prior to the Vesting Date, the Grantee's employment with the Company or any Subsidiary is terminated without Cause or the Grantee terminates his or her employment with the Company or any Subsidiary for Good Reason, the Grantee experiences a Company-approved retirement (as determined in the sole discretion of the Committee), or the Grantee dies or becomes permanently disabled (as determined by the Committee) while in the employ of the Company or any Subsidiary, in each case within the one year period immediately following a Change in Control, then the Restricted Stock Units covered by this Agreement (and not previously forfeited under Section 3) shall immediately become vested in an amount equal to 200% of the Target Number of Restricted Stock Units.

(iv) Notwithstanding anything contained in this Agreement to the contrary, the Committee may, in its sole discretion, at any time declare the Restricted Stock Units vested and nonforfeitable on such terms and conditions as it deems appropriate.

(b) Adjustment of Performance Goals. If the Committee determines that a change in the business, operations, corporate structure or capital structure of the Company or any Subsidiary, the manner in which it conducts business or other events or circumstances render any of the Performance Goals to be unsuitable, the Committee may modify such Performance Goal or the level of achievement, in whole or in part, as the Committee deems appropriate.

3. **Forfeiture**. The Restricted Stock Units that have not yet vested pursuant to Section 2(a) (and any right to unpaid Dividend Equivalents under Section 7 with respect to the Restricted Stock Units) shall be forfeited automatically without further action or notice (i) to the extent that the Performance Goal for a fiscal year has not been achieved, but only with respect to

the percentage of the Target Number of Restricted Stock Units allocated to such fiscal year; or (ii) in the event the Grantee ceases to be employed by the Company or any Subsidiary other than as provided in Section 2(a)(ii) or 2(a)(iii).

4. Payment of Restricted Stock Units.

(a) In General. The Company shall deliver to the Grantee (or the Grantee's estate in the event of death) the Shares underlying the vested Restricted Stock Units within sixty (60) days after the date that they become vested in accordance with Section 2.

(b) Special Payment Terms. To the extent that the Grantee's right to receive payment of the Restricted Stock Units constitutes a "deferral of compensation" within the meaning of Section 409A of the Code, then notwithstanding Section 4(a), the Shares underlying the Restricted Stock Units that become vested pursuant to Section 2(a), if any, shall be subject to the following rules:

(i) Except as provided in Section 4(b)(ii), the Shares underlying the Restricted Stock Units that become vested pursuant to Section 2(a) shall be delivered to the Grantee (or the Grantee's estate in the event of death) within sixty (60) days after the earlier of (x) the Grantee's "separation from service" within the meaning of Section 409A of the Code; or (y) the Vesting Date next following the date that the Restricted Stock Units become vested pursuant to Section 2(a).

(ii) If the Restricted Stock Units would otherwise become payable as a result of Section 4(b)(i) (x) but the Grantee is a "specified employee" at that time within the meaning of Section 409A of the Code (as determined pursuant to Company's policy for identifying specified employees), then to the extent required to comply with Section 409A of the Code, payment of the Restricted Stock Units shall not be made as described Section 4(b)(i) and (x) in the case of a separation from service pursuant to Section 2(a)(ii) the Shares shall instead be delivered to the Grantee within sixty (60) days after the first business day that is more than six months after the date of his or her separation from service or, if the Grantee dies during such six-month period, within ninety (90) days after the Grantee's death (such date the "409A Settlement Date") and (y) in the case of a separation from service pursuant to Section 2(a)(iii) payment of the Restricted Stock Units shall be made on the 409A Settlement Date in cash (in lieu of payment in Shares) with a value equal to the number of Shares that otherwise would have been paid multiplied by the Market Value per Share as of the date of such separation from service, together with interest from the date of such separation from service until the 409A Settlement Date at the applicable Federal short-term rate, compounded semi-annually, in effect under 1274(d) of the Code as of the date of such separation from service.

(c) Satisfaction of the Company's Obligations. The Company's obligations with respect to the Restricted Stock Units shall be satisfied in full upon the delivery of the Shares

underlying the vested Restricted Stock Units or the cash payment described in Section 4(b)(ii)(y).

5. **Transferability.** The Restricted Stock Units or the right to the cash payment described in Section 4(b)(ii)(y) may not be sold, exchanged, assigned, transferred, pledged, encumbered or otherwise disposed of by the Grantee, unless otherwise provided under the Plan. Any purported transfer or encumbrance in violation of the provisions of this Section 5 shall be void, and the other party to any such purported transaction shall not obtain any rights to or interest in such Restricted Stock Units or cash payment right.

6. **No Dividend, Voting or Other Rights.** The Grantee shall not possess any incidents of ownership (including, without limitation, dividend and voting rights) in the Common Shares underlying the Restricted Stock Units credited to his or her account until such Common Shares have been delivered to the Grantee in accordance with Section 4. The obligations of the Company under this Agreement will be merely that of an unfunded and unsecured promise of the Company to deliver Common Shares or cash as the case may be (and pay Dividend Equivalents as defined in Section 7) in the future, and the rights of the Grantee will be no greater than that of an unsecured general creditor. No assets of the Company or any Subsidiary will be held or set aside as security for the obligations of the Company under this Agreement.

7. **Dividend Equivalents.** Upon payment of a vested Restricted Stock Unit, the Grantee shall be entitled to a cash payment equal to the aggregate cash dividends declared and paid or payable with respect to one (1) Common Share for each record date that occurs during the period beginning on the Date of Grant and ending on the date the vested Restricted Stock Unit is paid or, in the case of a separation from service pursuant to Section 2(a), the date of the separation from service (the "Dividend Equivalent"). The Dividend Equivalents shall be forfeited to the extent that the underlying Restricted Stock Unit is forfeited and shall be paid to the Grantee, if at all, at the same time that the related vested Restricted Stock Unit is paid to the Grantee in accordance with Section 4.

8. **Continuous Employment.** For purposes of this Agreement, the continuous employment of the Grantee with the Company or any Subsidiary shall not be deemed to have been interrupted, and the Grantee shall not be deemed to have ceased to be an employee of the Company or any Subsidiary, by reason of the transfer of his or her employment among the Company and any Subsidiary, or a leave of absence approved by the Committee.

9. **No Employment Contract; Disclaimer.** Nothing contained in this Agreement shall confer upon the Grantee any right with respect to continuance of employment by the Company or any Subsidiary, nor limit or affect in any manner the right of the Company and any Subsidiary to terminate the employment or adjust the compensation of the Grantee, in each case with or without Cause. By acceptance of this Agreement, the Grantee acknowledges and agrees that neither this Agreement nor any other agreement awarded prior to the date hereof under any equity compensation plan of the Company or its Subsidiaries has created or shall create, or be deemed or construed to create or have created, (i) a contractual, equitable, or other right to receive future grants of equity awards, or other benefits in lieu of equity awards, or (ii) a

fiduciary duty or other comparable duty of trust or confidence owed to the Grantee (or any successor, assign, affiliate or family member of the Grantee) by the Company and its affiliates and its respective officers, directors, employees, agents or contractors.

10. **Relation to Other Benefits.** Any economic or other benefit to the Grantee under this Agreement or the Plan shall not be taken into account in determining any benefits to which the Grantee may be entitled under any profit-sharing, retirement or other benefit or compensation plan maintained by the Company or any Subsidiary and shall not affect the amount of any life insurance coverage available to any beneficiary under any life insurance plan covering employees of the Company or any Subsidiary.

11. **Taxes and Withholding.** The Grantee is responsible for any federal, state, local or other taxes with respect to the Restricted Stock Units (including the vesting of the Restricted Stock Units, the receipt of Common Shares or cash and the receipt of Dividend Equivalents). The Company does not guarantee any particular tax treatment or results in connection with the grant or vesting of the Restricted Stock Units, the delivery of Common Shares or cash or the payment of Dividend Equivalents. To the extent the Company or any Subsidiary of the Company is required to withhold any federal, state, local, foreign or other taxes in connection with the delivery of Common Shares or cash under this Agreement, the Grantee shall pay the tax or make provisions that are satisfactory to the Company or such Subsidiary for the payment thereof. The Grantee may elect (on a form provided by the Company) for the Company or any Subsidiary (as applicable) to retain a number of Common Shares otherwise deliverable hereunder (to the extent any cash otherwise payable is insufficient) with a value equal to the required withholding (based on the Market Value of the Common Shares on the date of delivery) in order to satisfy the withholding obligation; provided that in no event shall the value of the Common Shares together with any cash retained exceed the minimum amount of taxes required to be withheld or such other amount that will not result in a negative accounting impact. If the Company or any Subsidiary is required to withhold any federal, state, local or other taxes at any time other than upon delivery of Common Shares or cash under this Agreement, then the Company or the Subsidiary (as applicable) shall have the right in its sole discretion to (a) require the Grantee to pay or provide for payment of the required tax withholding, or (b) deduct the required tax withholding from any amount of salary, bonus, incentive compensation or other amounts otherwise payable in cash to the Grantee (other than deferred compensation subject to Section 409A of the Code). If the Company or any Subsidiary is required to withhold any federal, state, local or other taxes with respect to Dividend Equivalents, then the Company or Subsidiary (as applicable) shall have the right in its sole discretion to reduce the cash payment related to the Dividend Equivalent by the applicable tax withholding. The Restricted Stock Units and any Dividend Equivalents are intended to be exempt from Section 409A of the Code pursuant to the short-term deferral rule set forth in Treasury Regulation Section 1.409A-1(b)(4), and this Agreement shall be interpreted and administered in all respects in a manner consistent with the foregoing. Notwithstanding the foregoing, in no event whatsoever shall the Company or any of its affiliates be liable for any additional tax, interest or penalties that may be imposed on the Grantee as a result of Section 409A of the Code or any damages for failing to comply with Section 409A of the Code (other than for withholding obligations or other obligations applicable to employers, if any, under Section 409A of the Code).

12. **Compliance with Law.** The Company shall make reasonable efforts to comply with all applicable federal and state securities laws and listing requirements of the NASDAQ or any national securities exchange with respect to the Restricted Stock Units; provided, however, notwithstanding any other provision of this Agreement, the Restricted Stock Units shall not be delivered if the delivery thereof would result in a violation of any such law or listing requirement.

13. **Amendments.** Subject to the terms of the Plan, the Committee may modify this Agreement upon written notice to the Grantee. Any amendment to the Plan shall be deemed to be an amendment to this Agreement to the extent that the amendment is applicable hereto. Notwithstanding the foregoing, no amendment of the Plan or this Agreement shall adversely affect the rights of the Grantee under this Agreement regarding vested Restricted Share Units under the Plan and this Agreement without the Grantee's consent.

14. **Severability.** In the event that one or more of the provisions of this Agreement shall be invalidated for any reason by a court of competent jurisdiction, any provision so invalidated shall be deemed to be separable from the other provisions hereof, and the remaining provisions hereof shall continue to be valid and fully enforceable.

15. **Claw-Back Policy.** Notwithstanding any provision contained herein to the contrary, this Agreement, the Restricted Stock Units and any Common Shares that the Grantee may receive pursuant to this Agreement, are subject to the Uniti Group Inc. Claw-Back Policy then in affect (the "Policy"), and the Claw-Back Policy Acknowledgement and Agreement that the Grantee signed in accordance with the Policy (the "Claw-Back Agreement").

16. **Relation to Plan.** This Agreement is subject to the terms and conditions of the Plan. This Agreement, the Policy, the Claw-Back Agreement and the Plan contain the entire agreement and understanding of the parties with respect to the subject matter contained in this Agreement, and supersede all prior written or oral communications, representations and negotiations in respect thereto. In the event of any inconsistency between the provisions of this Agreement and the Plan, the Plan shall govern. Capitalized terms used herein without definition shall have the meanings assigned to them in the Plan. The Committee acting pursuant to the Plan, as constituted from time to time, shall, except as expressly provided otherwise herein, have the right to determine any questions which arise in connection with the grant of the Restricted Stock Units.

17. **Successors and Assigns.** Without limiting Section 5, the provisions of this Agreement shall inure to the benefit of, and be binding upon, the successors, administrators, heirs, legal representatives and assigns of the Grantee, and the successors and assigns of the Company and its affiliates.

18. **Governing Law.** The interpretation, performance, and enforcement of this Agreement shall be governed by the laws of the State of Maryland, without giving effect to the principles of conflict of laws thereof.

19. **Electronic Delivery.** The Grantee hereby consents and agrees to electronic delivery of any documents that the Company may elect to deliver (including, but not limited to, prospectuses, prospectus supplements, grant or award notifications and agreements, account statements, annual and quarterly reports, and all other forms of communications) in connection with this and any other award made or offered under the Plan. The Grantee understands that, unless earlier revoked by the Grantee by giving written notice to the Secretary of the Company, this consent shall be effective for the duration of the Agreement. The Grantee also understands that he or she shall have the right at any time to request that the Company deliver written copies of any and all materials referred to above at no charge. The Grantee hereby consents to any and all procedures the Company has established or may establish for an electronic signature system for delivery and acceptance of any such documents that the Company may elect to deliver, and agrees that his or her electronic signature is the same as, and shall have the same force and effect as, his or her manual signature. The Grantee consents and agrees that any such procedures and delivery may be effected by a third party engaged by the Company or any Subsidiary to provide administrative services related to the Plan.

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed on its behalf by its duly authorized officer and the Grantee has also executed this Agreement, as of the Date of Grant.

UNITI GROUP INC.

By: Kenny A. Gunderman
Title: President and CEO

By clicking the **Approve** button, the Grantee hereby acknowledges that a copy of the Plan, Plan Summary and Prospectus and the Company's most recent Annual Report and Proxy Statement (the "Prospectus Information") are available for viewing on the Company's intranet site at www.uniti.com. The Grantee hereby consents to receiving this Prospectus Information electronically, or, in the alternative, agrees to contact Jennifer Ragsdale at 501-850-0820 to request a paper copy of the Prospectus Information at no charge. The Grantee represents that he or she is familiar with the terms and provisions of the Prospectus Information and hereby accepts the award of Restricted Shares on the terms and conditions set forth herein and in the Plan. These terms and conditions constitute a legal contract that will bind both you and the Company as soon as you click the **Approve** button.

APPENDIX A
PERFORMANCE MATRIX

Uniti Group Inc.

Insider Trading Policy

(Effective April 10, 2024)

This Insider Trading Policy (this “Policy”) prohibits illegal or improper “insider trading” by the employees and officers (the “Employees”) and members of the Board of Directors (the “Directors”) of Uniti Group Inc. (the “Company”). The philosophy behind this Policy is the Company’s desire to avoid even the appearance of improper conduct on the part of its Employees and Directors, and to promote transparency and promptness in the public reporting of transactions in the Company’s securities by certain Employees and all Directors.

I. Insider Trading

A. Definitions

1. **Trading in Company Securities.** For the purposes of this Policy, trading in the Company’s securities refers to trading in the Company’s common stock, any derivative securities tied to the value of the Company’s common stock, including puts, calls, equity collar or forward purchase or sale transactions, swaps and single stock futures, and any debt securities of the Company (all such securities are referred to in this Policy as “Company Securities”).

2. **Insider Trading.** For purposes of this Policy, “insider trading” is (i) the purchase or sale of Company Securities on the basis of material non-public information or (ii) the purchase or sale of the securities of any other company, including the Company’s customers or vendors, on the basis of material non-public information about that company obtained through your relationship with the Company. All such transactions are equally prohibited while you are in possession of material non-public information.

3. **Material Information.** “Material” information is any information that a reasonable person would consider important in making a decision to buy, sell or hold securities. In other words, for information to be material there must be a substantial likelihood that the disclosure of the information in question would be viewed by a reasonable investor as having significantly altered the total mix of available information. Common examples of information which may be material include information relating to: projected earnings or losses or changes in historical earnings or losses; a pending or proposed merger, acquisition, joint venture, tender offer or exchange offer; a sale of significant assets or the disposition of a significant division or subsidiary; changes in dividend policies or the declaration of a stock split or other changes in capital structure, including any securities offering; changes in executive management; impending bankruptcy or financial liquidity problems; significant changes in operations; important litigation; and changes in, or significant developments involving, outside auditors.

4. **Non-Public Information.** For purposes of this Policy, information should be considered “non-public” if it has not been broadly disseminated to the investing public, either by the Company itself or through the news media or other sources available to the general public. Market rumors

should be considered, for purposes of this Policy, non-public, unless they have been disseminated to the public through the news media.

B. Consequences of Insider Trading. Individuals who trade on the basis of material non-public information or “tip” material non-public information to others (that is, disclose the information to others who use the information for trading activities) face, in addition to other civil and criminal actions the Securities and Exchange Commission (“SEC”) or the United States Department of Justice may bring, sanctions of: (i) a civil penalty of up to three times the profit gained or loss avoided; (ii) a criminal fine (no matter how small the profit) of up to the greater of \$5 million or three times the profit gained or loss avoided; and (iii) a jail term of up to twenty years. Any of these consequences – even an SEC investigation that does not result in prosecution – can tarnish your reputation and irreparably damage your career. Regardless of whether the government seeks to impose a penalty for a particular act, the Company expressly reserves the right to impose any disciplinary measure or other action that it deems appropriate. This discipline may be imposed not only for unlawful conduct, but also for breaches of this Policy or conduct the Company regards as unethical, inappropriate, or simply not meeting its standards of propriety.

C. Company Policy. If you possess any material non-public information relating to the Company, neither you, nor any person living in your household or financially dependent upon you, nor any entity or securities account controlled by you, may buy, sell or otherwise trade in Company Securities (except pursuant to a 10b5-1 Trading Arrangement (as defined below)), or engage in any other action in relation to Company Securities, or pass along directly or indirectly, the material non-public information. You must also refrain from trading in the securities of any other company (i) with which the Company does business, such as the Company’s distributors, vendors, customers and suppliers, or (ii) that is involved in a potential transaction or business relationship with Company, on the basis of material non-public information about that company obtained through your relationship with the Company. Transactions that may be necessary or justifiable for independent reasons (such as the need to raise money for an emergency expenditure) are **not exempt** from these rules.

D. Tipping Information. Whether the information is proprietary information about the Company or information that could influence the market activity in Company Securities, you must not pass any material non-public information on to others. In addition, just as the prohibition against trading extends to securities of any company other than the Company, including vendors, on the basis of material nonpublic information, the ban on disclosing to others material non-public information also extends to the securities of such other companies. Penalties for insider trading may apply regardless of whether you benefit from another’s trades, or whether you knew that the person to whom you disclosed information was going to trade on the information. Material non-public information quite simply must be kept confidential.

E. Other Restrictions on Trading. Regardless of whether you are in possession of material non-public information, there are certain transactions that you may not engage in at any time. You are prohibited from engaging in any transaction in derivative securities that reflects speculation about the price of Company Securities (i.e., exchange traded options, whether puts or calls) or any transaction in Company Securities that may place your financial interests against the financial interests of the Company. For instance, you may not sell Company Securities “short”, i.e., sell stock that you do not own, which would allow you to profit from a decline in the price of the Company stock.

F. Transactions of Former Employees. This Policy will continue to apply to Transactions in Company Securities for a period of time after service to the Company has terminated. Upon

termination of your status with the Company, if you are in possession of material non-public information, you may not engage in Transactions in Company Securities until such information has become public or is no longer material.

II. Trading Restrictions Applicable to Designated Persons

In addition to the basic Insider Trading Policy applicable to all Employees and Directors, the Company's "Section 16 Officers," Directors and any additional persons that the Company may from time to time designate as subject to this Section II because of their position with the Company and access to material non-public information (collectively, the "Designated Persons") are subject to additional restrictions. For purposes of this Policy, the term "Section 16 Officers" refers only to those officers who have been identified by the Company's General Counsel and/or designated by the Board as having to file Forms 3, 4 and 5 with the SEC pursuant to Section 16 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). These additional restrictions are designed to ensure compliance with provisions of the securities laws specifically applicable to Designated Persons and to prohibit trading during periods when there is a greater likelihood of possessing material non-public information. If you are a Designated Person, the following restrictions will apply to you.

A. Advance Notice and Pre-Clearance of Trades. As a Designated Person, you may not (i) buy, sell or otherwise transfer ownership of Company Securities, (ii) make any election or change an election related to a Company Security in a Company sponsored employee stock purchase plan or benefit plan, (iii) pledge or hypothecate beneficial ownership of a Company Security (including placement of securities in a margin account with a broker) or (iv) adopt a Rule 10b5-1 Trading Arrangement (as defined below) or a Non-Rule 10b5-1 Trading Arrangement (as defined in Item 408(c) of Regulation S-K promulgated by the SEC) (collectively, "Transactions in Company Securities") unless you provide reasonable advance notice to the Company's General Counsel and he or she gives pre-clearance approval for the applicable transaction. The existence of these pre-clearance procedures set forth in this Policy does not in any way obligate the Company's General Counsel to approve any transaction. Approval is only for the particular transaction for which clearance is sought and granted and must be completed by the end of the period as specified by the Company's General Counsel (or if no such period was approved, by the end of the second business day after the pre-approval was granted). If you come into possession of material nonpublic information after the Company's General Counsel provides approval, but before execution of the trade, you must notify the Company's General Counsel and you may not trade until receiving a new approval from the Company's General Counsel. If clearance is denied, the fact of such denial must be kept confidential by the person requesting such clearance.

B. When Designated Persons May and May Not Trade

1. When Designated Persons May Trade (open trading window). If you are not in possession of material non-public information, you may engage in Transactions in Company Securities on the first trading day following the day quarterly earnings are released to the public until the last day of the fiscal quarter during which such earnings are released only after notifying and obtaining the approval of the Company's General Counsel. You must not engage in any Transactions in Company Securities and until the General Counsel provides his or her approval electronically or in writing.

2. When Designated Persons May Not Trade (closed trading window). Regardless of whether you are in possession of material non-public information, you may not engage in Transactions in Company Securities from the last day of each fiscal quarter until the first trading day following the day quarterly earnings are released to the public, except pursuant to any contract, instruction or written plan

for the purchase or sale of securities of the Company intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) of the Exchange Act (a “Rule 10b5-1 Trading Arrangement”).

3. Other Times When Designated Persons May Not Trade. There may be other times when the Company’s General Counsel may designate a special blackout period, during which you may not trade in Company Securities. The Company’s General Counsel may designate a special blackout period with the prior consent of the Chief Executive Officer. You may not disclose to any outside party that a special blackout period has been designated.

C. Frequency of a Purchase and Sale or Sale and Purchase. You should not make both a purchase and sale or sale and purchase within a six-month period. Although it is not unlawful to engage in a purchase and sale or sale and purchase within a six-month period, if you do so, federal securities laws require that you forfeit any profits from the transaction(s) to the Company. Exercises of options received from the Company and purchases under the 401(k) Plan will **not** be matched against sales. A purchase and sale due to a transfer in to or out of the Company stock fund under the 401(k) Plan could be matched against each other if they occur within a six-month period.

D. Additional Blackout Periods Related to 401(k) and Other Retirement Plans. In the future, there may be blackout periods under the Company’s 401(k) Plan or similar retirement plans. A blackout period means a period of time during which Employees may not trade Company Securities within the retirement plan experiencing the blackout period. If such a blackout period is in effect, then, for the duration of the blackout period, you will not be permitted to engage in Transactions in Company Securities. You will be advised in advance if such a blackout period will occur and the period during which no Transactions in Company Securities will be permitted.

E. Required Forms. You must file a Form 3 with the SEC within 10 days after becoming a Section 16 Officer or Director. You must report on Form 3 information about all classes of Company Securities beneficially owned by you at the time you become a Section 16 Officer or Director. In addition, when you acquire or dispose of Company Securities, you must file one or more forms with the SEC.

1. Seller’s Forms. If you are selling Company Securities or engaging in other Transactions in Company Securities considered under SEC rules to be similar to a sale, you must file a form with the SEC both before and after you trade.

a. Before you sell (or on the day of your sale), you must file a Form 144 with the SEC if you sell more than 5,000 shares or \$50,000 worth of Company Securities within any six-month period.

b. After you sell, you must file a Form 4 to report your holdings of Company Securities to the SEC within two business days of any trade.

2. Buyer’s Forms. If you buy or acquire any Company Securities, only a Form 4 is required, and it must be filed within two business days of the trade.

3. Gifts. If you are gifting Company Securities or engaging in any other transactions in Company Securities considered to be similar to transferring a gift pursuant to SEC rules, you must file a Form 4 to report such gifting of Company Securities to the SEC within two business days of the gift transfer.

4. **Year-end Reporting.** You also may be required to file a Form 5, which is a year-end report that is due to the SEC within 45 days after the close of our fiscal year end, for any Transaction in Company Securities you conducted during the year that was either not reported or was not required to be reported on Form 4 discussed above.

5. **Failure to File Required Forms.** The Company must disclose in its proxy statement those individuals who fail to file required reports in a timely manner with the SEC. This is embarrassing for you and for the Company and can easily be avoided by careful attention to the reporting requirements.

6. **Who is Covered by These Rules.** These rules apply to Section 16 Officers and Directors, any person living in their household or financially dependent upon them, and any entity or securities account controlled by them. These rules may also apply to other entities in which a Section 16 Officer or Director has an ownership interest, including partnerships.

III. Rule 10b5-1 Trading Arrangements and Non-Rule 10b5-1 Trading Arrangements.

A. **Rule 10b5-1 Trading Arrangements.** Rule 10b5-1(c) promulgated under the Exchange Act provides a defense from insider trading liability for trades that occur pursuant to a Rule 10b5-1 Trading Arrangement. All Designated Persons must pre-clear any Rule 10b5-1 Trading Arrangement with the Company's General Counsel, and every Rule 10b5-1 Trading Arrangement must satisfy the conditions of Rule 10b5-1(c) of the Exchange Act. As a condition to the approval of any Rule 10b5-1 Trading Arrangement, the Company's General Counsel may require the inclusion in such arrangement of any provisions deemed necessary or advisable by the Company's General Counsel in his or her discretion, including, but not limited to, to comply with the law or applicable Company policy. Any changes to a Rule 10b5-1 Trading Arrangement must also be approved by the Company's General Counsel before any further transactions can be effected pursuant to the Rule 10b5-1 Trading Arrangement. The Company and the Company's General Counsel shall not be required to approve any Rule 10b5-1 Trading Arrangement presented to it, him or her, and clearance of a Rule 10b5-1 Trading Arrangement by the Company's General Counsel shall not be construed as a legal opinion or advice or the Company's agreement that the Rule 10b5-1 Trading Arrangement meets the requirements of Rule 10b5-1(c) of the Exchange Act. Employees and Directors remain solely responsible for compliance with all securities laws and regulations and are strongly encouraged to obtain the advice of their own legal, accounting and financial advisors before entering into a Rule 10b5-1 Trading Arrangement.

B. **Disclosure Obligations of Directors and Section 16 Officers to the Company Regarding 10b5-1 Trading Arrangements and Non-Rule 10b5-1 Trading Arrangements.** On a quarterly basis, the Company must publicly disclose when Directors or Section 16 Officers adopt or terminate Rule 10b5-1 Trading Arrangements or any non-Rule 10b5-1 Trading Arrangements (as defined in Item 408(c) of Regulation S-K promulgated by the SEC) for trading the Company's securities and provide a description of the material terms of each such arrangement, including the following: (1) name of Director or Section 16 Officer, (2) date of adoption or termination, (3) duration and (4) aggregate number of securities purchased or sold. In accordance with such disclosure, Directors and Section 16 Officers must provide the Company's General Counsel with an executed copy of any Rule 10b5-1 Trading Arrangements or any non-Rule 10b5-1 Trading Arrangements and any amendments thereto within two business days of the adoption or amendment thereof. Directors and Section 16 Officers must also promptly notify the Company's General Counsel of any termination of any Rule 10b5-1 Trading Arrangements or any non-Rule 10b5-1 Trading Arrangements.

If you have any questions regarding this Policy, please contact the General Counsel or the Chief Financial Officer.

Subsidiaries of the Registrants

Subsidiary	State or other jurisdiction of incorporation or organization
ANS Connect, LLC	Georgia
Contact Network, LLC	Alabama
CSL Alabama System, LLC	Delaware
CSL Arkansas System, LLC	Delaware
CSL Capital, LLC	Delaware
CSL Florida System, LLC	Delaware
CSL Georgia Realty, LLC	Delaware
CSL Georgia System, LLC	Delaware
CSL Iowa System, LLC	Delaware
CSL Kentucky System, LLC	Delaware
CSL Mississippi System, LLC	Delaware
CSL Missouri System, LLC	Delaware
CSL National GP, LLC	Delaware
CSL National, LP	Delaware
CSL New Mexico System, LLC	Delaware
CSL North Carolina Realty GP, LLC	Delaware
CSL North Carolina Realty, LP	Delaware
CSL North Carolina System, LP	Delaware
CSL Ohio System, LLC	Delaware
CSL Oklahoma System, LLC	Delaware
CSL Realty, LLC	Delaware
CSL Tennessee Realty Partner, LLC	Delaware
CSL Tennessee Realty, LLC	Delaware
CSL Texas System, LLC	Delaware
Hunt Brothers of Louisiana, L.L.C.	Louisiana
Hunt Telecommunications, LLC	Louisiana
Information Transport Solutions, LLC	Alabama
InLine Services, LLC	Delaware
Integrated Data Systems, L.L.C.	Louisiana
Nexus Systems, LLC	Louisiana
Nexus Wireless, L.L.C.	Louisiana
PEG Bandwidth DC, LLC	Delaware
PEG Bandwidth DE, LLC	Delaware
PEG Bandwidth LA, LLC	Delaware
PEG Bandwidth MA, LLC	Delaware
PEG Bandwidth MD, LLC	Delaware
PEG Bandwidth MS, LLC	Delaware
PEG Bandwidth NJ, LLC	Delaware
PEG Bandwidth NY Telephone Corp.	New York
PEG Bandwidth PA, LLC	Delaware

PEG Bandwidth Services, LLC	Delaware
PEG Bandwidth TX, LLC	Delaware
PEG Bandwidth VA, LLC	Delaware
Southern Light, LLC	Alabama
Talk America Services, LLC*	Delaware
Uniti Dark Fiber LLC	Delaware
Uniti Fiber 2020 LLC	Delaware
Uniti Fiber ABS Holdco LLC	Delaware
Uniti Fiber ABS Issuer LLC	Delaware
Uniti Fiber ABS Parent LLC	Delaware
Uniti Fiber Bridge Borrower LLC	Delaware
Uniti Fiber Bridge HoldCo LLC	Delaware
Uniti Fiber GulfCo LLC	Delaware
Uniti Fiber Holdings Inc.	Delaware
Uniti Fiber LLC	Delaware
Uniti Fiber TRS LLC	Delaware
Uniti Fiber TRS AssetCo LLC	Delaware
Uniti Fiber TRS HoldCo LLC	Delaware
Uniti Fiber TRS Issuer LLC	Delaware
Uniti Group Finance 2019 Inc.	Delaware
Uniti Group Finance Inc.	Delaware
Uniti Group Holdco LLC	Delaware
Uniti Group LP LLC*	Delaware
Uniti Group LP*	Delaware
Uniti Holdings GP LLC	Delaware
Uniti Holdings LP	Delaware
Uniti LATAM GP LLC	Delaware
Uniti LATAM LP	Delaware
Uniti Leasing LLC	Delaware
Uniti Leasing X LLC	Delaware
Uniti Leasing XI LLC	Delaware
Uniti Leasing XII LLC	Delaware
Uniti National LLC	Delaware
Uniti QRS Holdings GP LLC	Delaware
Uniti QRS Holdings LP	Delaware
Uniti Towers NMS Holdings LLC	Delaware
Uniti Wireless Holdings LLC	Delaware

*Uniti Group LP LLC and Talk America Services, LLC are direct, wholly-owned subsidiaries of Uniti Group Inc. Uniti Group LP is a direct, majority-owned subsidiary of Uniti Group Inc. The remaining subsidiaries are direct or indirect, wholly-owned subsidiaries of Uniti Group LP.

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the registration statements (No. 333-203591, 333-272247, and 333-225501) on Form S-8 and (No. 333-271693) on Form S-3, and the registration statement of Windstream Parent, Inc. (No. 333-281068) on Form S-4, of our reports dated February 21, 2025, with respect to the consolidated financial statements of Uniti Group, Inc. and the effectiveness of internal control over financial reporting.

/s/ KPMG LLP
Dallas, Texas
February 21, 2025

**CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Kenneth A. Gunderman, certify that:

1. I have reviewed this Annual Report on Form 10-K of Uniti Group Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant, as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

- (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 21, 2025

By: /s/ Kenneth A. Gunderman
Kenneth A. Gunderman
President and Chief Executive Officer

**CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Paul E. Bullington, certify that:

1. I have reviewed this Annual Report on Form 10-K of Uniti Group Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant, as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

- (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 21, 2025

By: /s/ Paul E. Bullington
Paul E. Bullington
Senior Vice President – Chief Financial Officer
and Treasurer

By: /s/ Kenneth A. Gunderman
Kenneth A. Gunderman
President and Chief Executive Officer

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report on Form 10-K of Uniti Group Inc. (the “Company”) for the period ending December 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, to my knowledge, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 21, 2025

By: /s/ Paul E. Bullington
Paul E. Bullington
Senior Vice President – Chief Financial Officer
and Treasurer

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K/A
(Amendment No. 1)

(Mark One)
☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2024
OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ____ to ____
Commission File Number 001-36708

Uniti Group Inc.
(Exact name of Registrant as specified in its Charter)

Maryland
(State or other jurisdiction of
incorporation or organization)
2101 Riverfront Drive
Suite A
Little Rock, Arkansas
(Address of principal executive offices)

46-5230630
(I.R.S. Employer
Identification No.)

72202
(Zip Code)

Registrant's telephone number, including area code: (501) 850-0820

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, \$0.0001 Par Value	UNIT	The NASDAQ Global Select Market

Securities registered pursuant to Section 12(g) of the Act: **None**

Indicate by check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the Registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the Registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Act). YES ☐ NO ☒

The aggregate market value of the voting and non-voting common equity held by non-affiliates of the Registrant, based on the closing price of the shares of common stock on The NASDAQ Global Select Market on June 30, 2024 was \$694,529,639.

The number of shares of the Registrant's common stock outstanding as of February 14, 2025 was 244,229,237.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Registrant's definitive proxy statement relating to the 2025 annual meeting of stockholders are incorporated by reference into Part III of this Annual Report on Form 10-K.

Auditor Firm Id: 185 Auditor Name: KPMG LLP Auditor Location: Dallas, Texas

Explanatory Note

Uniti Group Inc. (the “Company”) is filing this Amendment No. 1 on Form 10-K/A (the “Amended 10-K”) to its Annual Report for the year ended December 31, 2024 (the “Original 10-K”) filed with the U.S. Securities and Exchange Commission on February 21, 2025 to include financial statements and related notes of Windstream Holdings II, LLC and consolidated subsidiaries (collectively, “Windstream”), the Company’s most significant customer. For the years ended December 31, 2024, 2023 and 2022, 68.3%, 67.3% and 66.5% of our revenues, respectively, were derived from leasing the Company’s fiber and copper networks and other real estate to Windstream.

The Original 10-K is being amended by this Amended 10-K to include as exhibits: (i) the Windstream audited financial statements as of December 31, 2024 and 2023 and for the years ended December 31, 2024, 2023 and 2022, prepared in accordance with generally accepted accounting principles in the United States, (ii) the consent of the independent registered public accounting firm of Windstream and (iii) certifications by our Chief Executive Officer and Chief Financial Officer. This Amended 10-K does not otherwise update any exhibits as originally filed and does not otherwise reflect events that occurred after the filing date of the Original 10-K.

PART IV**Item 15. Exhibits and Financial Statement Schedules.****Financial Statements**

See Index to Consolidated Financial Statements in “Financial Statements and Supplementary Data.”

Financial Statement Schedules

Uniti Group Inc. Schedule I – Condensed Financial Information of the Registrant (Parent Company) Condensed Balance Sheets as of December 31, 2024 and 2023, and the related Condensed Statements of Comprehensive Income and Cash Flows for each of the three years ended December 31, 2024, including the related notes, appearing on pages S-1, S-2, S-3, and S-4 of this report.

Uniti Group Inc. Schedule II – Valuation and Qualifying Accounts for each of the three years ended December 31, 2024 appearing on page S-5 of this report.

Uniti Group Inc. Schedule III – Schedule of Real Estate Investments and Accumulated Depreciation as of December 31, 2024 appearing on page S-6 of this report.

Index to Exhibits

Exhibit No.	Description
2.1	Separation and Distribution Agreement, dated as of March 26, 2015, by and among Windstream Holdings, Inc., Windstream Services, LLC and Communications Sales & Leasing, Inc. (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K dated and filed with the SEC as of March 26, 2015 (File No. 001-36708))
2.2	Second Amended and Restated Agreement of Limited Partnership of Uniti Group LP, dated as of December 12, 2022 (incorporated by reference to Exhibit 2.2 to the Company's Annual Report on Form 10-K dated and filed with the SEC as of February 28 2023 (File No. 001-36708))
2.3	Agreement and Plan of Merger, dated as of May 3, 2024, by and between Uniti Group Inc. and Windstream Holdings II, LLC (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K dated and filed with the SEC as of May 3, 2024 (File No. 001-36708))
2.4	Amendment No. 1 to Agreement and Plan of Merger, dated July 17, 2024, by and between Uniti Group Inc. and Windstream Holdings II, LLC (incorporated by reference to Exhibit 2.2 to the Company's Quarterly Report on Form 10-Q dated and filed with the SEC as of August 1, 2024 (File No. 001-36708))
3.1	Articles of Amendment and Restatement of Communications Sales & Leasing, Inc. (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K dated and filed with the SEC as of April 10, 2015 (File No. 001-36708))
3.2	Articles of Amendment of Communications Sales & Leasing, Inc. (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K dated and filed with the SEC as of February 28, 2017 (File No. 001-36708))
3.3	Articles of Amendment of Uniti Group Inc. (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K dated and filed with the SEC as of May 18, 2018 (File No. 001-36708))
3.4	Amended and Restated Bylaws of Uniti Group Inc., as amended November 1, 2023 (incorporated by reference to Exhibit 3.1 to the Company's Quarterly Report on Form 10-Q dated and filed with the SEC as of November 2, 2023 (File No. 001-36708))
4.1	Description of the Registrant's Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934 (incorporated by reference to Exhibit 4.1 to the Company's Annual Report on Form 10-K dated and filed with the SEC as of February 29, 2024 (File No. 001-36708))
4.2	Indenture, dated February 2, 2021, by and among Uniti Group LP, Uniti Group Finance 2019 Inc. and CSL Capital, LLC, as Issuers, the guarantors party thereto and Deutsche Bank Trust Company Americas, as trustee, governing the 6.500% Senior Notes due 2029 (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K dated and filed with the SEC as of February 2, 2021 (File No. 001-36708))

4.3	Form of 6.500% Senior Notes due 2029 (included in Exhibit 4.2 above) (incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K dated and filed with the SEC as of February 2, 2021 (File No. 001-36708))
4.4	Indenture, dated as April 20, 2021, by and among Uniti Group LP, Uniti Group Finance 2019 Inc. and CSL Capital, LLC, as issuers, the guarantors party thereto, and Deutsche Bank Trust Company Americas, as trustee and collateral agent, governing the 4.750% Senior Secured Notes due 2028 (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed with the SEC on April 20, 2021 (File No. 001-36708))
4.5	Form of 4.750% Senior Secured Notes due 2028 (included in Exhibit 4.4 above) (incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K filed with the SEC on April 20, 2021 (File No. 001-36708))
4.6	Indenture, dated October 13, 2021, by and among Uniti Group LP, Uniti Fiber Holdings Inc., Uniti Group Finance 2019 Inc. and CSL Capital, LLC, as Issuers, the guarantors party thereto and Deutsche Bank Trust Company Americas, as trustee, governing the 6.000% Senior Notes due 2030 (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K dated and filed with the SEC as of October 13, 2021 (File No. 001-36708))
4.7	Form of 6.000% Senior Notes due 2030 (included in Exhibit 4.6 above) (incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K dated and filed with the SEC as of October 13, 2021 (File No. 001-36708))
4.8	Indenture, dated December 12, 2022, among Uniti Group Inc., the other guarantors party thereto and Deutsche Bank Trust Company Americas (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K dated and filed with the SEC as of December 12, 2022 (File No. 001-36708))
4.9	Form of 7.50% Convertible Senior Notes due 2027 (included in Exhibit 4.8 above) (incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K dated and filed with the SEC as of December 12, 2022 (File No. 001-36708))
4.10	Indenture, dated as February 14, 2023, by and among Uniti Group LP, Uniti Fiber Holdings Inc., Uniti Group Finance 2019 Inc. and CSL Capital, LLC, as issuers, the guarantors party thereto, and Deutsche Bank Trust Company Americas, as trustee and collateral agent, governing the 10.50% Senior Secured Notes due 2028 (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed with the SEC on February 14, 2023 (File No. 001-36708))
4.11	Form of 10.50% Senior Secured Notes due 2028 (included in Exhibit 4.10 above) (incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K dated and filed with the SEC as of February 14, 2023 (File No. 001-36708))
4.12	Indenture, dated May 17, 2024, by and among Uniti Group LP, Uniti Group Finance 2019 Inc., Uniti Fiber Holdings Inc. and CSL Capital, LLC, as Issuers, the guarantors party thereto and Deutsche Bank Trust Company Americas, as trustee and collateral agent, governing the 10.50% Senior Secured Notes due 2028 (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K dated and filed with the SEC as of May 17, 2024 (File No. 001-36708))
4.13	Form of 10.50% Senior Secured Notes due 2028 (included in Exhibit 4.12) (incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K dated and filed with the SEC as of May 17, 2024 (File No. 001-36708))
4.14	Second Supplemental Indenture, dated as of November 1, 2024, among Uniti Group LP, Uniti Fiber Holdings Inc., Uniti Group Finance 2019 Inc. and CSL Capital, LLC, as Issuers, the guarantors named therein, and Deutsche Bank Company Americas, as trustee and collateral agent, relating to the 10.50% Senior Secured Notes due 2028 (incorporated by reference to Exhibit 4.1 to the Company's Quarterly Report on Form 10-Q dated and filed with the SEC as of November 8, 2024 (File No. 001-36708))
4.15	Base Indenture, dated as of February 3, 2025, by and among Uniti Fiber ABS Issuer LLC, Uniti Fiber TRS Issuer LLC, Uniti Fiber GulfCo LLC, Uniti Fiber TRS AssetCo LLC and Wilmington Trust, National Association, as indenture trustee (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed with the SEC as of February 3, 2025 (File No. 001-36708))
4.16	Series 2025-1 Supplement, dated as of February 3, 2025, by and among Uniti Fiber ABS Issuer LLC, Uniti Fiber TRS Issuer LLC, Uniti Fiber GulfCo LLC, Uniti Fiber TRS AssetCo LLC and Wilmington Trust, National Association, as indenture trustee (incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K filed with the SEC as of February 3, 2025 (File No. 001-36708))
10.1	Settlement Agreement, dated as of May 12, 2020 by and among Windstream Holdings, Inc., Windstream Services, LLC and certain of their subsidiaries, and Uniti Group Inc. and certain of its subsidiaries (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on May 15, 2020 (File No. 001-36708))

10.2	<u>Amended and Restated ILEC Master Lease, entered into as of September 18, 2020, by and between CSL National, LP and the other entities listed therein, as Landlord, and Windstream Holdings II, LLC (as successor in interest to Windstream Holdings, Inc.), Windstream Services II, LLC (as successor in interest to Windstream Services, LLC) and the other entities listed therein, as Tenant (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed with the SEC on November 9, 2020 (File No. 001-36708))</u>
10.3	<u>Amended and Restated CLEC Master Lease, entered into as of September 18, 2020, by and between CSL National, LP and the other entities listed therein, as Landlord, and Windstream Holdings II, LLC (as successor in interest to Windstream Holdings, Inc.), Windstream Services II, LLC (as successor in interest to Windstream Services, LLC) and the other entities listed therein, as Tenant (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q filed with the SEC on November 9, 2020 (File No. 001-36708))</u>
10.4	<u>Tax Matters Agreement, entered into as of April 24, 2015, by and among Windstream Holdings, Inc., Windstream Services, LLC and Communications Sales & Leasing, Inc. (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K dated and filed with the SEC as of April 27, 2015 (File No. 001-36708))</u>
10.5	<u>Credit Agreement, dated as of April 24, 2015, by and among Communications Sales & Leasing, Inc. and CSL Capital, LLC, as Borrowers, the guarantors party thereto, the lenders party thereto from time to time and Bank of America, N.A., as administrative agent, collateral agent, swing line lender and L/C issuer (incorporated by reference to Exhibit 10.10 to the Company's Current Report on Form 8-K dated and filed with the SEC as of April 27, 2015 (File No. 001-36708))</u>
10.6	<u>Amendment No. 1 to the Credit Agreement, dated as of October 21, 2016 by and among Communications Sales & Leasing, Inc. and CSL Capital, LLC, as borrowers, the guarantors party thereto, the lenders party thereto, and Bank of America, N.A., as administrative agent and collateral agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated and filed with the SEC as of October 21, 2016 (File No. 001-36708))</u>
10.7	<u>Amendment No. 2 to the Credit Agreement, dated as of February 9, 2017 by and among Communications Sales & Leasing, Inc. and CSL Capital, LLC, as borrowers, the guarantors party thereto, the lenders party thereto, and Bank of America, N.A., as administrative agent and collateral agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated and filed with the SEC as of February 9, 2017 (File No. 001-36708))</u>
10.8	<u>Amendment No. 3 (Incremental Amendment) to the Credit Agreement, dated as of April 28, 2017 by and among Uniti Group Inc. and CSL Capital, LLC, as borrowers, the guarantors party thereto, the lenders party thereto, and Bank of America, N.A., as administrative agent and collateral agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated as of May 1, 2017 and filed with the SEC as of May 2, 2017 (File No. 001-36708))</u>
10.9	<u>Amendment No. 4 and Limited Waiver to the Credit Agreement, dated as of March 18, 2019, among Uniti Group Inc., as parent guarantor, Uniti Group LP, Uniti Group Finance Inc. and CSL Capital, LLC, as borrowers, the guarantors party thereto, the lenders party thereto, and Bank of America, N.A., as administrative agent and collateral agent (incorporated by reference to Exhibit 10.11 to the Company's Annual Report on Form 10-K dated and filed with the SEC as of March 18, 2019 (File No. 001-36708))</u>
10.10	<u>Amendment No. 5 to the Credit Agreement, dated as of June 24, 2019, among Uniti Group Inc., as parent guarantor, Uniti Group LP, Uniti Group Finance Inc., and CSL Capital, LLC, as borrowers, the guarantors party thereto, the lenders party thereto, and Bank of America, N.A., as administrative agent and collateral agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated and filed with the SEC as of June 24, 2019 (File No. 001-36708))</u>
10.11	<u>Amendment No. 6 and Limited Waiver to the Credit Agreement, dated as of February 10, 2020, among Uniti Group LP, Uniti Group Finance 2019 Inc. and CSL Capital, LLC, as borrowers, the guarantor party thereto, the lenders party thereto, and Bank of America, N.A., as administrative agent and collateral agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on February 10, 2020 (File No. 001-36708))</u>
10.12	<u>Amendment No. 7 to the Credit Agreement, dated as of December 10, 2020, by and among Uniti Group Inc., as parent guarantor, Uniti Group LP, Uniti Group Finance Inc., and CSL Capital, LLC, as borrowers, the guarantors party thereto, the lenders party thereto, and Bank of America, N.A., as administrative agent and collateral agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated and filed with the SEC as of December 10, 2020 (File No. 001-36708))</u>

10.13	Amendment No. 8 to the Credit Agreement, dated as of March 24, 2023, among Uniti Group LP, Uniti Group Finance Inc. and CSL Capital LLC, as borrowers, the guarantor party thereto, the lenders party thereto, and Bank of America, N.A., as administrative agent and collateral agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated and filed with the SEC as of March 27, 2023 (File No. 001-36708))
10.14	Amendment No. 9 to the Credit Agreement, dated as of June 17, 2024, among Uniti Group LP, Uniti Group Finance Inc. and CSL Capital LLC, as borrowers, the guarantor party thereto, the lenders party thereto, and Bank of America, N.A., as administrative agent and collateral agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated June 17, 2024 and filed with the SEC as of June 18, 2024 (File No. 001-36708))
10.15	Agreement of Resignation, Appointment and Acceptance, dated as of June 26, 2019, by and among Uniti Group LP, CSL Capital, LLC, Uniti Group Finance, Inc., and Uniti Fiber Holdings, Inc., as Issuers, and Deutsche Bank Trust Company Americas, as successor trustee, and Wells Fargo Bank, N.A., as resigning trustee (incorporated by reference to Exhibit 10.4 to the Company's Quarterly Report on Form 10-Q dated and filed with the SEC as of August 8, 2019 (File No. 001-36708))
10.16	Borrower Assumption Agreement and Joinder, dated as of May 9, 2017 by and among Uniti Group Inc., as initial borrower, Uniti Group LP and Uniti Group Finance Inc., as borrowers, the guarantors party thereto, the lenders party thereto, and Bank of America, N.A., as administrative agent and collateral agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated and filed with the SEC as of May 9, 2017 (File No. 001-36708))
10.17	Recognition Agreement, dated April 24, 2015, by and among CSL National, LP and the other entities listed therein, as Landlord, and Windstream Holdings, Inc., as Tenant, and JPMorgan Chase Bank, N.A., as administrative agent and collateral agent (incorporated by reference to Exhibit 10.11 to the Company's Current Report on Form 8-K dated and filed with the SEC as of April 27, 2015 (File No. 001-36708))
10.18	Form of Capped Call Transaction Confirmation (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated and filed with the SEC as of December 12, 2022 (File No. 001-36708))
10.19+	Employment Agreement between Uniti Group Inc. and Kenneth Gunderman, effective as of December 14, 2018 (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated and filed with the SEC as of December 14, 2018 (File No. 001-36708))
10.20+	Form of Severance Agreement for executive officers (incorporated by reference to Exhibit 10.18 to the Company's Annual Report on Form 10-K dated and filed with the SEC as of February 28, 2023 (File No. 001-36708))
10.21+	Uniti Group Inc. 2015 Equity Incentive Plan, as amended and restated effective April 11, 2023 (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q dated and filed with the SEC as of May 4, 2023 (File No. 001-36708))
10.22+	Form of Restricted Shares Agreement for employees (incorporated by reference to Exhibit 10.19 to the Company's Annual Report on Form 10-K dated and filed with the SEC as of March 18, 2019 (File No. 001-36708))
10.23+	Form of Restricted Shares Agreement for executive officers (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K dated May 16, 2024 and filed with the SEC as of May 20, 2024 (File No. 001-36708))
10.24+#	Form of Restricted Shares Agreement for executive officers
10.25+	Form of Performance-Based Restricted Stock Unit Agreement (incorporated by reference to Exhibit 10.21 to the Company's Annual Report on Form 10-K dated and filed with the SEC as of March 18, 2019 (File No. 001-36708))
10.26+	Form of Performance-Based Restricted Stock Unit Agreement (incorporated by reference to Exhibit 10.22 to the Company's Annual Report on Form 10-K dated and filed with the SEC as of February 28, 2023 (File No. 001-36708))
10.27+	Form of Performance-Based Restricted Stock Unit Agreement for executive officers (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated May 16, 2024 and filed with the SEC as of May 20, 2024 (File No. 001-36708))
10.28+#	Form of Performance-Based Restricted Stock Unit Agreement for executive officers
10.29+	Form of Restricted Shares Agreement for non-employee directors (incorporated by reference to Exhibit 10.5 to the Company's Current Report on Form 8-K dated and filed with the SEC as of June 3, 2015 (File No. 001-36708))

10.30+	Form of Indemnity Agreement (incorporated by reference to Exhibit 10.20 to the Company's Registration Statement on Form S-4 dated and filed with the SEC as of July 2, 2015 (File No. 333-205450))
10.31+	Communications Sales & Leasing, Inc. Deferred Compensation Plan, effective August 10, 2015 (incorporated by reference to Exhibit 10.20 to the Company's Quarterly Report on Form 10-Q dated and filed with the SEC as of August 13, 2015 (File No. 001-36708))
10.32+	Uniti Group Inc. Amended and Restated Employee Stock Purchase Plan (incorporated by reference to Exhibit 99.1 to the Company's Registration Statement on Form S-8 dated and filed with the SEC as of June 7, 2018 (File No. 333-225501))
10.33+	Uniti Group Inc. Annual Short-Term Incentive Plan (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q dated and filed with the SEC as of May 11, 2020 (File No. 001-36708))
10.34	Bridge Loan and Security Agreement, dated as of February 23, 2024, by and among Uniti Fiber Bridge Borrower LLC, Uniti Fiber Bridge HoldCo LLC, the subsidiary guarantors from time to time party thereto, Wilmington Trust, National Association, as administrative agent, collateral agent, account bank and verification agent, Barclays Bank PLC, as facility agent, and the lenders from time to time party thereto (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated and filed with the SEC as of February 26, 2024 (File No. 001-36708))
10.35	Voting Agreement, dated as of May 3, 2024, between Uniti Group Inc., Elliott Investment Management L.P., Elliott Associates, L.P., Elliott International, L.P. and DEVONIAN II ICAV (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated and filed with the SEC as of May 3, 2024 (File No. 001-36708))
10.36	Unitholder Agreement, dated as of May 3, 2024, by and between Uniti Group Inc., Elliott Investment Management L.P., Elliott Associates, L.P., Elliott International, L.P., Nexus Aggregator L.P. and, solely for purposes of Section 2(b), Windstream Holdings II, LLC (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K dated and filed with the SEC as of May 3, 2024 (File No. 001-36708))
10.37	Unitholder Agreement, dated as of May 3, 2024, by and between Uniti Group Inc. and certain Windstream investors (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K dated and filed with the SEC as of May 3, 2024 (File No. 001-36708))
10.38	Form Stockholder Agreement, to be entered into by and among New Uniti, Elliott Investment Management L.P., Elliott Associates, L.P., Elliott International, L.P., Nexus Aggregator L.P. and DEVONIAN II ICAV (incorporated by reference to Exhibit 10.4 to the Company's Current Report on Form 8-K dated and filed with the SEC as of May 3, 2024 (File No. 001-36708))
10.39	Form Stockholder Agreement, to be entered into by and among New Uniti and certain Windstream investors (incorporated by reference to Exhibit 10.5 to the Company's Current Report on Form 8-K dated and filed with the SEC as of May 3, 2024 (File No. 001-36708))
19#	Uniti Group Inc. Insider Trading Policy
21.1#	List of Subsidiaries of Uniti Group Inc.
23.1#	Consent of KPMG LLP, independent registered public accounting firm
23.2*	Consent of PricewaterhouseCoopers LLP, independent registered accounting firm of Windstream Holdings II, LLC
31.1#	Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2#	Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.3*	Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.4*	Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1#	Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2#	Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

32.3*	Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.4*	Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
97	Uniti Group Inc. Policy Regarding Repayment or Forfeiture of Certain Compensation by Executive Officers ("Clawback Policy") (incorporated by reference to Exhibit 97 to the Company's Annual Report on Form 10-K dated and filed with the SEC as of February 29, 2024 (File No. 001-36708))
99.1*	Financial Statements of Windstream Holdings II, LLC
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

* Filed herewith
+ Constitutes a management contract or compensation plan or arrangement.
Incorporated by reference to the corresponding exhibit to the Original 10-K.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

UNITI GROUP INC.

Date: March 7, 2025

By:

/s/ Kenneth A. Gunderman

Kenneth A. Gunderman
President and Chief Executive Officer

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3 (No.333-271693) and Form S-8 (Nos. 333-203591, 333-225501 and 333-272247) of Uniti Group Inc., and the Registration Statement on Form S-4 (No. 333-281068) of Windstream Parent, Inc. of our report dated March 3, 2025 relating to the financial statements of Windstream Holdings II, LLC, which appears in this Form 10-K/A of Uniti Group Inc.

/s/ PricewaterhouseCoopers LLP
Little Rock, Arkansas
March 7, 2025

**CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Kenneth A. Gunderman, certify that:

1. I have reviewed this Annual Report on Form 10-K/A of Uniti Group Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report; and
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant, as of, and for, the periods presented in this report.

Date: March 7, 2025

By:

/s/ Kenneth A. Gunderman

Kenneth A. Gunderman
President and Chief Executive Officer

**CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Paul E. Bullington, certify that:

1. I have reviewed this Annual Report on Form 10-K/A of Uniti Group Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report; and
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant, as of, and for, the periods presented in this report.

Date: March 7, 2025

By:

/s/ Paul E. Bullington

Paul E. Bullington
Senior Vice President – Chief Financial Officer
and Treasurer

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report on Form 10-K/A of Uniti Group Inc. (the “Company”) for the period ending December 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, to my knowledge, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 7, 2025

By: /s/ Kenneth A. Gunderman

Kenneth A. Gunderman
President and Chief Executive Officer

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report on Form 10-K/A of Uniti Group Inc. (the “Company”) for the period ending December 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, to my knowledge, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 7, 2025

By:

/s/ Paul E. Bullington

Paul E. Bullington
Senior Vice President – Chief Financial Officer
and Treasurer

Windstream Holdings II, LLC
Consolidated Financial Statements

WINDSTREAM HOLDINGS II, LLC
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Report of Independent Registered Public Accounting Firm

To the Board of Managers and Unitholders of Windstream Holdings II, LLC

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Windstream Holdings II, LLC and its subsidiaries (the "Company") as of December 31, 2024 and 2023, and the related consolidated statements of operations, of comprehensive income (loss), of equity and of cash flows for each of the three years in the period ended December 31, 2024, including the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2024 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits of these consolidated financial statements in accordance with the standards of the PCAOB and in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Revenue Recognition - Service Revenues from Contracts with Customers

As described in Notes 2 and 7 to the consolidated financial statements, the Company recognizes revenues from contracts with customers primarily through the provisioning of telecommunications and other services. These services include a variety of communication and connectivity services for consumer and business customers including other carriers that use the Company's facilities to provide services to their customers, as well as professional and integrated managed services provided to large enterprises and government customers. Service revenues are recognized over the period that the corresponding services are rendered to customers. The service revenues recognized from contracts with customers was \$3,281.7 million for the year ended December 31, 2024.

The principal consideration for our determination that performing procedures relating to recognition of service revenues from contracts with customers is a critical audit matter is a high degree of auditor effort in performing procedures related to the Company's recognition of service revenues.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included, among others, (i) testing the completeness, accuracy, and occurrence of revenue recognized for a sample of service revenue transactions by obtaining and inspecting invoices, cash receipts from customers, and sales contracts, as applicable, (ii) recalculating service revenues from contracts with customers recognized based on the terms of each arrangement for a sample of transactions, and (iii) testing a sample of outstanding customer invoice balances as of December 31, 2024 by obtaining evidence of subsequent cash receipt or obtaining and inspecting source documents, such as invoices and sales contracts.

/s/ PricewaterhouseCoopers LLP
Little Rock, Arkansas
March 3, 2025

We have served as the Company's auditor since 2006.

WINDSTREAM HOLDINGS II, LLC
CONSOLIDATED STATEMENTS OF OPERATIONS

For the years ended December 31,

(Millions), except per unit amounts	2024	2023	2022
Revenues and sales:			
Service revenues	\$ 3,661.4	\$ 3,948.0	\$ 4,183.8
Sales revenues	56.9	38.7	45.1
Total revenues and sales	3,718.3	3,986.7	4,228.9
Costs and expenses:			
Cost of services (exclusive of depreciation and amortization included below)	2,308.5	2,457.9	2,653.1
Cost of sales	43.5	40.4	47.8
Selling, general and administrative	653.5	747.2	747.9
Depreciation and amortization	801.7	790.8	801.4
Net (gain) loss on asset retirements and dispositions	(25.0)	(1.8)	51.1
Gain on sale of operating assets	(129.0)	—	—
Merger expenses	26.5	—	—
Total costs and expenses	3,679.7	4,034.5	4,301.3
Operating income (loss)	38.6	(47.8)	(72.4)
Other expense, net	(11.6)	(13.8)	(21.9)
Loss on early extinguishment of debt	(18.5)	—	—
Interest expense	(239.6)	(209.6)	(185.4)
Loss before income taxes	(231.1)	(271.2)	(279.7)
Income tax benefit	19.9	61.4	62.0
Net loss	\$ (211.2)	\$ (209.8)	\$ (217.7)
Loss per unit:			
Basic	(\$2.33)	(\$2.33)	(\$2.42)
Diluted	(\$2.33)	(\$2.33)	(\$2.42)
Weighted average units outstanding:			
Basic	90.7	90.2	90.0
Diluted	90.7	90.2	90.0

The accompanying notes are an integral part of these consolidated financial statements.

WINDSTREAM HOLDINGS II, LLC
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
For the years ended December 31,

(Millions)	2024	2023	2022
Net loss	\$ (211.2)	\$ (209.8)	\$ (217.7)
Other comprehensive (loss) income:			
Designated interest rate swaps:			
Changes in fair value in the period	8.6	(0.5)	30.9
Net unrealized gains included in interest expense	(6.6)	(14.2)	(4.6)
De-designated interest rate swaps:			
Amortization of net unrealized gain	(7.3)	(5.0)	—
	(5.3)	(19.7)	26.3
Income tax benefit (expense)	1.3	4.9	(6.5)
Change in interest rate swaps	(4.0)	(14.8)	19.8
Postretirement plan:			
Change in net actuarial gain	—	—	2.6
Amounts included in net periodic benefit cost:			
Amortization of net actuarial gains	(0.7)	(0.7)	(0.6)
Amortization of prior service credits	(0.8)	(0.8)	(0.8)
	(1.5)	(1.5)	1.2
Income tax benefit (expense)	0.4	0.4	(0.3)
Change in postretirement plan	(1.1)	(1.1)	0.9
Other comprehensive (loss) income	(5.1)	(15.9)	20.7
Comprehensive loss	\$ (216.3)	\$ (225.7)	\$ (197.0)

The accompanying notes are an integral part of these consolidated financial statements.

WINDSTREAM HOLDINGS II, LLC
CONSOLIDATED BALANCE SHEETS

December 31,

(Millions), except number of common units	2024	2023
Assets		
Current Assets:		
Cash and cash equivalents	\$ 349.0	\$ 44.9
Restricted cash	5.3	5.3
Accounts receivable, net of allowance for credit losses of \$20.7 and \$22.9, respectively	310.1	352.6
Inventories	136.8	186.2
Prepaid expenses	130.6	144.7
Other current assets	190.1	88.2
Total current assets	1,121.9	821.9
Intangible assets, net	245.9	246.0
Property, plant and equipment, net	3,812.6	3,924.2
Operating lease right-of-use assets	3,287.9	3,686.3
Other assets	96.4	93.3
Total Assets	\$ 8,564.7	\$ 8,771.7
Liabilities and Equity		
Current Liabilities:		
Current portion of long-term debt	\$ —	\$ 7.5
Current portion of operating lease obligations	527.2	456.3
Accounts payable	183.5	242.7
Advance payments	137.6	164.2
Accrued taxes	52.3	58.3
Accrued interest	44.1	42.7
Other current liabilities	447.4	306.0
Total current liabilities	1,392.1	1,277.7
Long-term debt	2,672.0	2,319.0
Long-term operating lease obligations	3,053.6	3,455.2
Deferred income taxes	166.2	197.8
Other liabilities	371.3	380.2
Total liabilities	7,655.2	7,629.9
Commitments and Contingencies (See Note 17)		
Equity:		
Common units, 90,598,704 and 90,562,074 issued and outstanding, respectively	1,463.0	1,463.0
Additional paid-in capital	6.8	22.8
Accumulated other comprehensive income	13.8	18.9
Accumulated deficit	(574.1)	(362.9)
Total equity	909.5	1,141.8
Total Liabilities and Equity	\$ 8,564.7	\$ 8,771.7

The accompanying notes are an integral part of these consolidated financial statements.

WINDSTREAM HOLDINGS II, LLC
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the years ended December 31,

(Millions)	2024	2023	2022
Cash Flows from Operating Activities:			
Net loss	\$ (211.2)	\$ (209.8)	\$ (217.7)
Adjustments to reconcile net loss to net cash provided from operations:			
Depreciation and amortization	801.7	790.8	801.4
Gain on sale of operating assets	(129.0)	—	—
Net (gain) loss on asset retirements and dispositions	(25.0)	(1.8)	51.1
Provision for estimated credit losses	45.6	49.6	44.8
Loss on early extinguishment of debt	18.5	—	—
Pension expense	16.6	12.4	40.9
Deferred income taxes	(29.9)	(64.3)	(81.5)
Other, net	16.8	28.2	16.7
Changes in operating assets and liabilities, net			
Accounts receivable	(3.2)	(25.3)	(55.4)
Inventories	47.0	49.5	(91.4)
Prepaid expenses	14.1	(13.9)	(12.8)
Other current assets	(79.0)	6.9	(15.0)
Other assets	(11.2)	9.3	(16.9)
Accounts payable	(56.2)	49.0	22.5
Advance payments	(26.6)	17.0	7.1
Accrued interest	1.4	(1.0)	2.4
Accrued taxes	(6.0)	(17.1)	13.8
Other current liabilities	87.5	19.0	(6.5)
Other liabilities	(21.4)	(1.0)	15.9
Operating lease assets and lease obligations	67.7	65.9	(23.5)
Other, net	9.4	(1.0)	—
Net cash provided from operating activities	527.6	762.4	495.9
Cash Flows from Investing Activities:			
Capital expenditures	(884.3)	(1,058.4)	(1,080.8)
Uniti funding of growth capital expenditures	230.8	250.0	238.0
Capital expenditures funded by government grants	(100.8)	(67.9)	(52.1)
Grant funds received for broadband expansion	65.2	49.5	10.1
Proceeds from sale of operating assets	129.2	—	—
Proceeds from liquidation of non-marketable investment	9.2	—	—
Other, net	3.7	18.8	6.1
Net cash used in investing activities	(547.0)	(808.0)	(878.7)
Cash Flows from Financing Activities:			
Proceeds of debt issuances	2,972.0	520.0	642.5
Repayments of debt	(2,610.7)	(527.5)	(412.5)
Debt issuance costs	(22.4)	—	(6.9)
Payments under finance leases	(6.8)	(10.2)	(10.3)
Other, net	(8.6)	(4.4)	(2.9)
Net cash provided from (used in) financing activities	323.5	(22.1)	209.9
Net increase (decrease) in cash, cash equivalents and restricted cash	304.1	(67.7)	(172.9)
Cash, Cash Equivalents and Restricted Cash:			
Beginning of period	50.2	117.9	290.8
End of period	\$ 354.3	\$ 50.2	\$ 117.9
Supplemental Cash Flow Disclosures:			
Interest paid, net of interest capitalized	\$ 206.5	\$ 203.7	\$ 173.4
Income taxes paid, net	\$ 11.8	\$ 11.6	\$ 11.7
Change in accounts payable and other current liabilities for purchases of property and equipment	\$ 10.3	\$ (4.9)	\$ 11.9

The accompanying notes are an integral part of these consolidated financial statements.

WINDSTREAM HOLDINGS II, LLC
CONSOLIDATED STATEMENTS OF EQUITY

(Millions)	Equity Units	Additional Paid-In Capital	Accumulated Other Comprehensive Income	Retained Earnings (Accumulated Deficit)	Total
Balance as of December 31, 2021	\$ 1,463.0	\$ 8.3	\$ 14.1	\$ 64.6	\$ 1,550.0
Net loss	—	—	—	(217.7)	(217.7)
Other comprehensive income, net of tax:					
Change in postretirement plan	—	—	0.9	—	0.9
Change in interest rate swaps	—	—	19.8	—	19.8
Comprehensive income (loss)	—	—	20.7	(217.7)	(197.0)
Equity-based compensation	—	7.9	—	—	7.9
Other	—	(2.6)	—	—	(2.6)
Balance as of December 31, 2022	\$ 1,463.0	\$ 13.6	\$ 34.8	\$ (153.1)	\$ 1,358.3
Net loss	—	—	—	(209.8)	(209.8)
Other comprehensive loss, net of tax:					
Change in postretirement plan	—	—	(1.1)	—	(1.1)
Change in interest rate swaps	—	—	(11.0)	—	(11.0)
Amortization of unrealized gain on de-designated interest rate swap	—	—	(3.8)	—	(3.8)
Comprehensive loss	—	—	(15.9)	(209.8)	(225.7)
Equity-based compensation	—	13.0	—	—	13.0
Taxes withheld on vested and settled restricted common units and other	—	(3.8)	—	—	(3.8)
Balance as of December 31, 2023	\$ 1,463.0	\$ 22.8	\$ 18.9	\$ (362.9)	\$ 1,141.8
Net loss	—	—	—	(211.2)	(211.2)
Other comprehensive loss, net of tax:					
Change in postretirement plan	—	—	(1.1)	—	(1.1)
Change in designated interest rate swaps	—	—	1.5	—	1.5
Amortization of net unrealized gain on de-designated interest rate swaps	—	—	(5.5)	—	(5.5)
Comprehensive loss	—	—	(5.1)	(211.2)	(216.3)
Reclassification of equity awards	—	(15.6)	—	—	(15.6)
Equity-based compensation	—	1.9	—	—	1.9
Taxes withheld on vested and settled restricted common units and other	—	(2.3)	—	—	(2.3)
Balance as of December 31, 2024	\$ 1,463.0	\$ 6.8	\$ 13.8	\$ (574.1)	\$ 909.5

The accompanying notes are an integral part of these consolidated financial statements.

WINDSTREAM HOLDINGS II, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Background and Basis of Presentation:

Organizational Structure – Windstream Holdings II, LLC (“Holdings”), a Delaware limited liability company, together with its consolidated subsidiaries, (collectively, “Windstream,” “the Company,” “we,” or “our”), is a privately held company with no publicly registered debt or equity securities. Windstream Services, LLC (“Services” or the “Borrower”) is a wholly owned subsidiary of Holdings.

Foreign Ownership and Equity Interests – At its emergence from bankruptcy in September 2020, the Company issued 90.0 million equity units, consisting of approximately 15.6 million common units and approximately 74.4 million special warrants to purchase common units to holders of allowed first lien claims and participants in a \$750.0 million rights offering. On June 2, 2023, the Federal Communications Commission (“FCC”) issued a final order approving the Company’s Petition for Declaratory Ruling regarding foreign equity and ownership interests of the Company. Issuance of this order triggered the automatic exchange of special warrants issued to certain equity holders for common units or limited rights common units in a one-to-one exchange. As a result of the FCC order, approximately 74.4 million special warrants became null, void and worthless as of June 9, 2023, the effective date of the exchange. Following the exchange, the Company had approximately 90.2 million common units issued and outstanding. There were no material impacts to the ownership structure or governance of the Company as a result of the exchange.

Description of Business – Windstream’s quality-first approach connects customers to new opportunities and possibilities by leveraging its nationwide network to deliver a full suite of advanced communications services. We provide fiber-based broadband to residential and small business customers in eighteen states, managed cloud communications and security services for large enterprises and government entities across the United States of America (“U.S.”), and tailored waves and transport solutions for carriers, content providers and large cloud computing and storage service providers in the U.S. and Canada. Our operations are organized into three business segments: Kinetic, Enterprise and Wholesale. The Kinetic segment serves consumer and small business customers in markets in which we are the incumbent local exchange carrier (“ILEC”) and provides services over network facilities operated by us. In addition to large business and wholesale customers with the majority of their service locations residing in ILEC markets, the Enterprise and Wholesale segments also serve customers in markets in which we are a competitive local exchange carrier (“CLEC”) and provide services over network facilities primarily leased from other carriers.

Consumer service revenues are generated from the provisioning of broadband and voice services to consumers. Enterprise and Kinetic business service revenues include revenues from managed communications services, integrated voice and data services, advanced data and traditional voice and long-distance services provided to large, mid-market and small business customers. Enterprise strategic revenues consist of recurring Secure Access Service Edge (“SASE”), Unified Communications as a Service, OfficeSuite UC®, Software Defined Wide Area Network and associated network access products and services. Enterprise revenues also include dynamic Internet protocol, dedicated Internet access, multi-protocol label switching services, and time-division multiplexing (“TDM”), voice and data services. Wholesale revenues include revenues from other communications services providers for special access circuits and fiber connections, voice and data transport services, and wireless backhaul services. Additionally, service revenues also include switched access revenues, mounts received from the Rural Digital Opportunity Fund (“RDOF”), federal and state Universal Service Fund (“USF”) revenues, end user surcharges and revenues from providing other miscellaneous services.

Sales revenues include sales of various types of communications equipment and products to customers including selling network equipment to contractors on a wholesale basis. Enterprise product sales include high-end data and communications equipment which facilitate the delivery of advanced data and voice services to enterprise customers. Sales revenues also include amounts recognized from sales-type leases for fiber where control of the fiber has transferred to the customer.

See Notes 7 and 14 for additional information regarding the Company’s business segments.

WINDSTREAM HOLDINGS II, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

2. Summary of Significant Accounting Policies and Changes:

Significant Accounting Policies

Consolidation – The accompanying consolidated financial statements include the accounts of the Company and its subsidiaries. All intercompany transactions have been eliminated, as applicable.

Use of Estimates – The preparation of financial statements, in accordance with accounting principles generally accepted in the U.S. (“U.S. GAAP”), requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and disclosure of contingent assets and liabilities. The estimates and assumptions used in the accompanying consolidated financial statements are based upon management’s evaluation of the relevant facts and circumstances as of the date of the consolidated financial statements. Actual results may differ from the estimates and assumptions used in preparing the accompanying consolidated financial statements, and such differences could be material.

Cash and Cash Equivalents – Cash and cash equivalents consist of highly liquid investments with original maturities of three months or less.

Restricted Cash – Deposits held as security for indebtedness under our corporate purchase card program and not available for use have been presented as restricted cash in the accompanying consolidated financial statements.

Accounts Receivable – Accounts receivable consist principally of amounts billed and currently due from customers and are generally unsecured and due within 30 days. The amounts due are stated at their net estimated realizable value. An allowance for credit losses is maintained to provide for the estimated amount of receivables that will not be collected. Concentration of credit risk with respect to accounts receivable is limited because a large number of geographically diverse customers make up our customer base. Due to varying customer billing cycle cut-offs, management must estimate service revenues earned but not yet billed at the end of each reporting period. Included in accounts receivable are unbilled revenues related to communications services and product sales of \$20.3 million and \$26.2 million as of December 31, 2024 and 2023, respectively.

Accounts receivable consists of the following as of December 31:

(Millions)		2024		2023
Accounts receivable	\$	330.8	\$	375.5
Less: Allowance for credit losses		(20.7)		(22.9)
Accounts receivable, net	\$	310.1	\$	352.6

Allowance for Credit Losses – Management estimates credit losses for trade receivables by aggregating similar customer types together to calculate expected default rates based on historical losses as a percentage of total aged receivables. These rates are then applied, on a monthly basis, to the outstanding balances staged by customer. In addition to continued evaluation of historical losses, forward-looking information and forecasts should be considered in determining credit loss estimates. Our current forecast methodology assesses historical trends to project future losses and is not forward-looking for potential economic factors that would change the credit loss model. Therefore, historical trends continue to be the most accurate expectation of future losses as the Company has defined rules around customers who can establish service. Our revenue and associated accounts receivable are based upon a recurring revenue structure whereby customers are billed in advance of service being provided over the ensuing 30 days and there is little month-to-month volatility in the composition of the customer base across all segments. Management is actively monitoring current economic conditions, including the impacts of inflation on our customers and their associated accounts receivable balances in order to adjust the allowance for credit losses accordingly. To date, no material risk has been identified; however, management will continue to monitor and make adjustments, as necessary.

WINDSTREAM HOLDINGS II, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

2. Summary of Significant Accounting Policies and Changes, Continued:

Activity in the allowance for credit losses consisted of the following:

(Millions)	
Balance as of December 31, 2022	\$ 20.4
Provision for estimated credit losses	49.6
Write-offs, net of recovered accounts	(47.1)
Balance as of December 31, 2023	\$ 22.9
Provision for estimated credit losses	45.6
Write-offs, net of recovered accounts	(47.8)
Balance as of December 31, 2024	\$ 20.7

Inventories – Inventories include finished goods consisting of network components to be installed into the network, equipment to be sold to customers and materials and supplies used for maintenance and repairs. Inventories are stated at the lower of cost or net realizable value. Cost is determined using either an average original cost or specific identification method of valuation.

Prepaid Expenses – Prepaid expenses primarily consist of prepaid services, rent, insurance, taxes, maintenance contracts, refundable deposits, and the current portion deferred contract costs recorded in accounting for revenue from contracts with customers. Prepayments are expensed on a straight-line basis over the corresponding life of the underlying agreements.

Other Current Assets – Other current assets primarily consist of receivables related to federal and state broadband grant programs and the current portion of interest rate swap agreements and contract assets recorded in accounting for revenue from contracts with customers. As of December 31, 2024, other current assets include a loss recovery insurance receivable of \$85.0 million for insurance proceeds deemed probable of recovery (see Note 17).

Intangible Assets – Indefinite-lived intangible assets consist of spectrum licenses that provide the exclusive right to utilize designated radio frequency spectrum to provide telecommunication services. The spectrum licenses were purchased in the 3.5, 24, 28, and 37 gigahertz (“GHz”) airwave auctions conducted by the FCC in 2020 and 2019. The spectrum licenses have an initial term of 10 years and are subject to renewal by the FCC. Currently, there are no legal, regulatory, contractual, competitive, economic or other factors that would limit the useful life of the spectrum licenses. Management evaluates the useful life determination for the spectrum licenses each year to determine whether events and circumstances continue to support an indefinite useful life. Indefinite-lived intangible assets are not amortized and are tested for impairment annually or more frequently if events or changes in circumstances indicate that it is more likely than not that the asset is impaired.

Finite-lived intangible assets are initially recorded at estimated fair value. Customer relationships are amortized using the sum-of-the-years-digits method over the estimated lives of the customer relationships. All other finite-lived intangible assets are amortized using a straight-line method over the estimated useful lives. See Note 3 for additional information regarding intangible assets.

Property, Plant and Equipment – Property, plant and equipment is stated at original cost, less accumulated depreciation. Property, plant and equipment consists of central office equipment, office and warehouse facilities, outside communications plant, customer premise equipment, furniture, fixtures, vehicles, machinery, other equipment and software to support the business units in the distribution of telecommunications products. The costs of additions, replacements, substantial improvements and extension of the network to the customer premise, including related contract and internal labor costs, are capitalized, while the costs of maintenance and repairs are expensed as incurred. Capitalized internal labor costs include non-cash equity-based compensation and the matching contribution to the employee savings plan for those employees directly involved with construction activities. Depreciation expense was \$758.8 million, \$712.8 million, and \$686.0 million for the years ended December 31, 2024, 2023 and 2022, respectively.

WINDSTREAM HOLDINGS II, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

2. Summary of Significant Accounting Policies and Changes, Continued:

Property, plant and equipment, net consisted of the following as of December 31:

(Millions)	Depreciable Lives	2024	2023
Land		\$ 28.9	\$ 31.1
Building and improvements	3-30 years	260.5	261.8
Central office equipment	3-25 years	1,840.5	1,656.2
Outside communications plant	7-40 years	1,726.8	1,634.1
Furniture, vehicles and other equipment	1-23 years	1,097.9	1,144.0
Tenant capital improvements	2-10 years	617.9	463.4
Construction in progress		446.9	445.0
		6,019.4	5,635.6
Less accumulated depreciation		(2,206.8)	(1,711.4)
Property, plant and equipment, net		\$ 3,812.6	\$ 3,924.2

Tenant capital improvements (“TCIs”) consist of capital expenditures for upgrades or replacements to the network assets leased from Uniti Group, Inc. (“Uniti”) that are funded by the Company and become the property of Uniti at the time such improvements are placed in service. TCIs are accounted for as leasehold improvements and are depreciated over the shorter of the estimated useful life of the asset or the remaining initial contractual term of the Uniti master leases. TCIs also include growth capital improvements (“GCIs”). Under the master lease agreements, GCIs initially funded by Windstream and for which reimbursement from Uniti has been requested, but not yet received are reflected as TCIs in property, plant and equipment, net and become the property of Uniti when placed in service. When reimbursements for GCIs are received from Uniti, the related TCIs are derecognized and become leased assets under the master lease agreements. GCI reimbursements received from Uniti totaled \$230.8 million, \$250.0 million and \$238.0 million for the years ended December 31, 2024, 2023 and 2022, respectively.

Depreciation expense is computed using the straight-line method over the estimated useful lives of the related assets. When depreciable plant is retired or otherwise disposed of, the related cost and accumulated depreciation is deducted from the plant accounts, with the corresponding gain or loss reflected in operating results.

Interest is capitalized in connection with the acquisition or construction of plant assets. Capitalized interest is included in the cost of the asset with a corresponding reduction in interest expense. Capitalized interest was \$16.7 million, \$16.1 million and \$6.6 million for the years ended December 31, 2024, 2023 and 2022, respectively.

Gain on Sale of Operating Assets – In March 2024, the Company sold certain of its unused IPv4 addresses for \$104.3 million and received \$103.5 million in cash, net of broker fees. Including other transaction-related expenses, the Company recognized a pretax gain of \$103.2 million from the sale.

In October 2024, the Company entered into a purchase agreement to sell certain of its remaining unused IPv4 addresses in two separate tranches, with proceeds from the first tranche totaling approximately \$26.1 million and proceeds from the second tranche totaling approximately \$26.2 million. Neither tranche is contingent on the other for closing. The first tranche closed on December 2, 2024, and Windstream received \$25.7 million in cash, net of broker fees and recognized a pretax gain equal to the amount of the cash proceeds. As further discussed in Note 18, the second tranche closed on February 18, 2025.

Net (Gain) Loss on Asset Retirements and Dispositions – In conjunction with the Company’s ongoing initiatives to migrate substantially all of its CLEC customers from TDM network equipment to newer technologies, replace existing ILEC copper cable with fiber optic cable, and reduce the number of leased and colocation sites, the Company retired certain property, plant and equipment, primarily consisting of TDM equipment and copper cable. Upon retirement, the Company wrote-off the remaining net book value of the related assets and recorded pretax losses totaling \$12.2 million, \$31.5 million and \$61.6 million for the years ended December 31, 2024, 2023 and 2022, respectively. On an aggregate basis, the Company realized aggregate pretax gains from the disposal of vehicles and other assets of \$4.4 million, \$6.3 million and \$1.5 million during 2024, 2023 and 2022, respectively.

WINDSTREAM HOLDINGS II, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

2. Summary of Significant Accounting Policies and Changes, Continued:

Windstream has received and expects to receive funds for capital expenditures to expand the availability and affordability of residential broadband service via direct grants or through the formation of public-private partnerships. These funds are accounted for as a reduction of the gross cost of the related capital expenditures. Under the master lease agreements, Uniti reimburses Windstream for GCIs on a gross basis. As previously discussed, when reimbursements for GCIs are received from Uniti, the related TCIs are derecognized. Differences in the amount of the GCI reimbursements and the carrying value of the TCIs are recognized as gains. During the years ended December 31, 2024, 2023 and 2022, the Company recorded pretax gains of \$41.6 million, \$27.0 million and \$9.0 million, respectively, related to GCI reimbursements that exceeded the carrying value of TCIs at the time of reimbursement.

Asset Retirement Obligations – Asset retirement obligations are recognized in accordance with authoritative guidance on accounting for asset retirement obligations and conditional asset retirement obligations, which requires recognition of a liability for the fair value of an asset retirement obligation if the amount can be reasonably estimated. Asset retirement obligations include legal obligations to remediate the asbestos in certain buildings upon our exit, to properly dispose of chemically-treated telephone poles upon removal from service and to restore certain leased properties to their previous condition upon exit from the lease. Asset retirement obligations totaled \$29.9 million and \$27.5 million as of December 31, 2024 and 2023, respectively, and are included in other liabilities in the accompanying consolidated balance sheets.

Impairment of Long-Lived Assets – Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset group may not be recoverable from future, undiscounted net cash flows expected to be generated by the asset group. If the asset group is not fully recoverable, an impairment loss would be recognized for the difference between the carrying value of the asset group and its estimated fair value based on discounted net future cash flows.

Derivative Instruments – Derivative instruments are accounted for in accordance with authoritative guidance for recognition, measurement and disclosures about derivative instruments and hedging activities, including when a derivative or other financial instrument can be designated as a hedge. This guidance requires recognition of all derivative instruments at fair value as either assets or liabilities, depending on the rights or obligations under the related contracts, and accounting for the changes in fair value based on whether the derivative has been designated as, qualifies as and is effective as a hedge. Changes in fair value of cash flow hedges are recorded as a component of other comprehensive income (loss) in the current period. Cash settlements related to our cash flow hedges are presented in operating activities within the accompanying consolidated statements of cash flows. In the event a cash flow hedge is no longer highly effective, it will be de-designated and changes in fair value will be recognized in earnings in the current period. See Note 5 for additional information regarding the Company's hedging activities and derivative instruments.

Revenue Recognition – Revenues from contracts with customers are earned primarily through the provisioning of telecommunications and other services and through the sale of equipment to customers and contractors. These services include a variety of communication and connectivity services for consumer and business customers including other carriers that use our facilities to provide services to their customers, as well as professional and integrated managed services provided to large enterprises and government customers. These revenues are accounted for under Accounting Standards Codification ("ASC") Topic 606, Revenue from Contracts with Customers ("ASC 606"). Revenues that are not accounted for under ASC 606 are earned from leasing arrangements, federal and state USF programs and other regulatory-related sources and activities.

A contract's transaction price, considering discounts given for bundled purchases and promotional credits, is allocated to each distinct performance obligation, a promise in a contract to transfer a distinct good or service to the customer, and recognized as revenue when, or as, the performance obligation is satisfied. While the majority of our contracts have multiple performance obligations, the revenue recognition pattern is generally not impacted by the allocation since the performance obligations are generally satisfied over the same period of time. When the method and timing of transfer and performance risk are the same, services are deemed to be highly interdependent. Highly interdependent, indistinct services are combined into a single performance obligation. Although each month of services promised is a separate performance obligation, the series of monthly service performance obligations promised over the course of the contract is deemed to be a single performance obligation for purposes of the allocation.

WINDSTREAM HOLDINGS II, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

2. Summary of Significant Accounting Policies and Changes, Continued:

For contracts with multiple performance obligations, the contract's transaction price is allocated to each performance obligation based on the relative standalone selling price of each performance obligation in the contract. The standalone selling price is the estimated price the Company would charge for the good or service in a separate transaction with similar customers in similar circumstances. Identifying distinct performance obligations and determining the standalone selling price for each performance obligation within a contract with multiple performance obligations requires management judgment.

Performance obligations are satisfied over time as services are rendered or at a point in time depending on our evaluation of when the customer obtains control of the promised goods. Revenue is recognized when obligations under the terms of a contract with the customer are satisfied; generally, this occurs when services are rendered or control of the communication products is transferred. Service revenues are recognized over the period that the corresponding services are rendered to customers. Revenues that are billed in advance include monthly recurring network access and data services, special access and monthly recurring voice, Internet and other related charges. Revenues derived from other telecommunications services, including interconnection, long-distance and enhanced services are recognized monthly as services are provided. Telecommunications network maintenance revenue from indefeasible rights to use fiber optic network facility arrangements are generally recognized over the term of the related contract. Sales of communications products including customer premise equipment and modems are recognized when products are delivered to and accepted by customers.

In determining whether installation is a separate performance obligation, management evaluates, among other factors, whether other performance obligations are highly dependent upon installation requiring significant integration or customization or whether a customer can benefit from the installation with other readily available resources. In circumstances where customers can benefit from the installation with other readily available resources, installation is a separate performance obligation. Installation revenue is recognized when the installation is complete. In circumstances where other telecommunication service performance obligations are highly dependent upon installation, installation is not a separate purchase obligation, and accordingly, the installation fees are included in the transaction price allocated to and recognized with other telecommunication service performance obligations.

Fees assessed to customers for service activation are considered a material right in a month-to-month contract. These service activation fees are deferred and recognized as service revenue on a straight-line basis over the estimated life of the customer.

The Company has adopted the predominance practical expedient applicable to contracts with customers that include both lease and non-lease components and combines the lease and non-lease components into a single performance obligation for purposes of recognizing revenue from such contracts.

As a practical expedient, similar contracts or performance obligations are grouped together into portfolios of contracts or performance obligations when the result does not differ materially from considering each contract or performance obligation separately. The portfolio approach is applied for the following: service activations, installation services, certain promotional credits, commissions and other costs to fulfill a contract. Portfolios are recognized over the estimated life of the customer. Determining the estimated life of the customer requires management judgment.

The estimated life of customer relationships varies by customer type. Wholesale customer lives are estimated based on the average number of months each individual circuit is active. Business customer lives are based on average contract terms. Residential customer lives are estimated based on average customer tenure.

Certain contracts include discounts and promotional credits given to customers. Discounts and promotional credits are included in the transaction price. These estimates are based on historical experience and anticipated performance.

In determining whether to include in revenues and expenses, the taxes and surcharges assessed and collected from customers and remitted to government authorities, including USF charges, sales, use, value added and excise taxes, management evaluates, among other factors, whether the Company is the primary obligor or principal tax payer for the fees and taxes assessed in each jurisdiction in which it operates. In those jurisdictions for which the Company is the primary obligor, taxes and surcharges are recorded on a gross basis and included in revenues and costs of services and products. In jurisdictions in which the Company functions as a collection agent for the government authority, taxes are recorded on a net basis and the amounts excluded from revenues and costs of services and products.

WINDSTREAM HOLDINGS II, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

2. Summary of Significant Accounting Policies and Changes, Continued:

The Company offers third-party video services to customers. The third-party service provider retains control of the service and is the primary obligor. Accordingly, the Company records commissions received on a net basis.

See Note 7 for additional information regarding our revenues from contracts with customers including contract balances, remaining performance obligations, revenue by category and deferred contract costs.

Government Assistance – The Company receives federal and state governmental assistance in the form of subsidies and grants for either the construction of long-lived assets used in providing broadband service or to help offset the high cost of providing service to rural markets. In absence of specific U.S. GAAP related to the accounting for government grants applicable to for-profit entities, the Company considered the application of other authoritative accounting guidance by analogy and concluded that International Accounting Standard 20 – Accounting for Government Grants and Disclosures of Government Assistance (“IAS 20”) was the most appropriate authoritative guidance for recording and classifying federal and state governmental assistance received by the Company.

Under IAS 20, the accounting for government grants should be based on the nature of the expenditures which the grant is intended to compensate and should be recognized when there is reasonable assurance that the Company has met the requirements of the applicable program and there is reasonable assurance that the funding will be received. Grants that compensate Windstream for the cost of acquiring or constructing long-lived assets are recognized as a reduction in the cost of the related asset. If Windstream receives the grant funding upfront in advance of completing the related construction project, the Company establishes a liability for the portion of the grant funds received but not yet spent. The liability is then relieved on a pro rata basis as construction occurs and capital expenditures are incurred. Included in other current liabilities was \$3.3 million as of December 31, 2024 for funding received but not yet spent. Conversely, if Windstream incurs capital expenditures prior to receiving the grant funds, the Company records a receivable equal to the amount of capital expenditures incurred to be funded by the grant. Included in other current assets were \$63.3 million and \$28.1 million as of December 31, 2024 and 2023, respectively, for funding not yet received.

Intercarrier Billing Disputes – The Company routinely disputes network access charges that are billed by other companies for access to their networks. Management has accrued amounts that it believes are adequate related to ongoing billing disputes. The reserves are subject to changes in estimates and management judgment as new information becomes available. Due to the length of time historically required to resolve these disputes, these matters may be resolved or require adjustment in future periods and relate to costs invoiced, accrued or paid in prior periods. Amounts recorded for billing disputes were not material as of December 31, 2024 and 2023. While management believes the reserves recorded for billing disputes are adequate as of December 31, 2024, it is possible that future adjustments to these reserves could be recorded and such adjustments could be significant.

Advertising – Advertising costs are expensed as incurred. Advertising expense totaled \$53.8 million, \$67.9 million and \$64.8 million for the years ended December 31, 2024, 2023 and 2022, respectively.

Equity-based Compensation – The Company has issued equity-based awards in the form of time-based restricted common units, performance-based restricted common units and performance-based options. Compensation expense for time-based restricted units is measured at fair value on the date of the grant and recognized over the requisite service period. Compensation expense for performance-based restricted common units and options is measured at the grant date fair value and recognized when it is probable that the performance condition (e.g., occurrence of a liquidity or change-in-control event) will be achieved. Forfeitures are accounted for prospectively when they occur.

WINDSTREAM HOLDINGS II, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

2. Summary of Significant Accounting Policies and Changes, Continued:

Fair value of time-based restricted common units, performance-based common units and performance-based options was determined using a Black-Scholes option-pricing model that also utilizes a Monte Carlo simulation in determining fair value of the performance-based common units and options. To determine the underlying fair value of Windstream's common units at the date of grant, the Company utilized independent third-party valuations that included a combination of an income approach, based on the present value of estimated future cash flows of the Company, and a market approach based on market data of comparable public companies to determine Windstream's enterprise value and total equity value. The discounted cash flow model reflected our assumptions regarding revenue growth rates, cost structure, economic and market trends, and other expectations impacting our expected future operating results. The Company discounted the estimated cash flows using rates that represented a market participant's weighted average cost of capital commensurate with the underlying business operations. The market approach developed an indication of fair value by calculating average market pricing multiples of revenues and earnings before interest, taxes, depreciation for selected peer publicly traded companies. Equal weighting was assigned to each valuation approach to determine the concluded underlying fair value of the Company's common units on a per unit basis.

Compensation expense for equity-based awards is included in cost of services and selling, general and administrative expenses in the accompanying consolidated statements of operations. See Note 11 for additional information relating to equity-based awards.

Pension Benefits – Changes in the fair value of plan assets and actuarial gains and losses due to actual experience differing from actuarial assumptions, are recognized as a component of net periodic pension expense in the fourth quarter in the year in which the gains and losses occur, and if applicable in any quarter in which an interim remeasurement is required. The remaining components of net periodic pension expense, primarily benefits earned, interest cost and expected return on plan assets, are recognized ratably on a quarterly basis. See Note 10 for additional information regarding actuarial assumptions, net periodic pension expense, projected benefit obligation, plans assets, future contributions and payments.

Leases – The Company leases network assets and equipment, real estate, office space and office equipment. Leases with an initial term of 12 months or less are not recorded on the balance sheet, and lease expense for these leases is recognized on a straight-line basis over the lease term. Lease agreements with lease and nonlease components are generally accounted for separately. For certain agreements in which the Company leases space for data storage and communications equipment within data centers, central offices of other interexchange carriers and alternative access providers, Windstream accounts for the lease and nonlease components as a single lease component when the timing and pattern of transfer of the lease and nonlease components are identical, and the lease classification would have been an operating lease absent the combination.

Windstream uses an incremental borrowing rate when the rates implicit in the leases are not readily determinable. The incremental borrowing rates are based on a bond yield curve derived from publicly-traded bond offerings of telecommunications companies with similar credit characteristics that approximate the interest rates that Windstream would incur to borrow on a collateralized basis over a similar period of time as the average remaining lease term of our existing lease portfolio. Following the completion of debt refinancing transactions in October 2024 (see Note 4), the incremental borrowing rates are based on Windstream's secured borrowing rates. Windstream applies the incremental borrowing rate to new leases entered into during the period.

Certain of our lease agreements include rental payments adjusted periodically for inflation. Lease liabilities are not remeasured as a result of changes to the inflation index. Changes to the inflation index are treated as variable lease payments and recognized in the period in which the obligation for those payments was incurred. Our lease agreements do not contain any material residual value guarantees or material restrictive covenants.

The exercise of lease renewal options is at our sole discretion. At inception of a lease, the lease term is generally equal to the initial lease term as a renewal is not reasonably certain at inception. Subsequent renewals are treated as lease modifications. Due to the nature and expected use of the leased assets, exercise of renewal options is reasonably certain for month-to-month fiber, colocation, point of presence and rack space leases. The lease term is based on the average lease term for similar assets or expected period of use of the underlying asset. The Company applies a portfolio approach to effectively account for the operating lease right-of-use asset and liability for these low-dollar, high-volume leases. Certain leases also include options to purchase the leased property.

WINDSTREAM HOLDINGS II, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

2. Summary of Significant Accounting Policies and Changes, Continued:

Generally, lease agreements that include a bargain purchase option, transfer of ownership, contractual lease term equal to or greater than 75 percent of the remaining estimated economic life of the leased facilities or equipment or present value of minimum lease payments equal to or greater than 90 percent of the fair value of the leased facilities or equipment are accounted for as finance leases.

Leasehold improvements are amortized over the shorter of the estimated useful life of the asset or the lease term, including renewal option periods that are reasonably assured.

Income Taxes – Income taxes are accounted for in accordance with guidance on accounting for income taxes under the asset and liability method. Deferred tax assets and liabilities are recognized for the estimated future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax balances are adjusted to reflect tax rates based on currently enacted tax laws, which will be in effect in the years in which the temporary differences are expected to reverse. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the results of operations in the period of the enactment date. A valuation allowance is recorded to reduce the carrying amounts of deferred tax assets unless it is more likely than not that such assets will be realized. Uncertain tax positions are accounted for in accordance with authoritative guidance which prescribes a minimum recognition threshold a tax position is required to meet before being recognized in the financial statements. Our evaluations of tax positions consider various factors including, but not limited to, changes in tax law, the measurement of tax positions taken or expected to be taken in tax returns, the effective settlement of matters subject to audit, information obtained during in process audit activities and changes in facts or circumstances related to a tax position. Potential interest and penalties related to unrecognized tax benefits are accrued for in income tax benefit (expense). The Company uses the portfolio approach for releasing income tax effects from accumulated other comprehensive income.

Loss Per Unit – The Company computes basic and diluted loss per unit by dividing net loss applicable to common units and special warrants by the weighted average number of common units and special warrants outstanding during each period. Because the special warrants were convertible into common units for no additional consideration and were exchanged for common units upon receipt of the FCC order previously discussed in Note 1, the special warrants are included in the number of outstanding units for both basic and diluted loss per unit.

Vested unsettled time-based restricted units include a non-forfeitable right to receive dividend equivalent distributions on a one-to-one per unit ratio to common units and therefore are considered participating securities and would be included in the computation of earnings per unit pursuant to the two-class method. Calculations of earnings per unit under the two-class method exclude from the numerator any dividends paid or owed to participating securities and any undistributed earnings considered to be attributable to participating securities. The related participating securities are similarly excluded from the denominator.

Potentially dilutive securities include incremental shares issuable upon vesting of time-based restricted common units. Unvested time-based restricted common units are included in the computation of dilutive earnings per unit using the treasury stock method. Dilutive earnings (loss) per unit excludes all potentially dilutive securities if their effect is anti-dilutive.

The Company has also issued performance-based options and performance-based restricted common units as part of its equity-based compensation plan. For these performance-based awards, the right to receive dividend equivalent distributions is forfeited if the awards do not vest and therefore are considered non-participating securities under the two-class method until the performance conditions have been satisfied. Because vesting of these performance-based awards is conditioned upon the occurrence of a change in control or liquidity event, they are excluded in the computation of diluted earnings (loss) per unit until it is probable that a change in control or liquidity event will occur.

WINDSTREAM HOLDINGS II, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

2. Summary of Significant Accounting Policies and Changes, Continued:

A reconciliation of net loss and number of units used in computing basic and diluted loss per unit was as follows for the years ended December 31:

(Millions, except per unit amounts)	2024	2023	2022
Basic and diluted loss per unit:			
Numerator:			
Net loss attributable to common units	\$ (211.2)	\$ (209.8)	\$ (217.7)
Denominator:			
Basic and diluted units outstanding			
Weighted average common units outstanding	90.7	57.3	15.6
Weighted average special warrants outstanding	—	32.9	74.4
Weighted average basic and diluted units outstanding	90.7	90.2	90.0
Basic and diluted loss per unit:			
Net loss	(\$2.33)	(\$2.33)	(\$2.42)

The effect of unvested time-based restricted common units has been excluded from the computation of diluted shares because their inclusion would have an anti-dilutive effect due to the reported net losses in each year. There were 0.2 million, 0.6 million and 0.8 million unvested time-based restricted common units outstanding as of December 31, 2024, 2023 and 2022, respectively.

Recently Adopted Accounting Standards

Segment Reporting – In November 2023, the FASB issued ASU 2023-07, Segment Reporting (Topic 280) - Improvements to Reportable Segment Disclosures (“ASU 2023-07”), which requires that a public entity disclose, on an interim and annual basis, significant segment expense categories and amounts that are regularly provided to its chief operating decision maker (“CODM”) and included in each reported measure of segment profit or loss. An entity must also disclose, by reportable segment, the amount and composition of other expenses. The standard also requires an entity to disclose the title and position of its CODM and explain how the CODM uses the reported measures in assessing segment performance and determining how to allocate resources. ASU 2023-07 was effective for fiscal years beginning after December 15, 2023 and interim periods in fiscal years beginning after December 15, 2024. The amendments in ASU 2023-07 are to be applied on a retrospective basis. As required, the Company adopted ASU 2023-07 on a retrospective basis for annual reporting periods effective January 1, 2024 and updated its business segment disclosures (see Note 14) to comply with the standard’s new disclosure requirements. As ASU 2023-07 only impacted business segment disclosures, the adoption of this standard did not impact the Company’s consolidated financial position, results of operations or cash flows.

Recently Issued Authoritative Guidance

Income Taxes – In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740) - Improvements to Income Tax Disclosures (“ASU 2023-09”). The standard intends to improve transparency about income tax information primarily through changes to the tax rate reconciliation and income taxes paid disclosures. ASU 2023-09 will require entities on an annual basis to disclose a tabular rate reconciliation using both percentages and dollar amounts that includes specific categories of reconciling items and to provide additional information for reconciling items that meet a specified quantitative threshold. ASU 2023-09 also requires entities to disclose on an annual basis the amount of income taxes paid (net of refunds received) disaggregated by federal, state and foreign jurisdictions and for individual jurisdictions in which income taxes paid (net of refunds received) is equal to or greater than 5 percent of total income taxes paid (net of refunds received). ASU 2023-09 is effective for fiscal years beginning after December 15, 2024, which is January 1, 2025 for the Company, with early adoption permitted. The amendments in ASU 2023-09 are to be applied on a prospective basis, although retrospective application is permitted. The Company is currently in the process of evaluating the impacts of this guidance to the income tax disclosures included within its consolidated financial statements.

WINDSTREAM HOLDINGS II, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

2. Summary of Significant Accounting Policies and Changes, Continued:

Disaggregation of Expenses – In November 2024, the FASB issued ASU 2024-03, Income Statement - Reporting Comprehensive Income (Topic 220) - Expense Disaggregation Disclosures (“ASU 2024-03”). This update requires public business entities to provide more detailed disclosure in the notes to the financial statements of certain categories of expenses, such as purchases of inventory, employee compensation, depreciation, and intangible asset amortization, that are components of existing captions presented on the face of the statement of operations. ASU 2024-03 is effective for annual reporting periods beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027, with early adoption permitted. The amendments in ASU 2024-03 may be applied either prospectively or retrospectively. The Company is currently evaluating the impact that ASU 2024-03 will have on its financial statement presentation and disclosures.

3. Intangible Assets, Net:

Indefinite-lived intangible assets were as follows as of December 31:

(Millions)	2024	2023
FCC Spectrum licenses	\$ 78.9	\$ 78.9

The Company acquired wireless spectrum licenses in the 3.5, 24, 28 and 37 GHz bands in auctions conducted by the FCC during 2020 and 2019 for \$78.9 million. The spectrum licenses have an initial term of 10 years and are subject to renewal by the FCC. Currently, there are no legal, regulatory, contractual, competitive, economic or other factors that would limit the useful life of the spectrum, and therefore, the licenses are considered indefinite-lived intangible assets. As of December 31, 2024, the weighted average remaining renewal period for the acquired spectrum licenses was 5.6 years. The Company elected to perform a qualitative impairment assessment in 2024 and concluded that its wireless spectrum licenses were not impaired.

The gross carrying amount and accumulated amortization of finite-lived intangible assets by major category were as follows as of December 31:

(Millions)	2024			2023		
	Gross Cost	Accumulated Amortization	Net Carrying Value	Gross Cost	Accumulated Amortization	Net Carrying Value
Customer relationships	\$ 402.5	\$ (398.4)	\$ 4.1	\$ 402.5	\$ (365.8)	\$ 36.7
Trade names	154.0	(32.9)	121.1	154.0	(25.2)	128.8
Right-of-way (a)	42.8	(2.4)	40.4	—	—	—
Product names	2.5	(1.1)	1.4	2.5	(0.9)	1.6
Total	\$ 601.8	\$ (434.8)	\$ 167.0	\$ 559.0	\$ (391.9)	\$ 167.1

- (a) On March 27, 2024, the Company executed an amended non-exclusive right of way agreement for the period May 31, 2024 to December 31, 2034. Under terms of the amended agreement, Windstream will pay a total of \$74.1 million payable on an annual basis escalating from \$1.6 million in 2024 to \$9.2 million in 2034. Accordingly, as of May 31, 2024, the Company recognized a right-of-way intangible asset and a related contractual liability of \$42.8 million equal to the present value of the total future annual payments due under the agreement.

WINDSTREAM HOLDINGS II, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

3. Intangible Assets, Net, Continued:

The amortization methodology and useful lives for finite-lived intangible assets were as follows:

Intangible Assets	Amortization Methodology	Estimated Useful Life
Customer relationships	sum of years digits	4 - 5 years
Trade names	straight-line	20 years
Right-of-way	straight-line	10.6 years
Product names	straight-line	10 years

Amortization expense for intangible assets subject to amortization for the years ended December 31, 2024, 2023 and 2022 was \$42.9 million, \$78.0 million, and \$115.4 million, respectively. Amortization expense for intangible assets subject to amortization was estimated to be as follows for each of the years ended December 31:

Year	(Millions)
2025	\$ 16.1
2026	12.0
2027	12.0
2028	12.0
2029	12.0
Thereafter	102.9
Total	\$ 167.0

4. Debt:

Debt was as follows as of December 31:

(Millions)	2024	2023
Issued by Services:		
Senior secured 2024 term loan - variable rate, due October 1, 2031 (a)	\$ 500.0	\$ —
Senior first lien notes - 8.250%, due October 1, 2031 (a)	2,200.0	—
Super senior incremental term loan - variable rate, due February 23, 2027 (a)	—	250.0
Senior secured term loan facility - variable rate, due September 21, 2027 (a)	—	711.6
Senior first lien notes - 7.750%, due August 15, 2028 (a)	—	1,400.0
Senior secured revolving credit facility - variable rate, due January 23, 2027	—	—
Unamortized net premium (discount) on long-term debt (b)	30.1	(32.4)
Unamortized debt issuance costs (b)	(58.1)	(2.7)
	2,672.0	2,326.5
Less current portion	—	(7.5)
Total long-term debt	\$ 2,672.0	\$ 2,319.0

(a) On October 4, 2024 and December 23, 2024, Windstream completed refinancing transactions which resulted in the issuance of new debt and the repayment in full of certain debt obligations, as further discussed below.

(b) Amounts are amortized using the interest method over the life of the related debt instrument.

WINDSTREAM HOLDINGS II, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

4. Debt, Continued:

Credit Agreement – Pursuant to the Credit Agreement, by and between the Borrower, Holdings, JPMorgan Chase Bank, N.A., as Administrative and Collateral Agent, and Lender Parties, dated September 21, 2020 (the “Credit Agreement”), the Borrower obtained (a) a “first out” senior secured revolving credit facility in an aggregate committed amount of up to \$500.0 million and (b) a senior secured first lien term loan facility (the “Term Loan”) in an aggregate principal amount of \$750.0 million. The proceeds of loans extended under the credit facilities may be used (i) for working capital and other general corporate purposes (ii) to pay transaction costs, professional fees and other obligations and expenses incurred in connection with the credit facilities, and (iii) for permitted acquisitions, capital expenditures and transaction costs.

In November 2022, Services executed incremental amendments to the Credit Agreement to provide for the following: (1) issuance of a new \$250.0 million super senior incremental term loan (the “Incremental Term Loan”), (2) transition of the variable interest rate on the existing Term Loan from London Interbank Offering Rate (“LIBOR”) to Secured Overnight Financing Rate (“SOFR”) and (3) extension of the maturity of the senior secured revolving credit facility from September 21, 2024 to January 23, 2027. The Incremental Term Loan was issued at a discount of \$12.5 million. Debt issuance costs of \$3.4 million associated with the Incremental Term Loan were capitalized and are being amortized over the life of the loan. The Incremental Term Loan bore interest, at the option of the Borrower, at a rate equal to SOFR plus a 0.10 percent credit spread adjustment with a floor of 0.50 percent plus 4.00 percent per annum or a base rate plus 3.00 percent.

Following the transition from LIBOR, the Term Loan bore interest, at the option of the Borrower, at a rate equal to SOFR plus a 0.10 percent credit spread adjustment with a floor of 1.00 percent plus a margin of 6.25 percent per annum or a base rate plus 5.25 percent. Previously, the Term Loan bore interest, at the option of Borrower, at a rate equal to either LIBOR plus 6.25 percent or a base rate plus 5.25 percent. The Term Loan was subject to quarterly amortization payments in an aggregate amount equal to 0.25 percent of the initial principal amount of the loan with the remaining balance payable at maturity.

Effective September 21, 2024, the borrowing capacity under the amended senior secured revolving credit facility decreased from \$500.0 million to \$475.0 million of capacity through January 23, 2027. Loans under the amended senior secured revolving credit facility will bear interest, at the option of the Borrower, at a rate equal to SOFR plus a 0.10 percent credit spread adjustment with a floor of 1.00 percent plus a margin of 3.25 percent per annum or a base rate plus 2.25 percent subject to two step downs of 25 basis points each based on the achievement of certain first lien secured leverage ratios.

During 2024 and 2023, Services borrowed \$222.0 million and \$520.0 million under the senior secured revolving credit facility and repaid all of these borrowings by the end of the year. Considering letters of credit of \$184.0 million, the amount available for borrowing under the amended senior secured revolving credit facility was \$291.0 million as of December 31, 2024.

For the year ended December 31, 2024, the variable interest rate on borrowings outstanding under the senior secured revolving credit facility ranged from 10.50 percent to 10.75 percent, and the weighted average rate on amounts outstanding was 10.74 percent. Comparatively, during the year ended December 31, 2023, the variable interest rate on borrowings outstanding under the senior secured revolving credit facility ranged from 7.93 percent to 10.75 percent, and the weighted average rate on amounts outstanding was 9.54 percent. During 2022, the variable interest rate on borrowings outstanding under the senior secured revolving credit facility ranged from 3.75 percent to 9.25 percent, and the weighted average rate on amounts outstanding was 6.88 percent.

For the year ended December 31, 2024, the variable interest rate on the Term Loan ranged from 11.20 percent to 11.71 percent, and the weighted average rate on amounts outstanding on the Term Loan was 11.67 percent. Comparatively, during the year ended December 31, 2023, the variable interest rate on the Term Loan ranged from 10.67 percent to 11.71 percent, and the weighted average rate on amounts outstanding on the Term Loan was 11.37 percent. During 2022, the variable interest rate on the Term Loan ranged from 7.25 percent to 10.67 percent, and the weighted average rate on amounts outstanding on the Term Loan was 7.61 percent.

For the year ended December 31, 2024, the variable interest rate on borrowings outstanding under the Incremental Term Loan ranged from 8.95 percent to 9.46 percent, and the weighted average rate on amounts outstanding was 9.42 percent. Comparatively, during the year ended December 31, 2023, the variable interest rate on borrowings outstanding under the Incremental Term Loan ranged from 8.42 percent to 9.46 percent, and the weighted average rate on amounts outstanding was 9.12 percent. During 2022, the variable interest rate on borrowings outstanding under the Incremental Term Loan ranged from 8.05 percent to 8.42 percent, and the weighted average rate on amounts outstanding was 8.14 percent.

WINDSTREAM HOLDINGS II, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

4. Debt, Continued:

As further discussed in Note 5, Services has entered into two interest rate swaps to hedge a portion of its variable rate debt. As of December 31, 2024, all of Services' long-term debt was fixed rate debt, when considering the effects of the interest rate swaps.

Consent Solicitation

On September 18, 2024, Windstream completed a consent solicitation pursuant to which it received the requisite consents from holders of the \$1.4 billion aggregate principal amount of 7.75 percent senior first lien notes due August 15, 2028 (the "2028 Notes") to amend the related indenture to allow for, but not require, the collapse of Uniti's and Windstream's separate debt silos upon the closing of the anticipated merger between Uniti and Windstream ("the Merger"). See Note 16 for further discussion of the Merger. In completing the consent solicitation, Windstream agreed to pay the holders of the 2028 Notes a consent fee totaling \$16.8 million, payable prior to the closing of the Merger.

Refinancing Transactions

On October 4, 2024, Services and Windstream Escrow Finance Corp. (collectively, the "Co-Issuers"), each a subsidiary of Windstream, issued \$800.0 million aggregate principal amount of 8.250 percent senior first lien notes due October 1, 2031 (the "2031 Notes"). The 2031 Notes were issued at par and are guaranteed on a senior secured basis by certain of the Co-Issuers' direct and indirect wholly-owned domestic subsidiaries. The indenture governing the 2031 Notes contains provisions that allow for the collapse of Uniti's and Windstream's separate debt silos (the "Post-Closing Reorganization") upon the closing of the Merger. The 2031 Notes will not be registered under the Securities Act of 1933, as amended (the "Securities Act") or any state securities laws. As such, the 2031 Notes may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the Securities Act and any applicable state securities laws.

Concurrent with the issuance of the 2031 Notes, the Co-Issuers agreed upon amendments to the Credit Agreement and incurred \$500.0 million of incremental borrowings under a new senior secured first lien term loan (the "2024 Term Loan"). The 2024 Term Loan was issued at a discount of \$2.5 million, matures on October 1, 2031, and bears interest based on a floating rate plus a margin (which at Services' election, may be the base rate plus 3.750 percent or the adjusted term SOFR rate plus 4.75 percent (as defined in the Credit Agreement), with a floor for the adjusted term SOFR rate of 0.0 percent). For the year ended December 31, 2024, the variable interest rate on the 2024 Term Loan ranged from 9.21 percent to 9.71 percent, and the weighted average rate on amounts outstanding on the 2024 Term Loan was 9.54 percent.

The Co-Issuers used the net proceeds from the issuance of the 2031 Notes and 2024 Term Loan to fully repay borrowings outstanding under the Credit Agreement consisting of the Term Loan and Incremental Term Loan and to pay fees and expenses, including accrued and unpaid interest. The remaining proceeds will be used for general corporate purposes to invest in the Company's network and other capital expenditures.

On December 23, 2024, the Co-Issuers issued \$1.4 billion aggregate principal amount of additional 2031 Notes, which form a single class of debt securities with, and are fungible with, the initial \$800.0 million aggregate principal amount of 2031 Notes issued on October 4, 2024, as discussed above. The additional 2031 Notes are governed by the 2031 Notes Indenture and mature on October 1, 2031, unless earlier repurchased or redeemed in accordance with their terms prior to that date. The additional 2031 Notes were issued at a premium of \$52.5 million and are guaranteed on a senior secured basis by certain of the Co-Issuers' direct and indirect wholly-owned domestic subsidiaries. The Co-Issuers used the net proceeds from the issuance of the additional 2031 Notes to fund the redemption in full of the 2028 Notes and to pay all related premiums, fees and expenses, including accrued and unpaid interest.

Upon completion of the above refinancing transactions, all outstanding indebtedness of Windstream permit the Post-Closing Reorganization, and as of December 31, 2024, there are no maturities of long-term debt prior to October 1, 2031.

WINDSTREAM HOLDINGS II, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

4. Debt, Continued:

Loss on Early Extinguishment of Debt

In connection with the October and December 2024 refinancing transactions, Services incurred \$46.2 million in arrangement, legal and other third-party fees and paid a call premium to holders of the 2028 Notes of \$27.1 million. At the time of completing the refinancing transactions, there were \$28.3 million in unamortized discount and debt issuance costs related to the Term Loan, Incremental Term Loan and 2028 Notes and \$15.8 million in unamortized consent fees related to the 2028 Notes. Based on an analysis of participating creditors, Services concluded that a portion of the refinancing transactions should be accounted for as a debt modification and the remainder as a debt extinguishment. For the portion accounted for under the extinguishment method of accounting, Services recognized a pretax loss on the early extinguishment of debt totaling \$18.5 million, consisting of the write-off of a portion of the call premium of \$7.7 million, the write-off of a portion of the unamortized discount and debt issuance costs totaling \$6.3 million and the write-off of \$4.5 million in unamortized consent fees. The remaining \$19.4 million of call premium, \$11.3 million in unamortized consent fees and \$22.0 million of unamortized discount and debt issuance costs were deferred and amortized over the term of the new debt obligations in accordance with debt modification accounting. The \$46.2 million in arrangement, legal and other third-party fees were allocated on a lender-by-lender basis to creditors resulting in \$20.2 million of fees expensed as additional interest expense under debt modification accounting, while the remaining \$26.0 million of fees were capitalized and amortized over the terms of the new debt obligations in accordance with the extinguishment method of accounting.

Debt Covenants and Compliance

The amended Credit Agreement includes usual and customary negative covenants for loan agreements of this type, including covenants limiting Borrower and its restricted subsidiaries' (other than certain covenants therein which are limited to subsidiary guarantors) ability to, among other things, incur additional indebtedness, create liens on assets, make investments, loans or advances, engage in mergers, consolidations, sales of assets and acquisitions, pay dividends and distributions and make payments in respect of certain material payment subordinated indebtedness, in each case subject to customary exceptions for loan agreements of this type. The amended Credit Agreement also includes certain customary representations and warranties, affirmative covenants and events of default, including, but not limited to, payment defaults, breaches of representations and warranties, covenant defaults, certain events under Employee Retirement Income Security Act ("ERISA"), unstayed judgments in favor of a third party involving an aggregate liability in excess of a certain threshold, change of control, specified governmental actions having a material adverse effect or condemnation or damage to a material portion of the collateral.

The terms of the Amended Credit Agreement and indenture for 2031 Notes include customary covenants that, among other things, require the Company to maintain certain financial ratios and restrict its ability to incur additional indebtedness. These financial ratios include a maximum leverage ratio of 3.25 to 1.0 and a maximum first lien secured leverage ratio of 2.25 to 1.0 for the Amended Credit Agreement. For the indenture for the 2031 Notes, these financial ratios include a maximum leverage ratio of 3.50 to 1.0 and a maximum first lien secured leverage ratio of 2.25 to 1.0. As of December 31, 2024, the Company was in compliance with all of its debt covenants.

As legally structured, the Merger will not trigger a change in control under the amended Credit Agreement or the 2031 Notes Indenture, and accordingly, will not affect the Company's compliance with its debt covenants (see Note 16 for further discussion of the Merger).

Certain properties of the Company are pledged as collateral to secure long-term debt obligations of Services. The obligations under Services' senior secured credit facility and indenture governing the 2031 Notes are secured by liens on all of the personal property assets and the related operations of the Company's subsidiaries who are guarantors of the senior secured credit facility and 2031 Notes.

WINDSTREAM HOLDINGS II, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

4. Debt, Continued:

Interest Expense

Interest expense was as follows for the years ended December 31:

(Millions)	2024	2023	2022
Interest expense - long-term debt	\$ 258.3	\$ 234.6	\$ 186.3
Interest expense - finance leases and other	11.9	10.3	10.3
Effects of interest rate swaps	(13.9)	(19.2)	(4.6)
Less capitalized interest expense	(16.7)	(16.1)	(6.6)
Total interest expense	\$ 239.6	\$ 209.6	\$ 185.4

5. Derivatives:

Set forth below is information related to interest rate swap agreements as of December 31:

(Millions)	2024	2023
Designated portion, measured at fair value:		
Other current assets	\$ 7.7	\$ 10.8
Other assets	\$ —	\$ 5.6
Other current liabilities	\$ 0.1	\$ 0.1
Other liabilities	\$ 1.5	\$ 5.0
Accumulated other comprehensive income (loss)	\$ 3.9	\$ (2.4)
De-designated portion, unamortized value:		
Accumulated other comprehensive income	\$ 2.8	\$ 14.3

Changes in derivative instruments were as follows for the years ended December 31:

(Millions)	2024	2023	2022
Designated interest rate swaps:			
Changes in fair value, net of tax	\$ 6.5	\$ (0.3)	\$ 23.3
Reclassification of net unrealized gains, net of tax	\$ (5.0)	\$ (10.7)	\$ (3.5)
De-designated interest rate swaps:			
Reclassification of net unrealized gains, net of tax	\$ (5.5)	\$ (3.8)	\$ —

As of December 31, 2024, the Company expects to recognize net gains of \$5.1 million, net of taxes, in interest expense during the next twelve months for interest settlements related to its interest rate swap agreements.

Services enters into interest rate swap agreements to mitigate its exposure to the variability in cash flows on a portion of its floating-rate debt, consisting of the \$500.0 million 2024 Term Loan and borrowings under the senior secured revolving credit facility. As of December 31, 2024, Services was party to two pay fixed, receive variable interest rate swap agreements with the same bank counterparty. The variable rate received resets on the first day of the floating rate calculation period specified in the respective interest rate swap agreements. Services has designated both swaps as cash flow hedges of the interest rate risk inherent in borrowings outstanding under the Credit Agreement due to changes in the benchmark interest rate.

WINDSTREAM HOLDINGS II, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

5. Derivatives, Continued:

The first swap has a notional value of \$300.0 million matures on October 31, 2025, and the variable rate received was the one-month U.S. Dollar-London Interbank Offered Rate-British Bankers Association (“USD-LIBOR-BBA”) rate subject to a minimum of 1.0 percent. On May 11, 2023, the Company sold to the respective bank counterparty the 1.0 percent floor component and amended the interest rate swap agreement resulting in a change in the fixed interest rate paid from 1.1012 percent to 1.1422 percent. The variable rate received, notional value and maturity date of the amended swap were the same as the original swap. As a result of the sale, Services discontinued hedge accounting for the original swap. Because the Company concluded that it was probable that the original hedged transactions (future interest payments) would still occur, the risk of the variability of future cash flows was not eliminated upon discontinuance of hedge accounting. Accordingly, unrealized gains deferred in accumulated other comprehensive income related to the discontinued hedging relationship as of May 11, 2023, of approximately \$19.4 million are being amortized on a straight-line basis to interest expense over the remaining contractual term of the original swap.

USD LIBOR-based rates ceased to be published after June 30, 2023. As a result, the variable rate received on both interest rate swaps transitioned to the U.S. Dollar Secured Overnight Financing Rate fallback rate (“USD-SOFR”) for both valuations and settlements, beginning on July 27, 2023.

The second interest rate swap was entered into by Services effective October 31, 2023, and had a notional value of \$200.0 million and matured on October 31, 2026. The fixed rate paid was 4.7030 percent and the variable rate received was the one-month USD-SOFR rate (not subject to a floor). This swap replaced a \$200.0 million notional value interest rate swap, which matured and terminated on October 31, 2023. The fixed rate paid on the terminated swap was 1.0290 percent and the variable rate received was the one-month USD-LIBOR-BBA rate subject to a minimum of 1.0000 percent before also transitioning to the USD-SOFR fallback rate beginning on July 27, 2023.

In conjunction with the October 4, 2024 debt refinancing transactions discussed in Note 4, on October 7, 2024, Services extended the maturity of the \$200.0 million pay fixed, receive variable interest rate swap agreement from October 31, 2026 to October 31, 2029. In completing this blend and extend transaction, the fixed rate paid decreased from 4.7030 percent to 4.1730 percent. The variable rate received on the extended interest rate swap remains the one-month USD-SOFR rate (not subject to a floor) that resets on the first day of the floating rate calculation period specified in the swap agreement. Services has designated the extended swap as a cash flow hedge of the interest rate risk inherent in borrowings outstanding under its Credit Agreement due to changes in the benchmark interest rate. As a result of this transaction, Services discontinued hedge accounting for the original swap. Because Windstream concluded that it was probable that the original hedged transactions (future interest payments) would still occur, the risk of the variability of future cash flows was not eliminated upon discontinuance of hedge accounting. Accordingly, unrealized losses deferred in accumulated other comprehensive income related to the discontinued hedging relationship as of October 7, 2024, of approximately \$4.2 million are being amortized on a straight-line basis to interest expense over the remaining contractual term of the original swap.

All or a portion of the change in fair value of the interest rate swap agreements recorded in accumulated other comprehensive income may be recognized in earnings in certain situations. If Services extinguishes all of its variable rate debt, or a portion of its variable rate debt such that the outstanding notional amount of the swaps exceeds the outstanding notional amount of variable rate debt, all or a portion of the change in fair value of the swaps may be recognized in earnings. In addition, the change in fair value of the swaps may be recognized in earnings if the Company determines it is no longer probable that it will have future variable rate cash flows to hedge against. The Company has assessed the counterparty risk and determined that no substantial risk of default exists as of December 31, 2024, because the counterparty is a bank with a current credit rating at or above A, as determined by Moody’s Ratings, Standard & Poor’s Corporation and Fitch Ratings.

The swap agreements with the bank counterparty contain cross-default provisions whereby if Services were to default on certain indebtedness and that indebtedness were to be accelerated, it could result in the counterparty terminating the outstanding swap agreements with Services. Were such a termination to occur, the party that was in a liability position under the applicable swap at the time of such termination would be required to pay the value of the swap, as determined in accordance with the terms of the applicable swap agreement, to the other party. Services’ obligations to its swap counterparty are secured under the Credit Agreement and Services does not post any separate collateral to the bank counterparty to its interest rate swap agreements.

WINDSTREAM HOLDINGS II, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

5. Derivatives, Continued:

Balance Sheet Offsetting

Services is party to master netting arrangements, which are designed to reduce credit risk by permitting net settlement of transactions, with counterparties. For financial statement presentation purposes, the Company does not offset assets and liabilities under these arrangements.

The following table presents the Company's derivative assets subject to an enforceable master netting arrangement as of December 31, 2024 and 2023.

Millions	Gross Amount of Assets Presented in the Consolidated Balance Sheets	Gross Amount Not Offset in the Consolidated Balance Sheets		Net Amount
		Financial Instruments	Cash Collateral Received	
December 31, 2024:				
Interest rate swaps	\$ 7.7	\$ (1.6)	\$ —	\$ 6.1
December 31, 2023:				
Interest rate swaps	\$ 16.4	\$ (5.1)	\$ —	\$ 11.3

Information pertaining to derivative liabilities was as follows:

Millions	Gross Amount of Liabilities Presented in the Consolidated Balance Sheets	Gross Amount Not Offset in the Consolidated Balance Sheets		Net Amount
		Financial Instruments	Cash Collateral Received	
December 31, 2024:				
Interest rate swaps	\$ 1.6	\$ (1.6)	\$ —	\$ —
December 31, 2023:				
Interest rate swaps	\$ 5.1	\$ (5.1)	\$ —	\$ —

6. Fair Value Measurements:

Fair value of financial and non-financial assets and liabilities is defined as an exit price, representing the amount that would be received to sell an asset or transfer a liability in an orderly transaction between market participants. Authoritative guidance defines the following three tier hierarchy for assessing the inputs used in fair value measurements:

- Level 1 – Quoted prices in active markets for identical assets or liabilities
- Level 2 – Observable inputs other than quoted prices in active markets for identical assets or liabilities
- Level 3 – Unobservable inputs

The highest priority is given to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority is given to unobservable inputs (level 3 measurement). Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement requires management judgment and may affect the determination of fair value of assets and liabilities and their placement within the fair value hierarchy levels.

WINDSTREAM HOLDINGS II, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

6. Fair Value Measurements, Continued

Financial instruments consist primarily of cash, cash equivalents, restricted cash, accounts receivable, accounts payable, interest rate swaps and long-term debt. With respect to the Company's financial instruments, the carrying amount of cash, restricted cash, accounts receivable and accounts payable has been estimated by management to approximate fair value due to the relatively short period of time to maturity for those instruments.

Non-financial assets and liabilities, including property, plant and equipment, intangible assets and asset retirement obligations, are measured at fair value on a non-recurring basis. No event occurred during the years ended December 31, 2024 and 2023 requiring any non-financial asset and liability to be subsequently recognized at fair value.

The fair value of debt and interest rate swaps was as follows as of December 31:

(Millions)	2024	2023
Recorded at Fair Value in the Financial Statements:		
Cash equivalents - Level 1 (a)	\$ 272.4	\$ —
Interest rate swap assets - Level 2	\$ 7.7	\$ 16.4
Interest rate swap liabilities - Level 2	\$ 1.6	\$ 5.1
Not Recorded at Fair Value in the Financial Statements: (b)		
Debt, including current portion - Level 2:		
Included in current portion of long-term debt	\$ —	\$ 7.1
Included in long-term debt	\$ 2,778.5	\$ 2,148.6

- (a) Cash equivalents are highly liquid, actively traded money market funds with next day access.
- (b) Recognized at carrying value of \$2,730.1 million and \$2,329.2 million, including current portion and excluding unamortized debt issuance costs, as of December 31, 2024 and 2023, respectively.

The fair value of interest rate swaps is determined based on the present value of expected future cash flows using the applicable observable, quoted swap rates (USD-SOFR) for the full term of the swaps and incorporating credit valuation adjustments to appropriately reflect both Services' own non-performance risk and non-performance risk of the respective counterparties. As of December 31, 2024 and 2023, the adjustment to the fair value of the interest rate swaps to reflect non-performance risk was immaterial.

The fair value of the 2031 Notes and 2028 Notes were based on observed market prices in an inactive market, while the fair value of the 2024 Term Loan, Incremental Term Loan and Term Loan were based on current market interest rates applicable to the respective debt instrument.

During 2024, there were no assets or liabilities measured at fair value for purposes of the fair value hierarchy using significant unobservable inputs (level 3). There were no transfers within the fair value hierarchy during the year ended December 31, 2024.

WINDSTREAM HOLDINGS II, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

7. Revenues:

Revenues from contracts with customers are accounted for under ASC 606 and are earned primarily through the provisioning of telecommunications and other services and through the sale of equipment to customers and contractors. Revenues are also earned from leasing arrangements, federal and state USF programs and other regulatory-related sources and activities.

Contract Balances – Contract assets include unbilled amounts, which result when revenue recognized exceeds the amount billed to the customer and the right to payment is not just subject to the passage of time. Contract assets principally consist of discounts and promotional credits given to customers. The current and noncurrent portions of contract assets are included in other current assets and other assets, respectively, in the accompanying consolidated balance sheets.

Contract liabilities consist of services billed in excess of revenue recognized. The changes in contract liabilities are primarily related to customer activity associated with services billed in advance, the receipt of cash payments and the satisfaction of performance obligations. Amounts are classified as current or noncurrent based on the timing of when the Company expects to recognize revenue. The current portion of contract liabilities is included in advance payments while the noncurrent portion is included in other liabilities.

Contract assets and liabilities from contracts with customers were as follows as of December 31:

(Millions)		2024		2023
Contract assets (a)	\$	57.9	\$	62.4
Contract liabilities (b)	\$	192.4	\$	191.4

(a) Included \$32.0 million and \$37.8 million in other current assets and \$25.9 million and \$24.6 million in other assets as of December 31, 2024 and 2023, respectively.

(b) Included \$120.5 million and \$129.4 million in advance payments and \$71.9 million and \$62.0 million in other liabilities as of December 31, 2024 and 2023, respectively.

(Millions)	Year Ended December 31,		
	2024	2023	2022
Revenues recognized included in the opening contract liability balance	\$ 119.4	\$ 121.8	\$ 131.2

Remaining Performance Obligations – Remaining performance obligations represent services the Company is required to provide to customers under bundled or discounted arrangements, which are satisfied as services are provided over the contract term. Certain contracts provide customers the option to purchase additional services or usage-based services. The fees related to the additional services or usage-based services are recognized when the customer exercises the option, typically on a month-to-month basis. In determining the transaction price allocated, the Company does not include these non-recurring fees and estimates for usage, nor does it consider arrangements with an original expected duration of less than one year.

Remaining performance obligations reflect recurring charges billed, adjusted for discounts and promotional credits and revenue adjustments. As of December 31, 2024, the aggregate amount of the transaction price allocated to remaining performance obligations was approximately \$2.0 billion for contracts with original expected durations of more than one year remaining. The Company expects to recognize approximately 40 percent, 30 percent, and 17 percent of its remaining performance obligations as revenue during the 2025, 2026 and 2027, respectively, with the remaining balance thereafter.

Revenue by Category – Windstream disaggregates its revenues from contracts with customers based on the business segment and class of customer to which products and services are provided because management believes that doing so best depicts the nature, amount and timing of the Company’s revenue recognition. During the fourth quarter of 2024, the Company changed its disaggregation of Kinetic consumer service revenues to split out its broadband bundled and voice and other revenues between its fiber subscribers and digital subscriber line (“DSL”) subscribers. Fiber subscriber consumer revenues consist of recurring products and services for fiber consumer broadband customers, which includes some cable customers with 1-Gigabyte per second (“Gbps”) service. All non-recurring revenues are included in DSL subscriber and other revenues. Prior period information has been recast to conform with the current year presentation.

WINDSTREAM HOLDINGS II, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

7. Revenues, Continued:

Revenues disaggregated by category were as follows:

(Millions)	Year Ended December 31, 2024			
	Kinetic	Enterprise	Wholesale	Total
Category:				
Consumer:				
Fiber subscriber	\$ 365.2	\$ —	\$ —	\$ 365.2
DSL subscriber and other	772.0	—	—	772.0
Enterprise:				
Strategic and Advanced IP	—	1,131.0	—	1,131.0
TDM/Other	—	139.8	—	139.8
Small business	164.9	—	—	164.9
Wholesale	—	—	708.8	708.8
Total service revenues accounted for under ASC 606	1,302.1	1,270.8	708.8	3,281.7
Sales revenues	28.5	1.5	26.9	56.9
Total revenues and sales accounted for under ASC 606	1,330.6	1,272.3	735.7	3,338.6
Other revenues (a)	267.0	55.7	57.0	379.7
Total revenues and sales	\$ 1,597.6	\$ 1,328.0	\$ 792.7	\$ 3,718.3

(Millions)	Year Ended December 31, 2023			
	Kinetic	Enterprise	Wholesale	Total
Category:				
Consumer:				
Fiber subscriber	\$ 289.2	\$ —	\$ —	\$ 289.2
DSL subscriber and other	890.1	—	—	890.1
Enterprise:				
Strategic and Advanced IP	—	1,195.3	—	1,195.3
TDM/Other	—	303.2	—	303.2
Small business	168.2	—	—	168.2
Wholesale	—	—	719.8	719.8
Total service revenues accounted for under ASC 606	1,347.5	1,498.5	719.8	3,565.8
Sales revenues	30.2	3.4	5.1	38.7
Total revenues and sales accounted for under ASC 606	1,377.7	1,501.9	724.9	3,604.5
Other revenues (a)	272.0	63.3	46.9	382.2
Total revenues and sales	\$ 1,649.7	\$ 1,565.2	\$ 771.8	\$ 3,986.7

WINDSTREAM HOLDINGS II, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

7. Revenues, Continued:

(Millions)	Year Ended December 31, 2022			
	Kinetic	Enterprise	Wholesale	Total
Category:				
Consumer:				
Fiber subscriber	\$ 182.2	\$ —	\$ —	\$ 182.2
DSL subscriber and other	965.8	—	—	965.8
Enterprise:				
Strategic and Advanced IP	—	1,194.8	—	1,194.8
TDM/Other	—	568.6	—	568.6
Small business	176.9	—	—	176.9
Wholesale	—	—	674.6	674.6
Total service revenues accounted for under ASC 606	1,324.9	1,763.4	674.6	3,762.9
Sales revenues	39.1	4.3	1.7	45.1
Total revenues and sales accounted for under ASC 606	1,364.0	1,767.7	676.3	3,808.0
Other revenues (a)	299.4	79.7	41.8	420.9
Total revenues and sales	\$ 1,663.4	\$ 1,847.4	\$ 718.1	\$ 4,228.9

- (a) Other service revenues primarily consist of operating lease income (excluded from Consumer, Strategic and Advanced Internet Protocol (“IP”) and Wholesale), end user surcharges, funding from RDOF and state USF, as further discussed in Note 8.

Deferred Contract Acquisition and Fulfillment Costs – Direct incremental costs to acquire a contract, consisting of sales commissions, and direct incremental costs to fulfill a contract consisting of labor and materials consumed for activities associated with the provision, installation and activation of services, including costs to implement customized solutions, are deferred and recognized in operating expenses using a portfolio approach over the estimated life of the customer, which ranges from 36 to 48 months. Determining the amount of costs to fulfill a contract requires management judgment. In determining costs to fulfill, consideration is given to periodic time studies, management estimates and statistics from internal information systems.

Deferred contract acquisition and fulfillment costs are classified as current or noncurrent based on the timing of when the Company expects to recognize the expense. The current and noncurrent portions of deferred contract acquisition and fulfillment costs are included in prepaid expenses and other assets, respectively, in the accompanying consolidated balance sheets. Amortization of deferred contract acquisition costs and amortization of deferred fulfillment costs are included in selling, general and administrative expenses and costs of services, respectively, in the accompanying consolidated statements of operations.

The following table presents the deferred contract acquisition and fulfillment costs included on our consolidated balance sheets as of December 31:

(Millions)	2024	2023
Deferred Contract Acquisition Costs:		
Prepaid expenses	\$ 41.6	\$ 55.5
Other assets	33.3	35.7
Total deferred contract acquisition costs	\$ 74.9	\$ 91.2
Deferred Contract Fulfillment Costs:		
Prepaid expenses	\$ 13.9	\$ 14.8
Other assets	13.2	8.3
Total deferred contract fulfillment costs	\$ 27.1	\$ 23.1

WINDSTREAM HOLDINGS II, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

7. Revenues, Continued:

Amortization of deferred contract acquisition costs was \$63.1 million, \$61.4 million and \$48.6 million for the years ended December 31, 2024, 2023 and 2022, respectively. Amortization of deferred contract fulfillment costs was \$18.3 million, \$16.6 million and \$14.5 million for the years ended December 31, 2024, 2023 and 2022, respectively.

8. Government Assistance:

The Company receives federal and state governmental assistance in the form of subsidies and grants for either the construction of long-lived assets used in providing broadband service or to help offset the high cost of providing service to rural markets. Federal and state governmental assistance received by the Company and accounted for as service revenues consist of the following:

RDOF Support – In 2019, the FCC announced RDOF for rural broadband deployments. The Company was awarded \$522.8 million in RDOF support over ten years (\$52.3 million per year beginning in 2022) to provide rural broadband service to approximately 192,000 locations in eighteen states. Windstream has committed to offering broadband service at speeds of at least 1- Gbps download and 500-Megabytes per second (“Mbps”) upload as well as meet certain network latency performance requirements. The Company expects to incur approximately \$635.0 million in aggregate capital expenditures during the years 2022 through 2027 in meeting its broadband service requirements. During 2024, 2023 and 2022, Windstream incurred \$92.9 million, \$20.3 million and \$21.0 million, respectively, in capital expenditures related to RDOF. Recipients of RDOF support are required to file annual reports indicating their progress in meeting their milestone broadband service requirements and are subject to specific record retention and audit requirements. Failure to timely submit the required reporting or meet specified milestones could result in the withholding of future funding and/or recovery of previous support provided. Windstream fully expects to meet all future requirements under RDOF and to receive funding for the total amount awarded. RDOF funding was \$52.3 million in both 2024 and 2023. Windstream received delayed approvals in New York and Florida, resulting in \$51.7 million in RDOF being recognized in 2022. At both December 31, 2024 and 2023, accounts receivable included \$4.4 million for RDOF support received in January 2025 and 2024, respectively.

State USF Support – The Company receives funding from state USF programs in eight states with a substantial portion of the funding received in Texas, Pennsylvania and New Mexico. This funding is intended to subsidize, apart from federal programs, the high cost of operating telecommunications networks in certain rural areas. The Company is required to provide periodic reporting in accordance with the requirements of the individual states documenting that the funding was used to support the provisioning of service to customers, including the maintenance and operation of the network facilities. State USF funding included in service revenues totaled \$58.1 million, \$62.6 million and \$100.2 million in 2024, 2023 and 2022, respectively. State USF funding in 2022 included \$53.7 million of arrearages recognized for the period November 2020 to July 2022 payable to the Company pursuant to a December 2022 settlement agreement with the Texas Public Utility Commission, of which \$16.0 million was paid to the Company on December 23, 2022. During 2023, the Company received all remaining arrearages and interest owed pursuant to the settlement agreement, which in the aggregate totaled \$54.3 million. As of December 31, 2024 and 2023, accounts receivable included \$5.7 million and \$6.4 million, respectively, for support not yet received related to the state USF programs.

Grant funds received for capital expenditures to expand the availability and affordability of residential broadband service via direct grants or through the formation of public private partnerships recognized as a reduction in the cost of the related assets consisted of the following:

WINDSTREAM HOLDINGS II, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

8. Government Assistance, Continued:

Arkansas Rural Connect (“ARC”) Broadband Program – In the fourth quarter of 2021, the Company received \$46.3 million to fund the cost of fiber broadband expansion projects in seven counties in Arkansas funded through the American Rescue Plan Act of 2021 (“ARPA”). Windstream also invested its own capital to complete the projects to provide broadband service at speeds of at least 1-Gbps download and 1-Gbps upload. Under terms of the approved grant awards, the Company had committed to completing all construction projects by the end of the first quarter of 2022. Due to construction delays outside of its direct control (i.e., untimely receipt of all construction permits, delays in the identification of other utilities underground conduit locations, execution of joint-use pole attachment agreements with other utility service providers, and contract labor issues), the Company completed construction and deployment of broadband service to all locations within the project footprints during the first half of 2023. During 2023 and 2022, Windstream incurred \$21.7 million and \$48.7 million in total capital expenditures, respectively, and applied \$8.6 million and \$31.8 million of ARC funding, respectively, to reduce the cost of the related assets. In total, the Company utilized all \$46.3 million in funding related to this program and invested \$33.8 million of its own capital to complete the approved construction projects.

In February 2022, the Company was approved to receive an additional \$5.2 million in ARC funding for construction projects in two other counties, with Windstream being responsible for all project costs that exceed the amounts of the grants. Funding for these projects will be received on a quarterly basis following submission of documentation of eligible capital expenditures incurred. Under terms of the approved grant awards, the Company had originally committed to completing all construction projects by January 31, 2023. Due to similar construction delays as noted above, Windstream completed these projects during November 2023 and received all of the funding for these projects in 2024. Capital expenditures funded by the Company were \$1.8 million and \$0.5 million in 2023 and 2022, respectively, and capital expenditures funded by the grant were \$4.0 million and \$1.2 million in 2023 and 2022, respectively. As of December 31, 2023, other current assets included \$5.2 million for funding reimbursements not yet received.

For all ARC broadband projects, once construction is completed, all Internet service orders must be supplied within 30 days of an order being placed. This service commitment extends through January 1, 2030. Failure to cure within 30 days of notification of any non-performance notice could result in the recipient being required to return up to 5 percent of the grant funds received per month of non-performance to the State of Arkansas. Windstream fully expects to meet all future requirements to provide service within 30 days of receipt of a service order and therefore expects to retain all grant proceeds.

Florida Rural Infrastructure Fund Fiscal Year 2022-2023 Statewide Program – In February 2022, the Company was awarded a grant to support fiber broadband expansion to deliver 1-Gbps Internet service to approximately 4,900 households in Hamilton County. Funding for this broadband project will come from \$2.0 million in grants awarded to the county and funded through ARPA. Windstream expects to invest \$7.2 million of its own capital to complete the project, and the Company is responsible for all project costs that exceed the amounts of the grants. The grants were amended on February 7, 2023, specifying that the county funds will be disbursed to Windstream as follows: 34 percent upon permitting approval, 33 percent upon construction completion and the remaining 33 percent upon completion of final testing. Construction has been completed and reimbursement requests have been submitted.

Windstream is providing broadband service speeds of at least 1-Gbps download and upload to the households within the county. The county has no ownership right or interest in any of the constructed assets, as Windstream will retain full legal and/or beneficial title to the constructed assets. The county is responsible for preparing and submitting all reporting required in connection with its receipt of the funds, including financial reports, performance reports, and annual reports. Windstream will provide to the county, information necessary for the county to fulfill its reporting obligations. All grant funds are subject to recapture and repayment for non-compliance. The State of Florida shall have the right to terminate the grant agreement and to recapture and be reimbursed for any payments made: (i) that are not allowed under applicable laws, rules and regulations; or (ii) that are otherwise inconsistent with the grant agreement, including any unapproved expenditures. Windstream fully expects to meet all construction and service requirements and therefore expects to receive and retain all grant proceeds related to this program. Through December 31, 2024, Windstream received the initial 34 percent of the grant funds and expects to receive the remaining grant funds during the first half of 2025. During 2024, 2023 and 2022, capital expenditures funded by the Company were \$1.2 million, \$5.3 million and \$0.6 million, respectively. During 2024, all remaining capital expenditures to be funded by the grant were incurred by Windstream. Capital expenditures funded by the grant were \$1.5 million in 2023 and immaterial in 2022. Included in other current assets as of December 31, 2024 and 2023 were \$1.3 million and \$1.5 million, respectively, for funding not yet received.

WINDSTREAM HOLDINGS II, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

8. Government Assistance, Continued:

Georgia State Fiscal Recovery Fund Broadband Infrastructure Program – In February 2022, the Company announced that it will partner with 18 counties across Georgia for fiber broadband expansion to deliver 1-Gbps Internet service to approximately 70,000 Georgia homes and businesses. Funding for these broadband projects will come from \$170.5 million in grants awarded to the counties and funded through ARPA. Windstream expects to invest \$129.9 million of its own capital to complete the projects. Windstream is responsible for all project costs that exceed the amounts of the grants. All expenditures covered by the grant funds must be incurred by October 31, 2026, and each county must submit expenses for reimbursement directly to the State of Georgia no later than December 31, 2026. Grant funds must be used solely for costs directly incurred to complete the broadband project identified in the approved grant application. Windstream will be required to submit adequate supporting documentation for each expenditure incurred monthly to the applicable county, which in turn, will submit a request for reimbursement directly to the State of Georgia. Upon reimbursement from the State of Georgia, the county will remit the funds to Windstream. Construction projects related to this program began in 2023 and Windstream expects to complete the majority of projects in 2025.

Upon completion of each project, Windstream will be able to offer broadband service speeds of at least 1-Gbps download and upload to the households within each county. The county will have no ownership right or interest in any of the constructed assets, as Windstream will retain full legal and/or beneficial title to the constructed assets. Each county will be responsible for preparing and submitting all reporting required in connection with its receipt of the funds, including financial reports, performance reports, and annual reports. Windstream will provide to each county, information necessary for the county to fulfill its reporting obligations. All grant funds will be subject to recapture and repayment for non-compliance. The State of Georgia shall have the right to terminate the grant agreement and to recapture and be reimbursed for any payments made: (i) that are not allowed under applicable laws, rules and regulations; or (ii) that are otherwise inconsistent with the grant agreement, including any unapproved expenditures. Windstream fully expects to meet all future construction and service requirements and therefore expects to receive and retain all grant proceeds related to this program. Windstream received \$51.5 million and \$30.7 million in grant funds under this program during 2024 and 2023, respectively. No grant funds were received in 2022 for this program. Capital expenditures funded by the Company in 2024, 2023 and 2022 were \$40.1 million, \$25.3 million and \$0.9 million, respectively. Capital expenditures funded by the grant in 2024, 2023 and 2022 were \$75.4 million, \$30.1 million and \$4.0 million, respectively, with \$27.3 million and \$3.4 million included in other current assets as of December 31, 2024 and 2023, respectively, for funding not yet received.

Georgia Capital Projects Fund (“CPF”) Program – In January 2023, the Company was awarded grants under CPF Program in the State of Georgia for fiber broadband expansion to deliver broadband service speeds of at least 100-Mbps download and upload to approximately 4,500 households across four counties in Georgia. Funding for these broadband projects will come from \$34.9 million in grants awarded to the Company and funded through ARPA. Windstream expects to invest approximately \$2.0 million of its own capital to complete the projects. All expenditures covered by the grant funds must be incurred by December 31, 2026, and all requests for reimbursement of qualified expenditures must be made directly to the State of Georgia no later than December 31, 2026.

In June 2023, Windstream was awarded an additional \$8.5 million through a second round of the CPF Program in the State of Georgia. The Company expects to invest \$11.2 million of its own capital to expand broadband service to an additional 2,200 households across another three counties in Georgia. All expenditures covered by the grant funds must be incurred by October 31, 2026, and all requests for reimbursement of qualified expenditures must be made directly to the State of Georgia no later than December 31, 2026. Under the CPF Program, the State of Georgia shall have the right to terminate the grant agreements and to recapture and be reimbursed for any payments made: (i) that are not allowed under applicable laws, rules and regulations; or (ii) that are otherwise inconsistent with the grant agreement, including any unapproved expenditures.

Construction for these projects is underway with reimbursements occurring at various milestones through project completion. Capital expenditures funded by the Company in 2024 were \$0.2 million, and capital expenditures funded by the CPF Program in 2024 were \$3.3 million. Capital expenditures incurred related to the CPF Program in 2023 were immaterial. Included in other current assets were \$3.5 million and \$0.2 million as of December 31, 2024 and 2023, respectively, for funding reimbursements not yet received.

WINDSTREAM HOLDINGS II, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

8. Government Assistance, Continued:

Empower Rural Iowa, Coronavirus State and Local Fiscal Recovery Funds Grant – In March 2022, the Company was awarded grants in 10 counties across Iowa for fiber broadband expansion to deliver 100-Mbps Internet service to more than 2,300 Iowa households. Funding for these broadband projects will come from a total of \$10.1 million in grants awarded to the counties and funded through ARPA. Windstream expects to invest \$8.7 million of its own capital to complete the projects. Grant funds must be used solely for costs directly incurred to complete the broadband project identified in the approved grant application, and each county may pay through September 30, 2026. Windstream is responsible for any costs that exceed the grant amount awarded by each county. Windstream will be required to submit adequate supporting documentation request for reimbursement directly to the State of Iowa Broadband Office (A Division of the Department of Management) upon completion of the project. The State of Iowa will submit reimbursement directly to Windstream upon final approval. Construction began in 2023 and Windstream has completed construction for 3 of the 10 projects, with reimbursement requests pending. The remaining projects are scheduled for completion in 2025.

Upon completion of each project, Windstream will be able to offer broadband service speeds of at least 100-Mbps download and upload to the households within each county. The county will have no ownership right or interest in any of the constructed assets, as Windstream will retain full legal and/or beneficial title to the constructed assets. Each county is responsible for preparing and submitting all reporting required in connection with its receipt of the funds, including financial reports, performance reports, and annual reports. Windstream will provide to each county, information necessary for the county to fulfill its reporting obligations. All grant funds are subject to recapture and repayment for non-compliance. The State of Iowa shall have the right to terminate the grant agreement and to recapture and be reimbursed for any payments made: (i) that are not allowed under applicable laws, rules and regulations; or (ii) that are otherwise inconsistent with the grant agreement, including any unapproved expenditures. Windstream fully expects to meet all future construction and service requirements and therefore expects to receive and retain all grant proceeds related to this program. No grant funds were received under this program during 2024 or 2022, while Windstream received \$5.0 million in grant funds during 2023. Capital expenditures funded by the Company in 2024, 2023 and 2022 were \$2.7 million, \$5.1 million and \$0.3 million, respectively. Capital expenditures funded by the grant in 2024, 2023 and 2022 were \$3.5 million, \$6.2 million and \$0.4 million respectively. Included in other current assets were \$5.1 million and \$1.5 million as of December 31, 2024 and December 31, 2023, respectively, for funding not yet received.

Nebraska USF – Ending December 31, 2024, the Company was required by state commission order to use 95 percent of its annual USF funding received in Nebraska to fund certain broadband construction projects. The Company was required to notify the Nebraska Public Service Commission (“PSC”) of the expected cost and amount of USF funding to be used to complete the construction projects. There are no formal grant applications or agreements between the Company and the PSC. All construction projects were required to be completed within 18 months unless an extension was granted by the PSC and the funding must be used for the construction of network facilities capable of providing broadband services to customers at speeds of at least 25-Mbps download and 3-Mbps upload. Windstream is responsible for all projects costs that exceed the amounts of the USF funding. The Company is required to maintain supporting documentation and records related to the appropriate use of the USF funds. In 2022, Windstream notified the PSC of its intent to complete construction projects in two exchanges within Nebraska at a total expected cost of \$7.6 million, funded in large part by \$7.3 million of USF funding (the “2022 Projects”). In 2021, Windstream notified the PSC of its intent to complete construction projects in five exchanges (the “2021 Projects”) within Nebraska at a total expected cost of \$8.0 million, funded in large part by \$6.3 million of USF funding. Windstream elected not to accept its share of allocated funding to complete any 2024 or 2023 construction projects. For construction projects related to 2022 and prior years, Windstream funded capital expenditures of \$0.2 million, \$5.0 million and \$0.9 million in 2024, 2023 and 2022, respectively, while Nebraska USF funded capital expenditures of \$5.6 million, \$4.1 million and \$11.4 million in 2024, 2023 and 2022, respectively. The Company had requested and received from the PSC extensions to complete the 2021 Projects and 2022 Projects by June 30, 2024 and December 31, 2024, respectively, and Windstream completed all construction for these projects during 2024, as required. Windstream received Nebraska USF of \$4.7 million, \$9.2 million and \$2.2 million in 2024, 2023 and 2022, respectively. Other current assets included \$7.5 million and \$6.6 million as of December 31, 2024 and 2023, respectively, for funding not yet received.

WINDSTREAM HOLDINGS II, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

8. Government Assistance, Continued:

National Telecommunications and Information Administration (“NTIA”) Broadband Infrastructure Program Grant in Sabine County, Texas (the “County”) – In February 2022, Windstream was awarded a grant to support fiber broadband expansion to deliver Internet service with speeds of 25-Mbps download and 3-Mbps upload or greater to approximately 5,400 households. Funding for this broadband project comes from a \$12.7 million grant awarded to the County by NTIA. Windstream expects to invest \$4.7 million of its own capital to complete the project and maintain a \$4.0 million performance bond until project completion. Grant funds must be used solely for costs directly incurred to complete the broadband project identified in the approved grant application, Windstream is responsible for any costs over the grant amount. Windstream is required to submit adequate supporting documentation for each expenditure incurred monthly to the County, which in turn, will submit a request for reimbursement directly to NTIA. Upon reimbursement from NTIA, the County will remit the funds to Windstream. Construction projects related to this program began in late 2023, with certain projects remaining on hold pending a permit from the U.S. National Forestry Service. Windstream received extensions and expects to complete the projects in 2025. Windstream funded capital expenditures of \$1.5 million, \$0.4 million and \$0.4 million in 2024, 2023 and 2022, respectively. The grant funded capital expenditures of \$2.6 million, \$0.7 million and \$0.7 million in 2024, 2023 and 2022, respectively. Windstream has not yet received any reimbursement grant funds under this program and expects reimbursements to be received in late 2025 or early 2026. Accordingly, other current assets included \$4.0 million and \$1.4 million as of December 31, 2024 and December 31, 2023, respectively, for funding not yet received.

Ohio Broadband – In March 2022, Windstream was awarded six grants by Ohio’s Department of Development to support installation of last mile broadband infrastructure with the capability to provide tier two broadband service with speeds of up to 1-Gbps symmetrical. Funds received by Windstream will total \$6.6 million. Windstream will contribute approximately \$0.4 million in matching funds amounting to an overall project cost of \$7.0 million. Timing of funding is milestone-based. Windstream has received \$4.0 million with the final 10 percent to be received upon completion. Construction and final testing were completed for five projects by the required date of July 1, 2024. Due to delays in receiving the required permits, construction and testing for the remaining project is expected to be completed by the end of the first quarter of 2025. Under terms of the grant, the Company is required to provide broadband services to customers at speeds of at least 50-Mbps symmetrical, as well as annual operational reports through July 1, 2028. A breach of the terms may result in reclamation of all or a portion of the grant funds. No grant funds were received during 2024. Windstream received \$2.0 million in grant funds under this program in both 2023 and 2022. Reimbursement requests for remaining funds will be submitted in 2025. Capital expenditures funded by the grant were \$0.8 million, \$3.9 million and \$0.4 million in 2024, 2023 and 2022, respectively, with \$1.1 million and \$0.3 million included in other current assets as of December 31, 2024 and December 31, 2023, respectively, for funding not yet received.

Commonwealth of Pennsylvania’s Broadband Infrastructure Program – In May 2024, Windstream was awarded a grant for \$11.9 million to expand the Company’s fiber optic network, which will allow the Company to deliver 1-Gbps Internet service to 2,400 locations in three counties in the Commonwealth of Pennsylvania. Windstream will contribute approximately \$11.3 million in matching funds amounting to an overall project cost of \$23.2 million. Construction is expected to begin in 2025 and required to be complete by December 31, 2026. Reimbursements will be milestone based through the completion of the projects and funding must be used solely for costs directly incurred to complete the broadband projects. Windstream is responsible for any costs over the grant amount. As of December 31, 2024, Windstream had not received any reimbursement grant funds under this program. Capital expenditures funded by the Company in 2024 were \$0.8 million. Capital expenditures funded by the grant were \$0.9 million in 2024, with \$0.9 million included in other current assets as of December 31, 2024, for funding not yet received.

North Carolina Completing Access to Broadband Program – In June 2024, Windstream was awarded a grant for \$6.6 million to expand the Company’s fiber optic network in three counties by the end of 2026, which will allow the Company to deliver 1-Gbps Internet service to 2,300 locations. Funding for this grant comes from ARPA funds allocated to both the state and the counties. Windstream will contribute approximately \$2.8 million in matching funds amounting to an overall project cost of \$9.4 million. Construction is expected to begin in 2025 and required to be completed by October 31, 2026. Construction is expected to begin in 2025 and required to be complete by December 31, 2026. Reimbursements will occur at predetermined milestones through the completion of the projects. Windstream is responsible for any costs over the grant amount. As of December 31, 2024, capital expenditures were immaterial and Windstream had not requested or received any reimbursement grant funds under this program.

WINDSTREAM HOLDINGS II, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

9. Leases:

Our operating leases for network assets and equipment, office space, office equipment and real estate have remaining lease terms of 1 to 30 years, some of which may include one or more options to renew with renewal terms that can extend the lease term from 1 to 10 years or more. Finance leases consist principally of facilities and equipment for use in our operations. As of December 31, 2024, there are no material operating or finance leases that have not yet commenced.

Leaseback of Telecommunication Network Assets – Under two structurally similar but independent agreements with Uniti, one applicable to network facilities within ILEC market areas and the other applicable to network facilities within CLEC market areas, Windstream has the exclusive right to use certain telecommunications network assets, including fiber and copper networks, for an initial term ending in April 2030, with up to four, five-year renewal options. The terms of the master lease agreements with Uniti provided for an initial total annual base rent of \$675.8 million paid in equal monthly installments in advance with an annual escalator of 0.5 percent. Future payments due under the master lease agreements reset to fair market rates upon Windstream’s execution of the renewal options. As of December 31, 2024, the remaining initial term of the master lease agreements is 5.3 years with a discount rate of 8.1 percent. Under the master lease agreements, Uniti also agreed to fund up to \$1.75 billion in GCIs over the remaining initial lease term and to pay Windstream \$400 million in quarterly cash installments over a five-year period ending in 2025, at an annual interest rate of 9.0 percent, which amount may be paid in full or in part at any time, resulting in total cash payments ranging from \$438 - \$485 million over the five-year period. On the one-year anniversary of any GCIs funded by Uniti, the annual base rent payable by the Company will increase by an amount equal to 8.0 percent of such investment, subject to a 0.5 percent annual escalator. Settlement payments from Uniti are accounted for as an accretion to the Company’s operating lease liability when received. Through December 31, 2024, the Company has received \$1,025.0 million in cash from Uniti to fund GCIs and \$411.4 million in cash installment payments.

Leaseback of Real Estate Contributed to Pension Plan – Windstream leases certain real property contributed to the Windstream Pension Plan. The lease agreements provide for the continued use of the properties by our operating subsidiaries and include initial lease terms of 10 years for certain properties and 20 years for the remaining properties at an aggregate annual rent of approximately \$6.0 million. The lease agreements provide for annual rent increases ranging from 2 percent to 3 percent over the initial lease term and may be renewed for up to three additional five-year terms. The properties are managed on behalf of the Company’s non-contributory qualified defined benefit pension plan (the “Windstream Pension Plan”) by an independent fiduciary. Due to our ability to repurchase the property by ceasing all but de minimis operations at the location, control of the property has not transferred and the transaction continues to be accounted for as a financing obligation. Accordingly, the properties continue to be reported as assets of Windstream and depreciated over their remaining useful lives until termination of the lease agreements. The long-term lease obligation of \$57.6 million and \$66.9 million as of December 31, 2024 and 2023 is presented in other liabilities. As a result of using the effective interest rate method, when lease payments are made to the Windstream Pension Plan, a portion of the payment is charged to interest expense and the remaining portion is recorded as a reduction to the long-term lease obligation.

Components of lease expense were as follows for the years ended December 31:

(Millions)	Classification	2024	2023	2022
Operating lease costs (a)	Cost of services and Selling, general and administrative	\$ 820.0	\$ 810.5	\$ 783.6
Finance lease costs:				
Amortization of right-of-use assets	Depreciation and amortization	7.7	9.9	9.1
Interest on lease liabilities	Interest expense	3.9	7.4	2.1
Net lease expense		\$ 831.6	\$ 827.8	\$ 794.8

(a) Includes short-term leases and variable lease costs which are not material.

WINDSTREAM HOLDINGS II, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

9. Leases, Continued:

Supplemental balance sheet information related to leases was as follows as of December 31:

(Millions)	2024	2023
Operating Leases		
Operating lease right-of-use assets	\$ 3,287.9	\$ 3,686.3
Current portion of operating lease obligations	\$ 527.2	\$ 456.3
Long-term operating lease obligations	3,053.6	3,455.2
Total operating lease liabilities	\$ 3,580.8	\$ 3,911.5
Finance Leases		
Property, plant and equipment, gross	\$ 87.9	\$ 113.0
Accumulated depreciation	(29.1)	(35.1)
Property, plant and equipment, net	\$ 58.8	\$ 77.9
Other current liabilities	\$ 1.1	\$ 6.4
Other liabilities	19.9	21.4
Total finance lease liabilities	\$ 21.0	\$ 27.8
Weighted Average Remaining Lease Term		
Operating leases	5.5 years	6.2 years
Finance leases	15.0 years	12.1 years
Leaseback of real estate contributed to pension plan	9.2 years	8.8 years
Weighted Average Discount Rate		
Operating leases	8.3 %	8.2 %
Finance leases	16.5 %	13.5 %
Leaseback of real estate contributed to pension plan	8.4 %	8.3 %

Supplemental cash flow information related to leases was as follows for the years ended December 31:

(Millions)	2024	2023	2022
Cash paid for amounts included in the measurement of lease liabilities:			
Operating cash outflows from operating leases	\$ 751.8	\$ 739.3	\$ 807.1
Operating cash outflows from finance leases	\$ 3.9	\$ 7.4	\$ 2.1
Financing cash outflows from finance leases	\$ 6.8	\$ 10.2	\$ 10.3
Right-of-use assets obtained in exchange for lease obligations:			
Operating leases	\$ 113.1	\$ 141.0	\$ 235.5
Finance leases	\$ —	\$ 0.3	\$ 5.7

WINDSTREAM HOLDINGS II, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

9. Leases, Continued:

As of December 31, 2024, future minimum lease payments under non-cancellable leases were as follows:

(Millions)	Operating Leases (a)	Leaseback of Real Estate Contributed to Pension Plan (a)	Finance Leases (a)
2025	\$ 780.6	\$ 5.8	\$ 4.7
2026	847.9	5.9	3.7
2027	833.5	6.1	3.7
2028	814.3	6.2	3.7
2029	802.3	6.4	3.7
Thereafter	299.2	26.3	41.9
Total future minimum lease payments	4,377.8	56.7	61.4
Less: Amounts representing interest	(797.0)	(37.1)	(40.4)
Add: Residual value	—	38.0	—
Present value of lease liabilities	\$ 3,580.8	\$ 57.6	\$ 21.0

(a) Includes options to extend lease terms that are reasonably certain of being exercised.

To provide comprehensive communication solutions to meet our customers' needs, our services are integrated with the latest communications equipment. Certain offerings include equipment leases. Windstream also leases fiber to generate cash flow from unused or underutilized portions of our network. Lease terms typically range from 1 to 20 years some of which may include one or more options to renew, with renewal terms that can extend the lease term from 1 to 10 years. Fiber customers do have the ability to early terminate the lease by relinquishing the fiber strands back to us; however, we have assessed the probability of such action to be remote.

As previously discussed in Note 2, the Company has adopted the predominance practical expedient applicable to contracts with customers that include both lease and non-lease components and prospectively combines the lease and non-lease components into a single performance obligation for purposes of recognizing revenue from such contracts as a result of the application of fresh start accounting.

Lessor Arrangements – Certain service offerings to customers include equipment leases. The Company also leases its network facilities to other service providers and enters into arrangements with third parties to lease unused or underutilized portions of its network. These leases meet the criteria for operating lease classification. Operating lease income was \$144.8 million, \$137.4 million and \$125.6 million as of December 31, 2024, 2023 and 2022, respectively, and is included in service revenues in the consolidated statements of operations.

Periodically, the Company enters into indefeasible right of use ("IRU") arrangements that grant exclusive access to and unrestricted use of specific dark fiber assets and for which the terms of the arrangements are for a major part of the assets' remaining economic life. These IRU arrangements meet the criteria for sales-type lease classification. During 2024, the Company recognized sales revenue of \$26.9 million, cost of sales of \$10.1 million and gross profit of \$16.8 million related to these IRU arrangements. While the Company entered into an IRU arrangement in 2023 and 2022, the effects of these sales-type lease transactions were immaterial to the Company's reported results of operations for those years.

WINDSTREAM HOLDINGS II, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

9. Leases, Continued:

Future lease receipts from non-cancellable leases were as follows for the years ended December 31:

Year	(Millions)
2025	\$ 11.3
2026	9.8
2027	8.7
2028	6.9
2029	5.5
Thereafter	27.4
Total future lease receipts	\$ 69.6

10. Employee Benefit Plans:

The Company maintains a non-contributory qualified defined benefit pension plan. Future benefit accruals for all eligible non-bargaining employees covered by the pension plan have ceased.

The components of pension expense were as follows for the years ended December 31:

(Millions)	2024	2023	2022
Benefits earned during the period (a)	\$ 1.7	\$ 1.7	\$ 3.0
Interest cost on benefit obligation (b)	29.2	33.4	31.6
Net actuarial loss (b)	16.9	10.3	46.5
Settlement (gain) loss (b)	—	(0.4)	12.8
Expected return on plan assets (b)	(31.2)	(32.6)	(53.0)
Net periodic pension expense	\$ 16.6	\$ 12.4	\$ 40.9

(a) Included in cost of services and selling, general and administrative expense.

(b) Included in other expense, net.

During August 2022, the Company settled \$205.5 million of its pension benefit obligations by irrevocably transferring the retiree pension liabilities to an insurance company through the purchase of group annuity contracts. The purchase of the annuity contracts was funded with pension plan assets of \$212.7 million. As a result of the settlement, the Company remeasured its pension benefit obligations as of August 31, 2022, which resulted in the recognition of a settlement loss of \$11.3 million. In accordance with its accounting policy, the Company immediately recognizes as net periodic pension cost any actuarial gains or losses arising due to changes in actuarial assumptions whenever an interim re-measurement is required. Accordingly, the Company recognized a pretax actuarial loss of \$37.0 million in the third quarter of 2022. The actuarial loss primarily resulted from lower-than-expected returns on plan assets realized in 2022, partially offset by an increase in the discount rate used to measure the pension benefit obligations from 2.90 percent at January 1, 2022 to 4.77 percent as of August 31, 2022.

WINDSTREAM HOLDINGS II, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

10. Employee Benefit Plans, Continued:

A summary of plan assets, projected benefit obligation and funded status of the pension plan was as follows as of December 31:

(Millions)	2024	2023
Fair value of plan assets, at beginning of year	\$ 418.5	\$ 475.7
Actual return on plan assets	(6.7)	32.9
Employer contributions (a)	50.3	—
Benefits paid	(47.9)	(40.7)
Settlements (b)	—	(49.4)
Fair value of plan assets at end of year	\$ 414.2	\$ 418.5
Projected benefit obligation at beginning of year	\$ 590.7	\$ 634.6
Interest cost on projected benefit obligations	29.2	33.4
Service cost	2.6	2.7
Actuarial (gain) loss (c)	(21.1)	10.1
Benefits paid	(47.9)	(40.7)
Settlements (b)	—	(49.4)
Projected benefit obligation at end of year	\$ 553.5	\$ 590.7
Plan assets less than projected benefit obligation recorded in the balance sheet:		
Current liabilities	\$ (25.4)	\$ (17.5)
Noncurrent liabilities	(113.9)	(154.7)
Funded status recognized in the consolidated balance sheets	\$ (139.3)	\$ (172.2)

- (a) For the 2024 plan year, the Company's annual minimum funding requirements to the qualified pension plan totaled \$15.3 million. Incremental to its required minimum funding contributions, the Company also made a voluntary cash contribution of \$7.0 million to the pension plan on April 15, 2024. On November 18, 2024, the Company made an additional voluntary contribution of \$28.0 million in cash to the qualified pension plan. The Company had no minimum funding requirements and did not make any discretionary contributions to the plan during 2023.
- (b) In an effort to reduce our long-term pension obligations and administrative expenses, during the fourth quarter of 2023, the Company offered to certain eligible participants the option to receive a single lump-sum payment in full settlement of all future pension benefits earned by the participant from prior service to Windstream. Individuals eligible for the voluntary lump-sum payment option were former employees and certain of their beneficiaries with termination dates on or prior to June 30, 2023 who had not yet commenced their pension benefit payments. The calculated amount of the single lump-sum payment was the present value of the participant's vested accrued pension benefit as of December 2023. All lump-sum payments were made from existing plan assets and totaled \$29.3 million. Settlements also included regular lump-sum payments made throughout the year.
- (c) The net actuarial gain for 2024 primarily consisted of an actuarial gain of \$23.7 million attributable to the change in discount rate from 5.16 percent to 5.64 percent, and an actuarial gain of \$2.6 million attributable to demographic experience.

The accumulated benefit obligation of the pension plan was \$545.8 million and \$582.8 million as of December 31, 2024 and 2023, respectively.

WINDSTREAM HOLDINGS II, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

10. Employee Benefit Plans, Continued:

Assumptions – Actuarial assumptions used to calculate pension benefits expense (income) were as follows for the years ended December 31:

(Millions)	2024	2023	2022 (a)
Discount rate	5.16 %	5.49 %	2.90 %
Expected return on plan assets	7.75 %	7.25 %	6.45 %
Rate of compensation increase	3.00 %	3.00 %	3.00 %

- (a) As a result of the remeasurement of the pension benefit obligation in August 2022 previously discussed, the discount rate assumption changed from 5.49 percent to 4.77 percent as of the remeasurement date.

Actuarial assumptions used to calculate the projected benefit obligations were as follows for the years ended December 31:

	2024	2023
Discount rate	5.64 %	5.16 %
Expected return on plan assets	7.75 %	7.75 %
Rate of compensation increase	3.30 %	3.00 %

In developing the expected long-term rate of return assumption, management considered the plan's historical rate of return, as well as input from the Company's investment advisors. Projected returns on qualified pension plan assets were based on broad equity and bond indices and include a targeted asset allocation of 49.0 percent to equities, 32.0 percent to fixed income securities, and 19.0 percent to alternative investments, with an aggregate expected long-term rate of return of approximately 7.75 percent.

Plan Assets – Pension plan assets are allocated to asset categories based on the specific strategy employed by the asset's investment manager. The asset allocation by asset category was as follows for the years ended December 31:

Asset Category	Target Allocation	Percentage of Plan Assets	
	2024	2024	2023
Equity securities	41.3% - 55.9%	43.1 %	31.6 %
Fixed income securities	13.2% - 47.8%	29.9 %	44.4 %
Alternative investments	12.1% - 26.7%	21.5 %	22.5 %
Money market and other short-term interest bearing securities	0.0% - 5.0%	5.5 %	1.5 %
		100.0 %	100.0 %

The Company utilizes a third party to assist in evaluating the allocation of the total assets in the pension plan, taking into consideration the benefit obligations and funded status of the pension plan. Assets are managed utilizing a liability driven investment approach, meaning that assets are managed within a risk management framework which addresses the need to generate incremental returns in the context of an appropriate level of risk, based on plan liability profiles and changes in funded status. The return objectives are to satisfy funding obligations when and as prescribed by law and to keep pace with the growth of the pension plan liabilities. Given the long-time horizon for paying out benefits and the Company's current financial condition, the pension plan can accept an average level of risk relative to other similar plans. The liquidity needs of the pension plan are manageable given that lump sum payments are not available to most participants.

WINDSTREAM HOLDINGS II, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

10. Employee Benefit Plans, Continued:

Equity securities include stocks of both large and small capitalization domestic and international companies. Equity securities are expected to provide both diversification and long-term real asset growth. Domestic equities may include modest holdings of non-U.S. equities, purchased by domestic equity managers as long as they are traded in the U.S and denominated in U.S. dollars and both active and passive (index) investment strategies. International equities provide a broad exposure to return opportunities and investment characteristics associated with the world equity markets outside the U.S. The pension plan's equity holdings are diversified by investment style, market capitalization, market or region, and economic sector.

Fixed income securities include securities issued by the U.S. Government and other governmental agencies, debt securities issued by domestic and international entities, and derivative instruments comprised of swaps, futures, forwards and options. These securities are expected to provide diversification benefits and are expected to reduce asset volatility and pension funding volatility, and a stable source of income.

Alternative investments may include hedge funds, commodities, both private and public real estate and private equity investments. In addition to attractive diversification benefits, the alternative investments are expected to provide both income and capital appreciation.

Investments in money market and other short-term interest bearing securities are maintained to provide liquidity for benefit payments with protection of principal being the primary investment objective.

The fair values of pension plan assets were determined using the following inputs as of December 31, 2024:

(Millions)	Fair Value	Quoted Price in Active Markets for Identical Assets	Significant Other Observable Inputs	Significant Unobservable Inputs
		Level 1	Level 2	Level 3
Money market fund (a)	\$ 40.5	\$ —	\$ 40.5	\$ —
Collective and other trust funds (b)	167.2	—	167.2	—
Government and agency securities (c)	42.8	—	42.8	—
Real estate LLCs (d)	77.3	—	—	77.3
Other investments (e)	1.5	1.5	—	—
Investments included in fair value hierarchy	329.3	\$ 1.5	\$ 250.5	\$ 77.3
Other investments measured at NAV:				
Pooled funds (f)	21.5			
Private equity funds (g)	48.9			
Total investments	399.7			
Dividends and interest receivable	0.3			
Pending trades and other liabilities	14.2			
Total plan assets	\$ 414.2			

WINDSTREAM HOLDINGS II, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

10. Employee Benefit Plans, Continued:

The fair values of pension plan assets were determined using the following inputs as of December 31, 2023:

(Millions)	Fair Value	Quoted Price in Active Markets for Identical Assets	Significant Other Observable Inputs	Significant Unobservable Inputs
		Level 1	Level 2	Level 3
Money market fund (a)	\$ 61.6	\$ —	\$ 61.6	\$ —
Collective and other trust funds (b)	133.6	—	133.6	—
Government and agency securities (c)	60.0	—	60.0	—
Real estate LLCs (d)	78.0	—	—	78.0
Other investments (e)	6.6	1.6	5.0	—
Investments included in fair value hierarchy	339.8	\$ 1.6	\$ 260.2	\$ 78.0
Other investments measured at NAV:				
Pooled funds (f)	27.2			
Private equity funds (g)	56.6			
Total investments	423.6			
Dividends and interest receivable	0.5			
Pending trades and other liabilities	(5.6)			
Total plan assets	\$ 418.5			

- (a) The money market fund is valued based on the fair value of the underlying assets held as determined by the fund manager on the last business day of the year. The underlying assets are mostly comprised of certificates of deposit, time deposits and commercial paper valued at amortized cost. The carrying amount of interest bearing cash is estimated to approximate fair value due to the short-term nature of this investment.
- (b) Units in collective and other trust funds are valued by reference to the funds' underlying assets and are based on the net asset value as reported by the fund manager on the last business day of the year. The underlying assets are mostly comprised of publicly traded equity securities and fixed income securities. These securities are valued at the official closing price of, or the last reported sale prices as of the close of business or, in the absence of any sales, at the latest available bid price.
- (c) Government and agency securities and corporate bonds are valued using pricing models maximizing the use of observable inputs for similar securities. Corporate bonds include values based on yields currently available on comparable securities of issuers with similar credit ratings.
- (d) This category consists of real estate properties contributed by the Company to limited liability companies ("LLCs") wholly-owned by the pension plan that are leased back by Windstream. The fair value of these properties is based on independent appraisals. (See also Note 9.)
- (e) Other investments consist of derivative financial instruments and investments in foreign currency. Derivative financial instruments are valued based on models that reflect the contractual terms of the instruments. Inputs include observable market information, such as swap curves, benchmark yields, rating updates and interdealer broker quotes at the end of the year. Investments in foreign currency are valued at their quoted market price on the last day of the year.

WINDSTREAM HOLDINGS II, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

10. Employee Benefit Plans, Continued:

- (f) The pooled funds are valued based on the net asset value of the fund as a practical expedient as determined by the fund manager on the last business day of the year and is derived from the fair value of each underlying investment held by the pooled fund. These investments have not been classified within the fair value hierarchy.
- (g) Private equity funds consist of investments in limited partnerships and are valued based on the pension plan's capital account balance at year end, resulting in valuation at net asset value as a practical expedient, as reported in the audited financial statements of the partnership. These investments have not been classified within the fair value hierarchy.

The following is a reconciliation of the beginning and ending balances of pension plan assets that are measured at fair value using significant unobservable inputs:

(Millions)	Real estate LLCs
Balance as of December 31, 2022	\$ 70.9
Unrealized gains	7.1
Balance as of December 31, 2023	\$ 78
Unrealized gains	7.0
Realized loss	(3.7)
Sales	(4.0)
Balance as of December 31, 2024	\$ 77.3

There were no transfers within the fair value hierarchy during the years ended December 31, 2024 and 2023.

There have been no significant changes in the methodology used to value investments from prior year. The valuation methods used may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the valuation methods are consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Expected Future Employer Contributions and Benefit Payments – Expected future employer contributions and benefit payments are as follows as of December 31, 2024:

(Millions)	
Expected employer contributions in 2025	\$ 25.4
Expected benefit payments:	
2025	\$ 49.6
2026	48.7
2027	47.9
2028	47.2
2029	46.3
2030-2034	218.4

For 2025, the expected employer contributions of \$25.4 million will be made using cash. The total amount of the 2025 contributions, and amount and timing of future contributions including voluntary contributions, to the pension plan are dependent upon a myriad of factors including future investment performance, changes in future discount rates and changes in the demographics of the population participating in the plan.

WINDSTREAM HOLDINGS II, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

10. Employee Benefit Plans, Continued:

Windstream also provides postretirement healthcare and life insurance benefits for eligible employees. Employees share in, and the Company funds, the costs of the plan as benefits are paid. As of December 31, 2024 and 2023, the unfunded postretirement projected benefit obligation was \$4.2 million and \$4.8 million, respectively. In determining its periodic postretirement benefits cost, the Company amortizes unrecognized actuarial gains and losses exceeding 10.0 percent of the projected benefit obligation over the lesser of 10 years or the average remaining service life of active employees or life expectancy of inactive participants. Unrecognized actuarial gains and losses below the 10.0 percent corridor are not amortized. Prior service credits are amortized over the average remaining service life of active plan participants. Postretirement benefit income, which is included in other expense, net in the accompanying consolidated statements of operations, totaled \$1.2 million in 2024, 2023 and 2022.

The Company also sponsors an employee savings plan under section 401(k) of the Internal Revenue Code ("IRC"). The plan covers substantially all salaried employees and certain bargaining unit employees. Participating employees receive employer matching contributions up to a maximum of 4.0 percent of employee pre-tax contributions to the plan for employees contributing up to 5.0 percent of their eligible pre-tax compensation. Effective January 1, 2020, the plan was amended such that the employer matching contribution is calculated and funded in cash to the plan each pay period with an annual true-up to be made as soon as administratively possible after the end of the year.

During 2024, contributions to the plan were \$23.7 million in cash and included the annual 2023 true-up contribution. In 2023, contributions to the plan were \$27.9 million in cash and included the annual 2022 true-up contribution. Contributions to the plan during the year ended December 31, 2022 were \$26.4 million in cash and included the annual 2021 true-up contribution.

Excluding amounts capitalized, expense attributable to the employer matching contribution under the plan recorded for the years ended December 31, 2024, 2023 and 2022 related to the employee savings plan was \$24.0 million, \$26.4 million and \$27.4 million, respectively. Expense related to the employee savings plan is included in cost of services and selling, general and administrative expenses in the accompanying consolidated statements of operations.

11. Equity-Based Compensation Plans:

Under the 2020 Management Incentive Plan ("MIP"), the Company was authorized to issue up to a maximum of 10.0 million of equity-based awards in the form of restricted common units or options to certain directors, officers, executives and other key management employees. Awards granted under the MIP included time-based restricted common units, performance-based options and performance-based restricted common units. No new awards were granted under the MIP in 2024. On May 2, 2024, the Board of Managers (the "Board") terminated the MIP with respect to the granting of any new equity awards. In conjunction with this action, participants in the MIP currently employed by the Company and current members of the Board agreed to settle all issued and outstanding time-based restricted units for cash consideration of \$13 per unit payable on or about May 2, 2025, or upon consummation of the Merger, whichever is earlier (see Note 16 for further discussion of the Merger). As of May 2, 2024, there were 1,500,306 time-based restricted units outstanding held by current management employees and Board members. Participants in the MIP currently employed by the Company also agreed to forfeit all performance-based restricted units and performance-based options previously granted to them in exchange for other cash consideration payable upon consummation of the Merger. As a result, 345,469 performance-based units and 1,151,572 performance-based options were cancelled. Additionally, the termination of the MIP also accelerated the vesting by shortening the remaining service period for 87,500 time-based restricted units to May 2, 2025.

Participants in the MIP formerly employed by the Company will be offered the option to receive cash consideration for time-based restricted units that previously vested and were settled as common units for the same cash consideration of \$13 per unit, payable upon acceptance of the offer and, in exchange, relinquish performance-based units and performance-based options previously issued to them. As of May 2, 2024, there were 708,318 common units, 889,404 performance-based units and 2,964,703 performance-based options outstanding held by former management employees of the Company.

WINDSTREAM HOLDINGS II, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

11. Equity-Based Compensation Plans, Continued:

The changes to the issued and outstanding time-based restricted units due to the termination of the MIP were accounted for as a modification of the original awards and a change in their classification from equity to liability awards because the awards will now be settled in cash in lieu of common units. As of the modification date, the fair value for all unvested and vested unsettled time-based restricted units was remeasured based on the \$13 cash consideration per unit. No incremental compensation expense resulted from the remeasurement of the modified awards, nor did the modifications change the expectation that the unvested time-based restricted units would ultimately vest. Due to the change in classification of the awards, \$15.6 million was reclassified from additional paid in capital to other current liabilities, representing the modified fair value of the pro rata portion of the requisite service period completed by former participants in the MIP currently employed by the Company and current members of the Board. Amounts remaining in additional paid in capital as of December 31, 2024, represent compensation expense previously recognized for time-based restricted units that had vested and were settled in common units.

Prior to the termination of the MIP, there were no new equity-based awards granted in 2024. For annual periods prior to 2024, equity-based awards granted under the MIP were as follows:

Restricted Units – During 2023 and 2022, our Board of Managers granted additional time-based restricted units. The following table presents the vesting periods and grant date fair values of time-based restricted units granted in 2023 and 2022.

(Number of units in thousands)	Granted in 2023
Vest one-half on date of grant with remaining one-half vesting ratably from date of grant through service period ending on October 30, 2025	700.0
Vest ratably from date of grant through service period ending on July 1, 2024 - non-employee directors	86.2
Total granted	786.2
Weighted average grant date fair value per unit	\$13.58
Grant date fair value (millions)	\$10.7

(Number of units in thousands)	Granted in 2022
Vest ratably from date of grant through service period ending on September 21, 2024	107.9
Vest ratably from date of grant through service period ending on July 1, 2023 - non-employee directors	8.7
Total granted	116.6
Weighted average grant date fair value per unit	\$19.26
Grant date fair value (millions)	\$2.2

The weighted average fair value of time-based restricted common units granted was determined using the Black-Scholes model based on the following weighted average assumptions: expected life of 4.8 years, expected volatility of 39.6 percent and risk-free interest rate of 4.6 percent for 2023 and expected life of 3.2 years, expected volatility of 37.0 percent and risk-free interest rate of 3.6 percent for 2022.

Time-based restricted unit activity was as follows for the year ended December 31, 2024:

	(Thousands) Number of Units	Weighted Average Grant Date Fair Value Per Unit
Non-vested as of December 31, 2023	626.3	\$13.86
Vested	(413.6)	\$14.14
Forfeited	(37.7)	\$13.99
Non-vested as of December 31, 2024	175.0	\$13.15

WINDSTREAM HOLDINGS II, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

11. Equity-Based Compensation Plans, Continued:

As of December 31, 2024, there were 1,200,246 vested time-based restricted common units settled and 1,325,306 vested time-based restricted common units not yet settled. Vested units for employees will be settled in common units and distributed at the earliest of (1) a change in control, (2) grantee's death, disability, or separation from service or (3) six years from emergence date of September 21, 2020. Vested units for non-employee directors and for one executive grant will be settled in common units and distributed at the earliest of (1) a change in control, (2) separation from service or (3) ten years from the date specified in the grant agreement. As of December 31, 2024, unrecognized compensation expense for the non-vested time-based restricted units totaled \$1.0 million and will be recognized over a weighted average period of 0.3 years. Compensation expense recognized for the time-based restricted units was \$4.8 million, \$13.0 million and \$7.9 million for the years ended December 31, 2024, 2023 and 2022, respectively.

Options and Performance Units – As of December 31, 2023, there were 4.2 million unvested performance-based options and 1.3 million unvested performance-based restricted common units that had been granted under the MIP. Under the terms of the grant awards, the options and restricted common units are subject to both time and performance vesting conditions. The awards time vested ratably from the date of grant through September 21, 2024. The percentage of the award vested is dependent upon the increase in equity value subsequent to emergence measured upon a change in control or liquidity event. The options include an exercise price of \$12.50 and the maximum term for each option granted is 10 years.

The following table summarizes the activity of performance-based options and performance-based restricted common units during the years ended December 31, 2024:

	Stock Options		Performance Units	
	(Thousands) Number of Units	Weighted Average Fair Value Per Unit	(Thousands) Number of Units	Weighted Average Fair Value Per Unit
Non-vested as of December 31, 2023	4,210.4	\$4.25	1,263.1	\$6.06
Forfeited	(1,671.8)	\$4.06	(501.5)	\$5.96
Non-vested as of December 31, 2024	2,538.6	\$4.37	761.6	\$6.13

Because the vesting of the options and performance units are subject to both a service and performance condition, no compensation expense is recognized related to these awards until it is probable that a change in control or liquidity event will occur. At such time, the cost of the options and performance units based on the grant-date fair value will be recognized as compensation expense on a straight-line basis over the remaining requisite period in which the recipient is required to provide services in exchange for the award.

As of December 31, 2024, total unrecognized compensation expense for non-vested options and performance units was \$11.1 million and \$4.7 million, respectively, and was equal to the aggregate grant date fair value of the unvested awards.

12. Other Expense, Net:

The components of other expense, net were as follows for the years ended December 31:

(Millions)	2024	2023	2022
Non-operating pension expense (a)	\$ (14.9)	\$ (10.7)	\$ (37.9)
Distributions from bankruptcy claims account (b)	—	—	16.2
Loss on liquidation of non-marketable investment (c)	—	(4.2)	—
Interest income on short-term investments	2.6	—	—
Other, net	0.7	1.1	(0.2)
Total other expense, net	\$ (11.6)	\$ (13.8)	\$ (21.9)

WINDSTREAM HOLDINGS II, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

12. Other Expense, Net:

- (a) See Note 10 for a detail of the components of net periodic pension expense included in other expense, net.
- (b) In 2022, the Company received cash distributions totaling \$23.4 million from the general unsecured claims account, which was funded at emergence to administer and settle remaining general unsecured bankruptcy claims. This separate cash account was established for the predecessor entity, Windstream Services PE, LLC (“Old Services”), which is not a subsidiary of the Company. Of the total cash received, \$7.2 million was applied to a receivable due from Old Services, with the balance of \$16.2 million recorded to other expense, net. Once all remaining bankruptcy-related claims are settled, any remaining cash held by Old Services will be transferred to the Company.
- (c) Effective December 1, 2023, in conjunction with a merger transaction, the Company was notified that its investment in certain non-marketable securities issued by the acquiree was to be liquidated for \$9.2 million in cash payable to Windstream in January 2024. At the time of notification, the carrying value of the Company’s investment was \$13.4 million, resulting in a loss upon liquidation of \$4.2 million. A receivable for the liquidation proceeds was included in other current assets as of December 31, 2023, and the cash was received by the Company on January 9, 2024.

13. Accumulated Other Comprehensive Income:

Accumulated other comprehensive income balances, net of tax, were as follows as of December 31:

(Millions)	2024	2023	2022
Postretirement plan	\$ 8.8	\$ 9.9	\$ 11.0
Unrealized net holding gains (losses) on interest rate swaps:			
Designated portion	2.9	(1.8)	23.8
De-designated portion	2.1	10.8	—
Accumulated other comprehensive income	\$ 13.8	\$ 18.9	\$ 34.8

Changes in accumulated other comprehensive income balances, net of tax, were as follows:

(Millions)	Unrealized Holdings (Losses) Gains on Interest Rate Swaps	Postretirement Plan	Total
Balance as of December 31, 2022	\$ 23.8	\$ 11.0	\$ 34.8
Other comprehensive loss before reclassifications	(0.3)	—	(0.3)
Amounts reclassified from other accumulated comprehensive income (a)	(14.5)	(1.1)	(15.6)
Balance as of December 31, 2023	\$ 9.0	\$ 9.9	\$ 18.9
Other comprehensive income before reclassifications	6.5	—	6.5
Amounts reclassified from other accumulated comprehensive income (a)	(10.5)	(1.1)	(11.6)
Balance as of December 31, 2024	\$ 5.0	\$ 8.8	\$ 13.8

- (a) See separate table below for details about these reclassifications.

WINDSTREAM HOLDINGS II, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

13. Accumulated Other Comprehensive Income, Continued:

Reclassifications out of accumulated other comprehensive income were as follows for the years ended December 31:

Details about Accumulated Other Comprehensive Income Components	(Millions) Amount Reclassified from Accumulated Other Comprehensive Income			Affected Line Item in the Consolidated Statements of Operations
	2024	2023	2022	
Designated interest rate swaps:				
Recognition of net unrealized gains	\$ (6.6)	\$ (14.2)	\$ (4.6)	Interest expense
De-designated interest rate swaps:				
Amortization of net unrealized gains	(7.3)	(5.0)	—	Interest expense
	(13.9)	(19.2)	(4.6)	Loss before income taxes
	3.4	4.7	1.1	Income tax benefit
	(10.5)	(14.5)	(3.5)	Net loss
Postretirement plan:				
Amortization of net actuarial gains	(0.7)	(0.7)	(0.6)	(a) Other expense, net
Amortization of prior service credits	(0.8)	(0.8)	(0.8)	(a) Other expense, net
	(1.5)	(1.5)	(1.4)	Loss before income taxes
	0.4	0.4	0.3	Income tax benefit
	(1.1)	(1.1)	(1.1)	Net loss
Total reclassifications for the period, net of tax	\$ (11.6)	\$ (15.6)	\$ (4.6)	Net loss

(a) Included in the computation of postretirement benefit income for the period.

14. Business Segments:

The Company's segments are determined based on the current organizational and management structure in place and the internal financial information regularly reviewed and used by the CODM for making operating decisions and assessing performance. Our Chief Executive Officer, as CODM, uses direct margin, which is computed as segment revenues and sales less segment expenses, to evaluate performance and allocate operating and capital resources, primarily in the annual budgeting and forecasting process and to establish performance targets for purposes of management incentive compensation. For each segment, our CODM reviews monthly sequential changes in direct margin and compares actual monthly direct margin to forecasted monthly and year-to-date financial information. For financial reporting purposes, our operating and reportable segments consist of:

Kinetic – We manage as one business our residential and small business operations in ILEC markets due to the similarities with respect to service offerings and marketing strategies. Residential customers can bundle voice, high-speed Internet and video services, to provide one convenient billing solution and receive bundle discounts. We offer a wide range of advanced Internet services, local and long-distance voice services, integrated voice and data services, and web conferencing products to our small business customers. These services are equipped to deliver high-speed Internet with competitive speeds, value added services to enhance business productivity and options to bundle services to meet our small business customer needs. Products and services offered to small business customers also include managed cloud communications and security services.

WINDSTREAM HOLDINGS II, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

14. Business Segments, Continued:

Kinetic service revenues also include revenue from federal and state USF programs, amounts received from RDOF, and certain surcharges assessed to our customers, including billings for our required contributions to federal and state USF programs. Sales revenues include sales of various types of communications equipment and products to customers, including selling network equipment to contractors on a wholesale basis.

Enterprise – We manage as one business our mid-market and large business customers located both within our ILEC and CLEC markets. Products and services offered include managed cloud communications and security services, integrated voice and data services, advanced data and traditional voice and long-distance services. Enterprise strategic revenues consist of recurring SASE, Unified Communications as a Service, OfficeSuite UC®, Software Defined Wide Area Network and associated network access products and services. Enterprise service revenues also include dynamic Internet protocol, dedicated Internet access, multi-protocol label switching services, TDM, voice and data services, and certain surcharges assessed to customers. Enterprise product sales include high-end data and communications equipment which facilitate the delivery of advanced data and voice services to enterprise customers.

Wholesale – Our wholesale operations are focused on providing network bandwidth to other telecommunications carriers, network operators, governmental entities, content providers, and large cloud computing and storage service providers. These services include network transport services to end users, Ethernet and Wave transport of up to 400-Gbps, and dark fiber and colocation services. Wholesale services also include fiber-to-the-tower connections to support the wireless backhaul market. In addition, we offer voice and data carrier services to other communications providers and to larger-scale purchasers of network capacity. Wholesale fiber sales revenues represent amounts recognized from sales-type leases for fiber where control of the fiber has transferred to the customer.

Segment revenues are based upon each customer's classification to an individual segment and include all services provided to that customer. There are no differences between total segment revenues and sales and total consolidated revenues and sales. Segment expenses include certain direct expenses incurred in providing services and products to segment customers and selling, general and administrative expenses that are directly associated with specific segment customers or activities. These direct expenses include customer specific access costs, cost of sales, field operations, sales and marketing, product development, licensing fees, provision for estimated credit losses, and compensation and benefit costs for employees directly assigned to the segments.

Our network operations and operational support functions are managed centrally and are not monitored by or reported to the CODM at a segment level. Accordingly, these shared operating expenses are not assigned to the segments and primarily consist of costs incurred related to network access and facilities, network operations, engineering, service delivery and customer support. Costs related to centrally-managed administrative functions, including information technology, accounting and finance, legal, human resources and other corporate management activities are not monitored by or reported to the CODM by segment. We also do not assign to the segments depreciation and amortization expense, straight-line expense under the master lease agreements with Uniti, net gain (loss) on asset retirements and dispositions, gain on sale of operating assets or merger expenses, because these items are not monitored by or reported to the CODM at a segment level.

Interest expense and loss on early extinguishment of debt have also been excluded from segment operating results because we manage our financing activities on a total company basis and have not assigned any debt or lease obligations to the segments. Other expense, net, and income tax benefit are not monitored as a part of our segment operations and, therefore, these items also have been excluded from our segment operating results.

Capital expenditures for network enhancements and information technology-related projects benefiting Windstream as a whole are not assigned to the segments and are presented as corporate/shared capital expenditures. Asset information by segment is not monitored or reported to the CODM and therefore has not been presented. Substantially all of our customers, operations and assets are located in the U.S., and we do not have any single customer that provides more than 10 percent of our total consolidated revenues and sales.

WINDSTREAM HOLDINGS II, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

14. Business Segments, Continued:

The following table summarizes our segment results for the years ended December 31:

(Millions)	2024	2023	2022
Kinetic:			
Service revenues	\$ 1,569.1	\$ 1,619.5	\$ 1,624.3
Sales revenues	28.5	30.2	39.1
Total revenues and sales	1,597.6	1,649.7	1,663.4
Compensation expenses	(310.1)	(299.6)	(302.0)
Non-compensation managed expenses (a)	(199.8)	(192.0)	(182.4)
Revenue-driven costs (b)	(126.9)	(136.0)	(147.3)
Direct margin	\$ 960.8	\$ 1,022.1	\$ 1,031.7
Enterprise:			
Service revenues	\$ 1,326.5	\$ 1,561.8	\$ 1,843.1
Sales revenues	1.5	3.4	4.3
Total revenues and sales	1,328.0	1,565.2	1,847.4
Compensation expenses	(119.2)	(167.9)	(176.8)
Non-compensation managed expenses (c)	(25.9)	(34.3)	(38.3)
Revenue-driven costs (d)	(181.8)	(198.2)	(217.3)
Customer access expense (e)	(249.6)	(310.5)	(406.4)
Direct margin	\$ 751.5	\$ 854.3	\$ 1,008.6
Wholesale:			
Service revenues	\$ 765.8	\$ 766.7	\$ 716.4
Sales revenues	26.9	5.1	1.7
Total revenues and sales	792.7	771.8	718.1
Segment expenses (f)	(94.6)	(83.0)	(91.8)
Direct margin	\$ 698.1	\$ 688.8	\$ 626.3
Total segment service revenues	\$ 3,661.4	\$ 3,948.0	\$ 4,183.8
Total segment sales revenues	56.9	38.7	45.1
Total segment revenues and sales	\$ 3,718.3	\$ 3,986.7	\$ 4,228.9
Total segment expenses	(1,307.9)	(1,421.5)	(1,562.3)
Total segment direct margin	\$ 2,410.4	\$ 2,565.2	\$ 2,666.6

- (a) Includes advertising, contract services and fees, fleet-related expenses (e.g., leasing costs, fuel, maintenance and repair costs), and employee-related travel costs.
- (b) Includes federal and state USF fees, provision for credit losses, equipment-related shipping and refurbishment costs, and cost of sales.
- (c) Includes advertising, contract services and fees, and employee-related travel costs.
- (d) Includes federal and state USF fees, provision for credit losses, third-party commissions, staff augmentation for professional services, product licensing fees, and cost of sales.
- (e) Customer access expense represents the portion of interconnect costs directly assigned to the segment.
- (f) No disaggregated expense information is regularly provided or reviewed by the CODM for this segment. These expenses primarily consist of salaries and wages, commissions, benefits and taxes, advertising, contract services and fees, travel, cost of fiber sales, federal USF fees, and customer access expense.

WINDSTREAM HOLDINGS II, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

14. Business Segments, Continued:

Capital expenditures by segment were as follows as of December 31:

(Millions)	2024	2023	2022
Kinetic	\$ 479.3	\$ 528.0	\$ 517.2
Enterprise	47.9	74.7	89.1
Wholesale	94.0	122.4	104.3
Corporate/Shared (a)	263.1	333.3	370.2
Total	\$ 884.3	\$ 1,058.4	\$ 1,080.8

- (a) Represents capital expenditures not directly assigned to the segments and primarily consist of capital outlays for network enhancements and information technology-related projects benefiting Windstream as a whole.

The following table reconciles segment direct margin to consolidated net loss for the years ended December 31:

(Millions)	2024	2023	2022
Total segment direct margin	\$ 2,410.4	\$ 2,565.2	\$ 2,666.6
Depreciation and amortization	(801.7)	(790.8)	(801.4)
Straight-line expense under contractual arrangement with Uniti	(696.3)	(677.1)	(657.4)
Net gain (loss) on asset retirements and dispositions	25.0	1.8	(51.1)
Gain on sale of operating assets	129.0	—	—
Merger expenses	(26.5)	—	—
Unassigned shared operating expenses (a)	(1,001.3)	(1,146.9)	(1,229.0)
Other expense, net	(11.6)	(13.8)	(21.9)
Interest expense	(239.6)	(209.6)	(185.4)
Loss on early extinguishment of debt	(18.5)	—	—
Income tax benefit	19.9	61.4	62.0
Net loss	\$ (211.2)	\$ (209.8)	\$ (217.6)

- (a) Represents operating expenses not assigned to the segments primarily consisting of expenses related to network access and facilities, network operations, engineering, service delivery, and customer support, as well as expenses related to centrally-managed administrative functions, including information technology, accounting and finance, legal, human resources, and other corporate management activities.

15. Income Taxes:

Income tax benefit was as follows for the years ended December 31:

(Millions)	2024	2023	2022
Current:			
Federal	\$ (4.9)	\$ —	\$ (0.4)
State	(5.1)	(2.9)	(19.1)
	(10.0)	(2.9)	(19.5)
Deferred:			
Federal	19.1	50.8	52.5
State	10.8	13.5	29.0
	29.9	64.3	81.5
Income tax benefit	\$ 19.9	\$ 61.4	\$ 62.0

WINDSTREAM HOLDINGS II, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

15. Income Taxes, Continued:

The deferred income tax benefit for 2024 reflected the loss before income taxes, and included the impact of recording additional valuation allowance. The deferred income tax benefit for 2023 and 2022 reflected the loss before income taxes.

Differences between the federal income tax statutory rates and effective income tax rates, which include both federal and state income taxes, were as follows for the years ended December 31:

(Millions)	2024	2023	2022
Statutory federal income tax rate	21.0 %	21.0 %	21.0 %
Increase (decrease)			
State income taxes, net of federal benefit	3.9	4.1	3.9
Adjust deferred taxes for state net operating loss carryforward	(0.2)	0.2	(0.4)
Valuation allowance	(13.5)	(0.8)	(0.4)
Executive compensation	(0.1)	(1.2)	(0.7)
Post-emergence bankruptcy-related items	(0.1)	(0.1)	(0.7)
Merger expenses	(2.9)	—	—
Other items, net	0.5	(0.6)	(0.5)
Effective income tax rate	8.6 %	22.6 %	22.2 %

The effective income tax rate in 2024 reflected the impact of nondeductible expenses associated with the Merger, and an increase in the valuation allowance, primarily for nondeductible interest expense.

The significant components of the net deferred income tax liability were as follows as of December 31:

(Millions)	2024	2023
Deferred income tax assets:		
Long-term lease obligations	\$ 894.5	\$ 984.7
Operating loss and credit carryforwards	138.3	179.8
Interest expense	148.9	117.9
Postretirement and other employee benefits	35.1	43.4
Research and development capitalization	45.8	34.0
Bad debt	10.3	11.4
Deferred debt costs	(0.1)	6.3
Equity-based compensation	3.7	4.1
Other	39.0	30.8
	1,315.5	1,412.4
Less valuation allowance	(41.6)	(11.0)
Deferred income tax assets	\$ 1,273.9	\$ 1,401.4
Deferred income tax liabilities:		
Operating lease right-of-use assets	\$ 808.3	\$ 912.4
Property, plant and equipment	565.2	613.9
Goodwill and other intangible assets	26.0	29.5
Unrealized holding gains on interest rate swaps	1.6	2.9
Other	39.0	40.5
Deferred income tax liabilities	1,440.1	1,599.2
Net deferred income tax liability	\$ 166.2	\$ 197.8

WINDSTREAM HOLDINGS II, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

15. Income Taxes, Continued:

In assessing the realization of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which temporary differences representing net future deductible amounts become deductible. Management considers the scheduled reversal of deferred tax assets and liabilities in making this assessment.

As of December 31, 2024 and 2023, federal net operating loss carryforwards were approximately \$589.3 million and \$789.6 million, respectively. Net operating losses generated prior to 2018 expire in varying amounts from 2025 through 2036. Under the 2017 Tax Act, federal net operating losses generated in 2018 and future years can be carried forward indefinitely.

As of December 31, 2024, the Company has federal IRC Section 163(j) interest expense carryforwards of approximately \$639.0 million which can be carried forward indefinitely and utilized in future years. The Company also has state interest expense carryforwards of similar amounts in states that conform to the limitations of IRC Section 163(j). Due to the expected lack of sufficient future taxable income, the Company believes that it is more likely than not that the benefit from some of the interest expense carryforwards will not be realized. Therefore, as of December 31, 2024, Windstream recorded a valuation allowance of approximately \$29.1 million, to reduce our deferred tax assets to amounts expected to be realized.

As of December 31, 2024 and 2023, state net operating loss carryforwards were approximately \$183.6 million and \$163.3 million, respectively, which expire annually in varying amounts from 2025 through 2044.

Valuation allowances are established when necessary to reduce deferred tax assets to amounts expected to be realized. As of December 31, 2024 and 2023, recorded valuation allowances totaled approximately \$10.4 million and \$9.1 million, respectively, related to state loss carryforwards which are expected to expire before they are utilized. The amount of state tax credit carryforwards as of December 31, 2024 and 2023, were approximately \$5.2 million and \$6.2 million, respectively, which expire in varying amounts from 2025 through 2034. Due to the expected lack of sufficient future taxable income, the Company believes that it is more likely than not that the benefit from some of the state tax credit carryforwards will not be realized prior to expiration. Therefore, as of December 31, 2024 and 2023, Windstream recorded valuation allowances of approximately \$2.1 million and \$1.9 million, respectively, to reduce our deferred tax assets to amounts expected to be realized.

Uncertainty in taxes is accounted for in accordance with authoritative guidance. For all periods presented, there were no unrecognized tax benefits. Windstream does not expect or anticipate a significant change in the next twelve months in unrecognized tax benefits.

The Company files income tax returns in the U.S. federal jurisdiction and various states. With few exceptions, the Company is no longer subject to U.S. federal, state and local income tax examinations by tax authorities for years prior to 2021. Windstream has identified Arkansas, California, Florida, Georgia, Illinois, Iowa, Kentucky, Nebraska, New York, North Carolina, Pennsylvania, Texas and Virginia as “major” state taxing jurisdictions.

Accrued interest and penalties related to unrecognized tax benefits are recognized as a component of income tax expense. For all periods presented, there were no interest or penalties recognized nor any amounts accrued for interest and penalties.

WINDSTREAM HOLDINGS II, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

16. Pending Merger:

On May 3, 2024, Windstream entered into an Agreement and Plan of Merger (the “Merger Agreement”) with Uniti, pursuant to which, prior to closing (as defined in the Merger Agreement) (the “Closing”), Windstream will undergo an internal reorganization (the “Pre-Closing Windstream Reorganization”), and will (a) merge with and into a newly formed Delaware limited liability company identified as “New Windstream Holdings II” in the Merger Agreement (“New Windstream Holdings II”), with New Windstream Holdings II as the surviving entity of such merger and (b) Windstream Parent, Inc., a Delaware corporation that is currently an indirect wholly owned subsidiary of Windstream (“New Uniti”), will become the ultimate parent company of New Windstream Holdings II (as successor to Windstream). Following the Pre-Closing Windstream Reorganization, an entity formed as part of the Pre-Closing Windstream Reorganization and an indirect wholly owned subsidiary of New Uniti identified as “Merger Sub” in the Merger Agreement will merge with and into Uniti (the “Merger”), with Uniti surviving the Merger as an indirect wholly owned subsidiary of New Uniti, such that both New Windstream Holdings II (as successor to Windstream) and Uniti will be indirect wholly owned subsidiaries of New Uniti. Windstream’s Board of Managers has unanimously approved the Merger Agreement.

Upon consummation of the Merger, New Uniti will become an integrated telecommunications company. The common stock of New Uniti (“New Uniti Common Stock”) is expected to be listed on the Nasdaq. If New Uniti elects to complete the Post-Closing Reorganization (as defined in Note 4), each of Windstream’s and Uniti’s debt will be combined into a single silo capital structure with a common parent entity. If New Uniti does not complete the Post-Closing Reorganization, the legacy Uniti and Windstream organizational structures and existing indebtedness of each company will remain separate with no cross-guarantees, and we anticipate that the existing agreements and arrangements presently in effect between Uniti and Windstream will remain in place, such as our master lease agreements with Uniti and the settlement agreement with Uniti, which requires Uniti to fund periodic settlement payments and reimburse Windstream for certain GCIs.

At the closing of the Merger, Uniti and Windstream equityholders are expected to hold approximately 62 percent and 38 percent, respectively, of New Uniti before giving effect to the conversion of any outstanding convertible securities or the issuance of warrants to purchase New Uniti Common Stock referenced below. In addition, at the closing of the Merger, Uniti will fund an aggregate cash payment of \$425 million (less certain transaction expenses) that will be distributed to Windstream equityholders on a pro-rata basis. Windstream equityholders will also be entitled to pro rata distributions of (i) new shares of non-voting preferred stock of New Uniti with a dividend rate of 11 percent per year for the first six years, subject to an additional 0.5 percent per year during each of the seventh and eighth year after the initial issuance and further increased by an additional 1 percent per year during each subsequent year, subject to a cap of 16 percent per year and with an aggregate liquidation preference of \$575 million, and (ii) warrants to purchase New Uniti Common Stock, with an exercise price of \$0.01 per share, subject to customary adjustments, representing in the aggregate approximately 6.9 percent of the pro forma share total of New Uniti.

Uniti and Windstream have each made customary representations and warranties and covenants in the Merger Agreement, including covenants, subject to certain exceptions, to use reasonable best efforts to conduct their respective businesses in the ordinary course during the interim period between the execution of the Merger Agreement and the consummation of the Merger (the “Interim Period”). Uniti and Windstream have each agreed to use its respective reasonable best efforts to cause the transactions contemplated by the Merger Agreement to be consummated as soon as practicable, including in connection with obtaining all approvals required to be obtained from any governmental authority or third party that are necessary, proper or advisable to consummate such transactions.

The Merger is subject to customary closing conditions, including, among others, approval by Uniti’s stockholders at a shareholder meeting scheduled to be held on April 2, 2025, and receipt of required regulatory approvals, including the expiration or early termination of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (as amended), which has occurred, receipt of approval from the Federal Communications Commission (“FCC”), and receipt of approvals from eighteen state public utility commissions, of which sixteen have been received. Windstream currently expects the Merger to close in mid-2025.

WINDSTREAM HOLDINGS II, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

16. Pending Merger, Continued:

The Merger Agreement contains certain customary termination rights for each of Uniti and Windstream, including if the Merger has not been consummated on or before November 3, 2025, subject to certain extensions through no later than May 3, 2026. If the Merger Agreement is terminated, Uniti will be obligated to pay Windstream (i) out-of-pocket third-party expenses incurred in connection with the Merger, not to exceed \$25 million, if the Merger Agreement was terminated because Uniti Stockholder Approval was not obtained, (ii) a termination fee of \$55 million under specified circumstances, including termination following Uniti accepting a Superior Proposal or Windstream receiving an Adverse Recommendation Change (each as defined in the Merger Agreement) and (iii) a termination fee of \$75 million under specified circumstances, including if the Merger Agreement is terminated by Windstream due to Uniti's failure to obtain sufficient financing or Uniti's uncured breach of certain related representations and covenants, in circumstances where the termination fee in (ii) is not due.

17. Commitments and Contingencies:

Bankruptcy-Related Litigation

Windstream Holdings, LLC ("Old Holdings"), its directors, and certain of its executive officers are the subject of two shareholder-related lawsuits arising out of the merger with EarthLink Holdings Corp. in February 2017. Both complaints allege securities law violations and breaches of fiduciary duties related to the disclosures in the joint proxy statement/prospectus soliciting shareholder approval of the merger, which the plaintiffs allege were inadequate and misleading. The federal plaintiffs' proof of claim was resolved on the bankruptcy docket in September 2021. Pursuant to the Company's Plan of Reorganization, plaintiffs are limited to a recovery to the extent of any available insurance proceeds. The state plaintiff failed to submit a proof of claim and in light of the Company's emergence from bankruptcy, Windstream believes the state case should be discharged, but the plaintiff is challenging the discharge. To the extent the state court case proceeds, applicable law provides that the plaintiff's recovery is limited to available insurance proceeds.

In the first lawsuit, (the "Federal Case"), the federal plaintiffs' proof of claim was resolved on the bankruptcy docket in September 2021. Pursuant to the Company's Plan of Reorganization, the plaintiffs' recovery is limited to the extent of any available insurance proceeds.

On May 6, 2024, the parties in the Federal Case agreed to a settlement that was approved by the presiding judge on February 6, 2025, at the scheduled fairness hearing, after no objections being filed. The deadline to appeal this final order is March 10, 2025, although the judge has discretion to permit a late-filed notice of appeal up to 30 days after the March deadline, or April 9, 2025. Windstream's directors' and officers' insurance carriers are providing full coverage for the settlement, if approved, as the Company has paid all applicable deductibles.

Key elements of the settlement include:

- The lead plaintiff concedes that none of the defendants are making any concession of liability or wrongdoing, and the defendants concede that lead plaintiff makes no concession regarding lack of merit.
- The parties agree that the settlement releases any and all shareholder claims related to the subject matter of the lawsuit against the Company and the defendants, and the claims are fully discharged.
- Upon approval by the court, the Company's insurance carriers, on behalf of the defendants, will place in escrow the settlement amount of \$85.0 million for distribution to class members.
- A Claims Administrator will be appointed by the court and, under supervision of the Court, shall provide notice of the settlement to class members and oversee the distribution of the settlement fund.

WINDSTREAM HOLDINGS II, LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

17. Commitments and Contingencies, Continued:

The second lawsuit, pending in state court in Georgia (the “State Case”), was stayed in 2019. The state plaintiff failed to submit a proof of claim and in light of the Company’s emergence from bankruptcy, Windstream believes the state case should be discharged, but the plaintiff is challenging that position. In any event, final approval of the settlement of the Federal Case now bars class members, including plaintiffs in the State Case, from commencing or prosecuting any of the released claims against the defendants, including the claims asserted in the State Case. Thus, Windstream will seek dismissal of the State Case after the appeal time has run on the final order approving the settlement in the Federal Case.

While the ultimate resolution of the State Case is not currently predictable, if there is an adverse ruling, the ruling could constitute a material adverse outcome on the future consolidated results of operations, cash flows, or financial condition of Windstream.

As of December 31, 2024, the Company recorded a liability for the agreed upon settlement amount of \$85.0 million and a loss recovery insurance receivable of \$85.0 million for insurance proceeds deemed probable of recovery, which are included in other current liabilities and other current assets, respectively, in the consolidated balance sheet.

Other Matters

The Company is currently involved in certain legal proceedings arising in the ordinary course of business and, as required, have accrued an estimate of the probable costs for the resolution of those claims for which the occurrence of loss is probable and the amount can be reasonably estimated. These estimates have been developed in consultation with counsel and are based upon an analysis of potential results, assuming a combination of litigation and settlement strategies. It is possible, however, that future results of operations for any specific period could be materially affected by changes in its assumptions or the effectiveness of its strategies related to these proceedings. Additionally, due to the inherent uncertainty of litigation, there can be no assurance that the resolution of any specific claim or proceeding would not have a material adverse effect on the Company’s financial condition, results of operations or cash flows. Legal expenses associated with loss contingencies are expensed as incurred.

18. Subsequent Events:

The Company evaluated subsequent events and transactions for possible recognition or disclosure in these financial statements through March 3, 2025, the date these financial statements were available to be issued. No additional disclosures are required other than those matters that have been reflected within these consolidated financial statements.

Payments Received from Uniti Under the Amended Master Leases – On January 8, 2025, the Company received from Uniti the first quarterly cash installment payment of \$24.5 million payable to Windstream in 2025.

On January 31, 2025, the Company received GCI reimbursements from Uniti totaling \$161.4 million and expects to recognize a pretax gain of approximately \$31.3 million in the first quarter of 2025 for GCI reimbursements in excess of the carrying value of the related TCIs at the time of reimbursement.

Sale of Operating Assets – On February 18, 2025, the Company completed the sale of certain of its unused IPv4 addresses and received \$25.8 million in proceeds, net of broker fees and expects to recognize in the first quarter of 2025 a pretax gain equal to the amount of the proceeds received.

EXHIBIT G

Surety Bond

TENNESSEE PUBLIC UTILITY COMMISSION

TENNESSEE TELECOMMUNICATIONS SERVICE PROVIDER'S SURETY BOND

Bond #: 7901223400

WHEREAS, Uniti Fiber GulfCo LLC (the "Principal"), has applied to the Tennessee Public Utility Commission for authority to provide telecommunications services in the State of Tennessee; and

WHEREAS, under the provisions of Title 65, Chapter 4, Section 125(j) of the Tennessee Code Annotated, as amended, the Principal is required to file this bond in order to obtain such authority and to secure the payment of any monetary sanction imposed in any enforcement proceeding brought under Title 65 of the Tennessee Code Annotated or the Consumer Telemarketing Act of 1990 by or on behalf of the Tennessee Public Utility Commission (the "TPUC"); and

WHEREAS, Nationwide Mutual Insurance Company (the "Surety"), a corporation licensed to do business in the State of Tennessee and duly authorized by the Tennessee Commissioner of Insurance to engage in the surety business in this state pursuant to Title 56, Chapter 2 of the Tennessee Code Annotated, has agreed to issue this bond in order to permit the Principal to comply with the provisions of Title 65, Chapter 4, Section 125(j) of the Tennessee Code Annotated;

NOW THEREFORE, BE IT KNOWN, that we the Principal and the Surety are held and firmly bound to the STATE OF TENNESSEE, in accordance with the provisions of Tennessee Code Annotated, Title 65, Chapter 4, Section 125(j), in the full amount of twenty thousand dollars (\$20,000.00) lawful money of the United States of America to be used for the full and prompt payment of any monetary sanction imposed against the Principal, its representatives, successors or assigns, in any enforcement proceeding brought under Title 65 of Tennessee Code Annotated or the Consumer Telemarketing Act of 1990, by or on behalf of the TPUC, for which obligation we bind ourselves, our representatives, successors and assigns, each jointly and severally, firmly and unequivocally by these presents.

This bond shall become effective on the 24th day of June, 2025, and shall be continuous; provided, however, that each annual renewal period or portion thereof shall constitute a new bond term. Regardless of the number of years this bond may remain in force, the liability of the Surety shall not be cumulative, and the aggregate liability of the Surety for any and all claims, suits or actions under this bond shall not exceed Twenty Thousand Dollars (\$20,000.00). The Surety may cancel this bond by giving thirty (30) days written notice of such cancellation to the TPUC and Principal by certified mail, it being understood that the Surety shall not be relieved of liability that may have accrued under this bond prior to the date of cancellation.

PRINCIPAL

Uniti Fiber GulfCo LLC

Name of Company authorized by the TPUC

Company ID # as assigned by TPUC

SIGNATURE OF PRINCIPAL

By: Kelly A. McGuffee

Name: Kelly A. McGuffee

Title: VP and Deputy General Counsel

SURETY

Nationwide Mutual Insurance Company

Name of Surety

One West Nationwide Blvd., 1-14-301
Columbus, OH 43215-2220

Address of Surety

SIGNATURE OF SURETY AGENT

By: Daniel P. Dunigan

Name: Daniel P. Dunigan

Title: Attorney-in-Fact

Address of Surety Agent:

Simkiss & Block, an Alera Group Agency, LLC
1041 Old Cassatt Road
Berwyn, PA 19312



THIS BOND IS ISSUED IN ACCORDANCE WITH THE PROVISIONS OF SECTION 125, CHAPTER 4, TITLE 65 OF THE TENNESSEE CODE ANNOTATED AS AMENDED BY CHAPTER NO. 586, 2000 PUBLIC ACTS. SHOULD THERE BE ANY CONFLICT WITH THE TERMS HEREOF AND THE STATUTE OR REGULATIONS PROMULGATED THEREUNDER, THE STATUTE OR REGULATIONS SHALL PREVAIL. (POWER OF ATTORNEY FROM AN APPROVED INSURANCE COMPANY MUST BE ATTACHED.)

ACKNOWLEDGMENT OF PRINCIPAL

STATE OF Alabama
COUNTY OF Baldwin

Before me, a Notary Public of the State and County aforesaid, personally appeared Kelly A Mcbride with whom I am personally acquainted and who, upon oath, acknowledged himself to be the individual who executed the foregoing bond on behalf of Uniti Fiber GulfCo LLC, and he acknowledged to me that he executed the same.

WITNESS my hand and seal this 27th day of June, 2025.

My Commission Expires:

November 4, 2028

Jessica Kaiser
Notary Public

ACKNOWLEDGMENT OF SURETY

STATE OF PA
COUNTY OF Chester

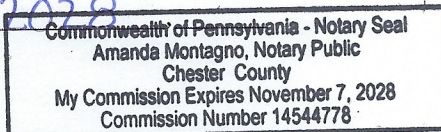


Before me, a Notary Public of the State and County aforesaid, personally appeared Daniel P. Dunigan with whom I am personally acquainted and who, upon oath, acknowledged himself to be the individual who executed the foregoing bond on behalf of Nationwide Mutual Insurance Company, the within named Surety, a corporation licensed to do business in the State of Tennessee and duly authorized by the Tennessee Commissioner of Insurance to engage in the surety business in this state pursuant to Title 56, Chapter 2 of the Tennessee Code Annotated, and that he as such an individual being authorized to do so, executed the foregoing bond, by signing the name of the corporation by himself and as such individual.

WITNESS my hand and seal this 24th day of June, 2025.

My Commission Expires:

NOV 7 2028



Amanda Montagno
Notary Public Amanda Montagno



APPROVAL AND INDORSEMENT

This is to certify that I have examined the foregoing bond and found the same to be sufficient and in conformity to law, that the sureties on the same are good and worth the penalty thereof, and that the same has been filed with the Tennessee Public Utility Commission, State of Tennessee, this _____ day of _____, _____.

Name:

Title:

Power of Attorney

KNOW ALL MEN BY THESE PRESENTS THAT:

Nationwide Mutual Insurance Company, an Ohio corporation

hereinafter referred to severally as the "Company" and collectively as "the Companies" does hereby make, constitute and appoint:

Daniel P. Dunigan

each in their individual capacity, its true and lawful attorney-in-fact, with full power and authority to sign, seal, and execute on its behalf on the date thereof any and all: (i) bonds and undertakings; (ii) Proposal Bonds; (ii) Letters of Surety; (iv) Consent of Surety; and (v) other obligatory instruments of similar nature, in penalties not exceeding the sum of

UNLIMITED

Surety Bond Number: 7901223400
Principal: Uniti Fiber GulfCo LLC
Obligee: State of Tennessee

and to bind the Company thereby, as fully and to the same extent as if such instruments were signed by the duly authorized officers of the Company; and all acts of said Attorney pursuant to the authority given are hereby ratified and confirmed.

This power of attorney is made and executed pursuant to and by authority of the following resolution duly adopted by the board of directors of the Company:

"RESOLVED, that the president, or any vice president be, and each hereby is, authorized and empowered to appoint attorneys-in-fact of the Company, and to authorize them to execute and deliver on behalf of the Company any and all bonds, forms, applications, memorandums, undertakings, recognizances, transfers, contracts of indemnity, policies, contracts guaranteeing the fidelity of persons holding positions of public or private trust, and other writings obligatory in nature that the business of the Company may require; and to modify or revoke, with or without cause, any such appointment or authority; provided, however, that the authority granted hereby shall in no way limit the authority of other duly authorized agents to sign and countersign any of said documents on behalf of the Company."

"RESOLVED FURTHER, that such attorneys-in-fact shall have full power and authority to execute and deliver any and all such documents and to bind the Company subject to the terms and limitations of the power of attorney issued to them, and to affix the seal of the Company thereto; provided, however, that said seal shall not be necessary for the validity of any such documents."

This power of attorney is signed and sealed under and by the following bylaws duly adopted by the board of directors of the Company.

Execution of Instruments. Any vice president, any assistant secretary or any assistant treasurer shall have the power and authority to sign or attest all approved documents, instruments, contracts, or other papers in connection with the operation of the business of the company in addition to the chairman of the board, the chief executive officer, president, treasurer or secretary; provided, however, the signature of any of them may be printed, engraved, or stamped on any approved document, contract, instrument, or other papers of the Company.

IN WITNESS WHEREOF, the Company has caused this instrument to be sealed and duly attested by the signature of its officer the 1st day of April, 2024.



Antonio C. Albanese, **Vice President** of Nationwide Mutual Insurance Company

ACKNOWLEDGMENT

STATE OF NEW YORK COUNTY OF KINGS: ss

On this 1st day of April, 2024, before me came the above-named officer for the Company aforesaid, to me personally known to be the officer described in and who executed the preceding instrument, and he acknowledged the execution of the same, and being by me duly sworn, deposes and says, that he is the officer of the Company aforesaid, that the seal affixed hereto is the corporate seal of said Company, and the said corporate seal and his signature were duly affixed and subscribed to said instrument by the authority and direction of said Company.

Sharon Laburda
Notary Public, State of New York
No. 01LA6427697
Qualified in Kings County
Commission Expires January 3, 2026


Notary Public
My Commission Expires
January 3, 2026

CERTIFICATE

I, Lezlie F. Chirienti, Assistant Secretary of the Company, do hereby certify that the foregoing is a full, true and correct copy of the original power of attorney issued by the Company; that the resolution included therein is a true and correct transcript from the minutes of the meetings of the boards of directors and the same has not been revoked or amended in any manner; that said Antonio C. Albanese was on the date of the execution of the foregoing power of attorney the duly elected officer of the Company, and the corporate seal and his signature as officer were duly affixed and subscribed to the said instrument by the authority of said board of directors; and the foregoing power of attorney is still in full force and effect.

IN WITNESS WHEREOF, I have hereunto subscribed my name as Assistant Secretary, and affixed the corporate seal of said Company this 24th day of

June, 2025



Assistant Secretary

EXHIBIT H

Small and Minority-Owned Telecommunications Business Participation Plan

Uniti Fiber GulfCo LLC
Small and Minority Owned Telecommunications Business
Participation Plan

Pursuant to T.C.A. § 65-5-112, as amended, Uniti Fiber GulfCo LLC ("GulfCo") submits this small and minority-owned telecommunications business participation plan (the "Plan") along with its Application for a Certificate of Public Convenience and Necessity to provide competing intrastate and local exchange services in Tennessee.

I. PURPOSE

The purpose of § 65-5-112 is to provide opportunities for small and minority-owned businesses to provide goods and services to telecommunications service providers. GulfCo is committed to the goals of § 65-5-112 and to taking steps to support the participation of small and minority-owned telecommunications businesses in the telecommunications industry. GulfCo will endeavor to provide opportunities for small and minority-owned telecommunications businesses to compete for contracts and subcontracts for goods and services. As part of its procurement process, GulfCo will endeavor to make opportunities available to minority-owned and small businesses via one or more resources including but not limited to those resources listed in Section III.

II. DEFINITIONS

As defined in §65-5-112:

Minority-Owned Business. Minority-owned business shall mean a business which is solely owned, or at least fifty-one percent (51%) of the assets or outstanding stock of which is owned, by an individual who personally manages and controls daily operations of such business, and who is impeded from normal entry into the economic mainstream because of race, religion, sex or national origin and such business has annual gross receipts of less than four million dollars (\$4,000,000).

Small Business. Small Business shall mean a business with annual gross receipts of less than four million dollars (\$4,000,000).

III. ADMINISTRATION

GulfCo's Plan will be overseen and administered by the individual named below, hereinafter referred to as the Administrator, who will be responsible for carrying out and promoting GulfCo's efforts to provide equal opportunities for small and minority-owned businesses. The Administrator of the Plan will be:

Kelly McGriff
Vice President and Deputy General Counsel
2101 Riverfront Dr., Ste. A
Little Rock, AR 72202
(251) 979-7033
Kelly.McGriff@Uniti.com

The Administrator's responsibilities will include:

- (1) Maintaining an updated Plan in full compliance with § 65-5-112 and the rules and orders of the Tennessee Public Utility Commission.
- (2) Establishing and developing policies and procedures necessary for the successful implementation of the Plan.
- (3) Preparing and submitting such forms as may be required by the Tennessee Public Utility Commission, including the filing of required annual updates.
- (4) Serving as the primary liaison to and cooperate with the Tennessee Public Utility Commission, other agencies of the State of Tennessee, and small and minority-owned businesses to locate and use qualified small and minority-owned businesses as defined in § 65-5-112.
- (5) Providing records and reports and cooperating in any authorized surveys as required by the Tennessee Public Utility Commission.
- (6) Establishing a record-keeping system to track qualified small and minority-owned businesses and efforts to use such businesses.
- (7) Providing information and educational activities to persons within GulfCo and training such persons to seek out, encourage, and promote the use of small and minority-owned businesses.

In performance of these duties, the Administrator will utilize a number of resources, which may include:

Chambers of Commerce
The Tennessee Department of Economic and Community Development
The United States Department of Commerce
Small Business Administration
Office of Minority Business
The National Minority Supplier Development Counsel
National Association of Women Business Owners
The National Association of Minority Contractors
Historically Black Colleges, Universities, and Minority Institutions

The efforts to promote and ensure equal opportunities for small and minority-owned businesses are primarily spelled out in the Administrator's duties above. Additional efforts to provide opportunities to small and minority-owned businesses will include offering, where appropriate and feasible, small and minority-owned businesses assistance with technical, insurance, bonding, licensing, production, and deadline requirements.

IV. RECORDS AND COMPLIANCE REPORTS

GulfCo will maintain records of qualified small and minority-owned businesses and efforts to use the goods and services of such businesses. In addition, GulfCo will maintain records of educational and training activities conducted or attended and of the internal procurement procedures adopted to support this plan.

GulfCo will submit records and reports required by the Tennessee Public Utility Commission concerning the Plan. Moreover, GulfCo will cooperate fully with any surveys and studies required by the Tennessee Public Utility Commission.

By: 
Kelly McGriff
Vice President and Deputy General Counsel

Date: June 25, 2025

EXHIBIT I

Toll Dialing Parity Plan

INTRALATA TOLL DIALING PARITY PLAN

GulfCo will employ the following checklist to implement its IntraLATA Toll Dialing Parity Plan.

1. Include the proposed implementation date. (FCC ORDER 96-333, 38)
2. Include a list of exchanges in which intraLATA toll dialing parity will be provided. (FCC ORDER 96-333, 38)
3. Include a method to be used to enable new and existing customers to select alternate providers of telephone toll service. (FCC ORDER 96-333, 38)
4. Accomplish intraLATA toll dialing parity by a means other than automatically assigning toll customers to itself or any other carrier. (FCC ORDER 96-333, 41 & 81)
5. The Multiple PIC method will be used (FCC ORDER 96- 333, 49)
6. Include customer education procedures (FCC ORDER 96-333, 80)
7. Identify the LATA with which it is proposed to associate. (FCC ORDER 96-333, 38)
8. State whether a PIC change charge waiver period is proposed and for how long. (Tennessee Regulatory Authority)
9. Include anti-slamming procedures. (Tennessee Regulatory Authority)
10. Include statements concerning nondiscriminatory access to telephone numbers, operator services, directory assistance, and directory listings. (If applicable)
11. Include a statement that the carrier will comply with all rules of the FCC and the TRA.

EXHIBIT J

Notice of Application and Certificate of Service

**BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION
NASHVILLE, TENNESSEE**

IN RE:

**Application of Uniti Fiber GulfCo LLC for
a Certificate of Convenience and Necessity
to Provide Competing Local Exchange and
Interexchange Telecommunication
Services**

Docket No. _____

NOTICE OF FILING

TO: ALL INCUMBENT LOCAL EXCHANGE CARRIERS (ILECS)

PLEASE TAKE NOTICE, that in accordance with the Tennessee Public Utility Commission Rules for the Provision of Competitive Intrastate Telecommunications Service, you are hereby given notice that on June 30, 2025, Uniti Fiber GulfCo LLC filed an Application for a Certificate of Convenience and Necessity to provide competing local exchange and interexchange telecommunication services in the State of Tennessee.

This 30th day of June, 2025.

By: Nic Martell
Nicolas Martell (B.P.R. No. 041965)
Holland & Knight LLP
511 Union Street, 2700
Nashville, TN 37219
Phone: 615-850-6087
Email: nicolas.martell@hklaw.com

Counsel for Uniti Fiber GulfCo LLC

**BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION
NASHVILLE, TENNESSEE**

IN RE:

**Application of Uniti Fiber GulfCo LLC for
a Certificate of Convenience and Necessity
to Provide Competing Local Exchange and
Interexchange Telecommunication
Services**

Docket No. _____

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the Notice of Filing of the Application of Uniti Fiber GulfCo LLC for a Certificate of Convenience and Necessity to Provide Competing Local Exchange and Interexchange Telecommunication Services was served on the following parties of record by depositing a copy of same in the United States Mail, First Class, Postage Prepaid, to their last known address as follows:

Ardmore Telephone Company, Inc.
P.O. Box 549
517 Ardmore Avenue
Ardmore, TN 38449

BellSouth Telecommunications, Inc.
333 Commerce Street, Suite 2106
Nashville, TN 37201-3300

Brightspeed of Appalachia, LLC
P.O. Box 1330
Fayetteville, NC 28302

Brightspeed of East Tennessee, LLC
P.O. Box 1330
Fayetteville, NC 28302

Brightspeed of Southern Tennessee, LLC
P.O. Box 1330
Fayetteville, NC 28302
Brightspeed of Western Tennessee, LLC
P.O. Box 1330
Fayetteville, NC 28302

Crockett Telephone Company
P.O. Box 24207
Friendship, TN 38034

Frontier Communications of Tennessee
300 Bland Street
Bluefield, WV 24701

Humphreys County Telephone Company
10200 Upper Ridge Way
203 Long Street
New Johnsonville, TN 37134-0552

Loretto Telephone Company, Inc.
P.O. Box 130
Loretto, TN 38469
Millington Telephone Company, Inc.
4880 Navy Road
Millington, TN 38083

Peoples Telephone Company
P.O. Box 310
Erin, TN 37061

Tellico Telephone Company
P.O. Box 9
102 Spence Street
New Johnsonville, TN 37385-0009

United Telephone Company
P.O. Box 38
120 Taylor Street
Chapel Hill, TN 37034

West Tennessee Telephone Company, Inc.
P.O. Box 10
244 E. Main Street
Bradford, TN 38316

This 30th day of June, 2025.

HOLLAND & KNIGHT LLP



Nicolas Martell

EXHIBIT K

Tennessee Specific Operational Issues

Please provide answers to the following questions concerning Tennessee Specific Operational Issues.

1. How does the company intend to comply with T.C.A. § 65-21-114? In its description, please explain technically how the company will not bill for countywide call within Tennessee.

Not applicable, as Applicant does not intend to provide voice services, including dial tone to end-user customers, at this time.

2. Is the company aware of the Tennessee County Wide Calling database maintained by BellSouth and the procedures to enter your telephone numbers in the database?

Not applicable. Although Applicant is aware of these requirements, Applicant will not issue phone numbers as it does not intend to provide voice services, including dial tone to end-user customers, at this time.

3. Is your company aware of the local calling areas provided by the Incumbent Local Exchange Carriers in your proposed service areas?

Yes, Applicant is aware of the ILEC local calling areas.

4. Explain the procedures that will be implemented to assure that your customers will not be billed long distance charges for calls within the metro calling areas.

Not applicable, as Applicant does not intend to provide voice services, including dial tone to end-user customers, at this time.

5. Please provide the name and telephone number of an employee of your company that will be responsible to work with the TPUC on resolving customer complaints.

Kelly McGriff
2101 Riverfront Dr., Ste. A
Little Rock, AR 72202
(251) 979-7033
Kelly.McGriff@Uniti.com

6. Does the company intend to telemarket its services in Tennessee? If yes, is the company aware of the telemarketing statutes and regulations found in T.C.A. § 65-4-401 et. seq. and Chapter 1220-4-11?

Applicant is aware of the above-referenced telemarketing statutes and regulations and will abide by them if and when the Applicant does telemarketing in Tennessee in the future.

EXHIBIT L

Sworn Pre-Filed Testimony

**BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION
NASHVILLE, TENNESSEE**

IN RE:

**Application of Uniti Fiber GulfCo LLC for
a Certificate of Convenience and Necessity
to Provide Competing Local Exchange and
Interexchange Telecommunication
Services**

Docket No. _____

PRE-FILED TESTIMONY OF KELLY MCGRUFF

I, Kelly McGriff, do hereby testify as follows in support of the application of Uniti Fiber GulfCo LLC (“GulfCo” or “Applicant”) for a Certificate of Convenience and Necessity as a competing telecommunications services provider to provide telecommunications services throughout the State of Tennessee.

Q: Please state your full name, business address, and position.

A: My name is Kelly McGriff. My business address is 2101 Riverfront Drive, Little Rock, AR 72202. I am the Vice President and Deputy General Counsel.

Q: Please briefly describe your duties.

A: I serve as Vice President, Deputy General Counsel, and Head of Litigation at Uniti Group Inc. At Uniti, I negotiate and draft franchise, right-of-way, and easement agreements with municipalities, counties, utilities, and railroads, ensuring regulatory compliance and cost-effective terms. I oversee the company’s real estate portfolio, manage litigation involving claims and

infrastructure disputes, and serve as the primary legal contact for law enforcement matters, handling subpoenas and network security issues.

Q: Please describe your business experience and educational background.

A: I began my private practice in 1994. Since 2002, I have focused on the telecom industry, serving as General Counsel for Southern Light, LLC, until its acquisition by Uniti Group in 2017. As Vice President, Deputy General Counsel, and Head of Litigation at Uniti Group, I have a combined 24 years of telecommunications law experience. My work includes collaboration with the FCC, Congress, and state agencies, notably as a member of the FCC's Broadband Deployment Advisory Commission from 2017 until 2020, chairing the State Model Code Committee.

I hold a Bachelor's degree from the University of Alabama and a Juris Doctor from the University of Alabama School of Law.

Q: Are all statements in GulfCo's application true and correct to the best of your knowledge, information, and belief?

A: Yes.

Q: Please describe the current corporate structure of Applicant.

A: GulfCo is indirectly owned by Uniti Group Inc. Further information on the current corporate structure can be found in **Exhibit A**.

Q: Does Applicant possess the requisite managerial, financial, and technical abilities to provide the services for which it has applied for authority?

A: Yes, GulfCo has the requisite managerial, technical, and financial qualifications necessary to provide the proposed services in Tennessee, as evidenced in **Exhibit E** of the Application.

Q: Please describe GulCo's financial qualifications.

A: GulfCo has sufficient financial resources to initiate and maintain the services and related operations in Tennessee as proposed in this Application. Further financial information to demonstrate the financial resources available is provided as **Exhibit F**.

Q: Please describe GulfCo's managerial and technical qualifications.

A: GulfCo is managed by a competent team of professionals with extensive experience in the telecommunications industry. Their experience and qualifications are described in **Exhibit E**.

Q: What services will GulfCo offer?

A: GulfCo is proposing to offer resold local exchange, interexchange, dedicated point-to-point private line service, VoIP, and dedicated internet access to business and residential customers, effective upon the approval of this application. GulfCo will primarily serve enterprise and carrier customers. GulfCo anticipates primarily providing point-to-point telecommunications services (i.e. private line, Ethernet, and Wavelength). Additionally, GulfCo may sell such capacity from the network owned by its affiliates.

Q: Will GulfCo offer service to all customers within its service area?

A: GulfCo does not intend to provide retail switched voice service, including dial tone to end-use customers in Tennessee. GulfCo will provide the underlying network for services offered by its wholesale customer to residential customers, and GulfCo will offer services to all commercial customers within its service area.

Q: Does GulfCo plan to offer local exchange telecommunication services in areas served by an incumbent local exchange telephone company with fewer than 100,000 total access lines?

A: GulfCo requests authority to provide non-switched local exchange services throughout the State of Tennessee. The services to provide point-to-point telecommunications services, such as Ethernet and other similar high-bandwidth services, may include enterprise customers and providers that are located in areas served by an incumbent local exchange telephone company with fewer than 100,000 total access lines. GulfCo does not have plans to provide retail switched voice services, including dial tone.

Q: Will the granting of a certificate of convenience and necessity to GulfCo serve the public interest?

A: Granting GulfCo's Application will promote the public interest by increasing the level of competition in the Tennessee telecommunications market. Competition in the telecommunications market promotes efficiency and will ultimately reduce prices for Tennessee customers while simultaneously promoting the availability of potentially desirable services. GulfCo's participation in the Tennessee telecommunications market would promote the public interest by providing high-quality service at competitive prices and by creating greater economic incentives for the development and improvement for all competing providers.

Q: Does GulfCo intend to comply with all TPUC rules, statutes, and orders pertaining to the provision of telecommunication services in Tennessee, including those for disconnection and reconnection service?

A: Yes, GulfCo will comply with all TPUC rules, statutes, and orders pertaining to the telecommunications services it provides.

Q: Has any state ever denied GulfCo or one of its affiliates authorization to provide intrastate service?

A: At the time of this Application, no state has ever denied GulfCo or its affiliates authorization to provide intrastate service.

Q: Has any state ever revoked the certification of GulfCo or one of its affiliates?

A: At the time of this Application, no state has ever revoked GulfCo or its affiliates' certifications.

Q: Has GulfCo or one of its affiliates ever been investigated or sanctioned by any regulatory authority for service or billing irregularities?

A: No. Neither GulfCo nor its affiliates have been the subject of any investigations nor sanctioned by any regulatory authority for service or billing irregularities.

Q: Who is knowledgeable about GulfCo's operations and will serve as its regulatory and customer service contact?

A: Eric Daniels and I are knowledgeable about GulfCo's operations and will serve as the regulatory and customer service contacts.

Q: Please explain in detail GulfCo's proposed procedures for responding to information requests from the TUPC and its staff.

A: GulfCo has a dedicated internal team and legal counsel that will respond in a timely manner to information requests from TPUC and its staff. GulfCo's team will work closely with TPUC and its staff to ensure all information requests are thoroughly and promptly addressed.

Q: Does this conclude your testimony?

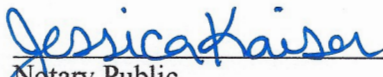
A: Yes.

I swear that the foregoing testimony is true and correct to the best of my knowledge.



Kelly McGriff
Vice President and Deputy General Counsel
Uniti Fiber GulfCo LLC

Respectfully Submitted this 25th day of June, 2025.



Notary Public

State of Alabama

County of Baldwin

My commission expires 11/4/28

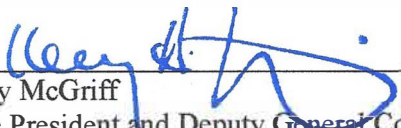


STATE OF Alabama
COUNTY OF Baldwin

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VERIFICATION

I, Kelly McGriff, state that I am Vice President and Deputy General Counsel of Uniti Group Inc., the ultimate parent of Uniti Fiber GulfCo LLC ("Company"); that I am authorized to make this Verification on behalf of the Company; that the foregoing filing was prepared under my direction and supervision; and that the contents are true and correct to the best of my knowledge, information, and belief.



Kelly McGriff
Vice President and Deputy General Counsel
Uniti Group Inc. and Uniti Fiber GulfCo LLC

Sworn and subscribed before me this 25th day of June, 2025.



Notary Public

My commission expires 11/4/28

