UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark one)

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

For the quarterly period ended June 30, 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: 001-36827

Anterix Inc.

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	**33-0745043** (I.R.S. Employer Identification No.)
3 Garret Mountain Plaza **Suite 401** **Woodland Park, New Jersey** (Address of principal executive offices)	**07424** (Zip Code)

(973) 771-0300
(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

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	**ATEX**	**The Nasdaq Stock Market LLC** **(Nasdaq Capital Market)**

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 is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐ Yes ☒ No

At August 2, 2024, 18,594,802 shares of the registrant's common stock were outstanding.

Anterix Inc.
FORM 10-Q
For the quarterly period ended June 30, 2024

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q (the "Quarterly Report") includes statements of our expectations, intentions, plans, projections, guidance and beliefs that constitute "forward-looking statements." These forward-looking statements are principally, but not solely, contained in the section captioned "Management's Discussion and Analysis of Financial Condition and Results of Operations." These statements include, but are not limited to, statements about our strategies, plans, objectives, expectations, projections, guidance, intentions, expenditures and assumptions and other statements contained herein that are not historical facts. Our forward-looking statements are generally, but not always, accompanied by words such as, but not limited to, "aim," "anticipate," "believe," "can," "continue," "could," "estimate," "expect," "goal," "intend" "may," "might," "ongoing," "plan," "possible," "potential," "predict," "project," "seek," "should," "strategy," "target," "will," "would" and similar expressions or phrases, or the negative of those expressions or phrases, or other words that convey the uncertainty of future events or outcomes, which are intended to identify forward-looking statements, although not all forward-looking statements contain these words. We have based these forward-looking statements on our current expectations, guidance and projections and related assumptions about future events and financial trends. While our management considers these expectations, guidance, projections and assumptions to be reasonable, they are inherently subject to significant business, economic, competitive, regulatory and other risks, contingencies and uncertainties, most of which are difficult to predict and many of which are beyond our control. There can be no assurance that actual developments will be as we anticipate. Actual results may differ materially from those expressed or implied in these statements as a result of significant risks and uncertainties, including, but not limited to:

- our ability to qualify for and obtain broadband licenses in a timely manner or at all from the Federal Communications Commission (the "FCC") in accordance with the requirements of the Report and Order approved by the FCC on May 13, 2020 (the "Report and Order");
- our ability to successfully commercialize our spectrum assets to our targeted utility and critical infrastructure customers, including those customers that are above the Demonstrated Intent threshold, on a timely basis, and on commercially favorable terms consistent with our business plan and assumptions;
- our ability to develop, market and sell new products and services, in addition to our spectrum assets, to our targeted and critical infrastructure customers;
- our ability to correctly estimate our cash receipts, revenues and operating expenses and our future financial needs;
- our ability to achieve our operating and financial projections and guidance;
- our ability to support our future operations and business plans and return capital to our stockholders through our share repurchase program with our existing cash resources and the proceeds we generate from our commercial operations without raising additional capital through the issuance of stock or debt securities;
- the extent and duration of the impact of macroeconomic pressures, including but not limited to pandemics, inflation, regulatory and policy changes, and geopolitical matters, on our business and on our potential customers' businesses;
- our ability to retune, protect or acquire Covered Incumbent narrowband licenses, including Complex Systems, in a timely manner and on commercially reasonable terms, or at all;
- our ability to satisfy our obligations, including the delivery of cleared spectrum and broadband licenses, and the other contingencies required by our commercial agreements with our customers on a timely basis and on commercially reasonable terms;
- whether federal and state agencies and commissions will support the deployment of broadband networks and services by our targeted customers;
- our ability to maintain any narrowband and broadband licenses that we own, acquire and/or obtain;
- government regulations or actions taken by governmental bodies could adversely affect our business prospects, liquidity and results of operations, including any changes by the FCC to the Report and Order or to the FCC rules and regulations governing the 900 MHz band;
- our ability to successfully compete against third parties who offer spectrum and communication technologies, products and solutions to our targeted customers;
- our ability to retain executive officers and key personnel and attract, retain and motivate qualified talent;
- our ability to successfully manage our planned growth;
- the ability to develop and sustain a robust market for our common stock;

- we may not be able to predict, influence or control factors that may cause volatility of our common stock price or cause the value of our common stock to decline;
- the expected timing, the amount of repurchases and the related impact to our common stock relating to our share repurchase program; and
- how the concentrated ownership of our common stock may limit other stockholders' ability to influence corporate matters.

The matters discussed in these forward-looking statements are subject to risks, uncertainties and other factors that could cause our actual results to differ materially from those projected, anticipated or implied in the forward-looking statements. Many of these risks, uncertainties and other factors are beyond our ability to control, influence, or predict. The most significant of these risks, uncertainties and other factors are described in "Item 1A—Risk Factors" in Part II of this Quarterly Report and in our Annual Report on Form 10-K for the year ended March 31, 2024, filed with the SEC on June 26, 2024. As a result, investors are urged not to place undue reliance on any forward-looking statements. These forward-looking statements reflect our views and assumptions only as of the date such forward-looking statements were made. Except to the limited extent required by applicable law, we undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

PART I. FINANCIAL INFORMATION

Item 1: Consolidated Financial Statements

Anterix Inc.
Consolidated Balance Sheets
(in thousands, except share and per share data)

	June 30, 2024 (Unaudited)	March 31, 2024
ASSETS		
Current assets		
Cash and cash equivalents	$ 51,715	$ 60,578
Spectrum receivable	10,999	8,521
Prepaid expenses and other current assets	2,972	3,912
Total current assets	65,686	73,011
Escrow deposits	7,577	7,546
Property and equipment, net	1,836	2,062
Right of use assets, net	4,493	4,432
Intangible assets	219,776	216,743
Deferred broadband costs	20,458	19,772
Other assets	1,312	1,328
Total assets	**$ 321,138**	**$ 324,894**
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued expenses	$ 7,748	$ 8,631
Operating lease liabilities	1,807	1,850
Contingent liability	1,000	1,000
Deferred revenue	5,968	6,470
Total current liabilities	16,523	17,951
Operating lease liabilities	3,453	3,446
Contingent liability	25,000	15,000
Deferred revenue	114,719	115,742
Deferred gain on sale of intangible assets	4,911	4,911
Deferred income tax	7,338	6,281
Other liabilities	411	531
Total liabilities	**172,355**	**163,862**
Commitments and contingencies		
Stockholders' equity		
Preferred stock, $0.0001 par value per share, 10,000,000 shares authorized and no shares outstanding at June 30, 2024 and March 31, 2024	—	—
Common stock, $0.0001 par value per share, 100,000,000 shares authorized and 18,581,297 shares issued and outstanding at June 30, 2024 and 18,452,892 shares issued and outstanding at March 31, 2024	2	2
Additional paid-in capital	538,505	533,203
Accumulated deficit	(389,724)	(372,173)
Total stockholders' equity	**148,783**	**161,032**
Total liabilities and stockholders' equity	**$ 321,138**	**$ 324,894**

See accompanying notes to consolidated financial statements.

Anterix Inc.
Consolidated Statements of Operations
(in thousands, except share and per share data)
(Unaudited)

	Three months ended June 30,	
	2024	2023
Spectrum revenue	$ 1,525	$ 608
Operating expenses		
General and administrative	12,851	11,673
Sales and support	1,850	1,275
Product development	1,750	1,069
Depreciation and amortization	179	246
Operating expenses	16,630	14,263
Gain from disposal of intangible assets, net	(93)	(10,785)
Gain from disposal of long-lived assets, net	—	(31)
Loss from operations	(15,012)	(2,839)
Interest income	694	386
Other income	16	95
Loss before income taxes	(14,302)	(2,358)
Income tax expense (benefit)	1,222	(240)
Net loss	$ (15,524)	$ (2,118)
Net loss per common share basic and diluted	$ (0.84)	$ (0.11)
Weighted-average common shares used to compute basic and diluted net loss per share	18,486,964	18,951,046

See accompanying notes to consolidated financial statements.

Anterix Inc.
Consolidated Statements of Stockholders' Equity
(in thousands)
(Unaudited)

	Number of Shares				
	Common stock	Common stock	Additional paid-in capital	Accumulated deficit	Total
Balance at March 31, 2024	18,453	$ 2	$ 533,203	$ (372,173)	$ 161,032
Stock compensation expense	—	—	4,346	—	4,346
Restricted shares issued	129	—	—	—	—
Stock option exercises	81	—	1,617	—	1,617
Shares withheld for taxes	(19)	—	(661)	—	(661)
Retirement of common stock	(63)	—	—	(2,027)	(2,027)
Net loss	—	—	—	(15,524)	(15,524)
Balance at June 30, 2024	18,581	$ 2	$ 538,505	$ (389,724)	$ 148,783
Balance at March 31, 2023	18,922	$ 2	$ 518,160	$ (338,369)	$ 179,793
Stock compensation expense	—	—	4,265	—	4,265
Restricted shares issued	148	—	—	—	—
Stock option exercises	—	—	7	—	7
Shares withheld for taxes	(23)	—	(752)	—	(752)
Net loss	—	—	—	(2,118)	(2,118)
Balance at June 30, 2023	19,047	$ 2	$ 521,680	$ (340,487)	$ 181,195

See accompanying notes to consolidated financial statements.

Anterix Inc.
Consolidated Statements of Cash Flows
(in thousands)
(Unaudited)

	Three months ended June 30, 2024	Three months ended June 30, 2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	$ (15,524)	$ (2,118)
Adjustments to reconcile net loss to net cash used in operating activities		
Depreciation and amortization	179	246
Stock compensation expense	4,346	4,265
Deferred income taxes	1,057	(272)
Right of use assets	434	283
Gain on disposal of intangible assets, net	(93)	(10,785)
Gain on disposal of long-lived assets, net	—	(31)
Changes in operating assets and liabilities		
Prepaid expenses and other assets	974	563
Accounts payable and accrued expenses	(1,558)	1,169
Due to related parties	—	(533)
Operating lease liabilities	(531)	(388)
Contingent liability	10,000	—
Deferred revenue	(1,525)	(608)
Other liabilities	(120)	—
Net cash used in operating activities	(2,361)	(8,209)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of intangible assets, including refundable deposits, retuning costs and swaps	(5,400)	(5,170)
Purchases of equipment	—	(25)
Net cash used in investing activities	(5,400)	(5,195)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from stock option exercises	1,617	7
Repurchases of common stock	(2,027)	—
Payments of withholding tax on net issuance of restricted stock	(661)	(752)
Net cash used in financing activities	(1,071)	(745)
Net change in cash and cash equivalents and restricted cash	(8,832)	(14,149)
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH		
Cash and cash equivalents and restricted cash at beginning of the period	**68,124**	**43,182**
Cash and cash equivalents and restricted cash at end of the period	**$ 59,292**	**$ 29,033**
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid during the period:		
Taxes paid	$ —	$ 1
Operating leases paid	$ 593	$ 574
Non-cash investing activity:		
Network equipment provided in exchange for wireless licenses	$ 47	$ 438
Right of use assets new leases	$ 248	$ 65
Right of use assets modifications and renewals	$ 247	$ —

See accompanying notes to consolidated financial statements.

The following tables provide a reconciliation of cash and cash equivalents and restricted cash reported on the Consolidated Balance Sheets that sum to the total of the same such amounts on the Consolidated Statements of Cash Flows:

	June 30, 2024	March 31, 2024
Cash and cash equivalents	$ 51,715	$ 60,578
Escrow deposits	7,577	7,546
Total cash and cash equivalents and restricted cash	$ 59,292	$ 68,124

	June 30, 2023	March 31, 2023
Cash and cash equivalents	$ 29,033	$ 43,182
Escrow deposits	—	—
Total cash and cash equivalents and restricted cash	$ 29,033	$ 43,182

Anterix Inc.
Notes to Consolidated Financial Statements
(Unaudited)

1. Nature of Operations and Basis of Presentation

Anterix Inc (the "Company") is the utility industry's partner, empowering enhanced visibility, control and security for a modern grid. The Company's vision is to deliver secure, scalable solutions enabled by private wireless broadband connectivity, for the benefit of utilities and the communities that they serve. As the largest holder of licensed spectrum in the 900 MHz band (896-901/935-940 MHz) throughout the contiguous United States, plus Hawaii, Alaska and Puerto Rico, the Company is uniquely positioned to deliver solutions that support secure, resilient and customer-controlled operations. The Company is focused on commercializing its spectrum assets and expanding the benefits and solutions it offers to enable the Company's targeted utility and critical infrastructure customers to deploy private broadband networks.

Business Developments

In June 2024, the Company entered into a license purchase agreement with Oncor Electric Delivery Company LLC ("Oncor") for total estimated consideration of $102.5 million under which Oncor will purchase 900 MHz spectrum licenses covering 95 counties to deploy a private wireless broadband network in its transmission and distribution service area (the "Oncor Agreement").The total payment of $102.5 million comprises an initial payment of $10.0 million received in June 2024 and remaining payments that are due to the Company for each county, at closing. The timing and rights to milestone payments could vary as 900 MHz broadband licenses are granted by the FCC, broadband licenses are assigned to Oncor and incumbents are cleared by the Company. Oncor operates more than 143,000 circuit miles of transmission and distribution lines in Texas, delivering electricity to more than four million homes and businesses across a service territory that has an estimated population of approximately 13 million people. See Note 10 ***Contingencies and Guaranty*** for further discussion on the Oncor Agreement.

Basis of Presentation and Use of Estimates

The consolidated financial statements and accompanying notes are prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") for interim financial information. Pursuant to the rules and regulations of the U.S. Securities and Exchange Commission (the "SEC"), certain information and footnote disclosures normally included in annual consolidated financial statements prepared in accordance with U.S. GAAP have been condensed or omitted, these unaudited consolidated financial statements should be read in conjunction with the audited consolidated financial statements and related notes in the Company's Annual Report on Form 10-K for the fiscal year ended March 31, 2024, filed with the SEC on June 26, 2024 (the "2024 Annual Report"). In the Company's opinion all normal and recurring adjustments considered necessary for a fair presentation of the financial position, results of operations and cash flows for the periods presented have been included. The Company believes that the disclosures made in the unaudited consolidated interim financial statements are adequate to make the information not misleading. The results of operations for the interim periods presented are not necessarily indicative of the results for the year. The Company is also required to make certain estimates and assumptions that affect the reported amounts. These estimates and assumptions are reviewed periodically, and the effects of revisions are reflected in the financial statements in the applicable period. Accordingly, actual results could materially differ from those estimates.

The accompanying consolidated financial statements include the accounts of the Company and its subsidiaries. All significant intercompany accounts and transactions have been eliminated in consolidation.

2. Revenue

The following table provides information regarding the Company's revenue for each of the services it provides pursuant to its spectrum revenue agreements for the three months ended June 30, 2024 and 2023 (in thousands):

	Three months ended June 30, 2024	Three months ended June 30, 2023
Spectrum revenue		
900 MHz Broadband Spectrum Revenue		
Ameren Corporation	$ 156	$ 152
Evergy	386	274
Xcel Energy [1]	801	—
Narrowband Spectrum Revenue		
Motorola	182	182
Total spectrum revenue [2]	$ 1,525	$ 608

1. The Company commenced revenue recognition in connection with the delivery of cleared 900 MHz Broadband Spectrum and the associated broadband leases to Xcel Energy in September 2023.
2. Revenue recognized during the three months ended June 30, 2024 and 2023 was included in deferred revenue at the beginning of the respective periods.

Spectrum Revenue Agreements

Refer to the Company's 2024 Annual Report for a description of the Company's spectrum revenue agreements entered into prior to March 31, 2024.

Capitalized Contract Costs

The Company capitalizes incremental costs associated with obtaining a spectrum revenue agreement with a customer, which generally includes sales commissions. The Company's capitalized contract costs consisted of the following activity during the three months ended June 30, 2024 and 2023 (in thousands):

	Three months ended June 30, 2024	Three months ended June 30, 2023
Balance at the beginning of the period	$ 1,027	$ 870
Additions	26	28
Amortization	(30)	(10)
Balance at the end of the period	1,023	888
Less amount classified as current assets [1]	(586)	(445)
Noncurrent assets [1]	$ 437	$ 443

1. Current assets are recorded as prepaid expenses and other current assets and noncurrent assets are recorded as other assets on the Company's Consolidated Balance Sheets.

Contract Liabilities

Contract liabilities primarily relate to advanced consideration received from customers in connection with spectrum revenue agreements, for which revenue is recognized over the term of each delivered broadband lease. The Company's contract liabilities consisted of the following activity during the three months ended June 30, 2024 and 2023 (in thousands):

	Three months ended June 30,	
	2024	2023
Balance at the beginning of the period	$ 122,212	$ 60,759
Net additions [1]	—	—
Revenue recognized	(1,525)	(608)
Balance at the end of the period	120,687	60,151
Less amount classified as current liabilities [2]	(5,968)	(2,896)
Noncurrent liabilities [2]	$ 114,719	$ 57,255

1. Represents milestone payments received from customer contracts pursuant to the terms of the associated spectrum revenue agreements, net of delivery delay adjustments.

2. Current liabilities and noncurrent liabilities are recorded as deferred revenue on the Company's Consolidated Balance Sheets.

Remaining Performance Obligations

Revenue allocated to remaining performance obligations of the Company's contracts represent contracted revenue that will be recognized in future periods. Total performance obligations include deferred revenue (i.e., contract liabilities) as well as amounts that will be invoiced and recognized in future periods. Revenue allocated to remaining performance obligations was $185.6 million as of June 30, 2024, which will be recognized over the remaining contract terms up to 30 years.

3. Escrow Deposits

Escrow deposits are considered restricted cash as the deposits are restricted from use until the terms of the escrow agreement are met. Escrow deposits are classified as current assets on the Company's Consolidated Balance Sheets.

In connection with the Lower Colorado River Authority Agreement (the "LCRA Agreement"), the Company and Lower Colorado River Authority ("LCRA") entered into an escrow agreement. Pursuant to the escrow agreement, the escrow funds shall be held and invested in a money market deposit account. All interest and other income earned shall be allocated to the Company, payable with the final distribution of the escrow funds. The escrow funds shall be distributed upon written request by both the Company and LCRA pursuant to the terms within the LCRA Agreement. In December 2023, the Company received $15.0 million, of which $7.5 million was deposited in an escrow account. As of June 30, 2024, the Company's escrow deposit balance on the Consolidated Balance Sheets is $7.6 million.

4. Intangible Assets

Wireless licenses are considered indefinite-lived intangible assets. Indefinite-lived intangible assets are not subject to amortization but instead are tested for impairment annually, or more frequently if an event indicates that the asset might be impaired. There were no impairment charges related to the Company's indefinite-lived intangible assets during the three months ended June 30, 2024 and 2023.

Intangible assets consist of the following activity for the three months ended June 30, 2024 and 2023 (in thousands):

	2024	2023
Balance at the beginning of period	$ 216,743	$ 202,044
Acquisitions and transfers	2,940	2,966
Exchanges - licenses received	126	13,292
Exchanges - licenses surrendered	(33)	(2,507)
Balance at the end of period	$ 219,776	$ 215,795

Purchases of intangible assets, including refundable deposits, retuning costs and swaps

During the three months ended June 30, 2024 and 2023, the Company entered into agreements with several third parties in multiple U.S. markets to acquire, retune or swap wireless licenses for cash consideration ("deals") and made Anti-Windfall Payments to the US Treasury Department. The initial deposits to incumbents are recorded as spectrum receivable on the Company's Consolidated Balance Sheets and are refundable if the FCC does not approve the sale, retuning or swap of the spectrum. The initial deposits are transferred to deferred broadband cost or intangible assets in the Company's Consolidated Balance Sheets, as applicable, upon meeting the relevant deal milestones. The final payments related to closed retuning or swap deals are recorded as deferred broadband costs on the Company's Consolidated Balance Sheets. The final payments for license purchases or Anti-Windfall Payments are recorded as intangible assets on the Company's Consolidated Balance Sheets.

Broadband License Exchanges

During the three months ended June 30, 2024, the Company was granted by the FCC, a broadband license for 1 county. The Company recorded the new broadband license at its estimated accounting cost basis of approximately $0.1 million. In connection with receiving the broadband license, the Company disposed of a de minimis amount related to the value ascribed to the narrowband license it relinquished to the FCC for the same 1 county. The total carrying value of the narrowband license included the cost to acquire the original narrowband license, Anti-Windfall Payments paid to cover the shortfall in this county and the clearing costs. As a result of the exchange of the narrowband license for the broadband license, the Company recorded a gain on disposal of intangible assets of $0.1 million for the three months ended June 30, 2024.

During the three months ended June 30, 2023, the Company was granted by the FCC, broadband licenses for 9 counties. The Company recorded the new broadband licenses at their estimated accounting cost basis of approximately $13.3 million. In connection with receiving the broadband licenses, the Company disposed of $2.5 million, related to the value ascribed to the narrowband licenses it relinquished to the FCC for the same 9 counties. The total carrying value of narrowband licenses included the cost to acquire the original narrowband licenses, Anti-Windfall Payments paid to cover the shortfall in each county and the clearing costs. As a result of the exchange of narrowband licenses for broadband licenses, the Company recorded a gain on disposal of intangible assets of $10.8 million for the three months ended June 30, 2023.

5. Related Party Transactions

Refer to the Company's 2024 Annual Report for a more complete description of the nature of its related party transactions prior to March 31, 2024. During the three months ended June 30, 2024, the Company did not have any related party transactions.

6. Leases

All the leases in which the Company is the lessee are comprised of corporate office space and tower space. The Company is obligated under certain lease agreements for office space with lease terms expiring on various dates from October 31, 2024 through January 31, 2029, which includes lease extensions for its corporate headquarters ranging from three to ten years. The Company entered into multiple lease agreements for tower space. The lease expiration dates range from November 30, 2024 to June 12, 2031.

Substantially all of the Company's leases are classified as operating leases. Operating lease agreements are required to be recognized on the Company's Consolidated Balance Sheets as right of use ("ROU") assets and corresponding lease liabilities. ROU assets include any prepaid lease payments and exclude any lease incentives and initial direct costs incurred. Lease expense for minimum lease payments is recognized on a straight-line basis over the lease term. The lease terms may include options to extend or terminate the lease if it is reasonably certain that the Company will exercise that option.

Weighted-average remaining lease term and incremental borrowing rate for the Company's operating leases are as follows:

	Three months ended June 30,	
	2024	2023
Weighted average term - operating lease liabilities	3.66 years	2.77 years
Weighted average incremental borrowing rate - operating lease liabilities	9%	12%

Total lease cost amounted to approximately $0.5 million and $0.5 million, respectively, for the three months ended June 30, 2024 and 2023. Total lease cost is included in general and administrative expenses on the Company's Consolidated Statements of Operations.

The following table presents total lease cost for the three months ended June 30, 2024 and 2023 (in thousands):

	Three months ended June 30,	
	2024	2023
Lease cost		
Operating lease cost	$ 501	$ 507
Total lease cost	$ 501	$ 507

The following table presents supplemental balance sheet information as of June 30, 2024 and March 31, 2024 (in thousands):

	June 30, 2024	March 31, 2024
Non-current assets - right of use assets, net	$ 4,493	$ 4,432
Current liabilities - operating lease liabilities	$ 1,807	$ 1,850
Non-current liabilities - operating lease liabilities	$ 3,453	$ 3,446

Future minimum payments under existing non-cancelable leases for office and tower spaces (exclusive of real estate tax, utilities, maintenance and other costs borne by the Company) for the remaining terms of the leases following the three months ended June 30, 2024, are as follows (in thousands):

Fiscal Year	Operating Leases
2025 (excluding the three months ended June 30, 2024)	$ 1,688
2026	1,562
2027	1,158
2028	815
2029	558
After 2029	249
Total future minimum lease payments	6,030
Amount representing interest	(770)
Present value of net future minimum lease payments	$ 5,260

7. Income Taxes

The Company used a discrete effective tax rate method to calculate taxes for the three months ended June 30, 2024 and 2023, which were a result of its inability to use some portion of its federal and state net operating losses ("NOLs") carryforwards against the deferred tax liability created by the amortization of indefinite-lived intangible assets and the change in the state effective tax rate. The Company determined that applying an estimate of the annual effective tax rate would not provide a reasonable estimate as small changes in estimated "ordinary" loss could result in significant changes in the estimated annual effective tax rate. Accordingly, for the three months ended June 30, 2024, the Company recorded a total tax expense of $1.2 million. For the three months ended June 30, 2023, the Company recorded a total tax benefit of $0.2 million. The effective income tax rates for the three months ended June 30, 2024 and 2023 were 26.5% and 24.9%, respectively. The increase in the effective tax rate was the result of higher state effective tax rate due to taxable income related to customer milestone payments.

The Company's NOLs generated after March 31, 2018 may be used as an indefinite-lived asset to offset its deferred tax liability but are limited to 80% of future taxable income. The deferred tax liabilities as of June 30, 2024 are approximately $3.3 million for federal and $4.1 million for state. The deferred tax liabilities as of March 31, 2024 were approximately $3.1 million for federal and $3.2 million for state.

8. Stockholders' Equity

On August 8, 2023 (the "Effective Date"), the Company adopted a new equity-based compensation plan known as the Anterix Inc. 2023 Stock Plan (the "2023 Stock Plan"). The 2023 Stock Plan permits the Company to grant equity compensation awards to employees, consultants and non-employee directors of the Company. As of the Effective Date, no additional awards may be granted under the Anterix Inc. 2014 Stock Plan (the "2014 Stock Plan"). The 2023 Stock Plan authorizes 250,000 shares of common stock of the Company ("Shares") for grant. Additionally, 388,151 Shares remaining for grant under the 2014 Stock Plan immediately prior to the Effective Date, Shares subject to outstanding stock awards granted under the 2014 Stock Plan that, following the Effective Date, expire or are terminated or cancelled without having been exercised or settled in full, and Shares acquired pursuant to an award subject to forfeiture or repurchase that are forfeited or repurchased by the Company for an amount not greater than the recipient's purchase price, are issuable under the 2023 Stock Plan. As of June 30, 2024, under the 2023 Stock Plan, 239,900 shares are available for future issuance of which up to 151,838 shares which may be granted upon meeting certain performance levels above 100% for performance stock unit awards.

During the three months ended June 30, 2024 and the year ended March 31, 2024, a total of 190,860 and 266,539 shares, respectively, were issued in connection with the vesting, conversion and or exercise of grants under the Company's 2014 and 2023 Stock Plan.

Cumulative Spectrum Proceeds Monetized

The performance-based restricted units were to vest on a determination date of June 24, 2024 ("Determination Date"), based on the Cumulative Spectrum Proceeds Monetized ("CSPM") metric over a four-year measurement period commencing on June 24, 2020, with 15,025 units vesting if the minimum CSPM level is achieved, 30,049 units vesting if the target CSPM metric is achieved and up to 60,098 vesting if the maximum CSPM metric is achieved. Due to the timing of the execution of the Oncor Agreement, the Company entered into an amendment agreement, effectively extending the Determination Date to June 27, 2024. The amendment resulted in 15,800 shares vesting based on the CSPM level achieved.

Share Repurchase Program

In September 2023, the Board authorized the 2023 Share Repurchase Program (the "2023 Share Repurchase Program") pursuant to which the Company may repurchase up to $250.0 million of the Company's common stock on or before September 21, 2026. The Company may repurchase shares of its common stock via the open market and/or privately negotiated transactions. Repurchases will be made in accordance with applicable securities laws and may be effected pursuant to Rule 10b5-1 trading plans. The manner, timing and amount of any share repurchases will be determined by the Company based on a variety of factors, including proceeds from customer contracts, the timing of which is unpredictable, as well as general business and market conditions, the Company's capital position, and other strategic considerations. The 2023 Share Repurchase Program does not obligate the Company to repurchase any particular amount of its common stock.

The Inflation Reduction Act of 2022, which was enacted into law on August 16, 2022, imposed a nondeductible 1% excise tax on the net value of certain stock repurchases made after December 31, 2022. Excise tax accrued for the three months ended June 30, 2024 was approximately $0.1 million.

The following table presents the share repurchase activity for the three months ended June 30, 2024 and 2023 (in thousands, except per share data):

	Three months ended June 30,	
	2024	2023
Number of shares repurchased and retired	63	—
Average price paid per share*	$ 32.47	$ —
Total cost to repurchase	$ 2,027	$ —

* Average price paid per share includes costs associated with the repurchases.

As of June 30, 2024, $234.0 million is remaining under the share repurchase program.

9. Net Income (Loss) Per Share of Common Stock

Basic net income (loss) per common share is calculated by dividing the net income (loss) attributable to common stockholders by the weighted-average number of common shares outstanding during the period, without consideration for potentially dilutive securities. For purposes of the diluted net income (loss) per share calculation, stock options and restricted stock units and awards are considered to be potentially dilutive securities. Diluted earnings per share is computed using the treasury stock method.

For the three months ended June 30, 2024 and 2023, there were 215,423 and 193,948 potentially dilutive stock options and restricted stock units outstanding, respectively, excluded from the calculation of diluted weighted-average shares as their effects are anti-dilutive because the Company reported a net loss for the three months ended June 30, 2024 and 2023, respectively.

10. Contingencies and Guaranty

Contingent Liabilities

SDG&E Refund Obligations

In February 2021, the Company entered into an agreement with SDG&E, San Diego Gas & Electric Company, a subsidiary of Sempra Energy ("SDG&E"), to sell 900 MHz Broadband Spectrum throughout SDG&E's California service territory, including San Diego and Imperial Counties and portions of Orange County (the "SDG&E Agreement,"), for a total payment of $50.0 million. The total payment of $50.0 million is comprised of an initial payment of $20.0 million received in February 2021 and the remaining payments which are due as the Company delivers the relevant cleared 900 MHz Broadband Spectrum and the associated broadband licenses to SDG&E. As the Company is required to refund payments it has received from SDG&E in the event of termination or non-delivery of the specific county's full 900 MHz Broadband Spectrum, it recorded the initial payments as contingent liability on the Company's Consolidated Balance Sheets. A reduction in the contingent liability and a gain or loss on the sale of spectrum will be recognized for each county once the Company delivers the full cleared 900 MHz Broadband Spectrum and the associated broadband license(s) to SDG&E.

LCRA Refund Obligation

In April 2023, the Company entered into the LCRA Agreement for a total payment of $30.0 million, to be paid through fiscal year 2026 pursuant to the terms of the agreement. In December 2023, the Company received $15.0 million in milestone payments, of which $7.5 million was deposited in an escrow account. The remaining payments are due as the Company delivers the relevant cleared 900 MHz Broadband Spectrum and the associated broadband licenses to LCRA. As the Company is required to refund the deposit it has received from LCRA in the event of termination or non-delivery of the specific county's full cleared 900 MHz Broadband Spectrum, it recorded the initial payments as contingent liability on the Company's Consolidated Balance Sheets. A reduction in the contingent liability and a gain or loss on the sale of spectrum will be recognized for each county once the Company delivers the full cleared 900 MHz Broadband Spectrum and the associated broadband license(s) to LCRA. See Note 3 ***Escrow Deposits*** for further discussion on the escrow deposit.

Oncor Refund Obligation

In June 2024, the Company entered into the Oncor Agreement for a total payment of $102.5 million, to be paid through fiscal year 2026 pursuant to the terms of the agreement. In June 2024, the Company received an initial payment of $10.0 million with remaining payments due to the Company for each county, at closing. The timing and rights to milestone payments could vary as 900 MHz broadband licenses are granted by the FCC, broadband licenses are assigned to Oncor and incumbents are cleared by the Company. As the Company is required to refund the deposit it has received from Oncor in the event of termination or non-delivery of the specific county's full cleared 900 MHz Broadband Spectrum, it recorded the initial payment as contingent liability on the Company's Consolidated Balance Sheets. A reduction in the contingent liability and a gain or loss on the sale of spectrum will be recognized for each county once the Company delivers the full cleared 900 MHz Broadband Spectrum and the associated broadband license(s) to Oncor.

Xcel Energy Guaranty

In October 2022, the Company entered into an agreement with Xcel Energy Services Inc. ("Xcel Energy") providing Xcel Energy dedicated long-term usage of the Company's 900 MHz Broadband Spectrum for a term of 20 years throughout Xcel Energy's service territory in eight states (the "Xcel Energy Agreement"). In connection with Xcel Energy Agreement, the Company entered into a guaranty agreement, under which the Company guaranteed the delivery of the relevant 900 MHz Broadband Spectrum and the associated broadband licenses in Xcel Energy's service territory in eight states along with other commercial obligations. In the event of default or non-delivery of the specific territory's 900 MHz Broadband Spectrum, the Company is required to refund payments it has received. In addition, to the extent Anterix has performed any obligations, the Company's liability and remaining obligations under the Xcel Energy Agreement will extend only to the remaining unperformed obligations. The Company recorded $67.1 million in deferred revenue in connection with the prepayments received as of June 30, 2024. The Company commenced delivery of the relevant cleared 900 MHz Broadband Spectrum and the associated broadband leases in the first quarter of fiscal year 2024 and will continue through 2029. As of June 30, 2024, the maximum potential liability of future undiscounted payments under this agreement is approximately $64.4 million.

Litigation

From time to time, the Company may be involved in litigation that arises from the ordinary operations of the business, such as contractual or employment disputes or other general actions. The Company is not involved in any material legal proceedings at this time.

Pandemic and Macroeconomic Conditions

Recent macroeconomic events, inflation and geopolitical matters, have increased operating costs or resulted in delays in customer contracting or impacted the availability of equipment necessary for the deployment of the Company's target customers' planned PLTE projects. The Company continues to closely monitor these risks. Although difficult to quantify, the Company believes the current macroeconomic environment, including inflation, may have an adverse effect on the Company's target customers' businesses, which may harm the Company's commercialization efforts and negatively impact the Company's revenues and liquidity. If the Company is not able to control its operating costs or if the Company's commercialization efforts are slowed or negatively impacted, continued periods of high inflation could have a material adverse effect on the Company's business, operating results and financial condition.

11. Concentrations of Credit Risk and Significant Customer

Financial instruments which potentially expose the Company to concentrations of credit risk consist primarily of cash and cash equivalents. The Company places its cash and temporary cash investments with financial institutions for which credit loss is not anticipated. As of June 30, 2024 and March 31, 2024, substantially all of the Company's cash balance exceeded the federally insured limits. For the three months ended June 30, 2024 and 2023, each of the Company's customers accounted for greater than 10% of total revenue.

As of June 30, 2024 and March 31, 2024, the Company does not have an outstanding accounts receivable balance.

Item 2: Management's Discussion and Analysis of Financial Condition and Results of Operations

This discussion and analysis of the financial condition and results of operations of Anterix Inc. ("Anterix," the "Company", "we", "us", or "our") should be read in conjunction with our financial statements and notes thereto included in this Quarterly Report on Form 10-Q (this "Quarterly Report") and the audited financial statements and notes thereto included in our Annual Report on Form 10-K for the year ended March 31, 2024, filed with the Securities and Exchange Commission (the "SEC") on June 26, 2024 (the "2024 Annual Report"). In addition to historical information, this discussion and analysis contains forward-looking statements that involve risks, uncertainties, and assumptions. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors including, but not limited to, those identified or referenced in "Item 1A—Risk Factors" in Part II of this Quarterly Report. As a result, investors are urged not to place undue reliance on any forward-looking statements. Except as required by applicable law, we do not undertake any obligation to update forward-looking statements to reflect events or circumstances occurring after the date of this Quarterly Report.

Overview

Anterix Inc ("Anterix," "we," "our," or the "Company") is the utility industry's partner, empowering enhanced visibility, control and security for a modern grid. Our vision is to deliver secure, scalable solutions enabled by private wireless broadband connectivity, for the benefit of utilities and the communities that they serve. As the largest holder of licensed spectrum in the 900 MHz band (896-901/935-940 MHz) throughout the contiguous United States, plus Hawaii, Alaska and Puerto Rico, we are uniquely positioned to deliver solutions that support secure, resilient and customer-controlled operations. We are focused on commercializing our spectrum assets and expanding the benefits and solutions we offer to enable our targeted utility and critical infrastructure customers to deploy private broadband networks.

Refer to our 2024 Annual Report for a more complete description of the nature of our business, including details regarding the process and costs to secure our broadband licenses.

Business Developments

In June 2024, we entered into a license purchase agreement with Oncor Electric Delivery Company LLC ("Oncor") for total estimated consideration of $102.5 million under which Oncor will purchase 900 MHz spectrum licenses covering 95 counties to deploy a private wireless broadband network in its transmission and distribution service area (the "Oncor Agreement").The total payment of $102.5 million comprises an initial payment of $10.0 million received in June 2024 and remaining payments that are due to us for each county, at closing. The timing and rights to milestone payments could vary as 900 MHz broadband licenses are granted by the FCC, broadband licenses are assigned to Oncor, and incumbents are cleared by us. Oncor operates more than 143,000 circuit miles of transmission and distribution lines in Texas, delivering electricity to more than four million homes and businesses across a service territory that has an estimated population of approximately 13 million people.

Results of Operations

A discussion and analysis of the primary factors contributing to our results of operations are presented below. The following tables summarize our results of operations and financial data for the three months ended June 30, 2024 and 2023. The following data should be read in conjunction with our Notes to the Unaudited Consolidated Financial Statements contained within this Quarterly Report.

	Three months ended June 30,	
	2024	2023
Spectrum revenue	$ 1,525	$ 608
Operating expenses		
General and administrative	12,851	11,673
Sales and support	1,850	1,275
Product development	1,750	1,069
Depreciation and amortization	179	246
Operating expenses	16,630	14,263
Gain from disposal of intangible assets, net	(93)	(10,785)
Gain from disposal of long-lived assets, net	—	(31)
Loss from operations	(15,012)	(2,839)
Interest income	694	386
Other income	16	95
Loss before income taxes	(14,302)	(2,358)
Income tax expense (benefit)	1,222	(240)
Net loss	$ (15,524)	$ (2,118)

Summary

Our net loss for the three months ended June 30, 2024 increased by approximately $13.4 million, or 633%, to $15.5 million from $2.1 million for the three months ended June 30, 2023. The increase in net loss was primarily due to the following:

- Spectrum revenues increased by $0.9 million, or 151%, to $1.5 million for the three months ended June 30, 2024 from $0.6 million for the three months ended June 30, 2023. The increase in our spectrum revenue was primarily attributable to revenue recognized in connection with our agreement with Xcel Energy of approximately $0.8 million.

- General and administrative expenses increased by $1.2 million, or 10%, to $12.9 million for the three months ended June 30, 2024 from $11.7 million for three months ended June 30, 2023. The increase primarily resulted from $1.0 million of fiscal 2024 executive bonuses related to the Oncor Agreement deemed fiscal 2025 compensation. Refer to our 2024 proxy statement for our 2024 annual meeting of our stockholders for additional information.

- Sales and support expenses increased by $0.6 million, or 45%, to $1.9 million for the three months ended June 30, 2024 from $1.3 million for three months ended June 30, 2023. The increase primarily resulted from $0.4 higher headcount costs and commissions and $0.3 million fees related to the Oncor Agreement partially offset by $0.1 million lower contract consulting fees.

- Product development expenses increased by $0.7 million, or 64%, to $1.8 million for the three months ended June 30, 2024 from $1.1 million for three months ended June 30, 2023. The increase primarily resulted from $0.5 million higher contract consulting fees and $0.2 million in IT-related costs.

- Gain from disposal of intangible assets, net decreased by $10.7 million, or 99%, to $0.1 million for the three months ended June 30, 2024 from $10.8 million for the three months ended June 30, 2023. During the three months ended June 30, 2024, we exchanged our narrowband license for a broadband license in 1 county. In connection with the exchange, we recorded an estimated accounting cost basis of $0.1 million for the new broadband license and relinquished to the FCC narrowband license for the same 1 county with de minimis value. As a result, we recorded a $0.1 million non-monetary gain from disposal of the intangible assets on our Consolidated Statements of Operations. During the three months ended June 30, 2023, we exchanged our narrowband licenses for broadband licenses in 9 counties. In connection with the exchange, we recorded an estimated accounting cost basis of $13.3 million for the new broadband licenses and disposed of $2.5 million related to the value ascribed to the narrowband licenses we relinquished to the FCC for those same 9 counties. As a result, we recorded a $10.8 million non-monetary gain from disposal of the intangible assets on our Consolidated Statements of Operations.

- Interest income increased by $0.3 million, or 80%, to $0.7 million for the three months ended June 30, 2024 as compared to $0.4 million for three months ended June 30, 2023. The increase was primarily attributable to a higher cash balance.
- Income tax increased by $1.5 million, or 609%, to $1.2 million for the three months ended June 30, 2024 as compared to income tax benefit of $0.2 million for three months ended June 30, 2023. The increase was primarily attributable to higher state effective tax rate due to taxable income related to customer milestone payments.

Liquidity and Capital Resources

Our principal source of liquidity is our cash and cash equivalents generated from customer contract proceeds. At June 30, 2024, we had cash and cash equivalents of $51.7 million.

We believe our cash and cash equivalents on hand, along with contracted proceeds from customers, will be sufficient to meet our financial obligations through at least 12 months from the date of this Quarterly Report. As noted above, our future capital requirements will depend on a number of factors, including among others, future customer contracts, the costs and timing of our spectrum retuning activities, spectrum acquisitions and the Anti-Windfall Payments to the U.S. Treasury, our operating activities, any cash proceeds we generate through our commercialization activities, our ability to timely deliver broadband licenses to our customers in accordance with our contractual obligations and our obligation to refund payments or pay penalties if we do not meet our commercial obligations. We deploy this capital at our determined pace based on several key ongoing factors, including customer demand, market opportunity, and offsetting income from spectrum leases. We cannot reasonably estimate any potential impact to our results of operations, commercialization efforts and financial condition arising from changes to our macroeconomic, legal or regulatory environment, including potential legislation affecting the energy or utility industry, the telecommunications environment, or supply chains. We are actively managing our business to maintain our cash flow and believe that we currently have adequate liquidity. To implement our business plans and initiatives, however, we may need to raise additional capital. We cannot predict with certainty the exact amount or timing for any future capital raises. See "Risk Factors" in Item 1A of Part II of this Quarterly Report for a reference to the risks and uncertainties that could cause our costs to be more than we currently anticipate and/or our revenue and operating results to be lower than we currently anticipate. If required, we intend to raise additional capital through debt or equity financing or through some other financing arrangement. However, we cannot be sure that additional financing will be available if and when needed, or that, if available, we can obtain financing on terms favorable to our stockholders and to us. Any failure to obtain financing when required will have a material adverse effect on our business, operating results, financial condition and liquidity.

Cash Flows from Operating, Investing and Financing Activities

(in thousands)	Three months ended June 30, 2024 (Unaudited)	Three months ended June 30, 2023 (Unaudited)
Net cash used in operating activities	$ (2,361)	$ (8,209)
Net cash used in investing activities	$ (5,400)	$ (5,195)
Net cash used in financing activities	$ (1,071)	$ (745)

Net cash used in operating activities

Our principal source of cash provided by operating activities is our customer contract proceeds in the form of advanced payments. For spectrum revenue agreements, we record these advanced payments as deferred revenue on our Consolidated Balance Sheets and recognize revenue over the term of the lease, which is typically 20 to 30 years. For spectrum sale agreements, we record advanced payments as a contingent liability on our Consolidated Balance Sheets and derecognize this liability upon closing of the sale along with recording a gain or loss on sale. In addition, our cash flows reflect a non-cash gain or loss on disposal of intangible assets for the difference in cost basis as we exchange narrowband licenses for broadband licenses. We expect net cash provided by (used in) operating activities to be affected by the progress on our customer agreements as well as changes in other operating assets and liabilities. The following represents our changes in net cash used in operating activities for the three months ended June 30, 2024 and 2023.

Net cash used in operating activities was approximately $2.4 million for the three months ended June 30, 2024. The net cash used in operating activities for the three months ended June 30, 2024 was primarily due to the following:

- $15.5 million decrease related to our operating loss, which includes $5.9 million of non-cash items (refer to the ***Results of Operations***);
- $1.6 million decrease in accounts payable and accrued expenses primarily due to annual bonus payments;
- $1.5 million decrease in deferred revenue due to revenue recognition in connection with the delivery of cleared 900 MHz Broadband Spectrum; and
- $10.0 million increase in contingent liability related to the Oncor Agreement.

Net cash used in operating activities was approximately $8.2 million for the three months ended June 30, 2023. The net cash used in operating activities for the three months ended June 30, 2023 was primarily due to the following:

- $2.1 million decrease related to our operating loss, which includes $6.3 million of non-cash items (refer to the ***Results of Operations***); and
- $0.6 million decrease in deferred revenue in connection with revenue recognized for the delivery of cleared 900 MHz Broadband Spectrum.

Net cash used in investing activities

Our principal outflow of cash used in investing activities is our purchases of intangible assets, including refundable deposits, retuning costs and swaps, which represent our spectrum clearing efforts as we work toward the conversion from narrowband to broadband spectrum. The purchases of intangible assets may be offset by current period cash proceeds from the sale of intangible assets, with a potential non-cash derecognition of the contingent liability for any proceeds received and recognized in operating activities in a prior period. We expect net cash provided by (used in) investing activities to be affected by the timing of our spectrum clearing efforts and the closing of our sale transactions and the related transfer of broadband licenses. The following represents our changes in net cash used in investing activities for the three months ended June 30, 2024 and 2023.

Net cash used in investing activities was $5.4 million and $5.2 million for the three months ended June 30, 2024 and 2023, respectively. For the three months ended June 30, 2024, net cash used in investing activities was from $5.4 million payments made to acquire, swap or retune wireless licenses in markets across the United States. For the three months ended June 30, 2023, net cash used in investing activities was primarily from $5.2 million payments made to acquire, swap or retune wireless licenses in markets across the United States.

Net cash used in financing activities

Our principal outflow of cash used in financing activities is a result of our equity transactions, including repurchases of common stock and taxes and fees associated with the issuance of restricted stock awards, offset by proceeds from stock options exercised in the period. We expect net cash used in financing activities to be affected by the timing of future equity transactions including the timing of our repurchases of common stock. The following represents our changes in net cash used in financing activities for the three months ended June 30, 2024 and 2023.

Net cash used in financing activities was $1.1 million and $0.7 million for the three months ended June 30, 2024 and 2023, respectively. For the three months ended June 30, 2024, net cash used in financing activities was primarily for the repurchases of common stock of $2.0 million, payments of withholding tax on net issuance of restricted stock of $0.7 million, partially offset by the proceeds from stock option exercises of $1.6 million. For the three months ended June 30, 2023, net cash used in financing activities was primarily for payments of withholding tax on net issuance of restricted stock of $0.8 million, partially offset by the proceeds from stock option exercises of $7 thousand.

Material Cash Requirements

Our future capital requirements will depend on many factors, including: costs and time related to the commercialization of our spectrum assets; and our ability to sign customer contracts and generate revenues from the license or transfer of any broadband licenses we secure; our ability to timely deliver broadband licenses and clear spectrum to our customers in accordance with our contractual obligation; any requirement to refund payments or pay penalties if we do not satisfy our contractual obligations; the timeline and costs to acquire broadband licenses pursuant to the Report and Order, including the costs to acquire additional spectrum, the costs related to retuning, or swapping spectrum held by 900 MHz site-based licensees in the broadband segment that is required under section 90.621(b) to be protected by a broadband licensee with a base station at any location within the county, or any 900 MHz geographic-based SMR licensee in the broadband segment whose license area completely or partially overlaps the county, and the costs of paying Anti-Windfall Payments to the U.S. Treasury.

We are obligated under certain lease agreements for office space with lease terms expiring on various dates from October 31, 2024 through January 31, 2029, which includes a three to ten-year lease extension for our corporate headquarters. We have also entered into multiple lease agreements for tower space related to our spectrum holdings. The lease expiration dates range from November 30, 2024 to June 12, 2031. Total estimated payments for these lease agreements are approximately $6.0 million (exclusive of real estate taxes, utilities, maintenance and other costs borne by us). We also have an obligation to clear the tower site locations, for which we recorded an asset retirement obligation (the “ARO”). Total estimated payments as a result of the ARO is approximately $0.7 million. In addition to the lease payments and ARO for our tower site locations, we entered into agreements with several third parties in multiple U.S. markets to acquire, retune or swap wireless licenses for cash consideration (“deals”). As of June 30, 2024, our total estimated future payments for these agreements with incumbents are approximately $11.1 million.

Xcel Energy Guaranty

In October 2022, we entered into an agreement with Xcel Energy Services Inc. (“Xcel Energy”) providing Xcel Energy dedicated long-term usage of our 900 MHz Broadband Spectrum for a term of 20 years throughout Xcel Energy’s service territory in eight states (the “Xcel Energy Agreement”). In connection with Xcel Energy Agreement, we entered into a guaranty agreement, under which we guaranteed the delivery of the relevant 900 MHz Broadband Spectrum and the associated broadband licenses in Xcel Energy’s service territory in eight states along with other commercial obligations. In the event of default or non-delivery of the specific territory’s 900 MHz Broadband Spectrum, we are required to refund payments we have received. In addition, to the extent we have performed any obligations, our liability and remaining obligations under the Xcel Energy Agreement will extend only to the remaining unperformed obligations. We recorded $67.1 million in deferred revenue in connection with the prepayments received as of June 30, 2024. We commenced delivery of the relevant cleared 900 MHz Broadband Spectrum and the associated broadband leases in the first quarter of fiscal year 2024 and will continue through 2029. The revenue recognized for the three months ended June 30, 2024, was approximately $0.8 million. As of June 30, 2024, the maximum potential liability of future undiscounted payments under this agreement is approximately $64.4 million.

Share Repurchase Program

In September 2023, our Board authorized the 2023 Share Repurchase Program (the “2023 Share Repurchase Program”) pursuant to which we may repurchase up to $250.0 million of our common stock on or before September 21, 2026. We may repurchase shares of our common stock via the open market and/or privately negotiated transactions. Repurchases will be made in accordance with applicable securities laws and may be effected pursuant to Rule 10b5-1 trading plans. The manner, timing and amount of any share repurchases will be determined by us based on a variety of factors, including proceeds from customer contracts, the timing of which is unpredictable, as well as general business and market conditions, our capital position, and other strategic considerations. The 2023 Share Repurchase Program does not obligate us to repurchase any particular amount of our common stock.

The Inflation Reduction Act of 2022, which was enacted into law on August 16, 2022, imposed a nondeductible 1% excise tax on the net value of certain stock repurchases made after December 31, 2022. Excise tax accrued for the three months ended June 30, 2024 was approximately $0.1 million.

The following table presents the share repurchase activity for the three months ended June 30, 2024 and 2023 (in thousands, except per share data):

	Three months ended June 30,	
	2024	2023
Number of shares repurchased and retired	63	—
Average price paid per share*	$ 32.47	$ —
Total cost to repurchase	$ 2,027	$ —

* Average price paid per share includes costs associated with the repurchases.

As of June 30, 2024, $234.0 million is remaining under the share repurchase program.

Off-balance sheet arrangements

As of June 30, 2024 and March 31, 2024, we did not have and do not have any relationships with unconsolidated entities or financial partnerships that were established for the purpose of facilitating off-balance sheet arrangements, as defined in the rules and regulations of the SEC.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Interest Rate Risk

Our financial instruments consist of cash, cash equivalents, trade accounts receivable and accounts payable. We consider investments in highly liquid instruments purchased with original maturities of 90 days or less to be cash equivalents. Our primary exposure to market risk is interest income sensitivity, which is affected by changes in the general level of U.S. interest rates. However, because of the short-term nature of the highly liquid instruments in our portfolio, a 10% change in market interest rates would not be expected to have a material impact on our financial condition and/or results of operations.

Foreign Currency Exchange Rate Fluctuations

Our operations are based in the United States and, accordingly, all of our transactions are denominated in U.S. dollars. We are currently not exposed to market risk from changes in foreign currency.

Inflation Risk

Inflationary factors may adversely affect our operating results. As a result of recent increases in inflation, certain of our operating expenses have increased. Additionally, although difficult to quantify, we believe that the current macroeconomic environment, including inflation, could have an adverse effect on our target customers' businesses, which may harm our commercialization efforts and negatively impact our revenues. Continued periods of high inflation could have a material adverse effect on our business, operating results and financial condition if we are not able to control our operating costs or if our commercialization efforts are slowed or negatively impacted, continued periods of high inflation could have a material adverse effect on our business, operating results and financial condition.

We continue to monitor our market risk exposure, including any adverse impacts related to health pandemics or the current macroeconomic environment, which has resulted in significant market volatility.

Item 4. Controls and Procedures

Disclosure Controls and Procedures

Our management, with the participation of our President and Chief Executive Officer and our Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures (as such term is defined in Rules 13a-15(e) of the Exchange Act) as of the end of the period covered by this Quarterly Report. Based on that evaluation, our management, including our President and Chief Executive Officer and our Chief Financial Officer, concluded that our disclosure controls and procedures were effective as of the end of such period.

Changes in Internal Control over Financial Reporting

In connection with the evaluation required by Exchange Act Rule 13a-15(d), our management, including our President and Chief Executive Officer and our Chief Financial Officer, concluded that no changes in our internal control over financial reporting occurred during the period covered by this report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Inherent Limitations on Effectiveness of Controls

Our management, including our President and Chief Executive Officer and our Chief Financial Officer, do not expect that our disclosure controls or our internal control over financial reporting will prevent or detect all error and all fraud. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the control system's objectives will be met. The design of a control system must reflect the fact that there are resource constraints and that the benefits of controls must be considered relative to their costs. Further, because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud, if any, have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of simple error or mistake. Controls can also be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls. The design of any system of controls is based in part on certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Projections of any evaluation of the effectiveness of controls to future periods are subject to risks. Over time, controls may become inadequate because of changes in conditions or deterioration in the degree of compliance with policies or procedures.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings.

We are not involved in any material legal proceedings.

Item 1A. Risk Factors.

In evaluating us and our common stock, we urge you to carefully consider the risks and other information in this Quarterly Report as well as the risk factors disclosed in our 2024 Annual Report. There have been no material changes from the risk factors as previously disclosed in our 2024 Annual Report. Any of the risks discussed in this Quarterly Report, if any, and in our 2024 Annual Report, as well as additional risks and uncertainties not currently known to us or that we currently deem immaterial, could materially and adversely affect our results of operations or financial condition.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

Purchase of Equity Securities by the Issuer and Affiliated Purchasers

The following table provides information with respect to purchases of our common stock by the Company or any “affiliated purchaser” as defined in Rule 10b-18(a)(3) under the Exchange Act, during the three months ended June 30, 2024.

Issuer Purchases of Equity Securities [1]
(in thousands except for share and per share data)

Period	Total Number of Shares Purchased	Average Price Paid per Share (2)	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Dollar Value of Shares that May Yet be Purchased Under Publicly Announced Plans or Programs
April 1, 2024 through April 30, 2024				
Open market and privately negotiated purchases	22,270	$ 32.17	22,270	$ 235,343
May 1, 2024 through May 31, 2024				
Open market and privately negotiated purchases	40,185	32.63	40,185	234,033
June 1, 2024 through June 30, 2024				
Open market and privately negotiated purchases	—	—	—	—
Total	62,455	$ 32.47	62,455	$ 234,033

(1) On September 21, 2023, our Board authorized the new 2023 Share Repurchase Program pursuant to which we may repurchase up to $250.0 million of our common stock on or before September 21, 2026. We may repurchase shares of our common stock via the open market and/or privately negotiated transactions. Repurchases will be made in accordance with applicable securities laws and may be effected pursuant to Rule 10b5-1 trading plans. The manner, timing and amount of any share repurchases will be determined by us based on a variety of factors, including proceeds from customer contracts, the timing of which is unpredictable, as well as general business and market conditions, our capital position, and other strategic considerations. The 2023 Share Repurchase Program does not obligate us to repurchase any particular amount of our common stock.

(2) Average price paid per share includes cost associated with the repurchases.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

Director and Executive Officer Trading

During the three months ended June 30, 2024, no director or officer adopted or terminated any Rule 10b5-1 or non-Rule 10b5-1 trading arrangement (as defined in Item 408 of Regulation S-K).

Item 6. Exhibits.

Exhibit No.	Description of Exhibit
3.1[(1)]	Amended and Restated Certificate of Incorporation of the Company.
3.2[(2)]	Certificate of Amendment No. 1 of Amended and Restated Certificate of Incorporation of the Company.
3.3[(3)]	Certificate of Amendment No. 2 of Amended and Restated Certificate of Incorporation of the Company.
3.4[(4)]	Amended and Restated Bylaws of the Company.
3.5[(5)]	Amendment No. 1 to the Amended and Restated Bylaws of the Company.
31.1#	Certification of Principal Executive Officer pursuant to Rules 13a-14 and 15d-14 promulgated pursuant to the Securities Exchange Act of 1934, as amended, 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 and 15d-14 promulgated pursuant to the Securities Exchange Act of 1934, as amended, 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.
101.INS	Inline XBRL Instance 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 and included in Exhibit 101)

(1) Incorporated by reference to Exhibit 3.1 of the Registrant's Registration Statement on Form S-1 (File No. 333-201156), filed with the SEC on December 19, 2014.

(2) Incorporated by reference to Exhibit 3.1 of the Registrant's Current Report on Form 8-K (File No. 001-36827), filed with the SEC on November 5, 2015.

(3) Incorporated by reference to Exhibit 3.1 of the Registrant's Current Report on Form 8-K (File No. 001-36827), filed with the SEC on August 6, 2019.

(4) Incorporated by reference to Exhibit 3.1 of the Registrant's Current Report on Form 8-K (File No. 001-36827), filed with the SEC on June 27, 2017.

(5) Incorporated by reference to Exhibit 3.1 of the Registrant's Current Report on Form 8-K (File No. 001-36827), filed with the SEC on May 8, 2020.

Filed herewith.

* The certifications furnished in Exhibits 32.1 and 32.2 hereto are deemed to accompany this Quarterly Report on Form 10-Q and will not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, except to the extent that the Registrant specifically incorporates it by reference.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned hereunto duly authorized.

	Anterix Inc.
Date: August 6, 2024	/s/ Robert H. Schwartz
	Robert H. Schwartz President and Chief Executive Officer (Principal Executive Officer)
Date: August 6, 2024	/s/ Timothy A. Gray
	Timothy A. Gray Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)

EXHIBIT 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER

I, Robert H. Schwartz, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarter ended June 30, 2024 of Anterix 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: August 6, 2024

By: /s/ Robert H. Schwartz
Robert H. Schwartz
President and Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER

I, Timothy A. Gray, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarter ended June 30, 2024 of Anterix 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: August 6, 2024

By: /s/ Timothy A. Gray
Timothy A. Gray
Chief Financial Officer
(Principal Financial and Principal Accounting Officer)

EXHIBIT 32.1

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 quarterly report of Anterix Inc. (the "Company") on Form 10-Q for the period ended June 30, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Robert H. Schwartz, President and Chief Executive Officer of the Company, certify, solely for purposes of complying with 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; 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: August 6, 2024

By: /s/ Robert H. Schwartz
Robert H. Schwartz
President and Chief Executive Officer
(Principal Executive Officer)

A signed original of this written statement required by Section 906 has been provided to Anterix Inc. and will be retained by Anterix Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

This certification that accompanies the Report to which it relates, is not deemed filed with the Securities and Exchange Commission, and is not to be incorporated by reference into any filing of Anterix Inc. under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of the Report), irrespective of any general incorporation language contained in such filing.

EXHIBIT 32.2

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 quarterly report of Anterix Inc. (the “Company”) on Form 10-Q for the period ended June 30, 2024, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Timothy A. Gray, Chief Financial Officer of the Company, certify, solely for purposes of complying with 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; 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: August 6, 2024

By: /s/ Timothy A. Gray
Timothy A. Gray
Chief Financial Officer
(Principal Financial and Principal Accounting Officer)

A signed original of this written statement required by Section 906 has been provided to Anterix Inc. and will be retained by Anterix Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

This certification that accompanies the Report to which it relates, is not deemed filed with the Securities and Exchange Commission, and is not to be incorporated by reference into any filing of Anterix Inc. under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of the Report), irrespective of any general incorporation language contained in such filing.