



FISCAL YEAR 2025

EARNINGS PRESENTATION

Presented By:

MARK HARDING



WWW.PURECYCLEWATER.COM





FORWARD LOOKING STATEMENT

Statements that are not historical facts contained or incorporated by reference in this presentation are “forward-looking statements” (“FLS”) within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933 and Section 21C of the Securities Exchange Act of 1934 as amended. FLS involve risks and uncertainties that could cause actual results to differ from projected results. The words “anticipate,” “believe,” “estimate,” “expect,” “plan,” “intend” and similar expressions, as they relate to us, are intended to identify FLS. Such statements reflect our current views with respect to future events and are subject to certain risks, uncertainties and assumptions. We are not able to predict all factors that may affect future results. We cannot assure you that any of our expectations will be realized. Our actual results could differ materially from those discussed in or implied by these forward-looking statements. Factors that may cause actual results to differ materially from those contemplated by such FLS include, without limitation: the risk factors discussed in our most recent Annual Report on Form 10-K; the timing of new home construction and other development in the areas where we may sell our water, which in turn may be impacted by credit availability; population growth; employment rates; general economic conditions; the market price of water; changes in customer consumption patterns; changes in applicable statutory and regulatory requirements; changes in governmental policies and procedures; uncertainties in the estimation of water available under decrees; uncertainties in the estimation of costs of delivery of water and treatment of wastewater; uncertainties in the estimation of the service life of our systems; uncertainties in the estimation of costs of construction projects; uncertainties in the amount and timing of reimbursable public improvement payments; uncertainty in the single family home rental market and our ability to rent homes in a timely manner or at the amount we project; the strength and financial resources of our competitors; our ability to find and retain skilled personnel; climatic and weather conditions, including flood, droughts and freezing conditions; labor relations; availability and cost of labor, material and equipment; delays in anticipated permit and construction dates; environmental risks and regulations; our ability to raise capital; our ability to negotiate contracts with new customers; and uncertainties in water court rulings; and other factors discussed from time to time in our press releases, public statements and documents filed or furnished with the SEC.



MARK W. HARDING

President, CEO, and Director

Mark is an exceptional leader who has significantly shaped Pure Cycle's success. Under his 35-year tenure, the company has successfully acquired over \$130 million in water and land interests. His vision and strategic acumen have been instrumental in the company's growth and impact.



MARC SPEZIALY

VP, CFO, Principal Accounting Officer, Principal Financial Officer

Marc brings over 20 years of financial expertise. He manages our financial operations and single-family rentals. Marc obtained his bachelor's degree in Accounting and Finance from the University of San Francisco and is a licensed Certified Public Accountant.



BRENT BROUILLARD

Vice President, Engineering

Brent Brouillard, Vice President of Engineering at Pure Cycle since 2017, oversees the planning, design, and operation of water and wastewater systems in the Denver-Metro area. A licensed Professional Engineer with fifteen years' experience, he holds degrees in Civil Engineering and Hydrology from the University of Wyoming and Colorado School of Mines.



DIRK LASHNITS

Vice President, Land Development

Dirk is a seasoned leader with a Civil Engineering background and over two decades of local land development experience. He skillfully guides land development, entitlements, and construction, playing a vital role in advancing corporate objectives, risk management, and project success.



BOARD OF DIRECTORS

Mark W. Harding

President and CEO

Jeffrey G. Sheets

Director

Frederick A. Fendel III

Director

Patrick J. Beirne

Chair of the Board

Susan D. Heitmann

Director and Chair of the Audit
Committee

Wanda J. Abel

Director and Chair of the Nominating
and Governance Committee

Daniel R. Kozlowski

Director and Chair of the
Compensation Committee

INVESTMENT SNAPSHOT



25 Straight Profitable Quarters

Pure Cycle has posted net income for six consecutive years, demonstrating a durable and resilient earnings model.



Recurring Revenue Base

Stable earnings from water and wastewater utilities, rental income, and service fees underwrite financial predictability.



Sky Ranch Development Visibility

Phased development of over 1,400 lots across multiple years ensures revenue continuity into FY26—and beyond.



Capital Position & Liquidity

As of FY2025, \$28M in cash and restricted cash \$45M Note Receivable enabling flexibility in capital allocation decisions.

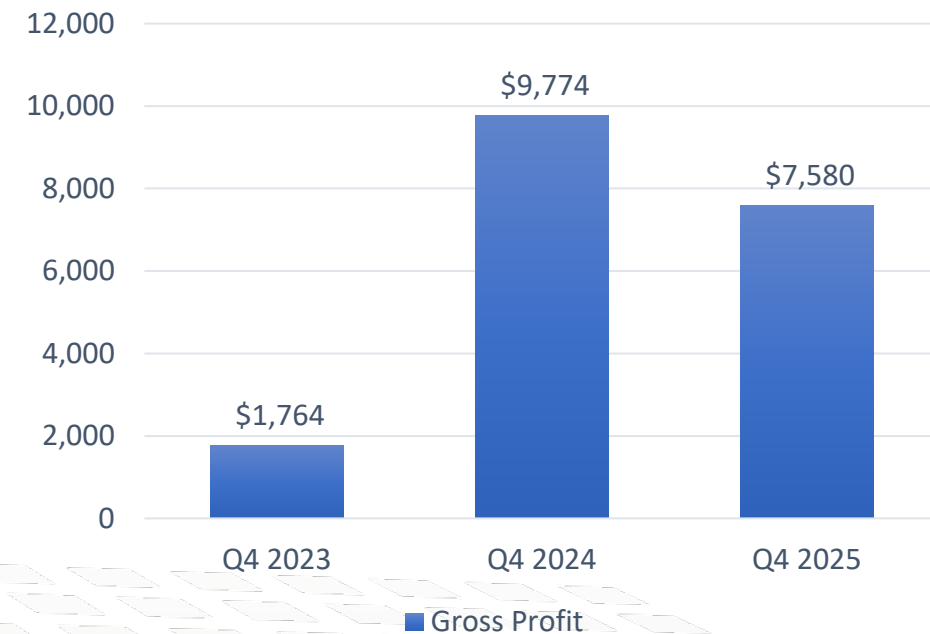
4th Quarter Results

In Q4 2025, we reported revenue of \$11.2M and gross profit of \$7.6M. The decline compared to Q4 2024 was primarily due to the timing in our lot sales revenue compared to 2024 specifically the timing of finished lot deliveries.

QoQ Q4 Revenue



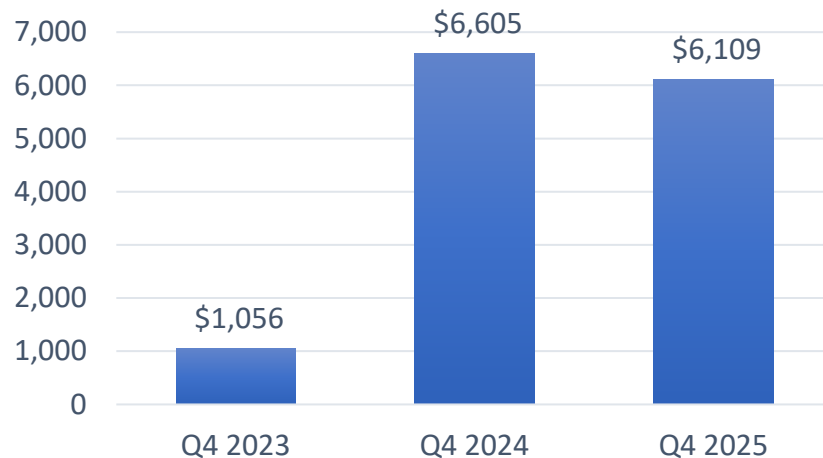
QoQ Q4 Gross Profit



4th Quarter Results

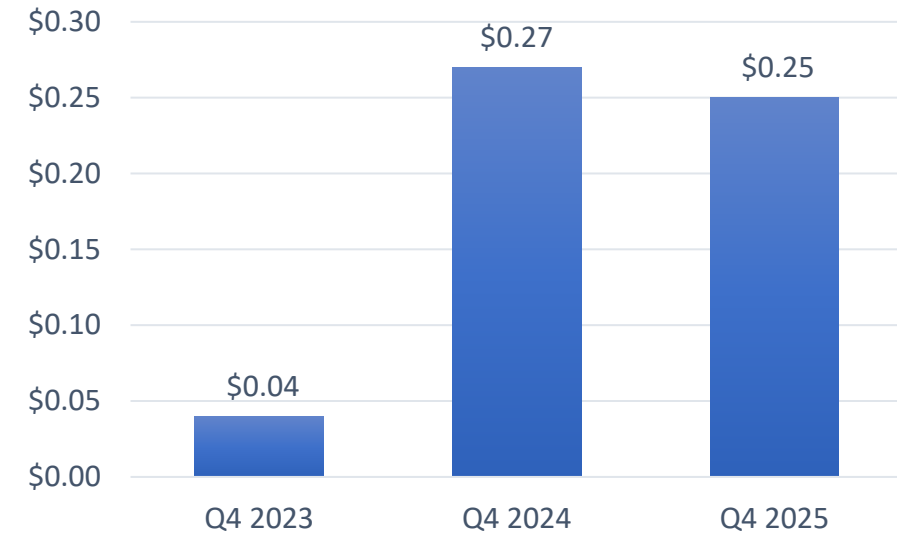
In Q4 2025 we generated net income of \$6.1M and EPS of \$0.25. The decrease from prior quarters is due to the timing in our lot sales revenue and offset by higher tap sales and royalty income which highlights the strength of our earnings through our diverse assets.

QoQ Q4 Net Income



■ Net Income

QoQ Q4 EPS

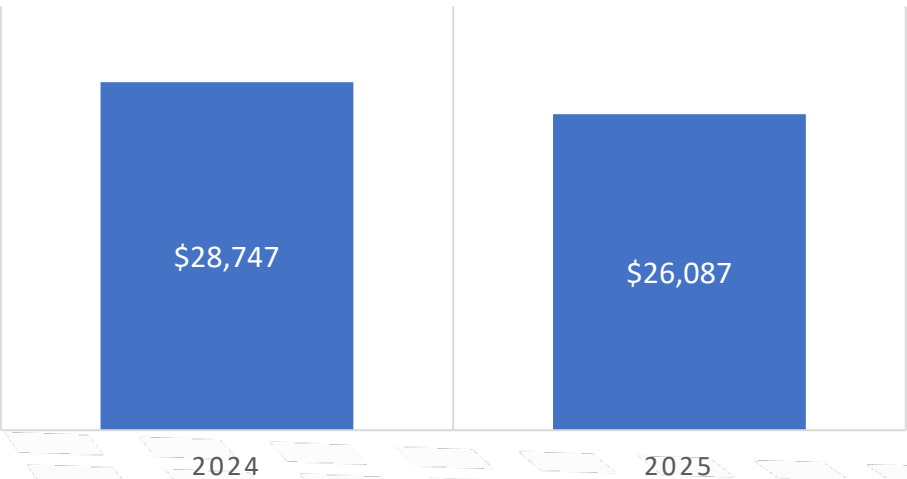


■ EPS

We have achieved \$26.1M in revenue and \$16.0M in gross profit. Revenues in the fourth quarter are reflective of the finished lot status in Phase 2C.

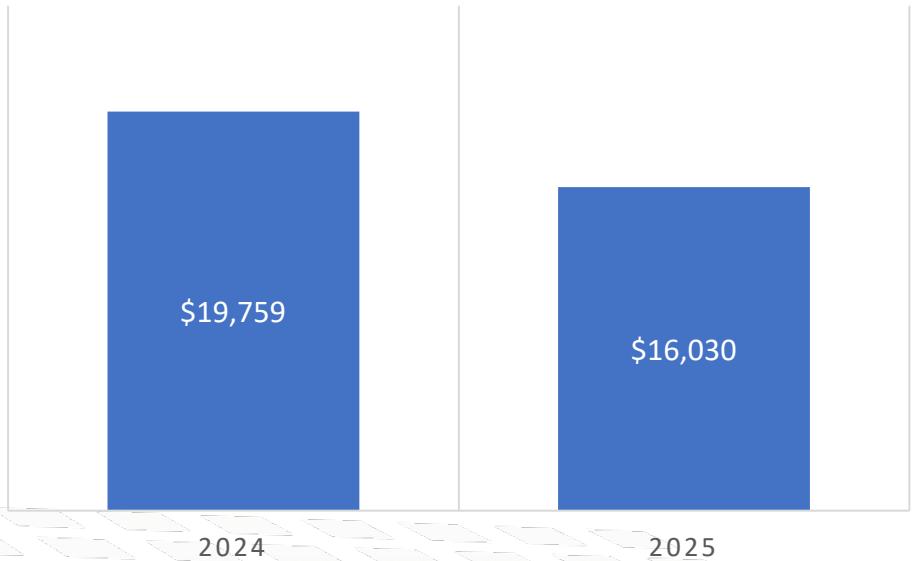
REVENUE

■ Actual to Date



GROSS PROFIT

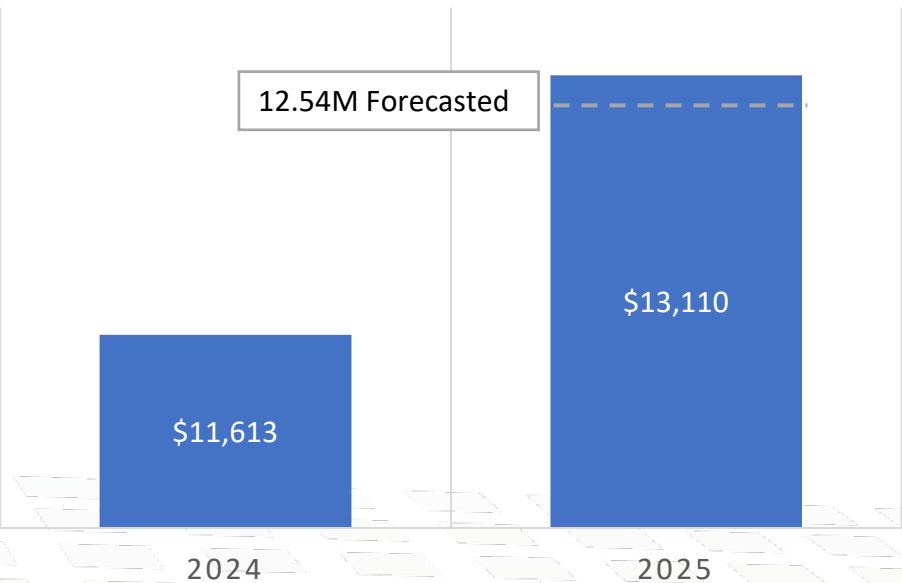
■ Actual to Date



Net income totaled \$13.1M, surpassing our full-year guidance of \$12.54M, while earnings per share reached \$0.54. Notably, net income was positively impacted by O&G royalty income.

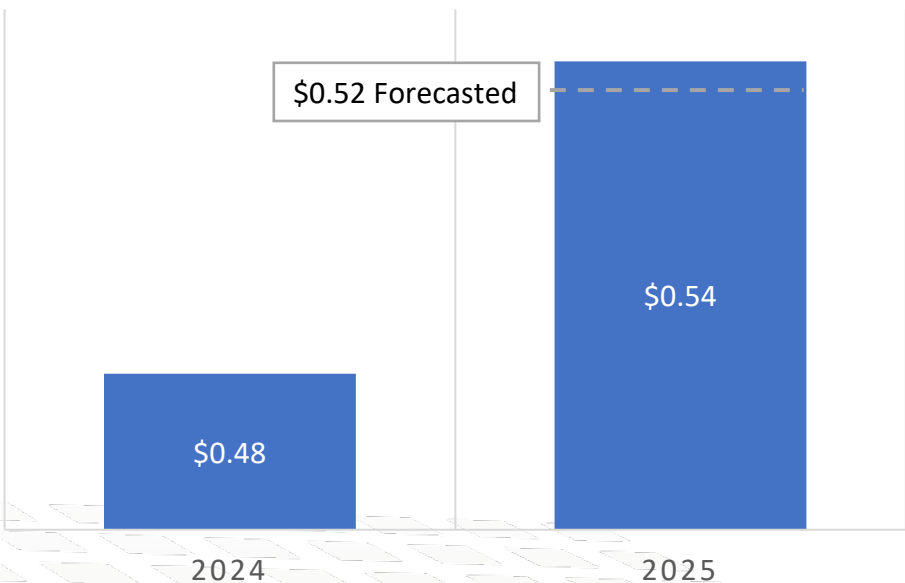
NET INCOME

■ Actual to Date

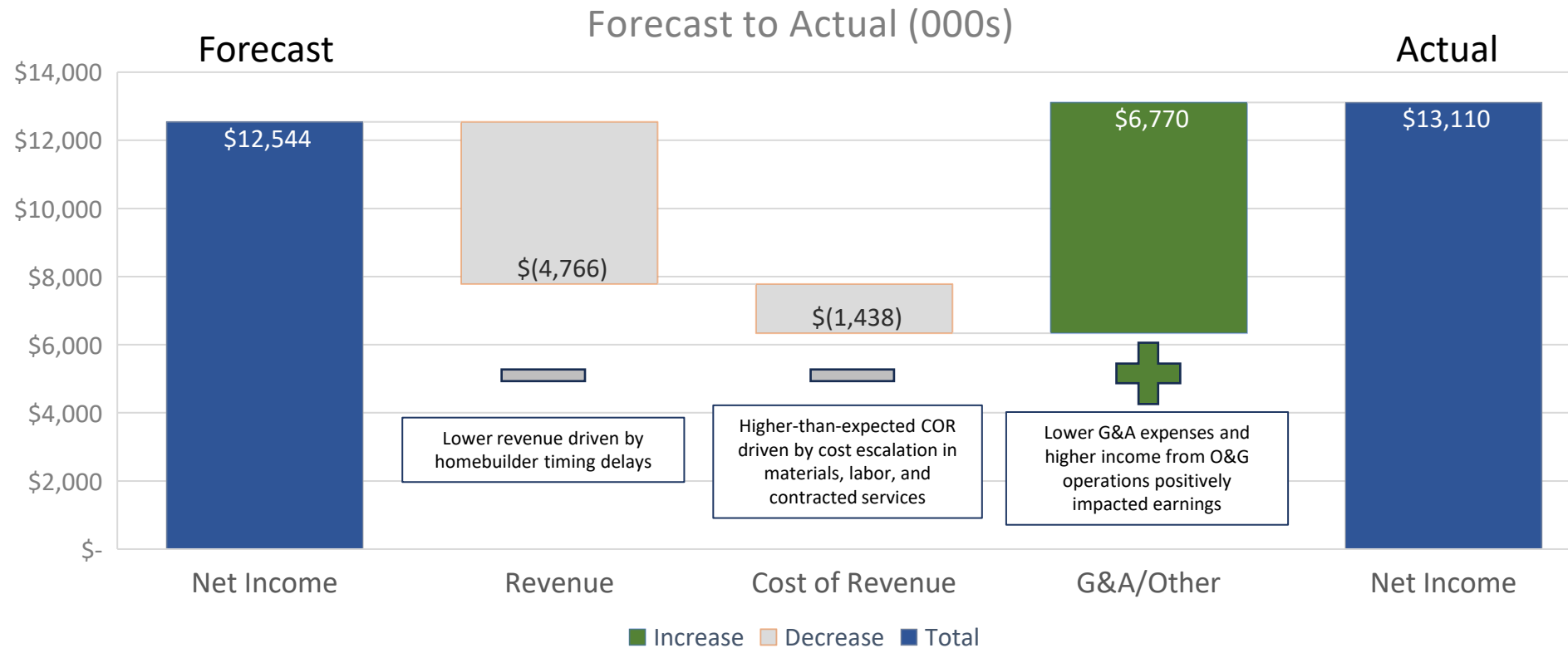


EPS

■ Actual to Date



FY2025 net income **exceeded** forecast by approximately \$0.6 million, driven by stronger recurring performance across water utilities and higher oil & gas royalties. While land development activity contributed less than expected, consistent water margins and stable cost control helped maintain profitability, underscoring the durability of our recurring revenue base.





Water Utilities

WATER & WASTEWATER

DOMESTIC

Base utility fees and service charges add steady income, smoothing quarterly earnings volatility

Recurring Utility Revenues

INDUSTRIAL

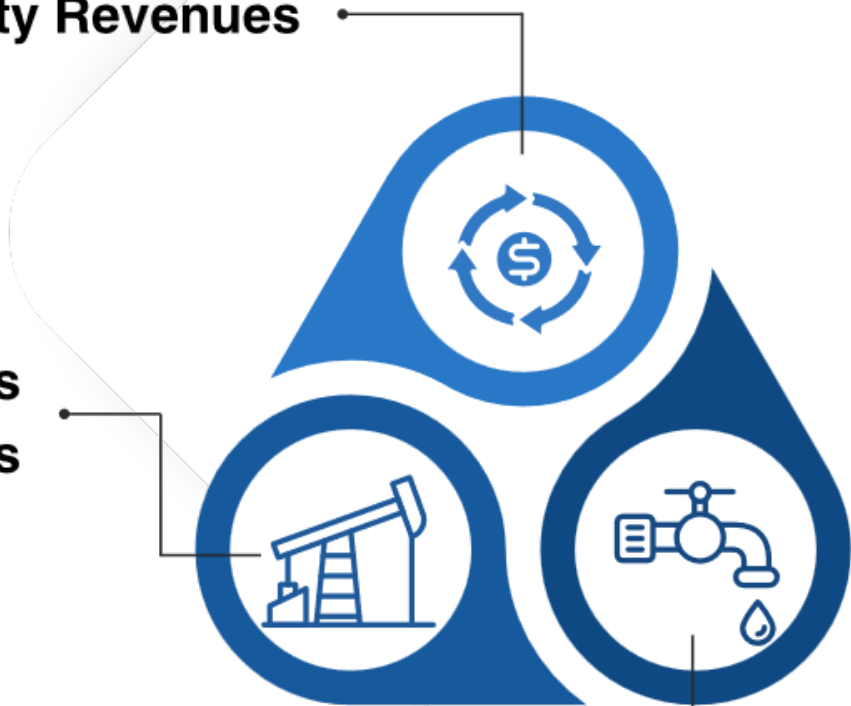
Industrial water sales to oil & gas operations generate incremental, high-margin income tied to drilling and fracking, further strengthening the return on Pure Cycle's water assets

Oil & Gas Water Sales

CONNECTIONS

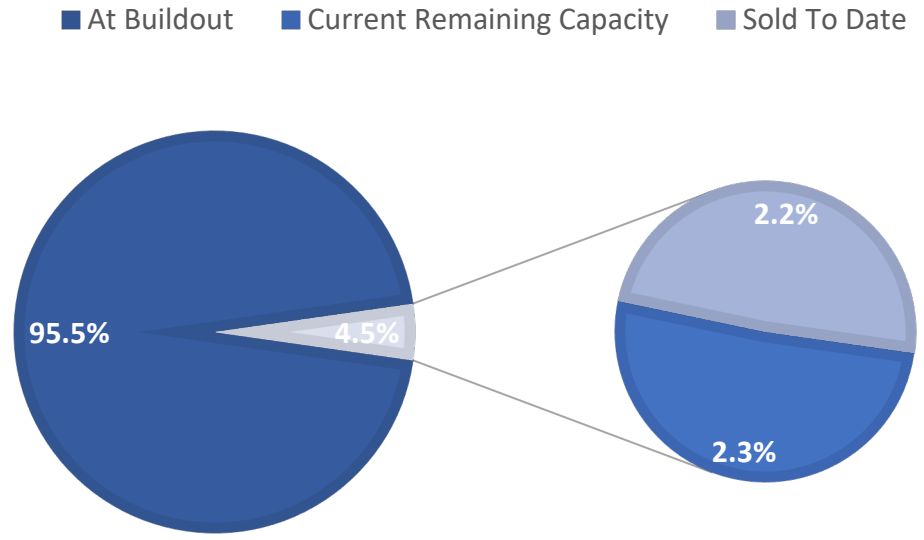
Incremental taps deliver high-margin contribution as infrastructure is already in place

Operating Leverage in Utilities



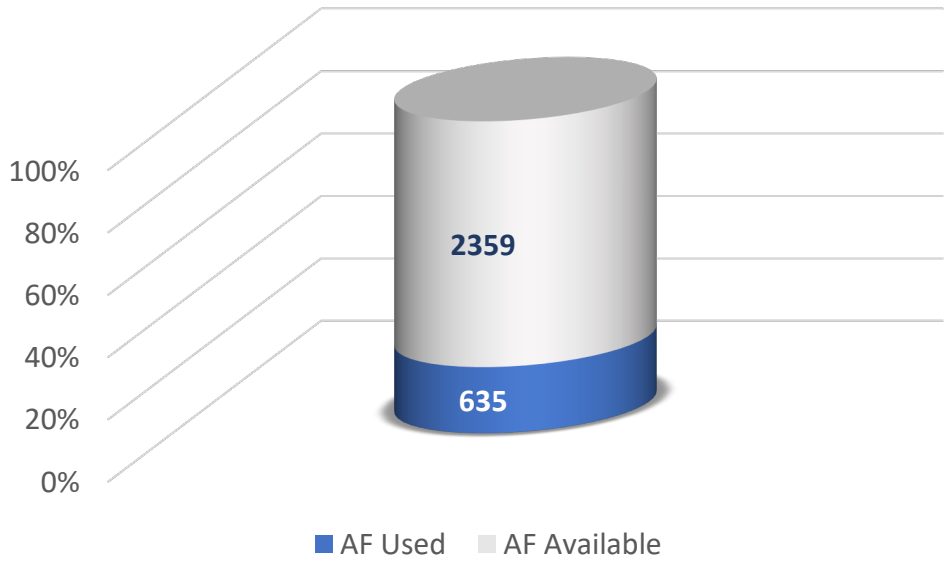
CAPACITY AND PRODUCTION

PORTFOLIO CAPACITY



We estimate our portfolio can serve approximately 60,000 connections, generating approximately \$2.3 billion in revenues based on current rates. To date, we have added around 1,649 connections, representing 2.7% of our overall capacity

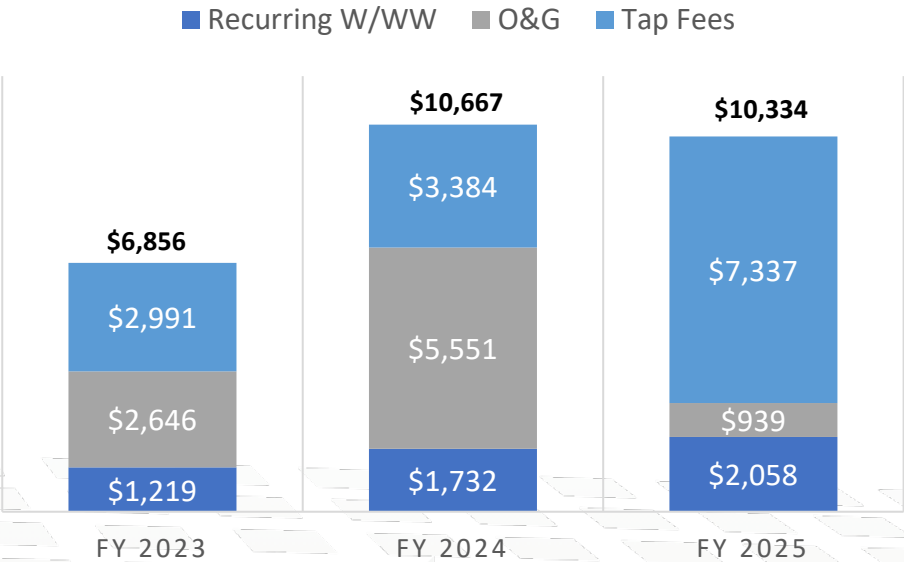
Acre Feet Production FY 2025



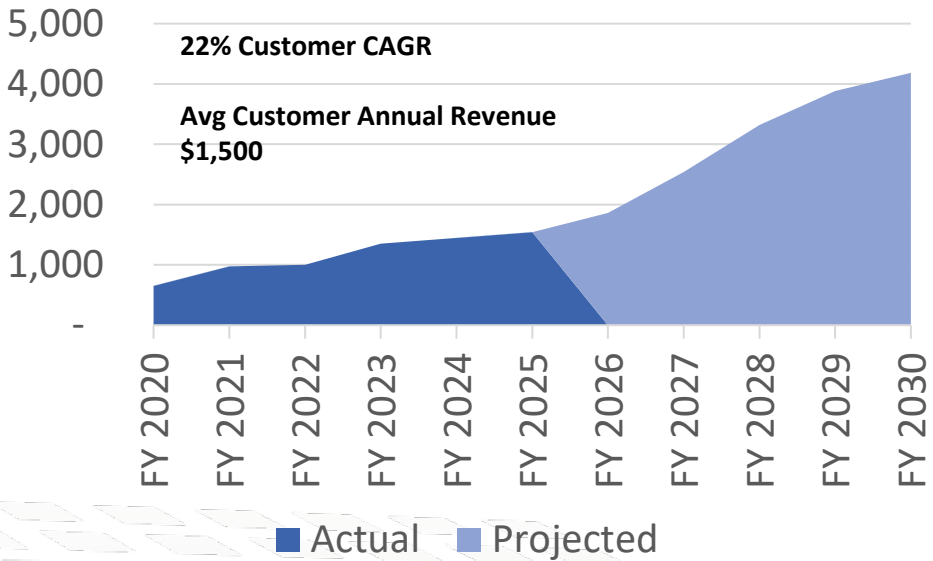
We continue to invest in our systems with a current book value of \$58.5M which can produce over 3.4M gallons of water per day

FY2025 water revenues show a shift toward recurring water and wastewater income as tap fee activity accelerated with continued development at Sky Ranch. O&G revenues declined from FY2024 highs but remain a meaningful contributor. Customer growth trends point to accelerating utility demand, with active connections expected to rise sharply through FY2030, providing a strong foundation for long-term recurring cash flow.

WATER REVENUES BY TYPE (000S)



WATER UTILITY CUSTOMER GROWTH

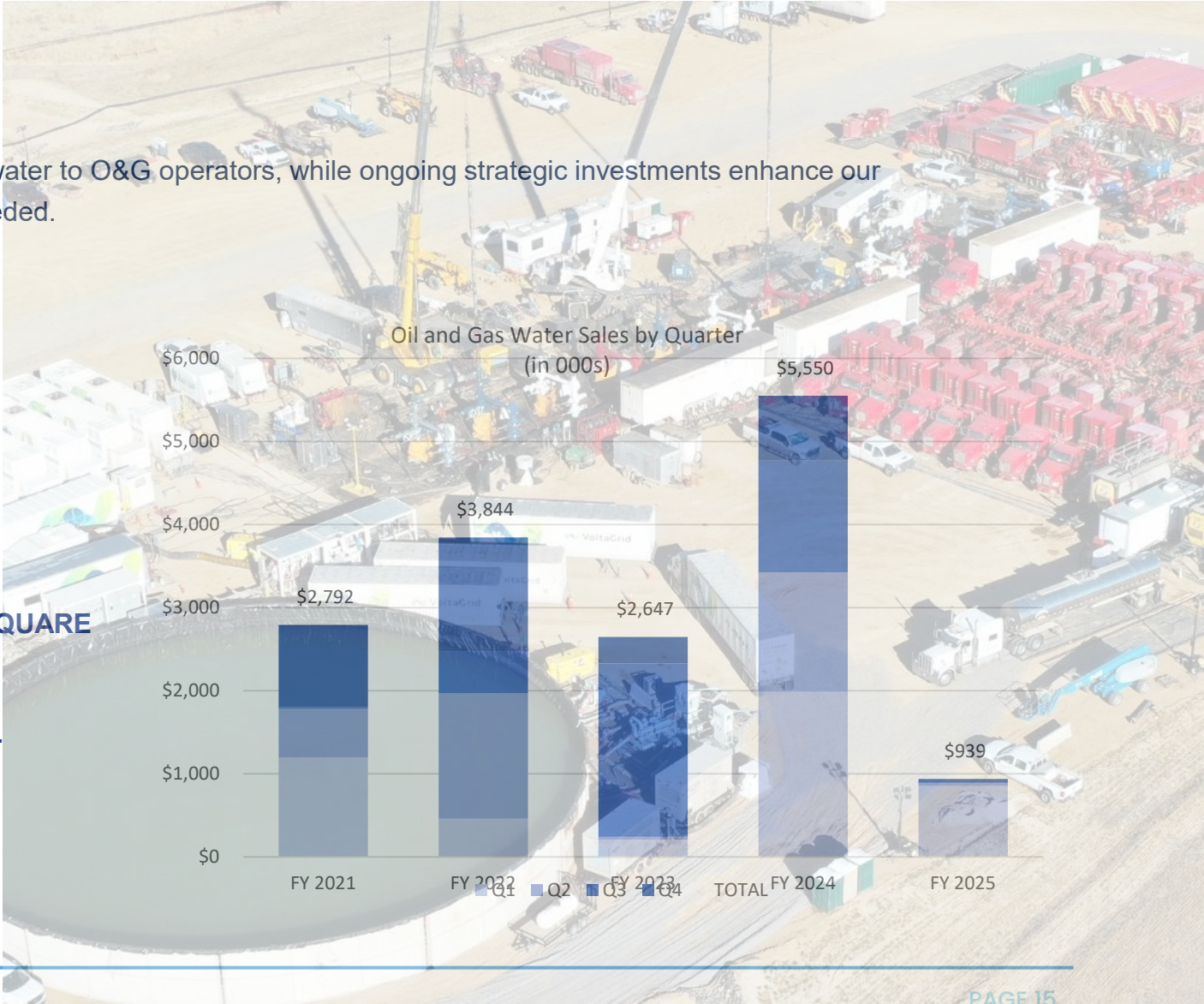


WE PROVIDE RAW WATER TO O&G OPERATORS FOR DRILLING



Our existing infrastructure enables us to supply water to O&G operators, while ongoing strategic investments enhance our capacity to deliver water where and when it's needed.

- ✓ > 150 WELLS DRILLED TO DATE
- ✓ OIL RIG CAN DRILL 60 WELLS PER YEAR
- ✓ WE CAN PROVIDE WATER TO MORE THAN 200 SQUARE MILES IN ADAMS & ARAPAHOE COUNTIES
- ✓ AVERAGE \$250,000 OF WATER SALES PER WELL

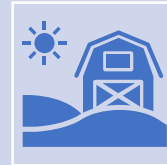


An aerial photograph showing a large-scale land development project. In the upper left, there are several large, dark-roofed industrial or commercial buildings adjacent to a paved parking lot. The central and right portions of the image show a vast, cleared area of brown earth, with visible tire tracks and some sparse vegetation. A rectangular area in the center has been subdivided into smaller plots. Numerous heavy construction vehicles, including trucks and excavators, are scattered across the site, indicating active development. The image is framed by a blue diagonal overlay on the right side and features a white diamond-patterned border at the top and bottom.

Land Development



Phase 2C: 228 Lots: 82% complete by FY2025; \$16.5M milestone payments received, ~\$811K remaining for FY26.



FY2025 Lot Sales: \$13.6M lot revenue from Sky Ranch, compared to \$16M prior-year, reflecting builder timing shifts.



Phase 2D: 204 Lots: 43% complete by FY2025; \$1.4M milestone payments received, \$19M remaining for FY26.



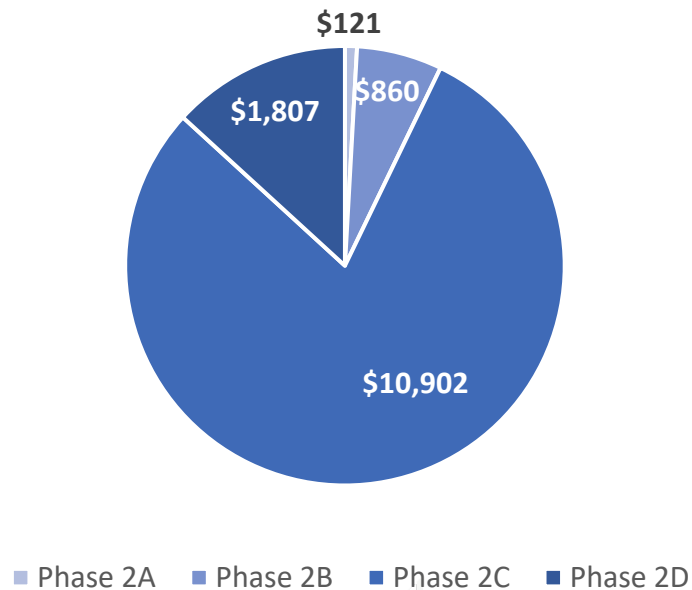
Visibility into FY26: Revenue growth expected to accelerate as final 2D and initial 2E milestones are completed.

LAND DEVELOPMENT REVENUE

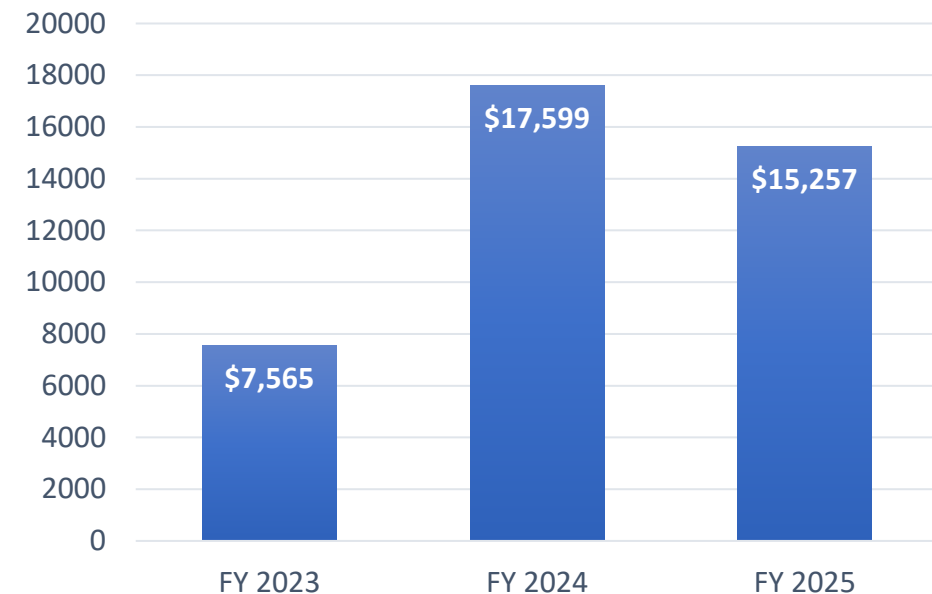


FY2025 land development revenue remains strong at \$15.3 million, following a record FY2024 driven by Phase 2 B & C activity. The majority of FY2025 lot revenue stems from Phase 2C, which represents over 70% of total lot contributions, while minimal revenue remains from prior phases. Continued buildout of Phase 2D positions and start of 2E for sustained lot delivery and revenue visibility into FY2026.

Lot Revenue Contribution by Phase 2025
(000s)



YoY Total Land Development Revenue
(000s)



.....

PHASE 2A

229 Lots

+\$18.4M Lot Revenue
+\$6.3M Taps Fees
+\$420K/yr SFR Rents
+\$343K/yr W/WW Sales



PHASE 2B

211 Lots

+\$17.3M Lot Revenue
+\$9.5M Taps Fees
+\$930K/yr SFR Rents
+\$316K/yr W/WW Sales



PHASE 2C

228 Lots

+\$17.3M Lot Revenue
+\$6.6M Taps Fees
+\$2.1M/yr SFR Rents
+\$342K/yr W/WW Sales



PHASE 2D

204 Lots

+\$20.4M Lot Revenue
+\$8.0M Taps Fees
+\$2.9M/yr SFR Rents
+\$306K/yr W/WW Sales



LAND DEVELOPMENT TIMELINE

Our land development continues to advance on schedule across Phases 2C through 2E. Phase 2C is now complete, Phase 2D is well underway with wet utilities finishing in early fiscal 2026, and Phase 2E is entering the entitlement and utility installation phase, setting up continued lot deliveries through 2026

Fiscal Year	2025				2026			
QUARTER	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Phase 2 C	WET		FINISHED					
Phase 2 D			WET		FINISHED			
Phase 2 E					PLAT		WET UTILITY	

An aerial photograph of a large, undeveloped land area. In the foreground, there is a paved road with a yellow curb. To the right of the road, there is a small building and a large, cylindrical water tower with a red and white striped pattern. The land is mostly brown and dry, with some patches of green grass. In the background, there are some buildings and a fence line.

PHASE 2E

148 Lots

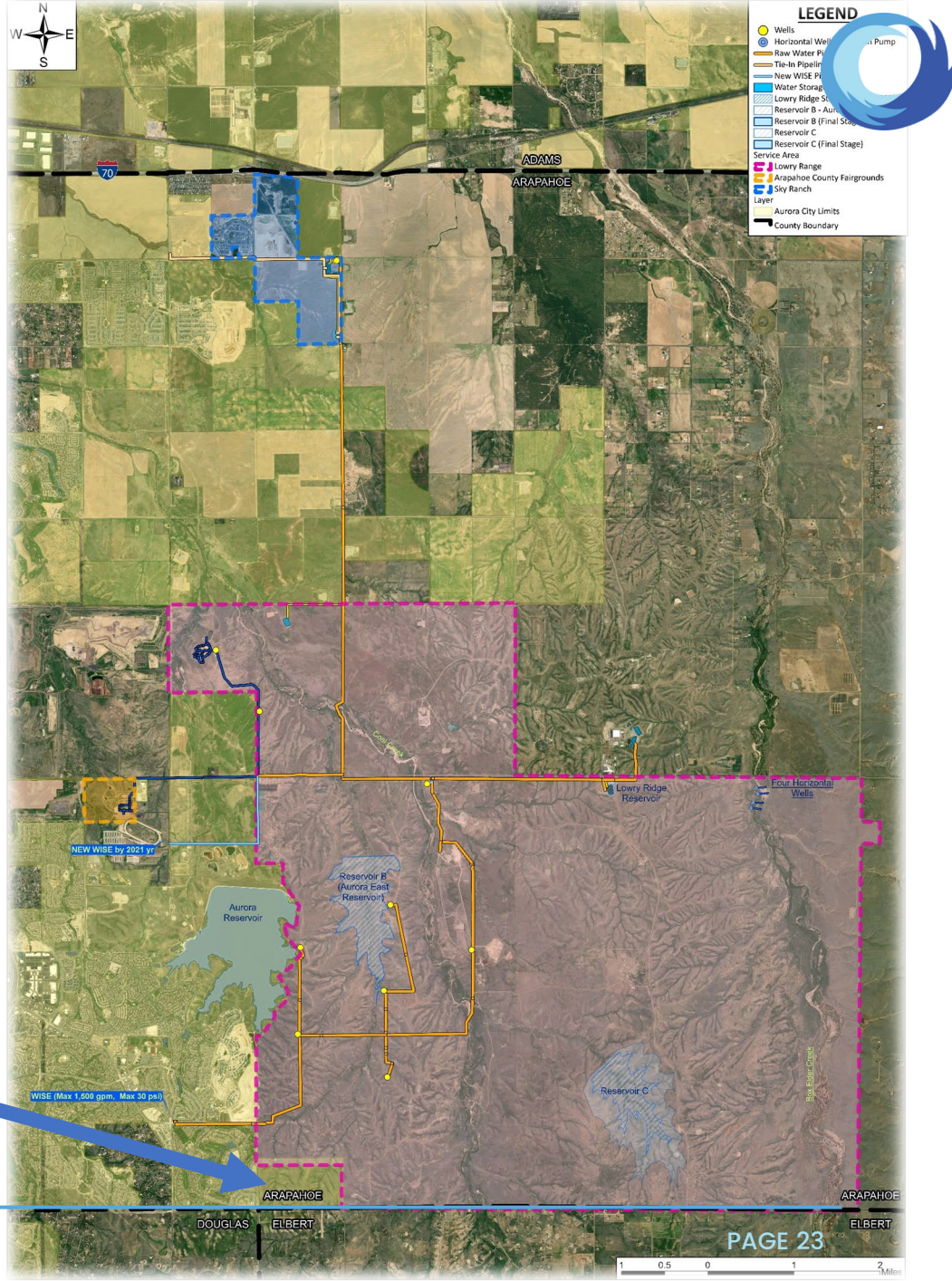
This phase will add an estimated

- \$14M Lot Revenue
- \$4.3M Taps Fees
- \$300K/yr SFR Rents
- \$225K/yr W/WW Sales

GROUNDBREAKING ON HIGH SCHOOL



Development Encroachment To Lowry Ranch



Single-Family Rentals



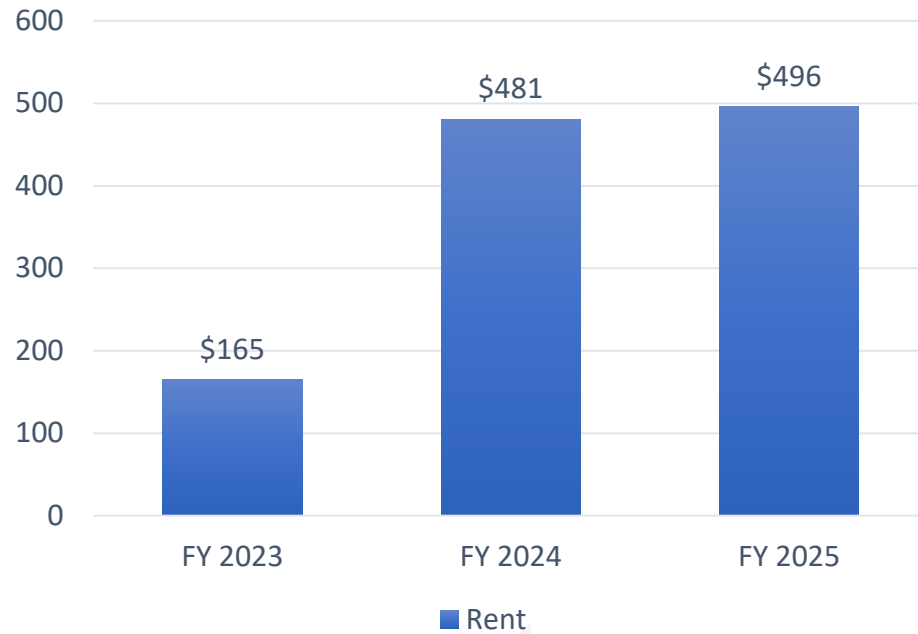
Segment Performance – Single-Family Rentals

- **14 Homes Completed** - Rental units built at Sky Ranch now fully leased, generating stable recurring income.
- **40 Additional Homes Under Contract** - Next phase of single-family rentals progressing, with occupancy expected through FY2026.
- **Steady Rental Income Stream** - Rentals complement tap fees and land sales, creating diversification across revenue types.
- **Asset-Light Expansion Model** - Partnerships with homebuilders reduce capital intensity and support scalable growth.

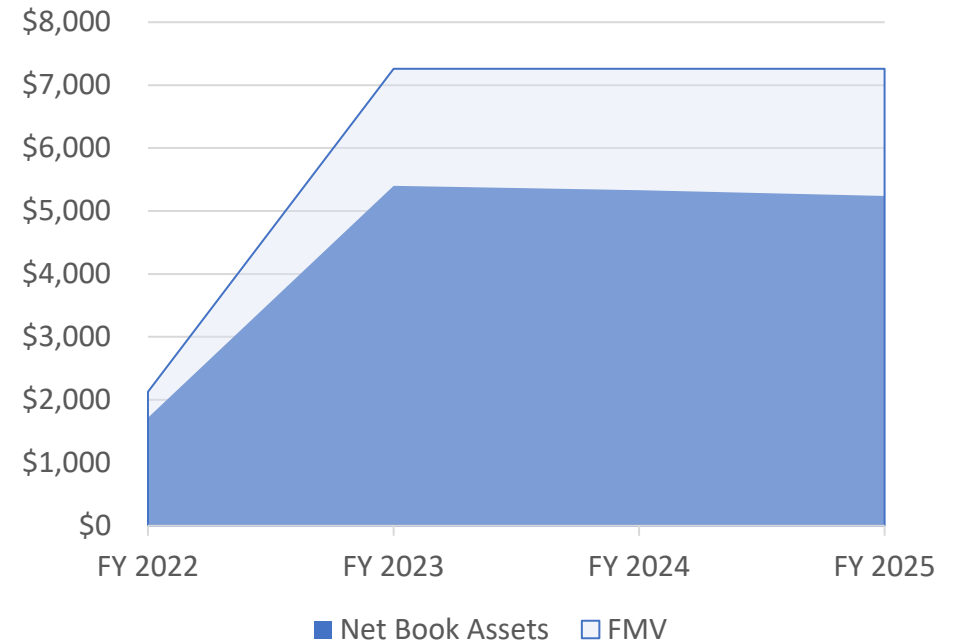


Rental income continues to grow steadily, increasing from \$165K in FY2023 to nearly \$500K in FY2025 as additional homes are completed and leased. The portfolio continues to demonstrate strong asset appreciation, with fair market value exceeding net book value and providing both recurring income and long-term equity growth

YoY Rent



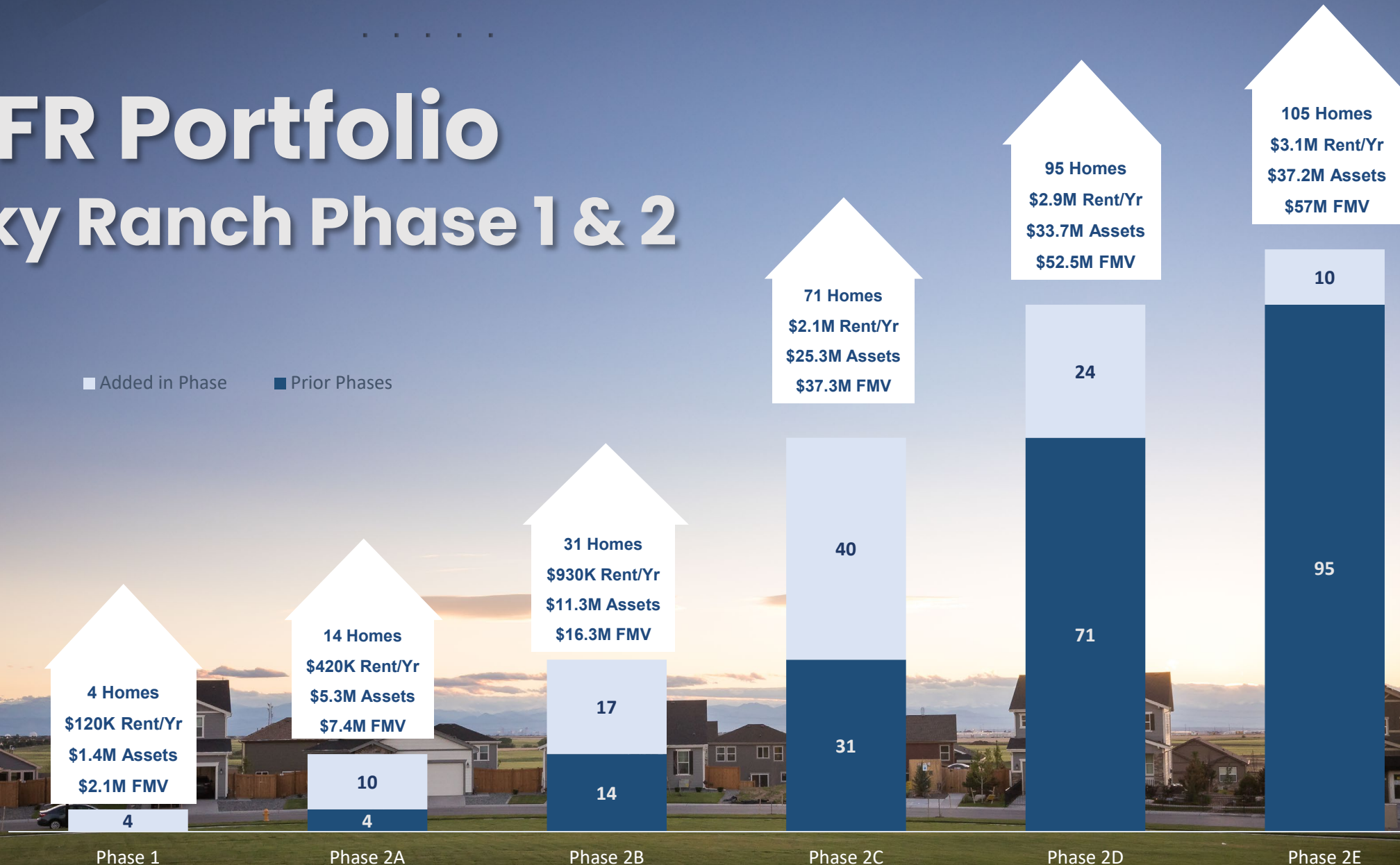
Appreciating Assets (000s)



SFR Portfolio

Sky Ranch Phase 1 & 2

■ Added in Phase ■ Prior Phases





Capital Allocation & Shareholder Value

STRONG BALANCE SHEET



\$67.5M Total Assets

\$9.0M in Wastewater Systems
\$31.8M Water Rights Portfolio
\$26.7M in Water Systems

Water rights portfolio supports up to 60,000 connections, providing significant capacity for growth beyond the 2,500 currently served.



\$9.9M Total Assets

\$7.4M of Land for Development
\$2.4M developed land for sale
\$0.1M other assets

930-acre Sky Ranch community east of Denver, planned for up to 3,200 homes and 2M sq. ft. of commercial space, located 15 mi from downtown and 4 mi south of DIA.



\$5.2M Total Assets

\$7.2M in Fair Market Value

Pure Cycle develops and retains single-family rentals at Sky Ranch, recovering all lot and tap costs while generating positive cash flow and strong asset appreciation.



\$65.4M Total Liquidity

\$28.4M in Cash and Restricted
\$43.8M in Receivable from CAB
\$6.8M in Total Debt

Strong balance sheet with liquidity to support operations, including significant cash and a 6% interest-bearing receivable from the Sky Ranch CAB for approved public improvement reimbursements.

Capital Allocation

Strong Balance Sheet

Cash & Investments: \$21.9 M
CAB Receivable: \$43.8 M @ 6% interest
Liquidity to fund next phases

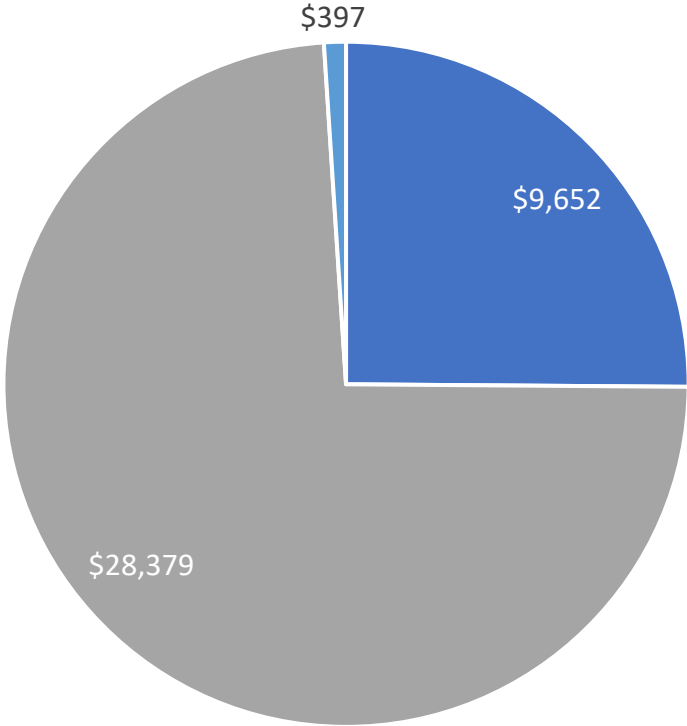
Growth Investment

Sky Ranch infrastructure & water systems
Single-Family Rental portfolio expansion
Long-term land development projects

Shareholder Returns

Share repurchases to date: 95,426 @ avg
\$10.22/share
Authorization remaining: 104,574
Capital discipline focused on ROA & EPS growth

FY 25 Capital Allocation Mix (000s)



■ Growth Investment ■ Liquidity ■ Shareholder Returns

Stock Repurchase Program Update

The Company continues to invest in itself, through its approved stock repurchase program. We believe our shares remain considerably undervalued – maybe more than ever given our momentum and we will continue to be in the market repurchasing shares opportunistically. We continue to demonstrate the value of our assets and execution in our core businesses, both creating outstanding shareholder value.

Fiscal Period	Total Number of Shares Purchased	Average Price Paid per Share	Maximum Number of Shares that May Yet Be Purchased Under the Plans or Programs
Q1 2024	20,000	9.92	180,000
Q2 2024	10,000	9.94	170,000
Q3 2024	15,000	9.48	155,000
Q4 2024	14,926	9.34	140,074
Q1 2025	10,000	10.73	130,074
Q2 2025	16,000	12.31	114,074
Q3 2025	2,000	10.19	112,074
Q4 2025	7,500	9.87	104,574
Total	95,426	10.22	104,574

Recurring Revenue Strength



Utilities Revenue Stability: Recurring water and wastewater revenue offer consistent contribution across cycles



Rental Income from 14 Homes: Fully leased homes generating monthly cash flows; additional 40 units to expand income in FY26



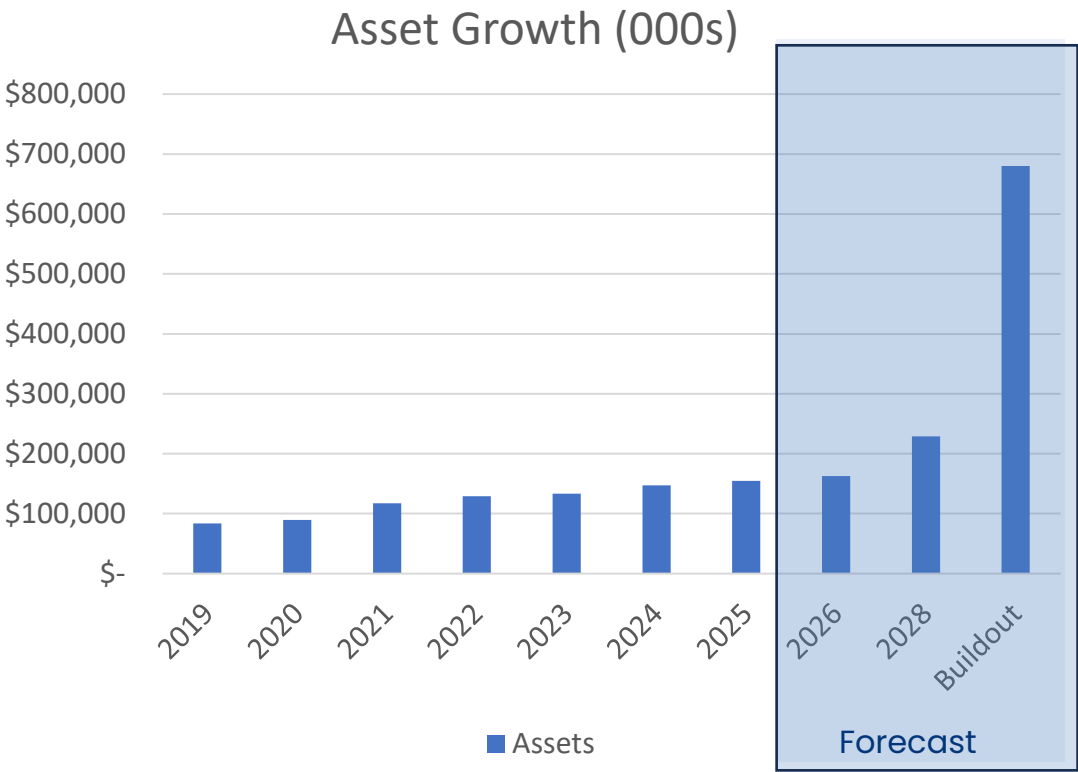
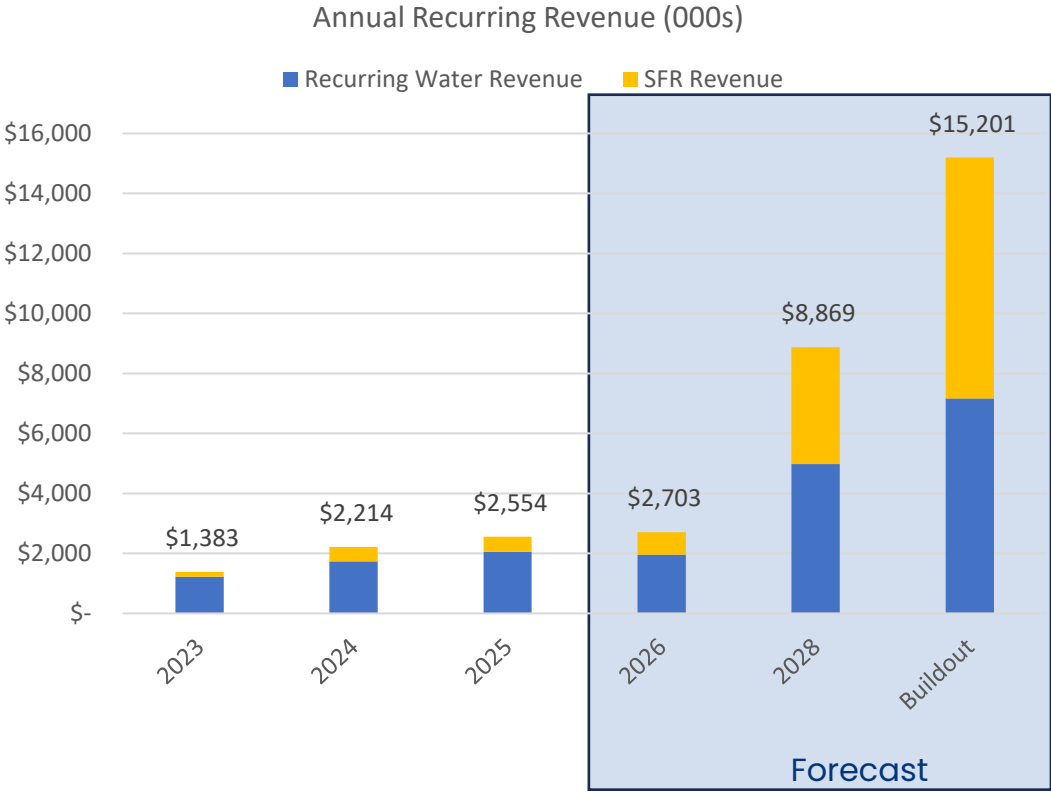
Diversified Earnings Mix: Blending regulated utility income with residential rent yields lowers overall earnings volatility and cash flows



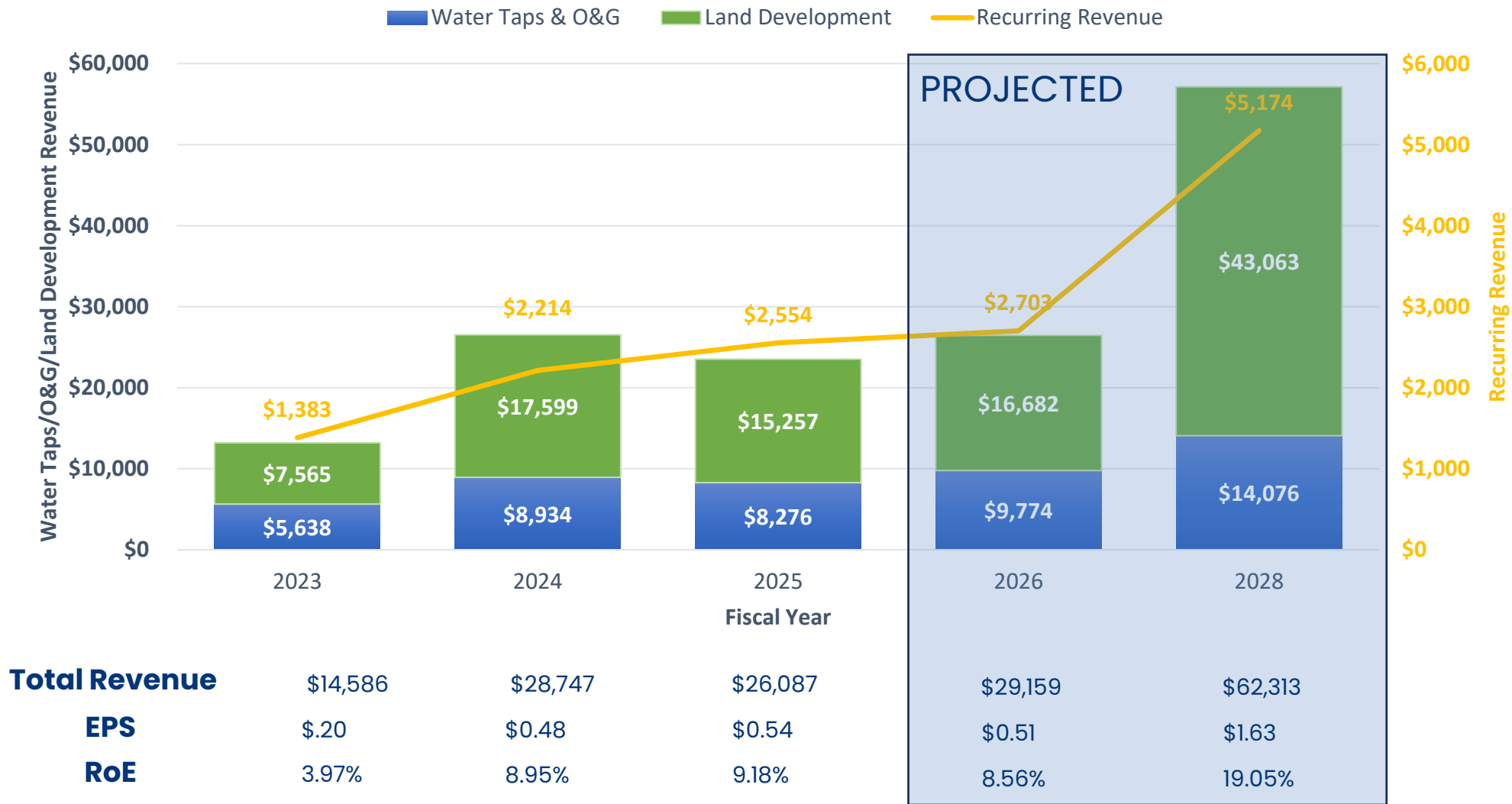
SFR Synergy with Land Development: Rental strategy monetizes lots internally, capturing additional value from Sky Ranch development

Shareholder Value

Pure Cycle has shown consistent growth in both recurring revenue (with contributions from water services and an increasing SFR component) and total assets over recent years, suggesting a strong financial position for continued expansion and growing returns on investments.



PROFITABILITY TRENDS



Valuation Sensitivity Scenarios



FY26 Gross Revenue: \$26–30M Range: Scenario modeling based on timing of Phase 2D/2E milestone completions and builder uptake.



FY26 EPS Sensitivity: \$0.43–\$0.52: EPS estimates vary with lot closings pace and rental unit lease-up timing.



Upside in Timing Acceleration: If delivery milestones pull into early FY26, potential for beat vs baseline estimates.

Short-Term Outlook (3–5 Years)

- **Water Utilities:**
Customer base expected to grow to ~2,500 accounts with consistent tap sales across remaining Sky Ranch phases. Base utility fees and service charges continue to provide predictable, recurring revenue, with annual tap fee increases of ~3%.
- **Land Development:**
Ongoing lot deliveries and steady absorption at Sky Ranch drive near-term growth. Lot margins are expected to remain healthy as costs stabilize, with commercial parcels yet to monetize providing additional upside.
- **Single-Family Rentals:**
Expansion to more than 100 homes as the segment scales, benefiting from suburban population growth and sustained housing demand. Efficiencies improve as operations mature and occupancy remains strong.



Long-Term Outlook (Sky Ranch Buildout & Beyond)

- Water Utilities:**

Buildout to ~5,000 total connections at Sky Ranch and expansion into adjacent service areas (e.g., Lowry Ranch, Arapahoe County parcels). Continued investment in infrastructure enhances recurring revenue streams and long-term shareholder value.

- Land Development:**

Completion of final Sky Ranch phases and expansion into nearby parcels broaden development footprint. Monetization of high-value commercial land near the interstate adds strategic growth potential.

- Single-Family Rentals:**

Portfolio expected to exceed 200 homes, creating a durable recurring-revenue platform. Operational efficiencies improve as the rental base expands, supported by Colorado's economic and population growth.







PURE CYCLE CORPORATION

Earnings Presentation

Q&A



www.purecyclewater.com