



FINANCIAL RESULTS Q2-2026

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.



Management Team



MARK W. HARDING

President, CEO, and Director

Mark is an exceptional leader who has significantly shaped Pure Cycle's success. Under his 36-year tenure, the company has successfully acquired over \$160 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

Daniel J. Roller

Director and Chair of the Capital
Allocation 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



27 Straight Profitable Quarters

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



Recurring Revenue Base

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



Sky Ranch Development Visibility

Phases 1 & 2 development of approximately 1,500 lots across multiple years ensures revenue continuity into FY26 and beyond.



Capital Position & Liquidity

As of Q2 '26, \$11.6M in cash and restricted cash. \$56.3M Note Receivable enabling flexibility in capital allocation decisions.

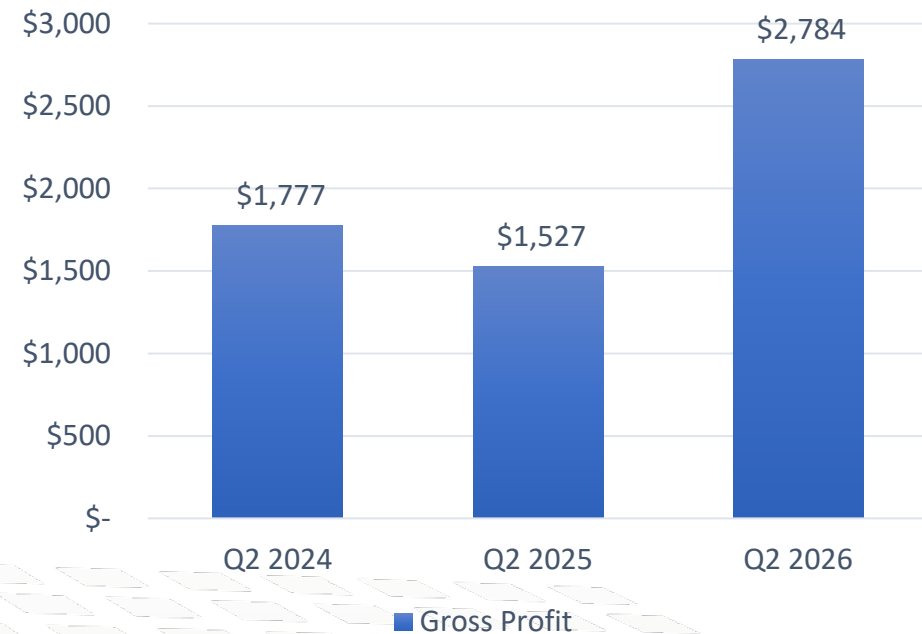
2nd Quarter Results

Q2 2026 results reflect higher revenue and gross profit driven primarily by accelerated finished lot deliveries, with revenue recognition shifting into the quarter due to an unseasonably warm and dry winter.

QoQ Q2 Revenue



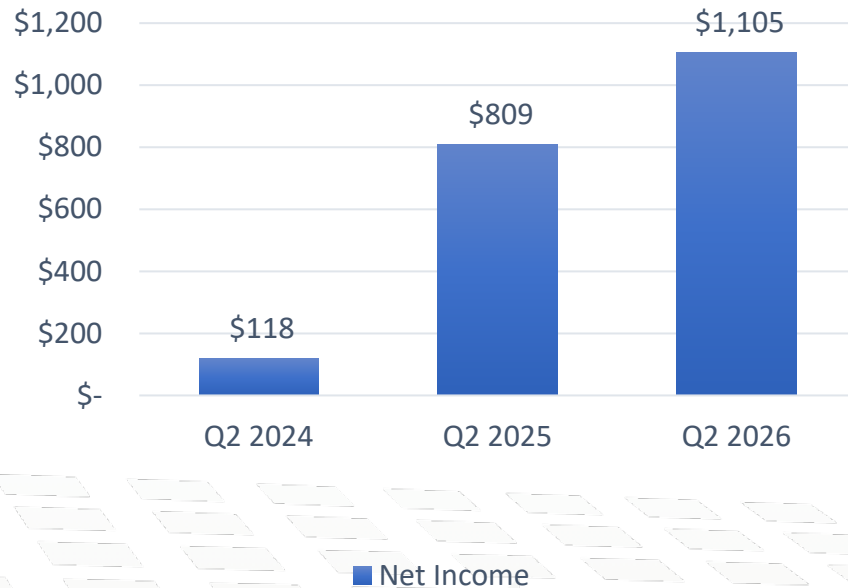
QoQ Q2 Gross Profit



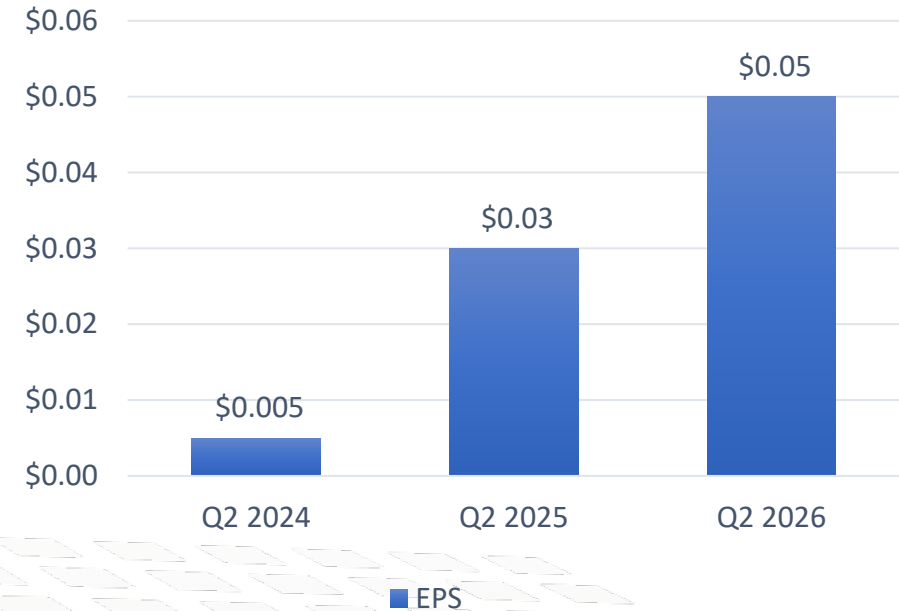
2nd Quarter Results

Q2 2026 net income increased approximately 37% to \$1.1 million, with EPS equal to \$0.05, reflecting higher profitability period over period.

QoQ Q2 Net Income



QoQ Q2 EPS

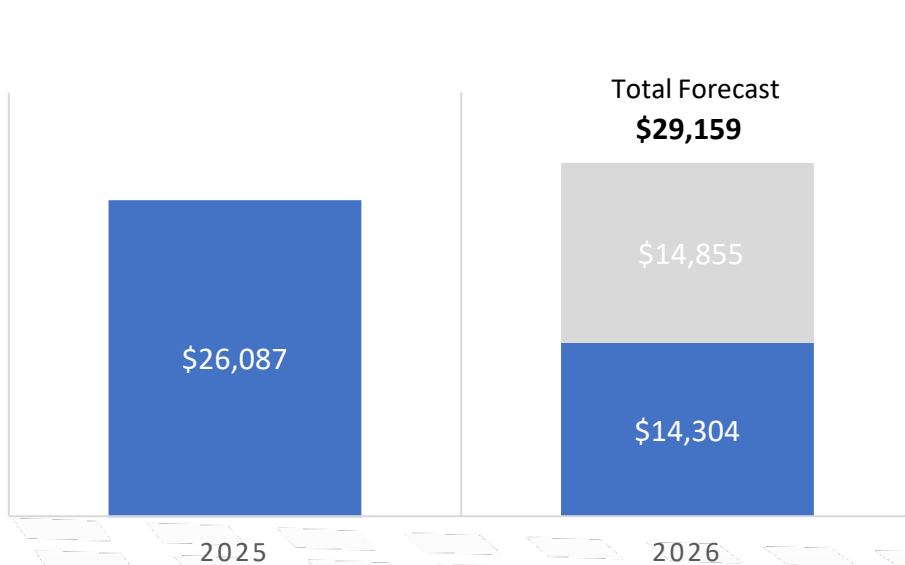


YEAR TO DATE RESULTS

As of Q2 2026, approximately 49% of the full-year revenue guidance and 47% of the gross profit forecast have been achieved. This compares favorably to prior years, reflecting stronger early-year contribution driven by the timing of finished lot deliveries.

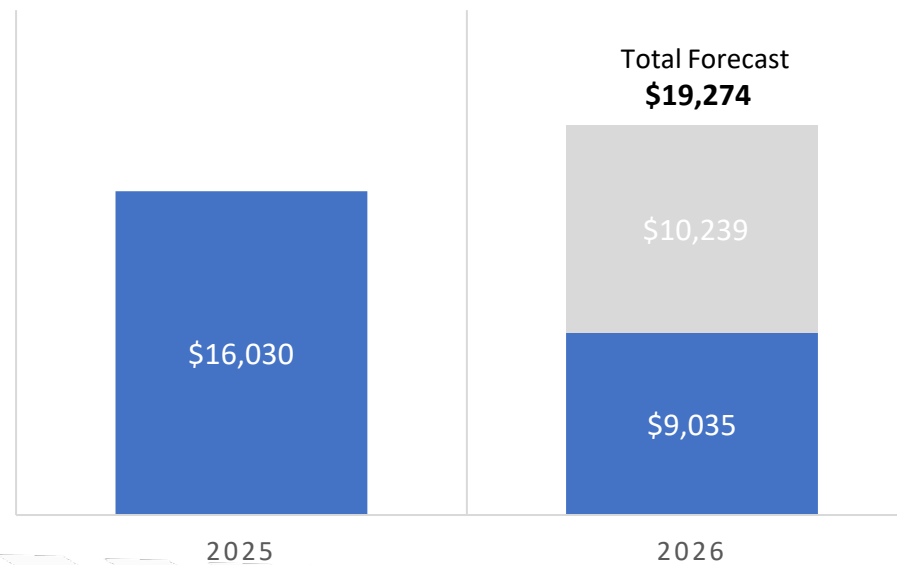
REVENUE

■ Actual to Date ■ Remaining Forecast



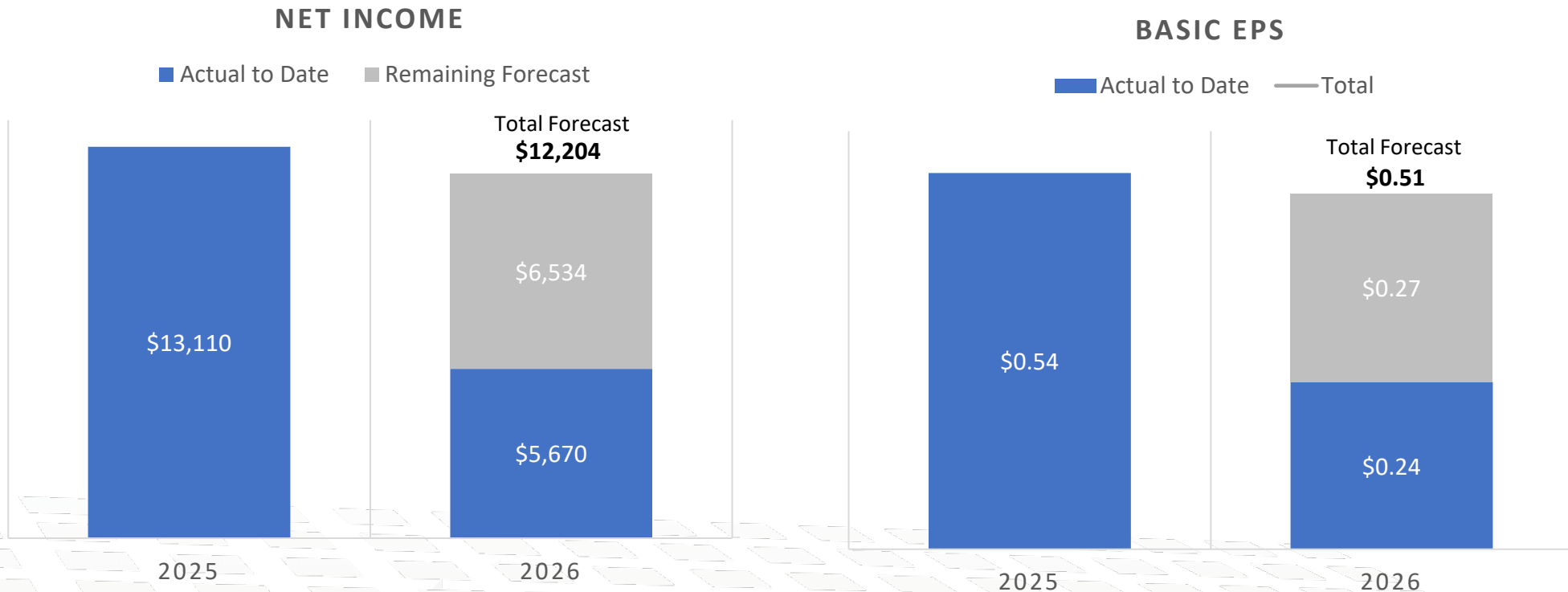
GROSS PROFIT

■ Actual to Date ■ Forecast Remaining



YEAR TO DATE RESULTS

As of Q2 2026, approximately 46% of the full-year net income and 47% of the EPS guidance have been achieved, representing a stronger early-year contribution compared to FY 2025, when earnings were more back-half weighted.





Water Utilities

WATER & WASTEWATER

SEGMENT PERFORMANCE

DOMESTIC

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

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

CONNECTIONS

Incremental taps deliver high-margin contribution as infrastructure investment outpaced tap connections

Recurring Utility Revenues

Oil & Gas
Water Sales

Customer Growth

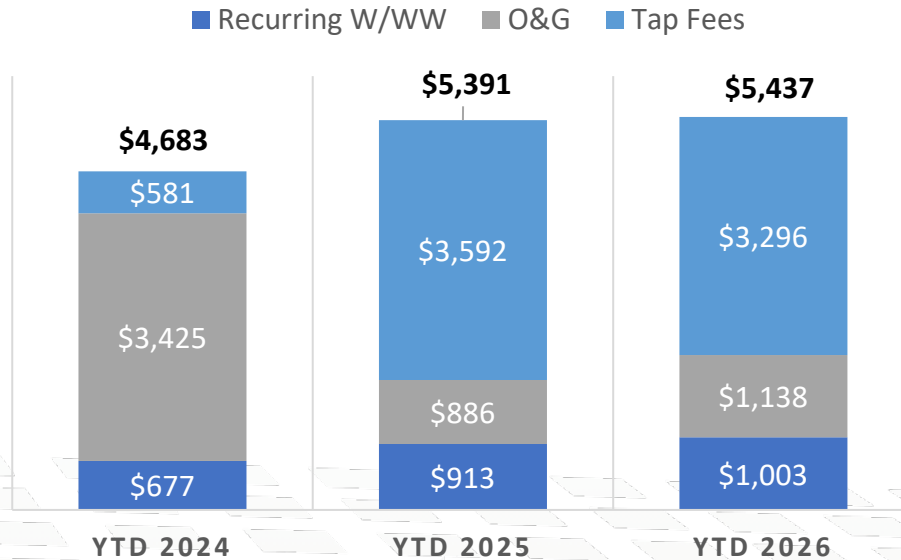


WATER REVENUE

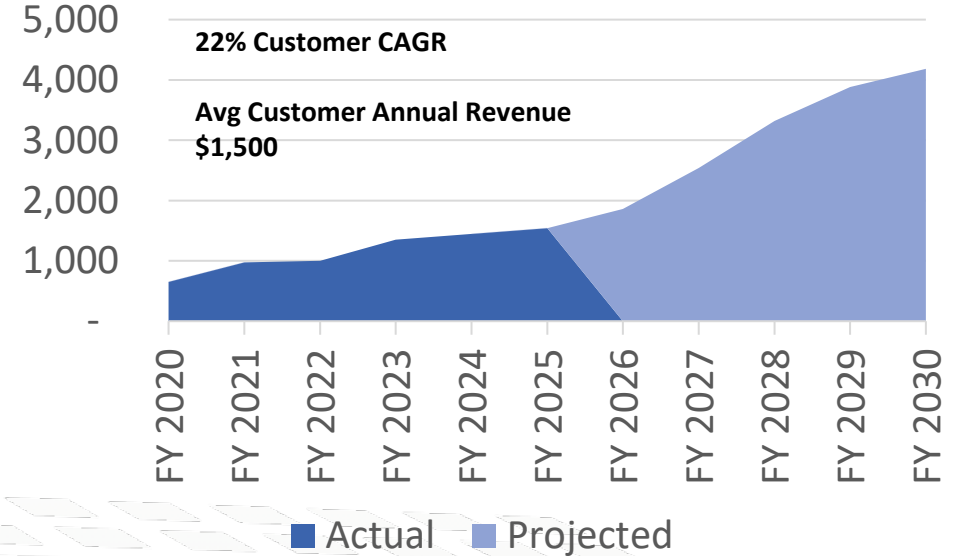


Recurring water and wastewater revenue increased approximately 16% from 6mo 2024 to 6mo 2026, demonstrating consistent growth in the core utility business. Water segment revenues remain strong consisting of tap fee revenue from multiple phases of Sky Ranch being delivered as well as increased demand for Industrial water sales due to drilling in our service area. This combination supports a growing recurring base while capturing near-term value from system expansion.

WATER REVENUES BY TYPE (000S)



WATER UTILITY CUSTOMER GROWTH



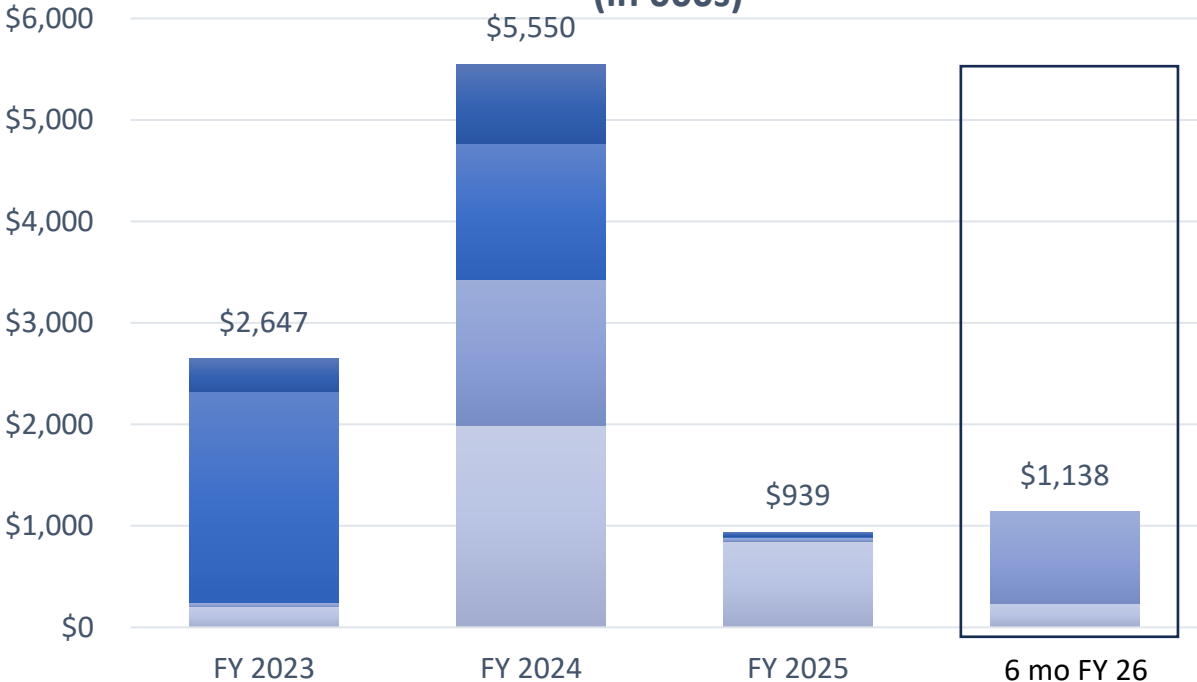
WE PROVIDE RAW WATER TO O&G OPERATORS FOR DRILLING



Oil and gas water sales are driven by drilling activity and can vary meaningfully year to year. While volumes declined in FY 2025 and early FY 2026 due to reduced drilling, activity has resumed with a dedicated rig to Lowry through the remainder of 2026 and strong oil prices bolstering the remaining year's activity.

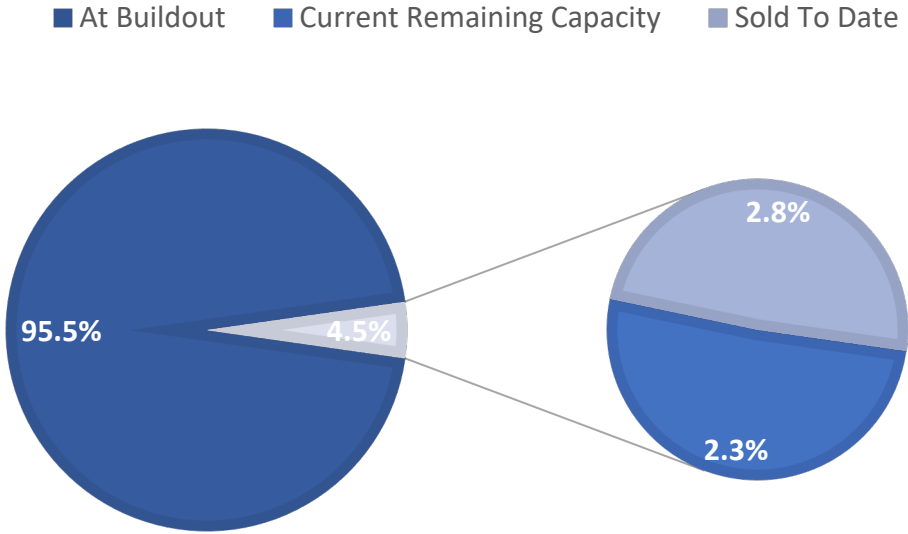
- > 250 WELLS DRILLED TO DATE
- OIL RIG CAN DRILL 60 WELLS PER YEAR
- WE CAN PROVIDE WATER TO MORE THAN 200 SQUARE MILES IN ADAMS & ARAPAHOE COUNTIES
- AVERAGE \$250,000 OF WATER SALES PER WELL

Oil and Gas Water Sales by Quarter
(in 000s)



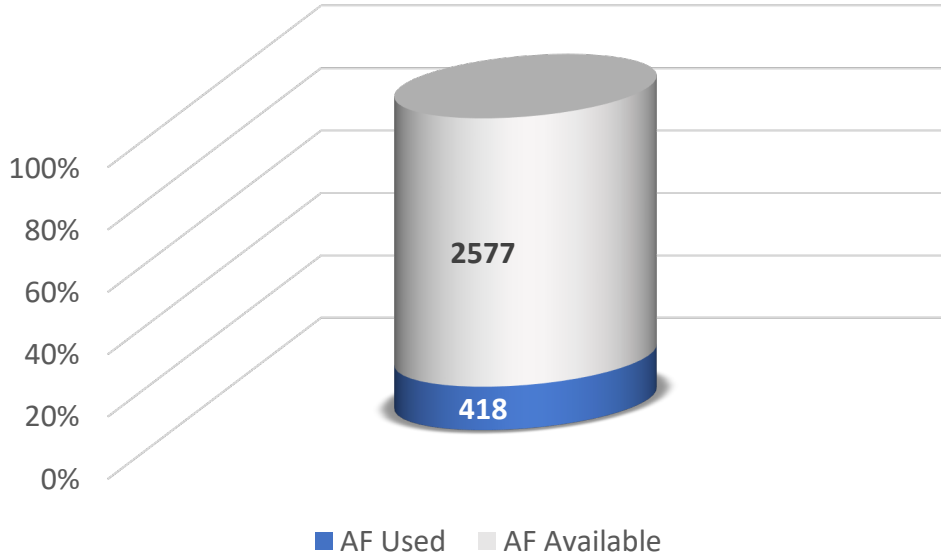
CAPACITY AND PRODUCTION

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 1,695 connections, representing 2.8% of our overall capacity.

Acre Feet Production Q2-2026



We continue to invest in our systems with a current book value of \$59.8M which can produce over 3.0M gallons of water per day.



Land Development

LAND DEVELOPMENT



Phase 2C: 228 Lots: 91% complete by Q2 2026; all \$18.3M revenue payments received.



FY2026 continued Lot Production: Phase 2E – 159 lots grading to start Q3 for lot deliveries in FY'27.



Phase 2D: 204 Lots: 78% complete by Q2 2026; \$7.5M milestone payments received, \$13.4M remaining for FY26.



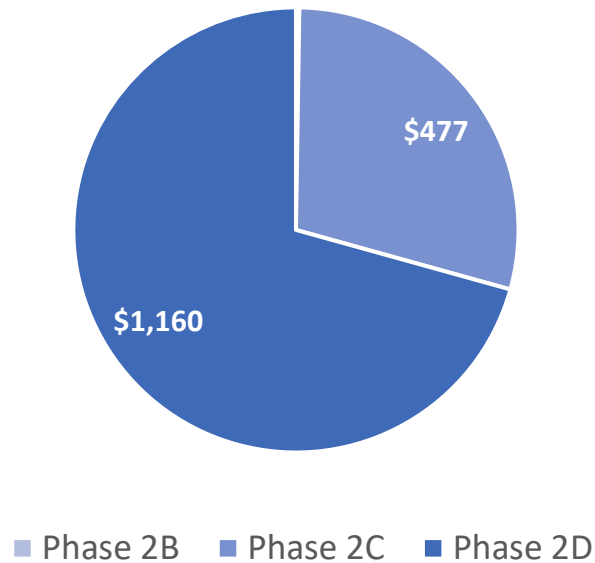
Visibility into FY27: Land development continuing as final 2D and 2E milestones are completed.

LAND DEVELOPMENT REVENUE

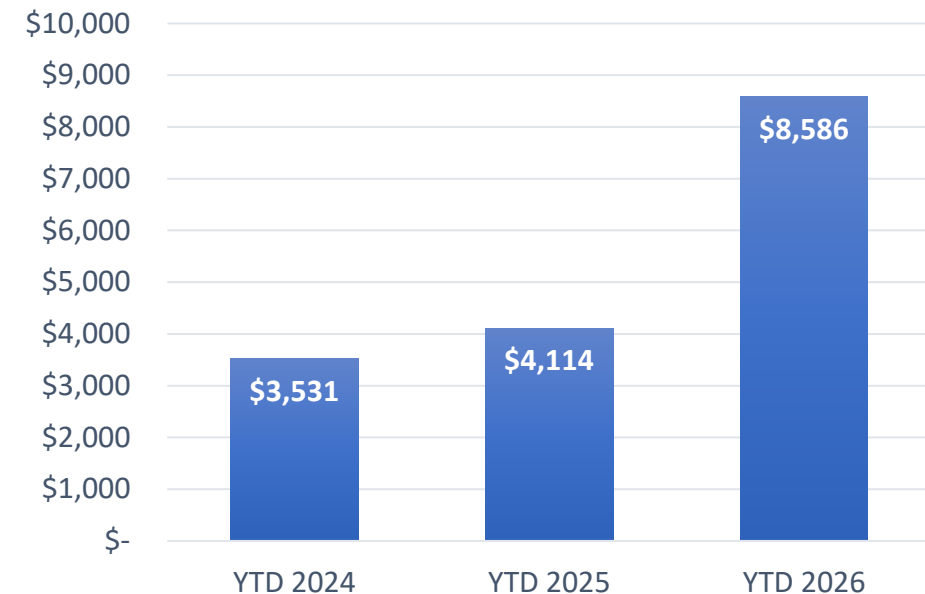


Land development revenue increased significantly in the first 6 months of FY 2026, driven by higher finished lot deliveries. Revenue was primarily generated from Phase 2D, with some landscaping completion in Phase 2C, reflecting the continued progression of Phase 2 development. Period-over-period land development revenue increased to \$8.6 million, up materially from prior-year periods due to delivery timing.

Lot Revenue Contribution by Phase Q2 2026
(000s)



YTD Total Land Development Revenue (000s)



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PHASE 2A

229 Lots

- +\$18.4M Lot Revenue
- +\$6.3M Tap Fees
- +\$300K/yr SFR Rents
- +\$343K/yr W/WW Sales



PHASE 2B

211 Lots

- +\$17.3M Lot Revenue
- +\$7.3M Tap Fees
- +\$510K/yr SFR Rents
- +\$316K/yr W/WW Sales



PHASE 2C

228 Lots

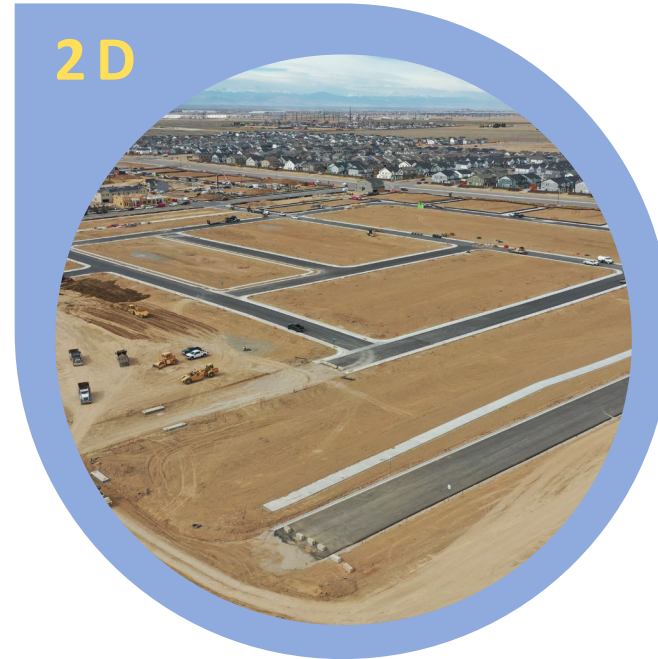
- +\$18.3M Lot Revenue
- +\$8.6M Tap Fees
- +\$870K/yr SFR Rents
- +\$342K/yr W/WW Sales



PHASE 2D

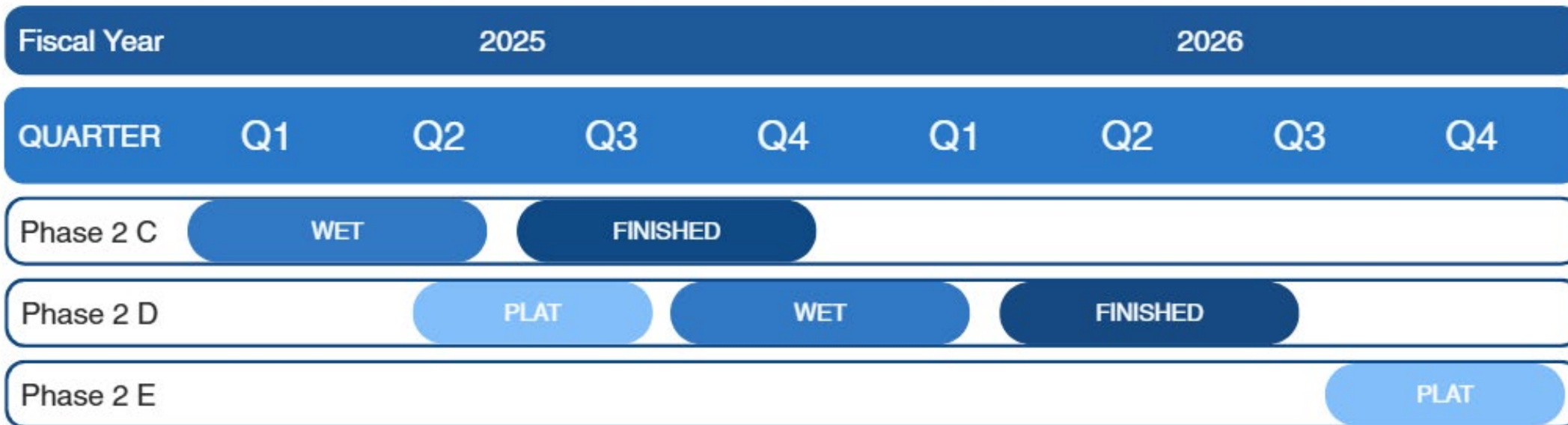
204 Lots

- +\$21.0M Lot Revenue
- +\$8.1M Tap Fees
- +\$60K/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 substantially complete, Phase 2D is well underway with wet utilities finished in the first half of fiscal 2026, and Phase 2E is entering the entitlement and grading phase, setting up continued lot deliveries through 2027.





PHASE 2E

159 Lots

This phase will add an estimated

- \$14M Lot Revenue
- \$4.3M Tap Fees
- \$240K/yr W/WW Sales

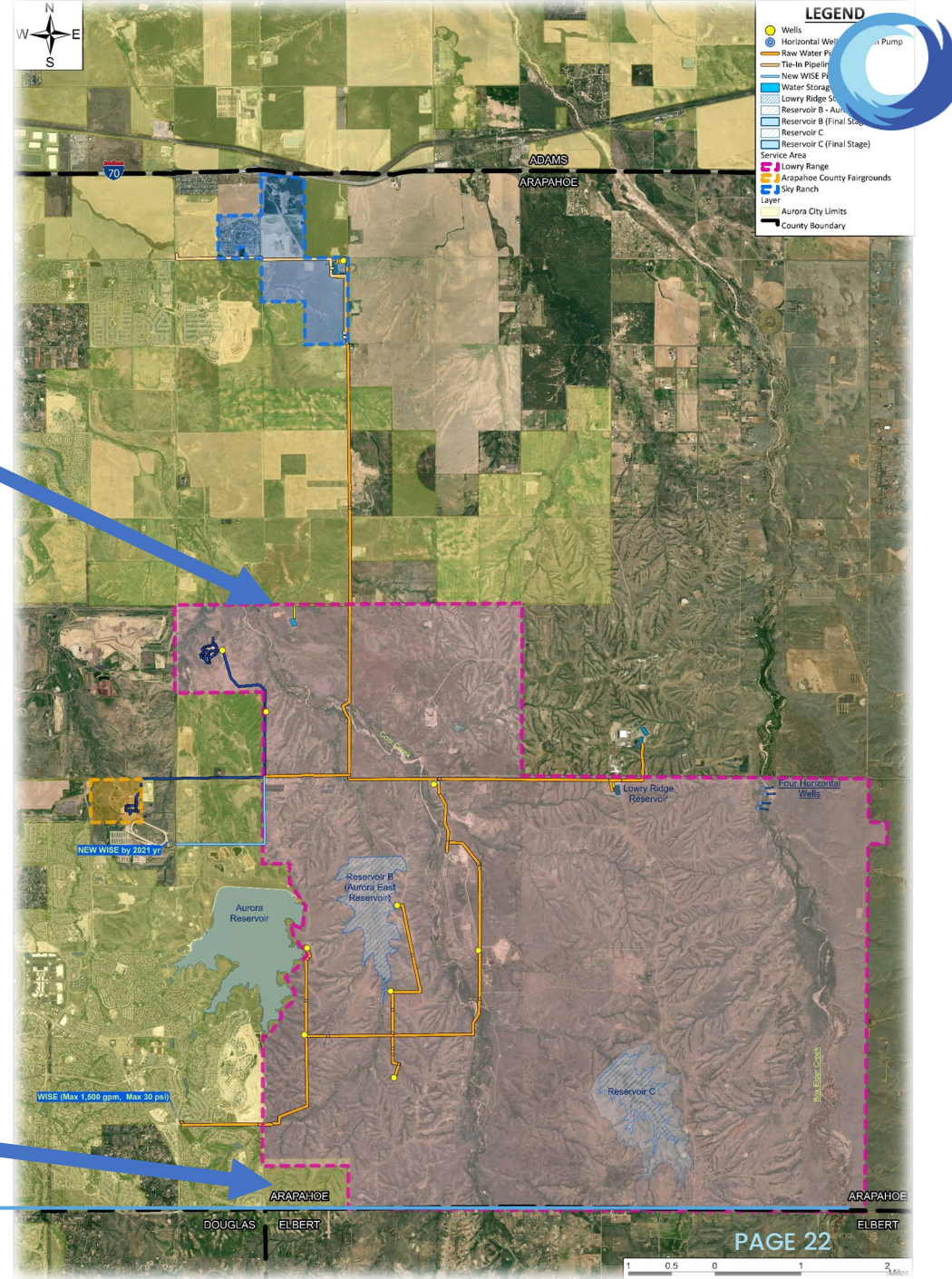
GROUNDBREAKING ON HIGH SCHOOL



PURE CYCLE CORPORATION



Development Encroachment To Lowry Ranch



Single-Family Rentals



SFR Strategy Update: Measured Growth Approach

What Changed

- Reduced number of homes retained for SFRs in Sky Ranch
- Increased selectivity on new SFR investments
- Adjusted pacing of future SFR phases

Going Forward

- SFR remains a strategic component of the development mix
- Ability to shift between build-to-rent and for-sale as conditions warrant
- Preserves balance sheet strength while maintaining upside exposure

Why It Changed

- Maintain flexibility in capital allocation
- Elevated uncertainty on Institutional Ownership
- Focus on highest return opportunities



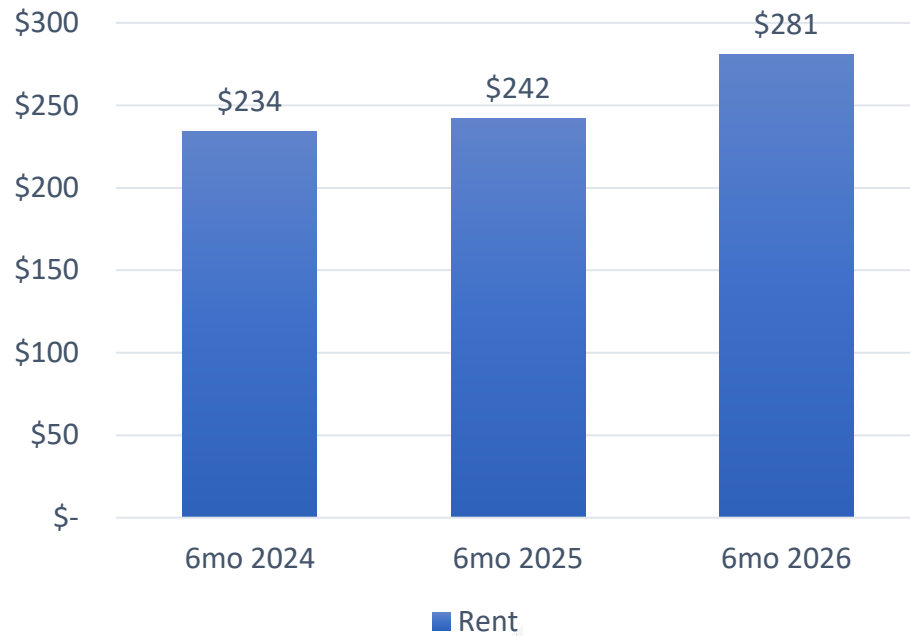
Segment Performance – Single-Family Rentals

- **19 Homes Completed** - Rental units built at Sky Ranch now fully leased, generating stable recurring income.
- **39 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.

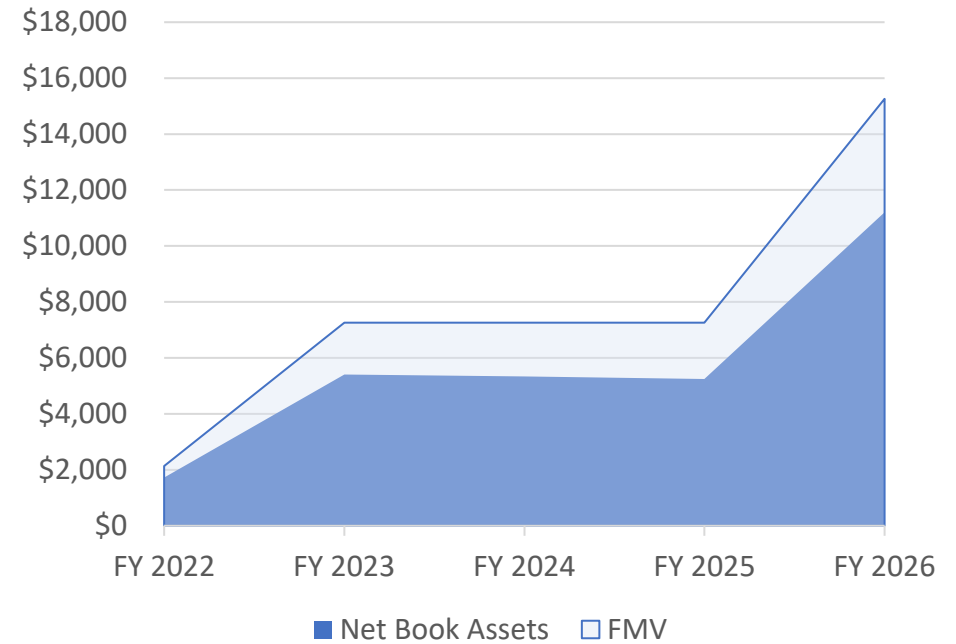


Single-family rental revenue increased approximately 20% from 6m 2024 to 6m 2026, driven by increasing units and rents. Asset values have also increased over the same period, with fair market value growing faster than net book assets, underscoring ongoing appreciation and long-term value creation.

6mo Rent Revenue



Appreciating Assets (000s)

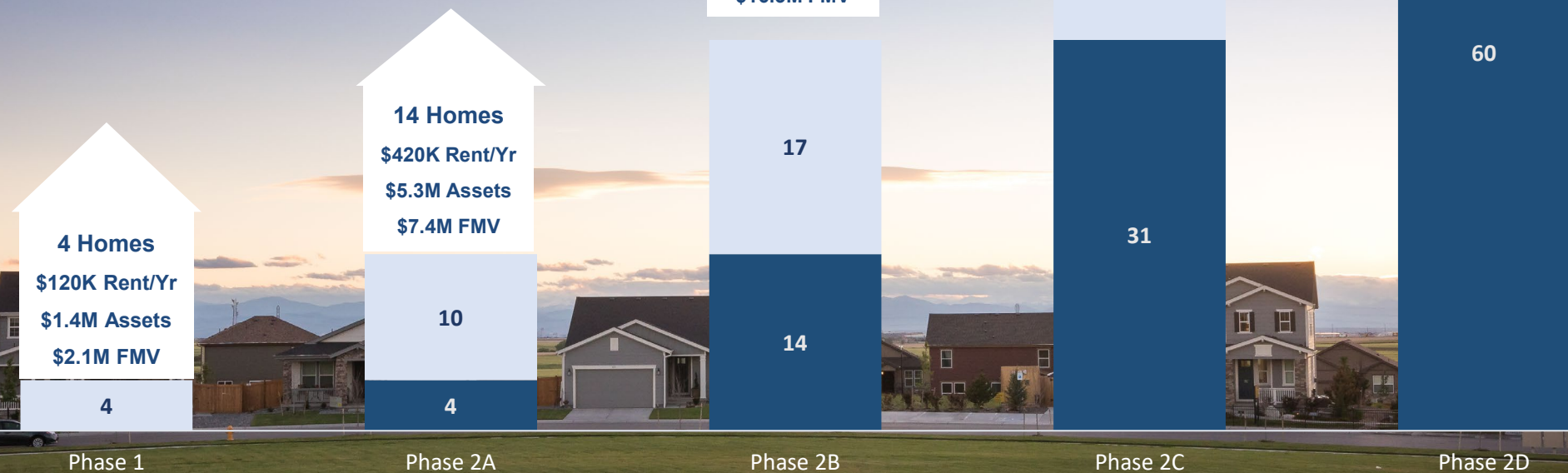


SFR Portfolio

Sky Ranch Phase 1 & 2

■ Added in Phase

■ Prior Phases



An aerial photograph of a residential neighborhood. A central road curves through the middle of the frame. On either side of the road are houses with grey roofs and green lawns. Several cars are parked along the road. The image is overlaid with a blue geometric shape in the bottom right corner and a white and blue checkered pattern in the top right and bottom left corners.

Capital Allocation & Shareholder Value

STRONG BALANCE SHEET



\$74.2M Total Assets

\$9.0M in Wastewater Systems
\$32.5M Water Rights Portfolio
\$29.8M in Water Systems
\$2.9M in other assets

Water rights portfolio supports up to 60,000 connections, providing significant capacity for growth beyond the 1,700 currently served.

% Total Asset : 44%
% Developed : 4%

\$10.4M Total Assets

\$4.9M of Land for Development
\$5.5M developed land for sale

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.

% Total Asset : 6%
% Developed : 20%

\$11.3M Total Assets

\$14M in Fair Market Value (19 units)

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.

% Total Asset : 5%

\$67.9M Cash & Receivables

\$11.6M in Cash and Restricted
\$56.3M Receivable CAB/
Rangeview

Strong balance sheet with liquidity to support operations, significant cash and receivables from the Sky Ranch CAB and Rangeview.

% Total Asset : 41%

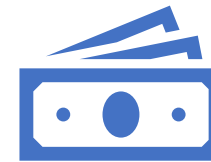
Recurring Revenue Strength



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



Rental Income from 19 Homes: Fully leased homes generating monthly cash flows; 5 units came online in Q2 and an additional 39 units to expand income in FY26



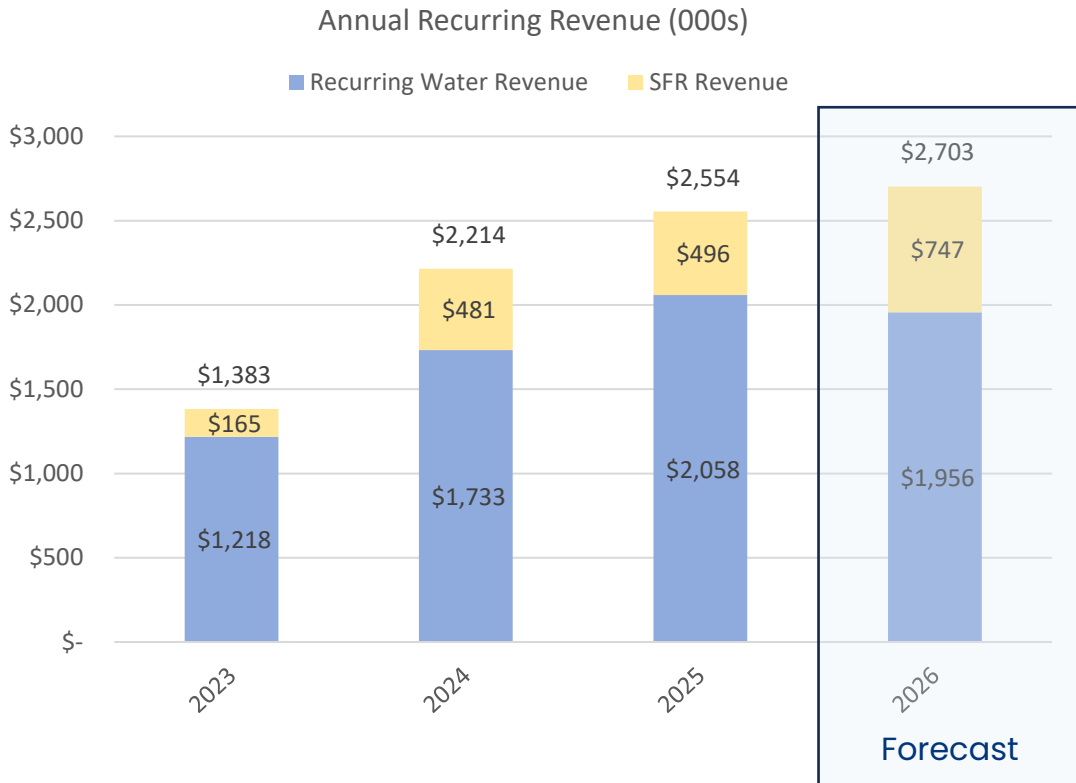
Diversified Earnings Mix: Blending utility income with residential rent yields lowers overall earnings volatility and cash flows



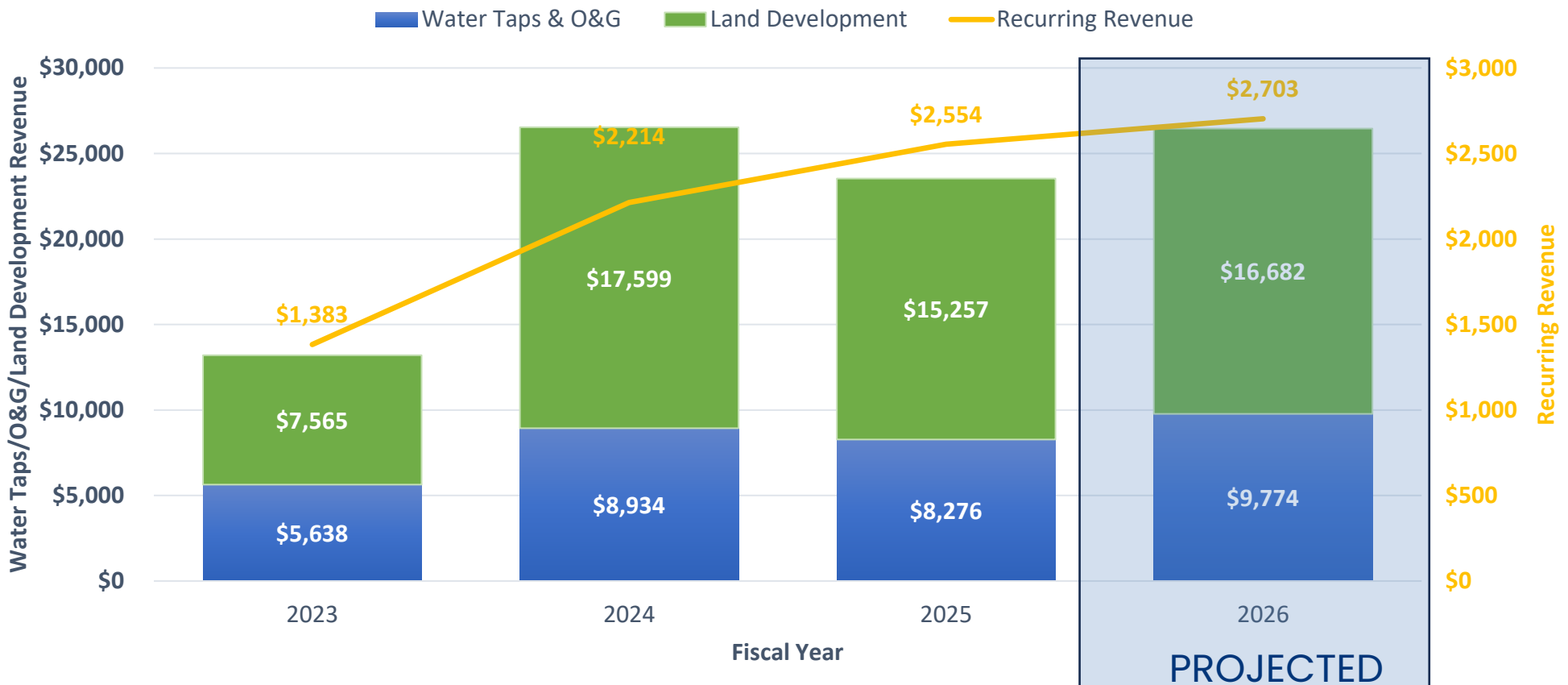
SFR Synergy with Land Development: Rental strategy monetizes lots internally, capturing additional value from Sky Ranch development

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



	2023	2024	2025	2026
Total Revenue	\$14,586	\$28,747	\$26,087	\$29,159
EPS	\$0.20	\$0.48	\$0.54	\$0.51
RoE	4.16%	9.82%	10.11%	8.55%

RoE calculated using beginning SE equity and NI

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, Industrial water sales beat vs baseline estimates.

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
YTD 2026	11,100	10.80	93,474
Total	106,526	10.29	93,474

Short-Term (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 set through completion of Interchange to monetize providing additional upside.
- Single-Family Rentals:**
Realignment of our rental strategy around measured portfolio growth with an emphasis on operational efficiency. We will grow to approximately 60 homes through Phase 2 and will evaluate unit economics and scalability before committing to further expansion.



SKY RANCH UPDATE





Earnings Presentation

Q&A



www.purecyclewater.com