



Earnings Presentation

For the Three and Nine Months Ended
May 31, 2025

Presented by Mark Harding



www.purecyclewater.com



• • • • •

Forward-Looking Statements

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.

• • • • •

Leadership Team



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.



SCOTT LEHMAN

Vice President, Engineering

Scott brings four decades of experience as a Professional Engineer (PE) to the role. His expertise encompasses planning, design, construction, and operation of water and wastewater systems. With educational foundations from the University of Colorado and Stanford University, he plays a pivotal role in shaping our strategies and operations in this vital sector.



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

Fredrick A. Fendel III

Director

Patrick J. Beirne

Chair of the Board

Susan Heitmann

Director and Chair of the Audit
Committee

Wanda J. Abel

Director and Chair of the Nominating
and Governance Committee

Daniel R. Kozlowski

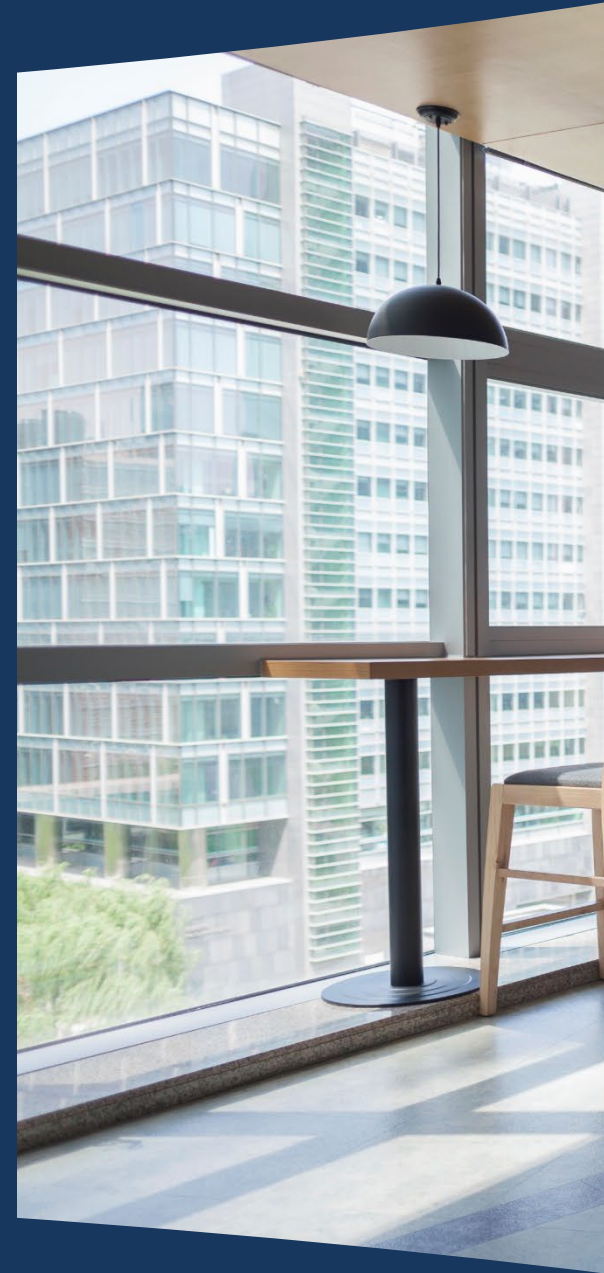
Director and Chair of the
Compensation Committee



PURE CYCLE CORPORATION

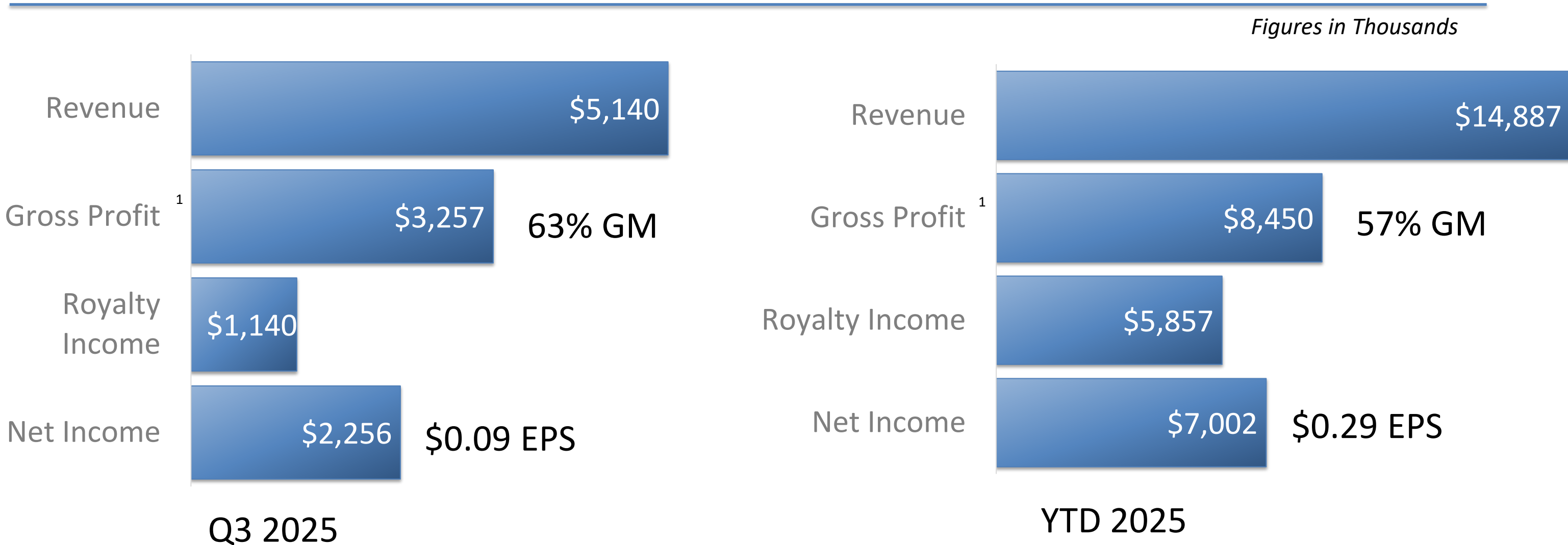


LS



Financial Performance Results

In Q3 2025, we delivered revenue of \$5.1M, gross profit of \$3.3M with a 63% gross margin, and net income of \$2.3M, translating to \$0.09 EPS. YTD 2025, we delivered revenue of \$14.9M, gross profit of \$8.5M with a 57% gross margin, and net income of \$7M, translating to \$0.29 EPS. These results demonstrate robust profitability and operational efficiency, reinforcing our focus on driving shareholder value.

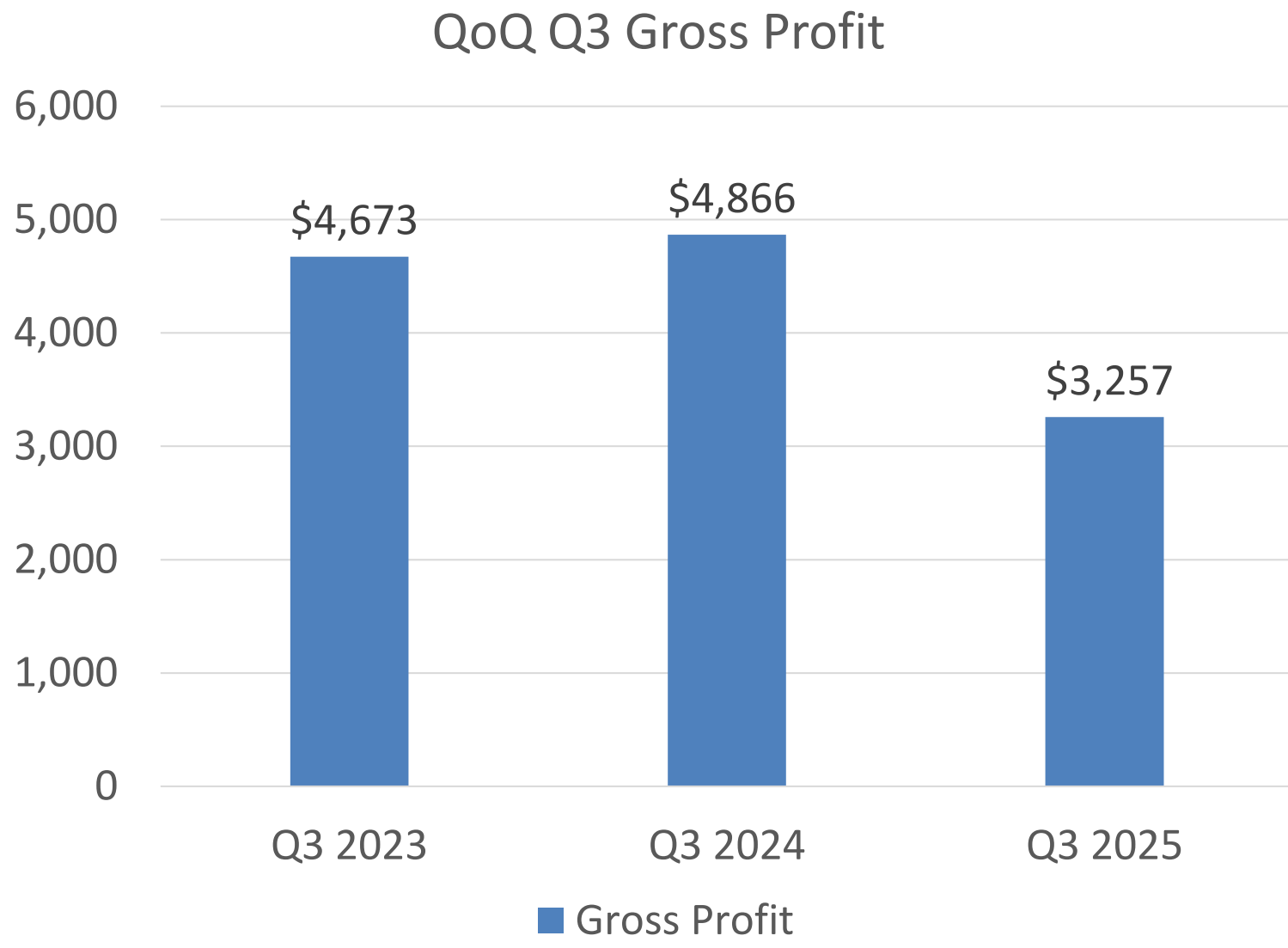
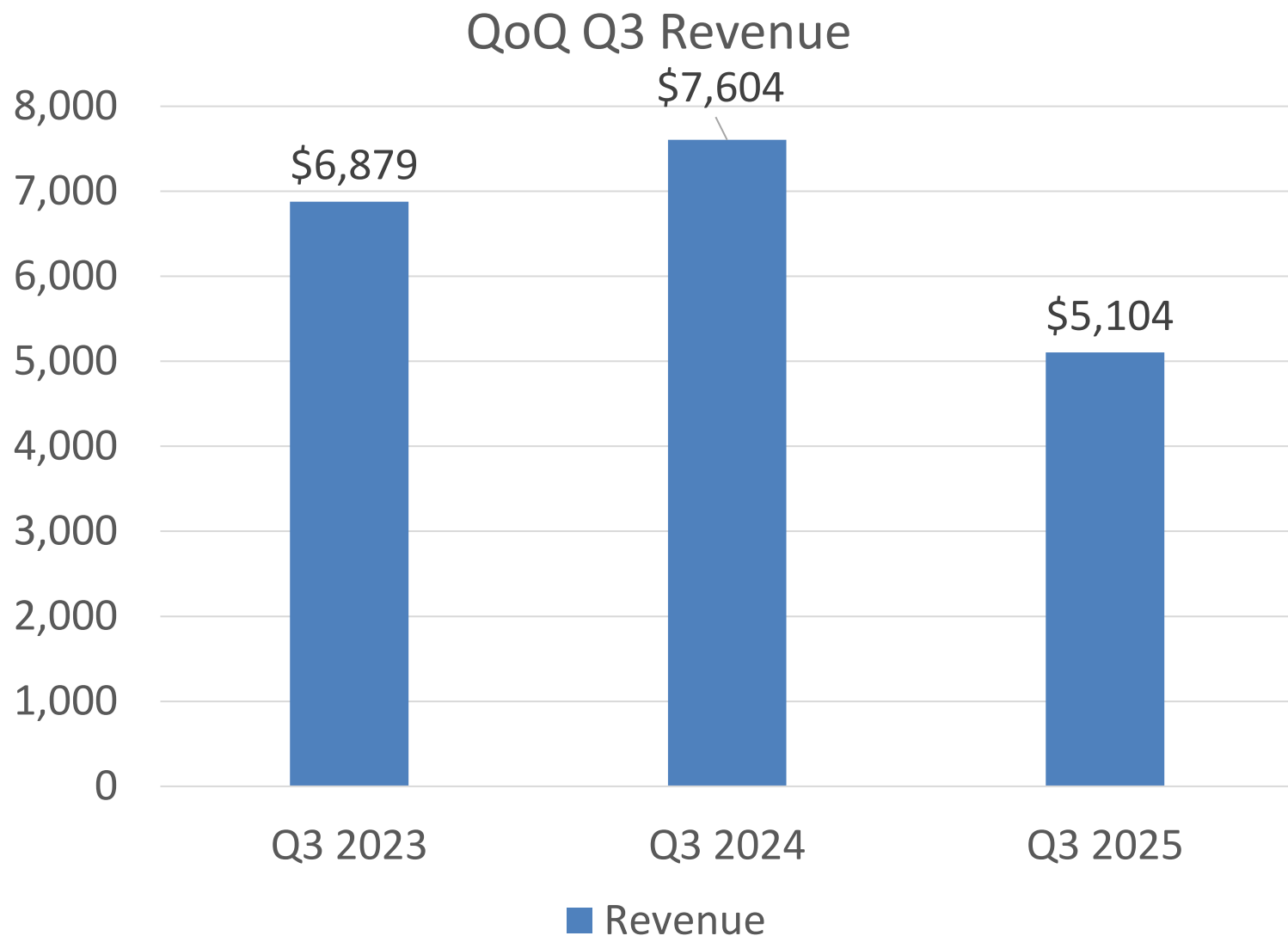


¹ – Revenues minus Cost of Revenues

Financial Performance QoQ

In Q3 2025, we reported revenue of \$5.1M and gross profit of \$3.3M. The decline compared to Q3 2024 was primarily due to a decrease in our lot sales revenue compared to 2024 due to the timing of finished lot deliveries.

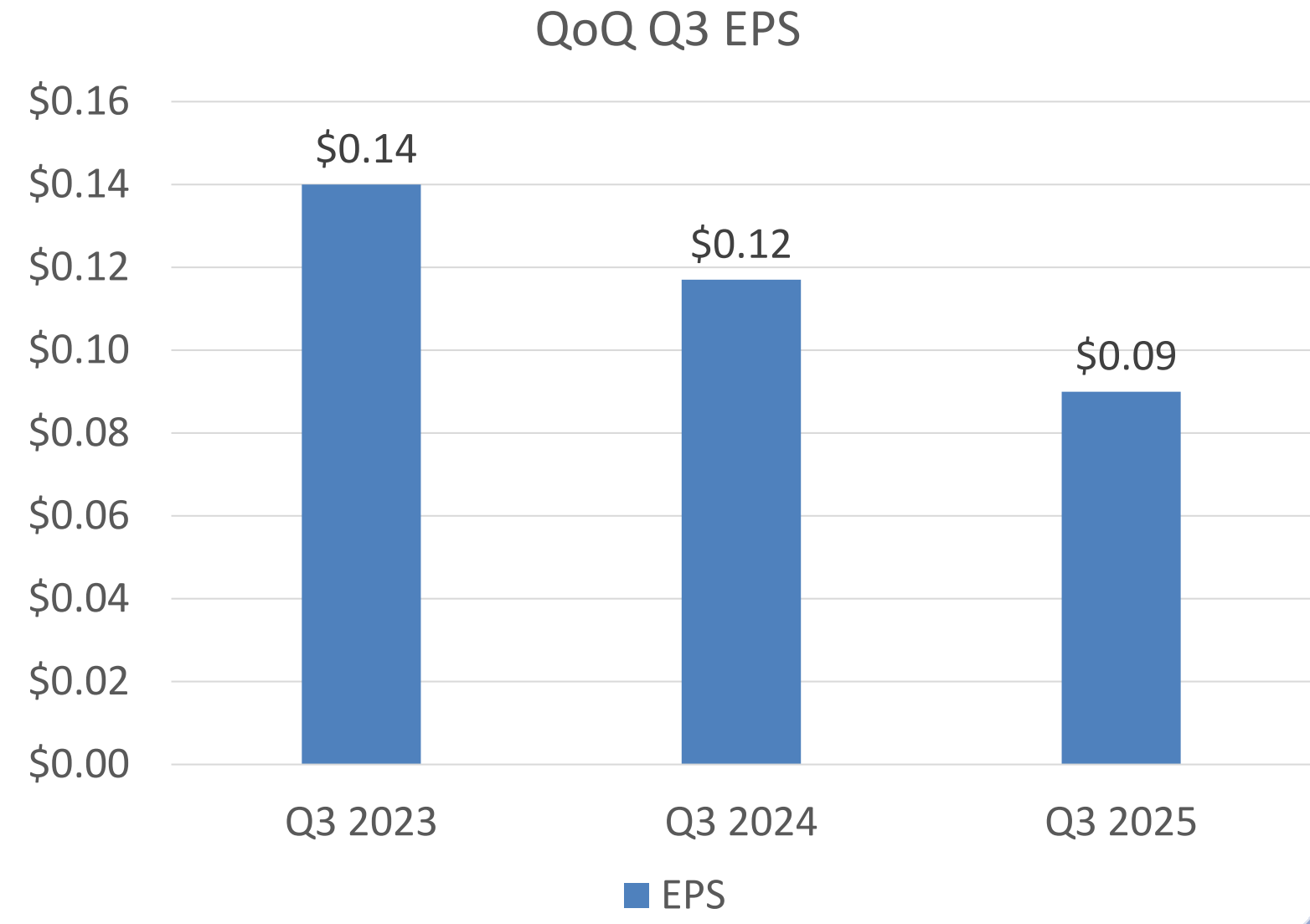
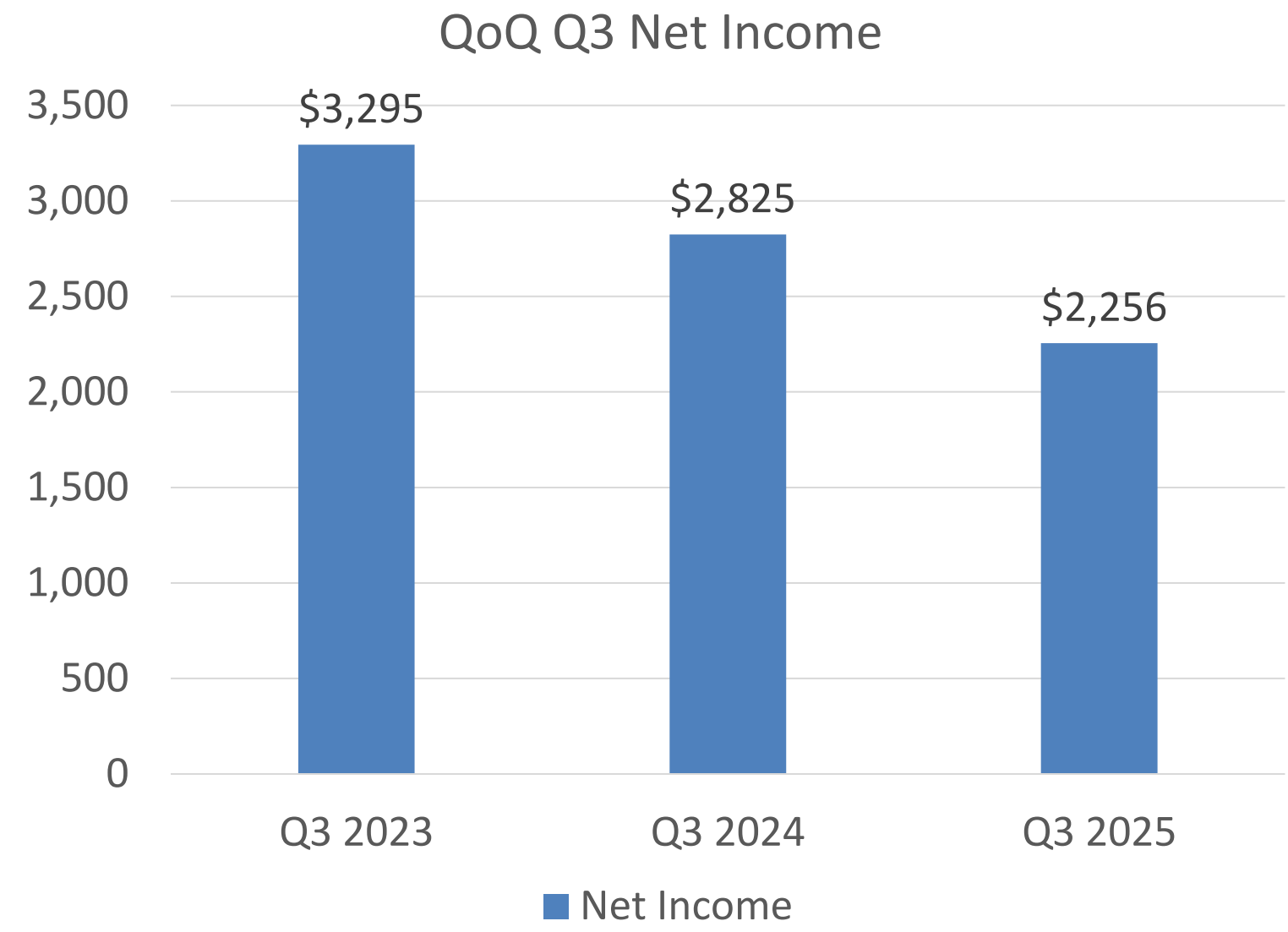
Figures in Thousands



Financial Performance QoQ

In Q3 2025 we generated net income of \$2.3M and EPS of \$0.09. The decrease from prior quarters is due to a decrease 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.

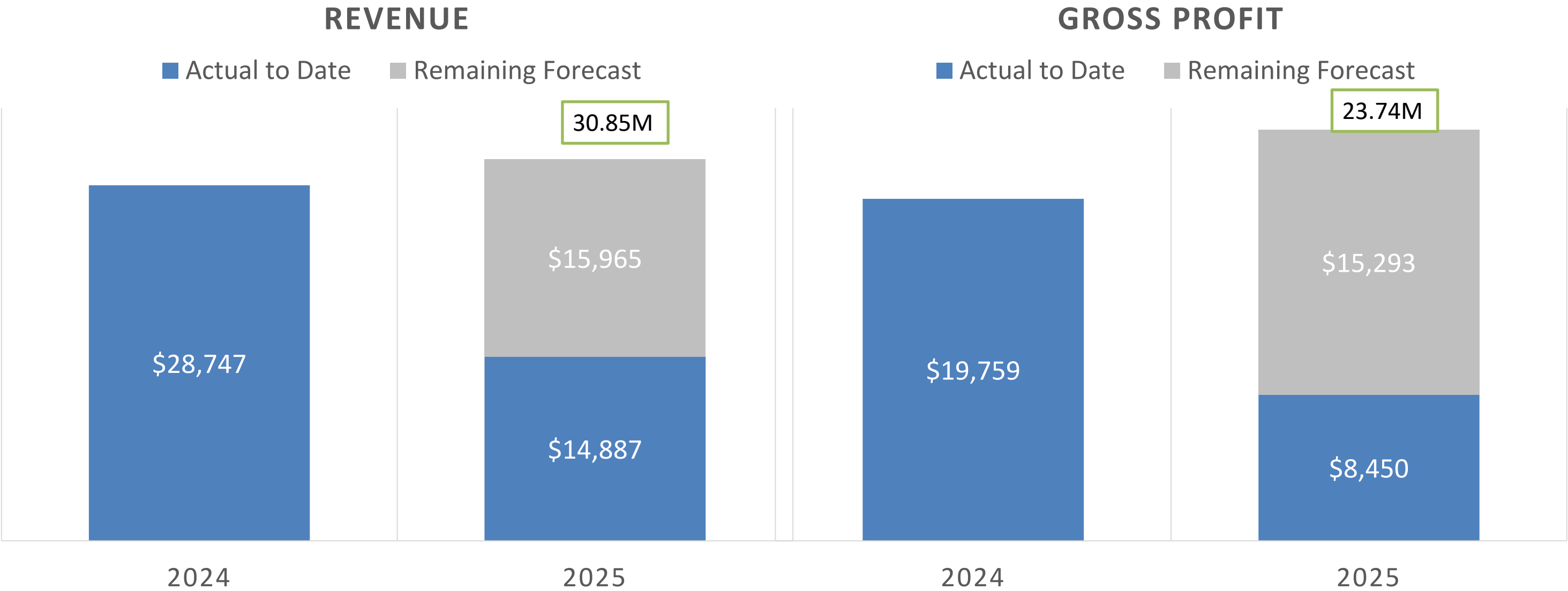
Figures in Thousands



Financial Performance YTD

Year-to-date results for Q3-2025 demonstrate solid progress toward our annual goals. We have achieved \$14.9M in revenue and \$8.5M in gross profit, representing 48% and 36% of our full-year 2025 guidance, respectively. Revenues are anticipated to accelerate through the fourth quarter as we approach finished lot status in Phase 2C, positioning us for strong full-year results.

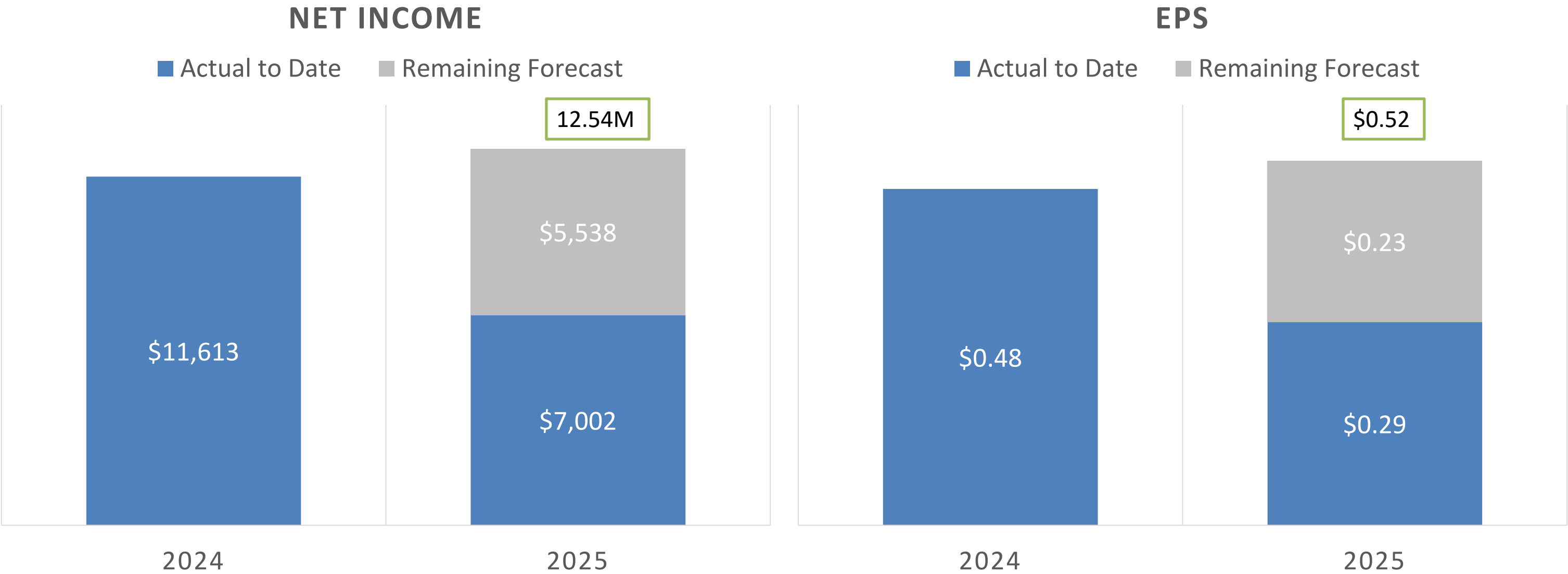
Figures in Thousands



Financial Performance YTD

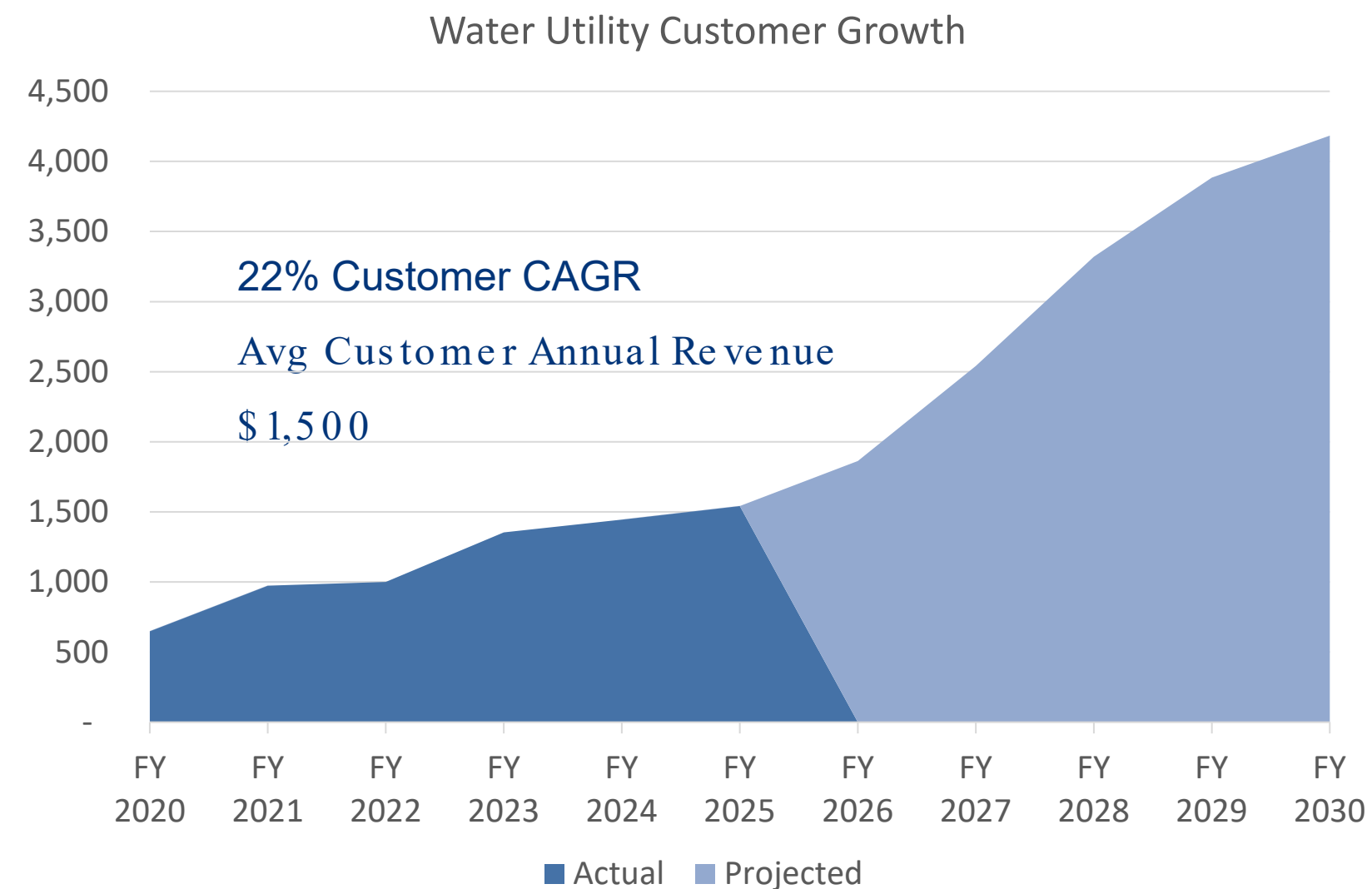
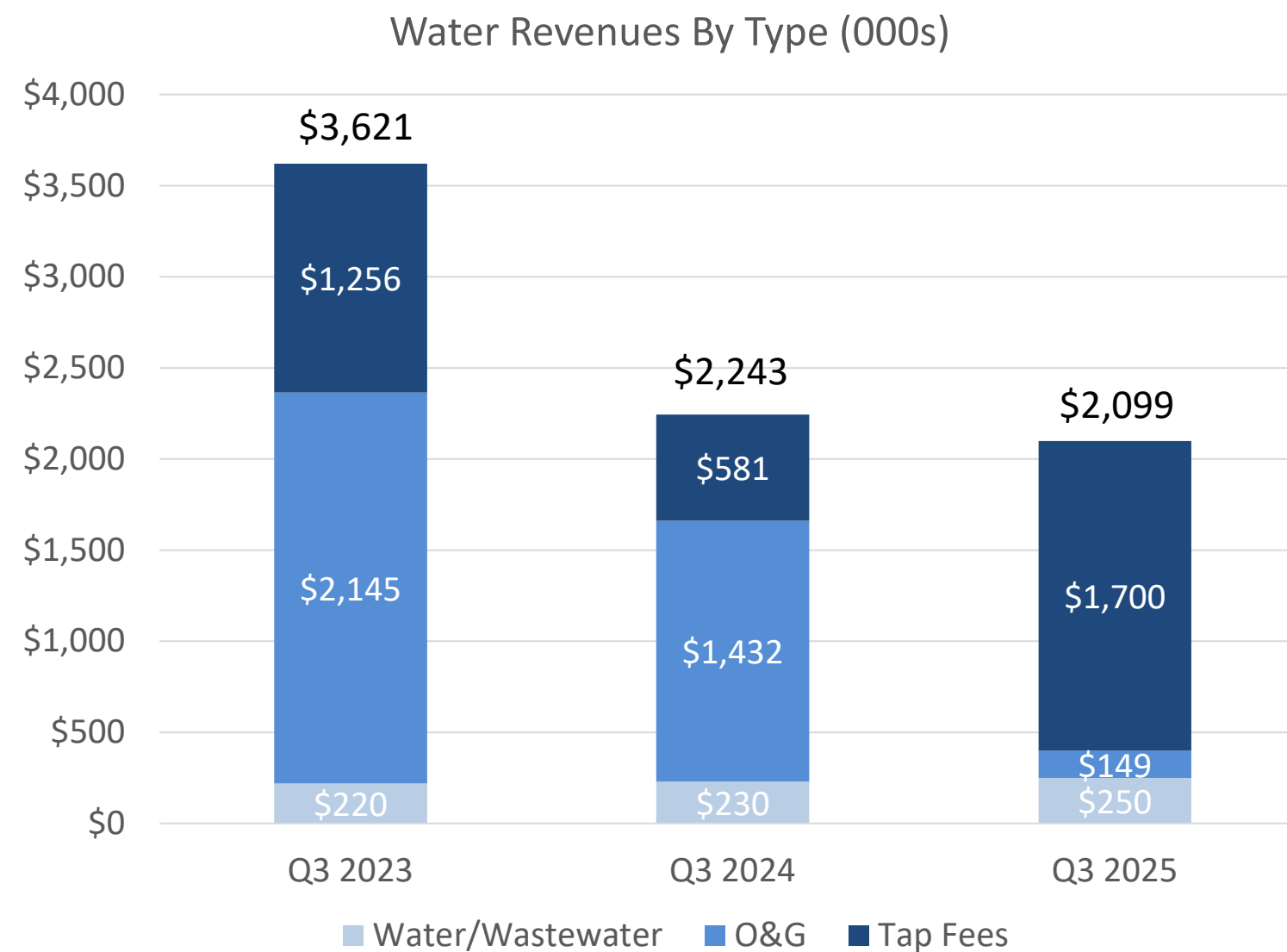
Net income year-to-date totaled \$7M, or 56% of our full-year target, while earnings per share reached \$0.29, which is 56% of our 2025 EPS guidance. Notably, net income was positively impacted by royalty income YTD.

Figures in Thousands



Financial Performance (QTD)

Figures in Thousands



WE PROVIDE RAW WATER TO O&G OPERATORS FOR DRILLING

With existing systems, we provide water to O&G operators.

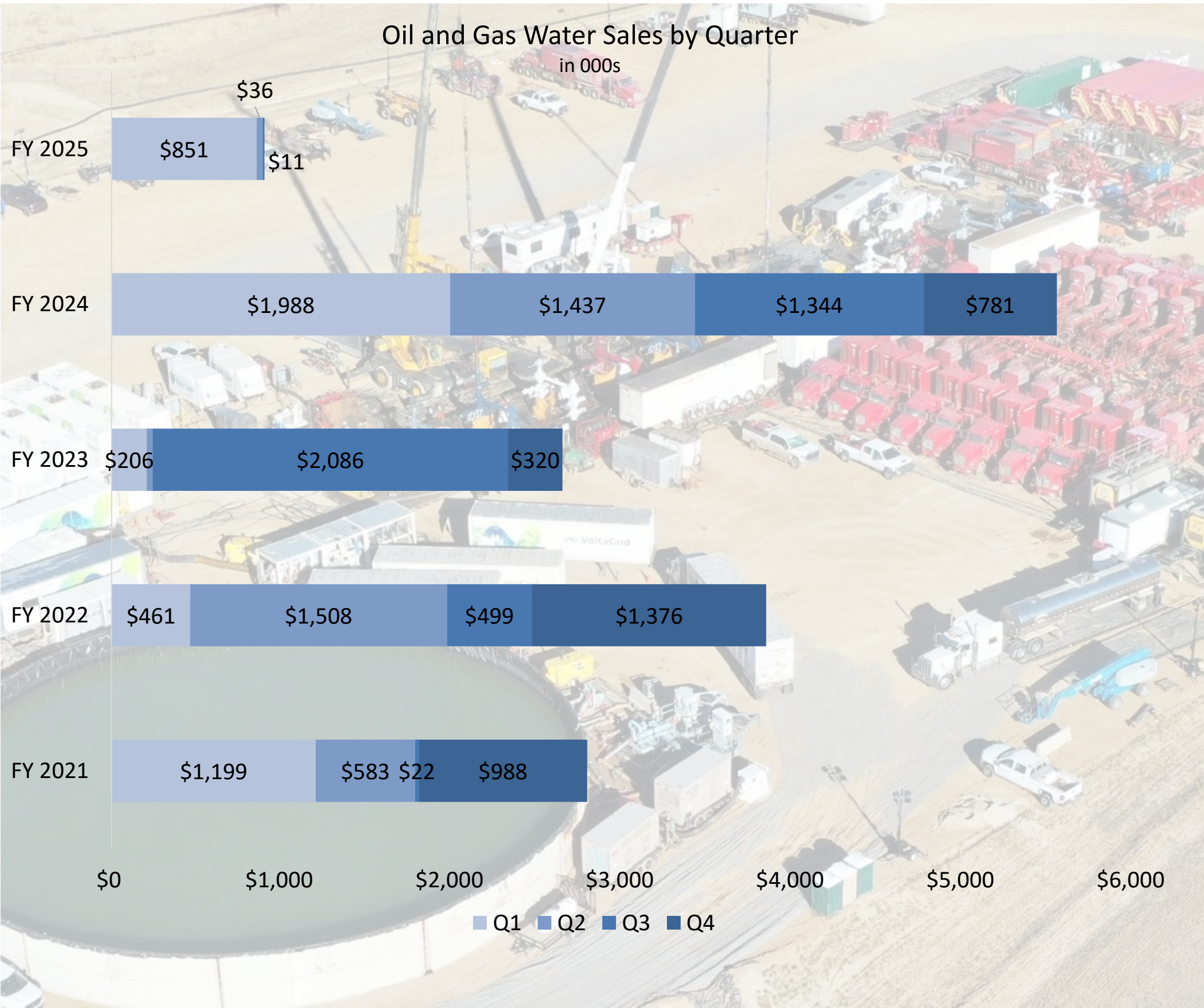
We have also made strategic investments in our system to further our ability to provide water when it is needed, where it is needed in the future.

> 150 WELLS
DRILLED TO
DATE

OIL RIG CAN
DRILL 60 WELLS
PER YEAR

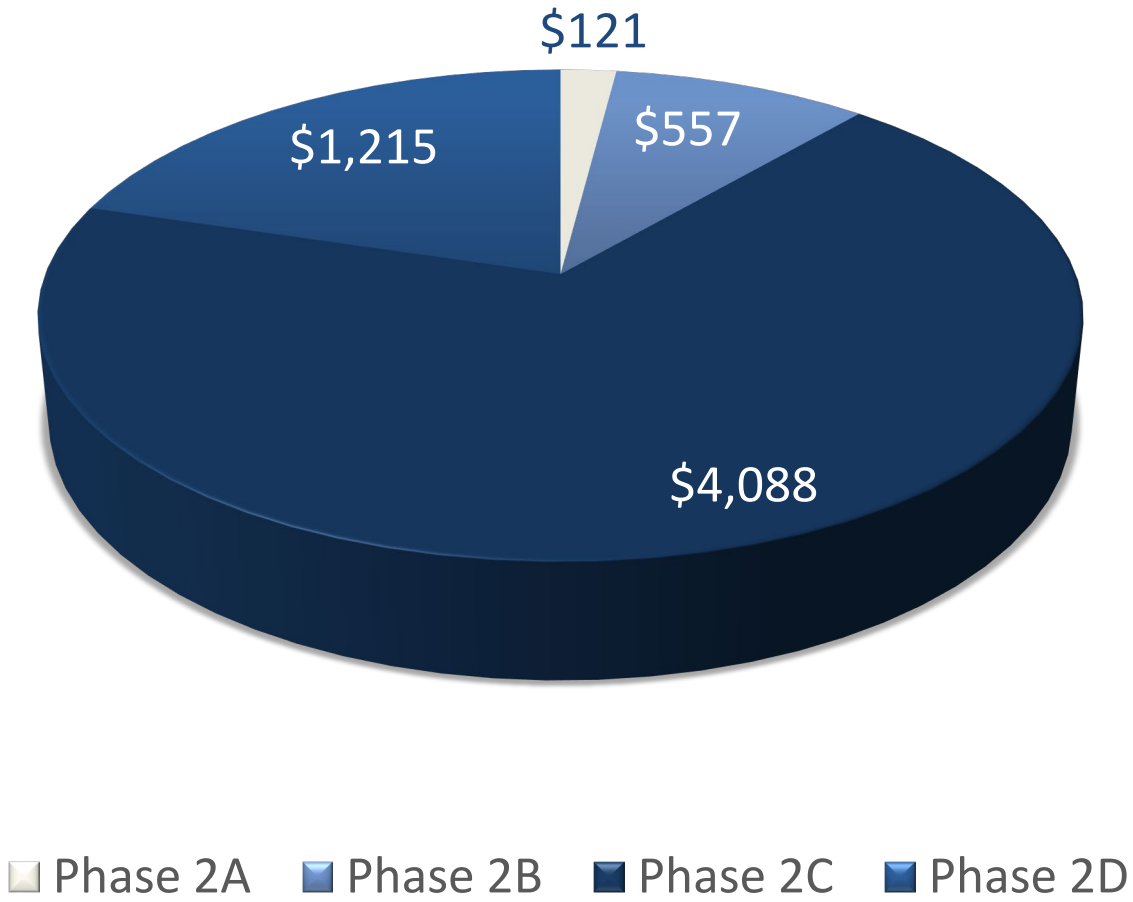
AVERAGE
\$250,000 OF
WATER SALES
PER WELL

WE CAN PROVIDE
WATER TO MORE THAN
200 SQUARE MILES IN
ADAMS & ARAPAHOE
COUNTIES



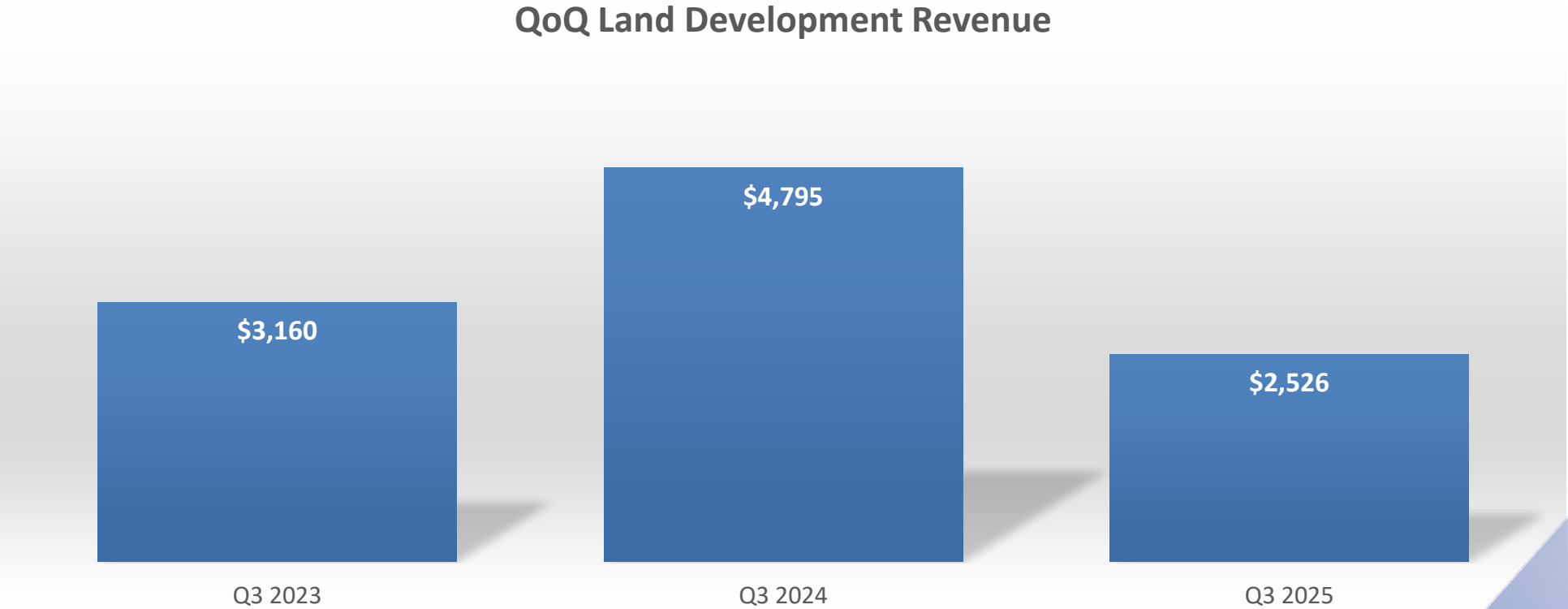
Financial Performance (YTD)

Revenue Contribution by Phase
2025 YTD



Phase	Lots	SFR Lots	Progress
Phase 1	505	4	100%
Phase 2A	219	10	100%
Phase 2B	194	17	96%
Phase 2C	188	40	68%
Phase 2D	191	27	29%
	1297	98	

QoQ Land Development Revenue

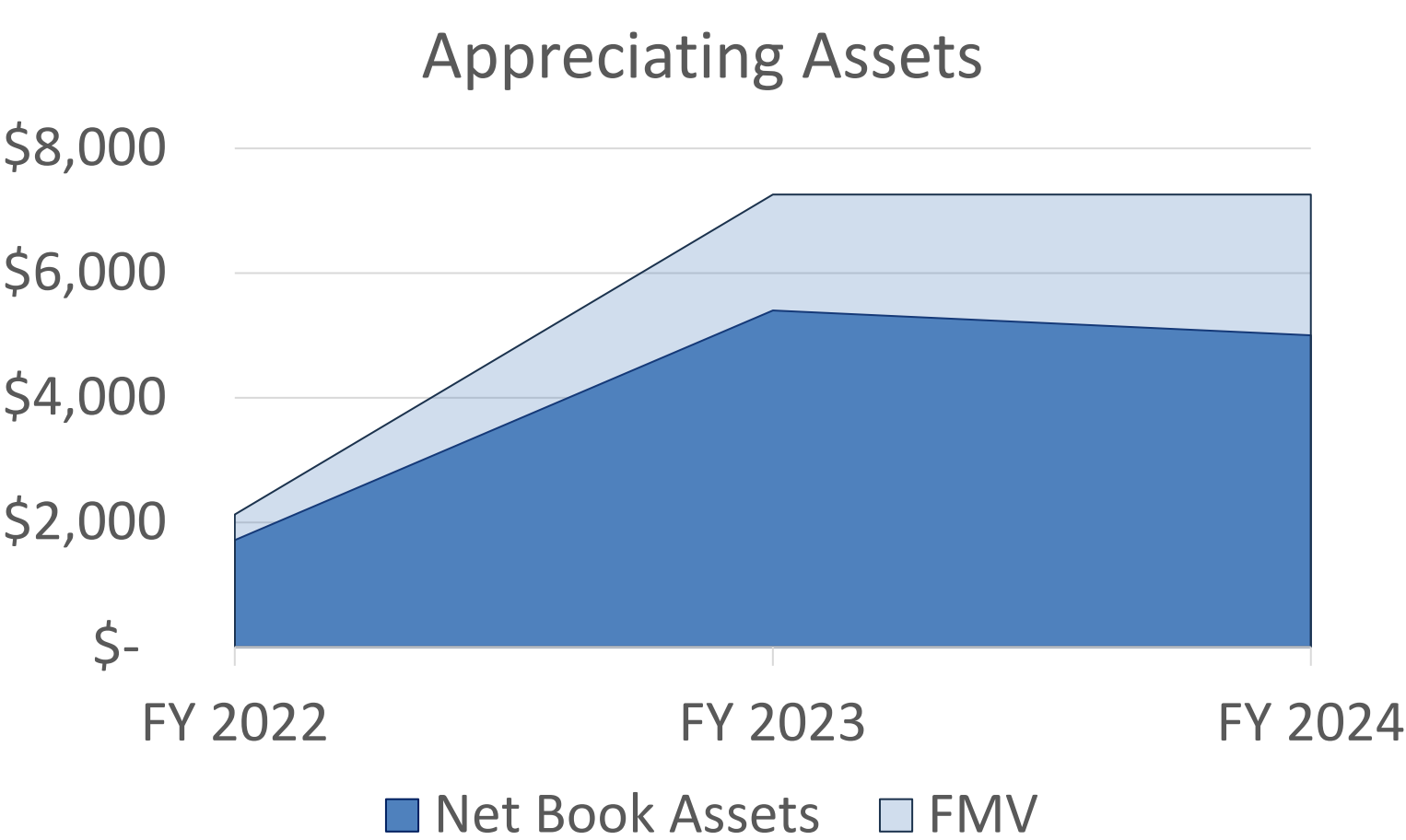
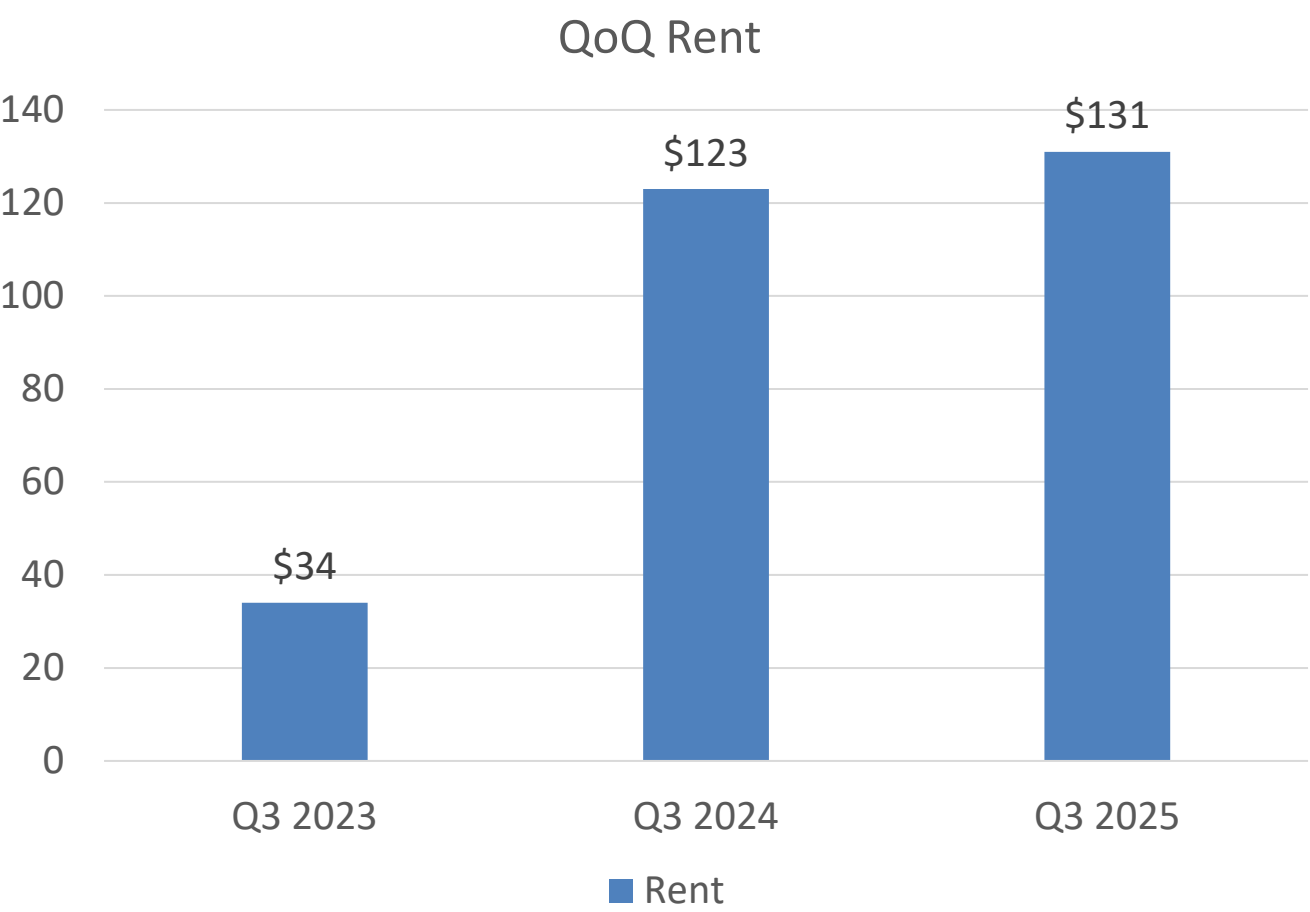


Financial Performance (QTD)

QUARTERLY RENT
REVENUE
\$131k

COMPLETED
HOMES
14

GROSS
MARGIN
69%



ER

OVERVIEW

LA

**WE OPERATE
MULTIPLE
COMPLIMENTARY
SEGMENTS**

**WATER &
WASTEWATER**

- Own **over 30K acre-feet** of water rights (surface and ground water)
- Water rights we estimate can serve up to **60,000 SFEs**
- Denver metro land development **requires developers to have water service** as a condition of zoning, offering us a competitive edge
- Provide **industrial and oil and gas** customers with water
- **Own and reuse** our reclaimed water

**LAND
DEVELOPMENT**

- Own **highly-appreciated property** in attractive and easily accessible I-70 Corridor of Denver, Colorado
- Developing nearly **930 acres** of a full Master Planned community known as Sky Ranch
- Sky Ranch can have around **3,200 residential units** and over **2 million square feet** of retail, commercial and industrial uses (Equivalent of 1,800 residential units)
- Developing residential and commercial land for which we are the **sole water and wastewater service provider**

**SINGLE-
FAMILY
RENTALS**

- Build **single-family homes** in the Denver metro area in neighborhoods we are developing
- Receive **rental income** in growing housing market
- Benefit from **immediate asset appreciation** and **positive cash flows**
- **Provide water and wastewater** service to rental properties



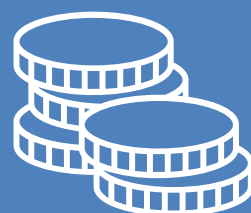
EW



WATER



LA



WATER SEGMENT

\$24.3 M WATER SYSTEMS

\$9.0 M WASTEWATER SYSTEMS

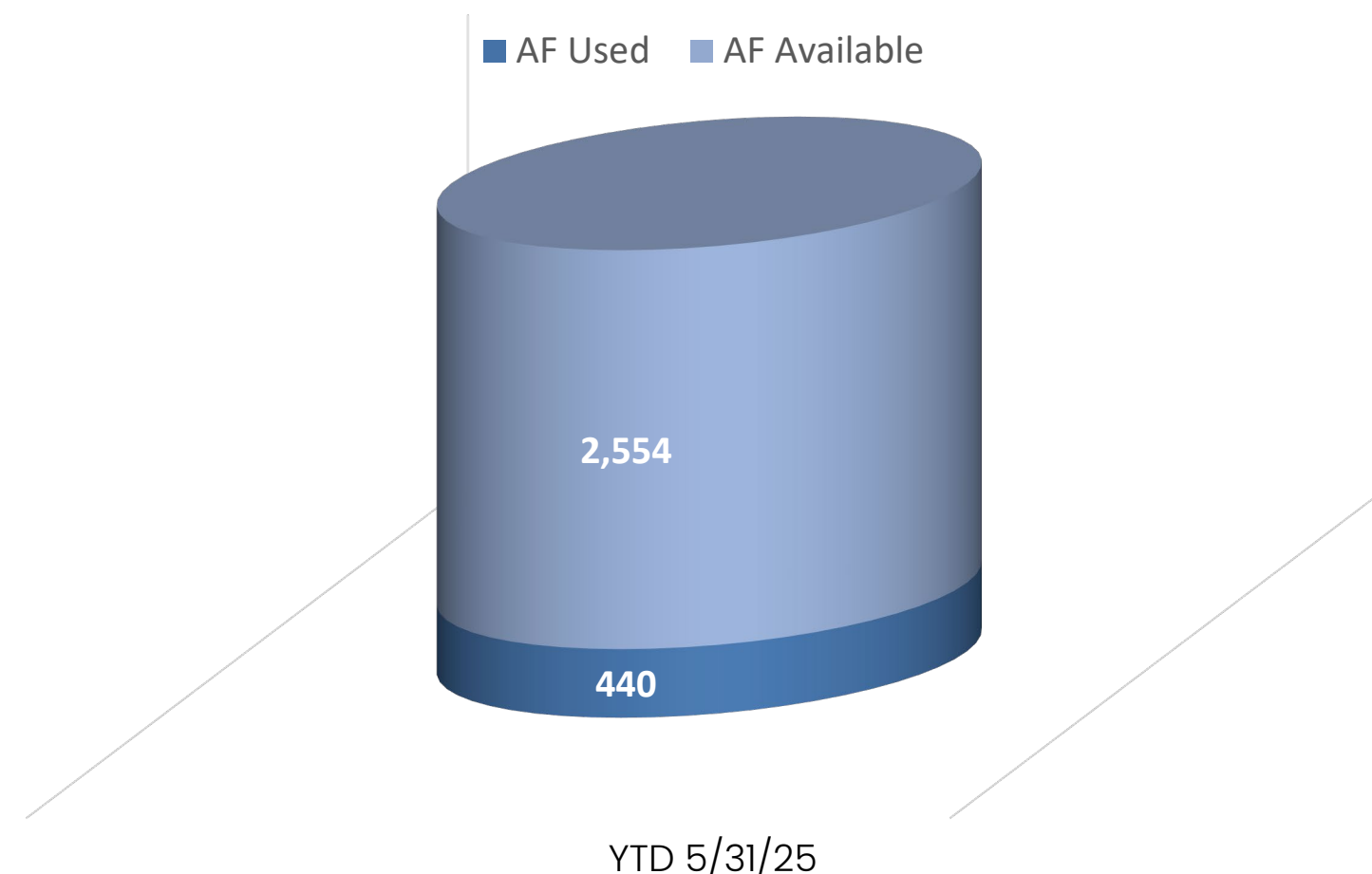
\$31.7 M WATER RIGHTS PORTFOLIO

\$65.0 M
TOTAL WATER ASSETS
NET

Our water rights portfolio can provide water to as many as 60,000 connections. This would allow ample room for growth within our current water system, which presently supports roughly 2,500 connections.

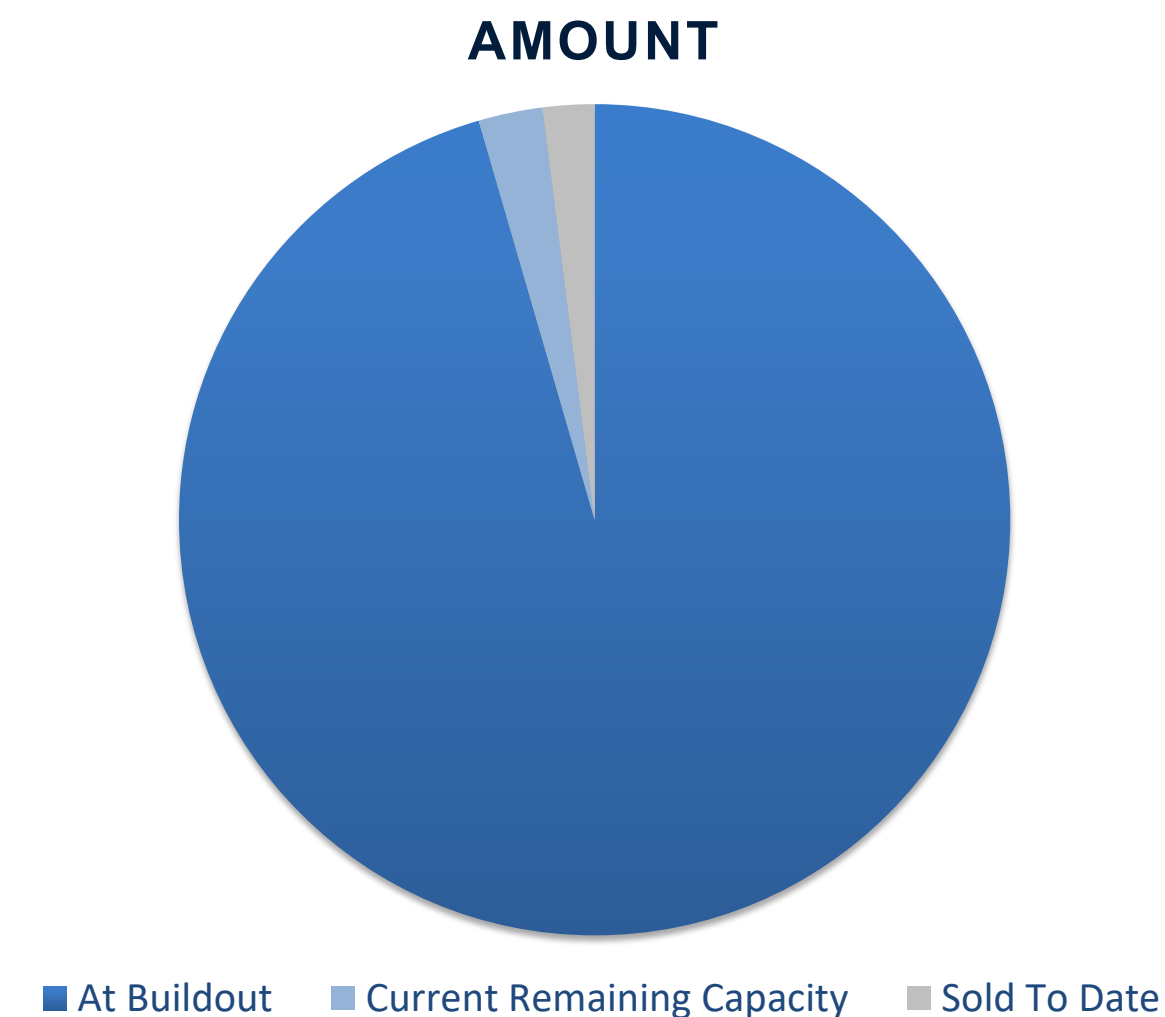
CURRENT SYSTEM CAPACITY

ACRE-FOOT PRODUCTION PER YEAR



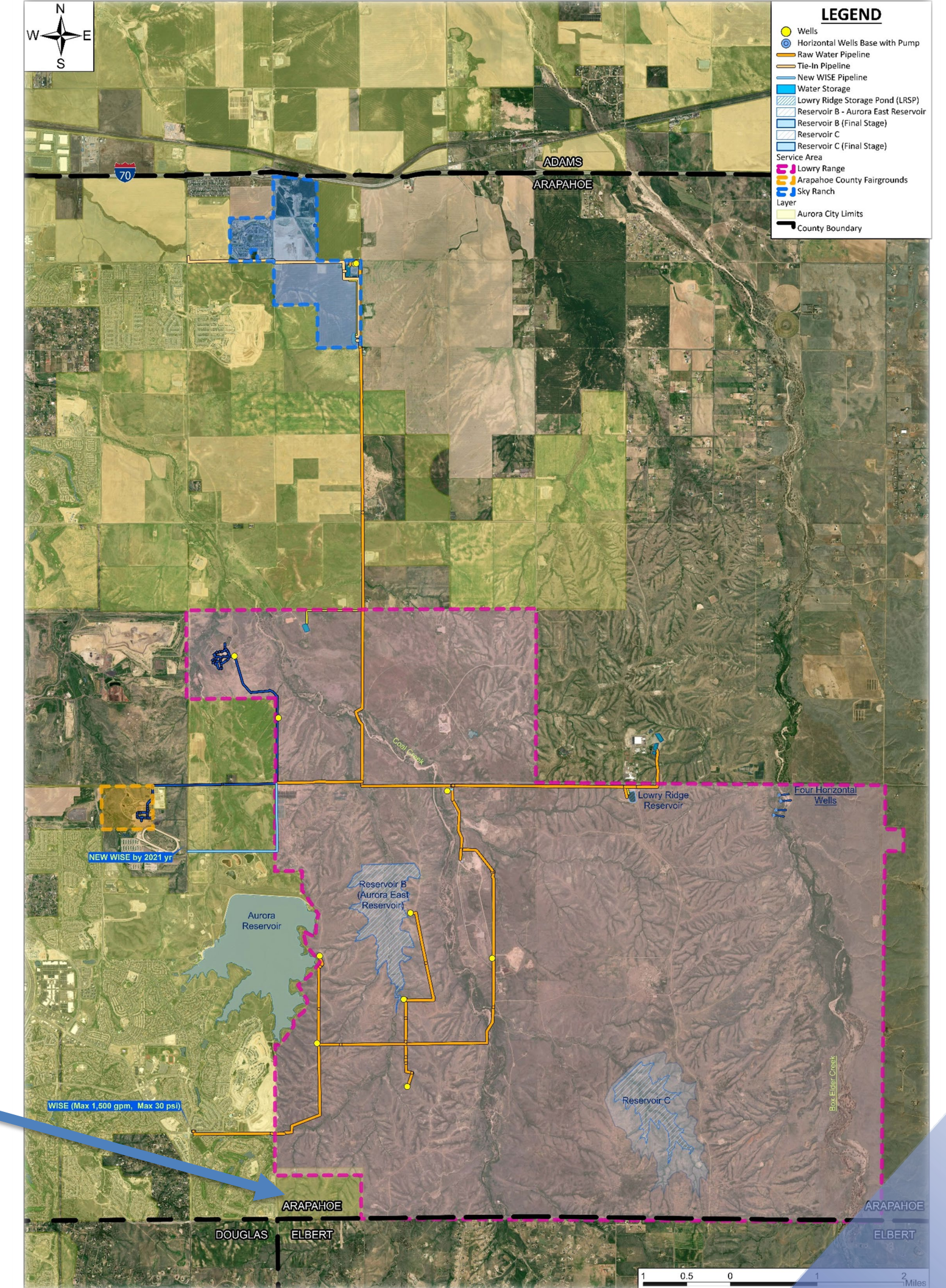
We continue to invest in our systems with a current book value of \$56.0M which can produce over 3.4M gallons of water per day

TAP FEES - PORTFOLIO CAPACITY (60,000)



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 1,542 connections, representing less than 2% of our overall capacity

Development Encroachment To Lowry Range





PURE CYCLE CORPORATION

R

LAND DEV

RE

History & Strategy

Pure Cycle Corporation has a strategic history of entering the land development industry, driven by its vision to enhance shareholder value and create integrated communities. Initially focused on water utility services, the company recognized the opportunity to expand its operations in the late 2010s as urban growth and housing demands increased.

In 2010, Pure Cycle acquired the land that eventually became Sky Ranch and engaged in partnerships that allowed it to develop residential projects alongside its water utility offerings. This vertical integration enabled the company to provide essential services directly to the communities it was developing.

Metrics of Completed Phases

TOTAL LOT SALES

\$80m

GROSS MARGIN

77%

PHASE 2A

229 Lots

Land development is substantially complete. Out of 229 homes, 229 are finished and occupied.



PHASE 2B

211 Lots

Land development is substantially complete. Out of 211 homes, 115 are finished and sold.



PHASE 2C

228 Lots

Paving nearly complete. Land development is scheduled to be completed by the end of fiscal year 2025 for 228 lots.

PHASE 2D

218 Lots

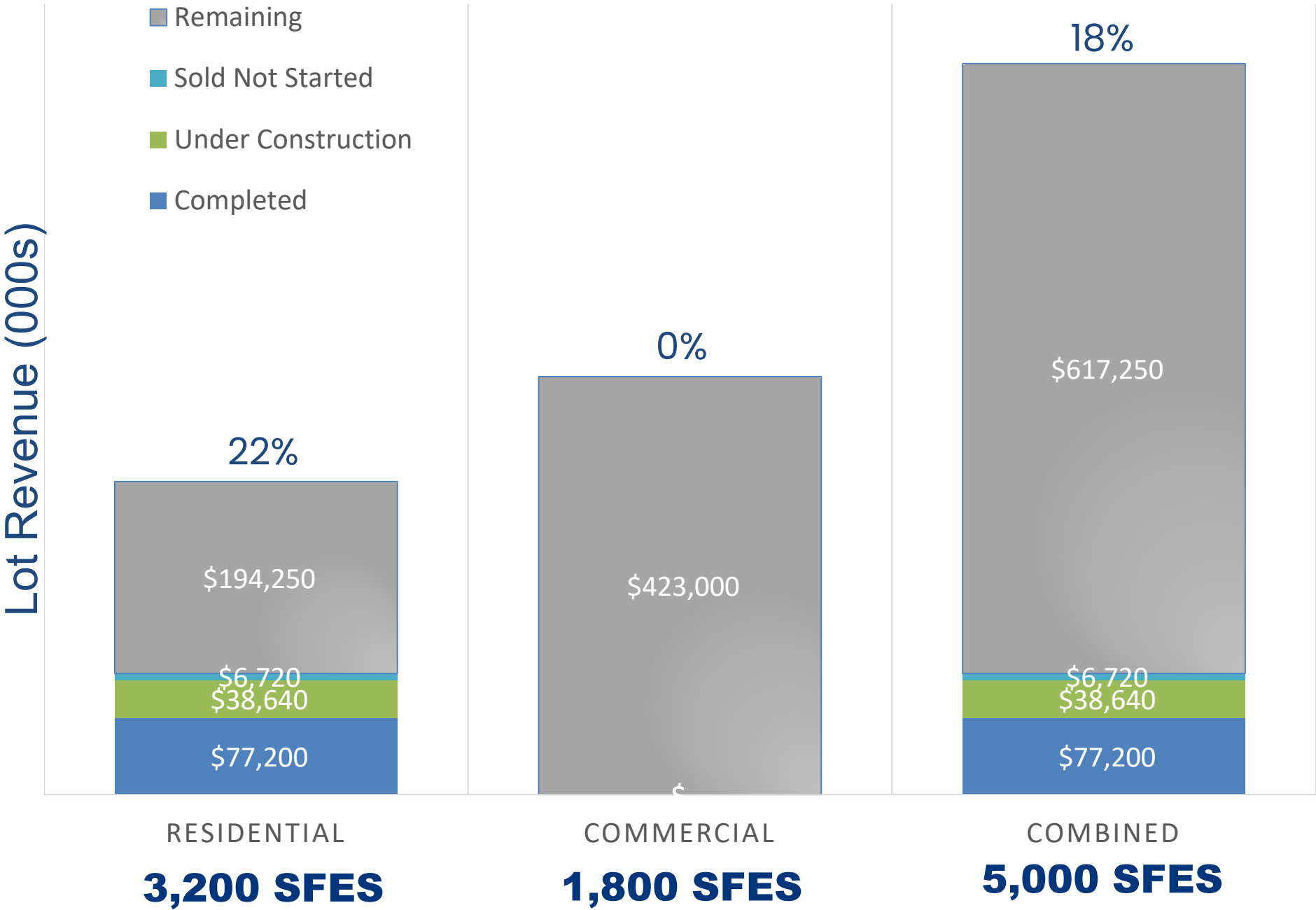
Grading complete, utility work underway, 20 priority lots scheduled for completion 10/30/25. Balance 8/31/26.

GROUNDBREAKING ON HIGH SCHOOL



SKY RANCH CAPACITY PROJECTIONS

Pure Cycle’s land acquisition cost for Sky Ranch was \$3.7 million, but with over \$600 million in potential development revenue expected in the coming years, it highlights the substantial hidden value on the company’s balance sheet.





PURE CYCLE CORPORATION

EV



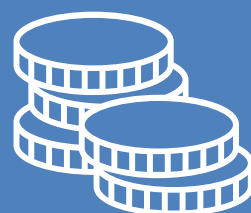
RENTALS

FIN

OVERVIEW OF OPERATIONS

Pure Cycle Corporation entered the single-family rental (SFR) market as a strategic move to diversify and expand its revenue streams. As a company originally focused on water rights and infrastructure development, Pure Cycle realized the potential in the rapidly growing demand for rental properties, particularly single-family homes.

- 1 Maximizing Land Development Opportunities:** By developing single-family homes for rent within our master planned community, the company can enhance the value of its landholdings and generate consistent income.
- 2 Recurring Revenue:** SFR properties provide a steady, recurring revenue stream. This aligns with our strategy to balance the Company's revenue mix.
- 3 Leverage Market Demand:** The SFR market has been booming, driven by increased demand for rental housing from families who prefer single-family homes over apartments but may not be ready or able to purchase a home. This demand is especially strong in suburban and near-urban areas, where the Company has land.
- 4 Higher Return on Investment:** Developing rental properties on our land potentially offers higher returns than simply selling lots or developing for sale. This allows the Company to capitalize on both land appreciation and rental income.



SINGLE-FAMILY RENTALS

\$4.7 M COMPLETED
HOMES NBV

\$1.0 M HOMES UNDER
CONSTRUCTION

\$7.4 M
IN FAIR MARKET
VALUE

Pure Cycle contracts to build single-family homes in its Sky Ranch Master Planned Community to hold for rentals. Lot development costs are fully recovered (horizontal costs and tap fees). Each unit covers financing costs and provides positive cash flows. Segment provides excellent asset appreciation positive cash flows.

SFR Portfolio

Sky Ranch Phase 1 & 2

Cumulative Metrics

■ Added in Phase
■ Prior Phases



Phase 1



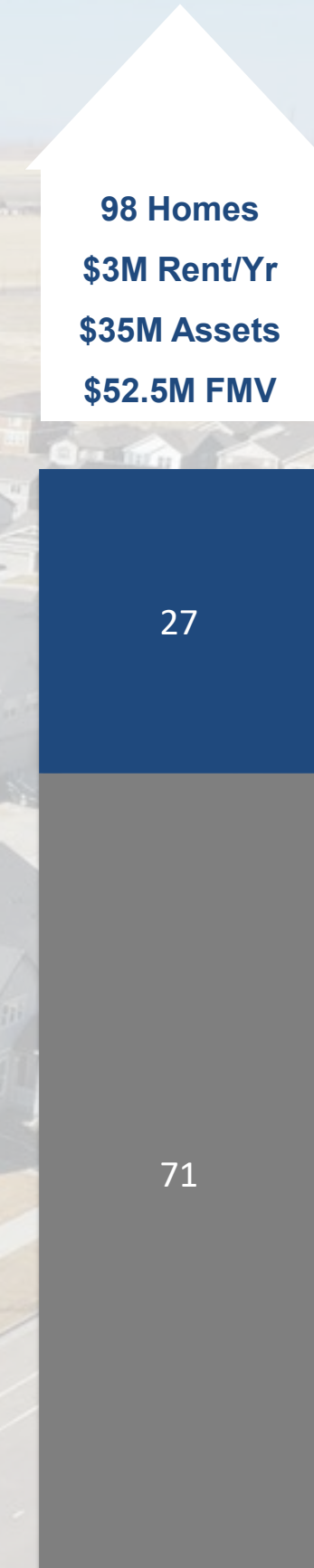
Phase 2A



Phase 2B

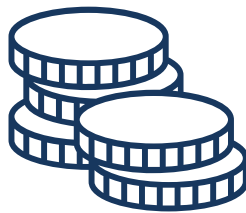
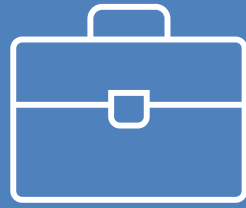


Phase 2C



Phase 2D

LIQUIDITY



\$20.5 M

CASH, INVESTMENTS,
and Restricted cash

\$40.6 M

RECEIVABLE
FROM CAB

\$61.1 M

IN TOTAL
LIQUIDITY

Pure Cycle has a strong balance sheet with liquidity to support our business segments. Pure Cycle maintains a significant cash position as well as a receivable from the Sky Ranch CAB for approved reimbursements for public improvements that were paid for by Pure Cycle. The receivable bears interest at a rate of 6% per annum.



PURE CYCLE CORPORATION

NEW

OUTLOOK

LA

Housing Market Update

Overall Market

HEADWINDS

Weakening consumer confidence
Mortgage rates
Affordability
Rising inventory

OPPORTUNITIES

Market segmentation
Low inventory at entry level
Phased deliveries

Sky Ranch

Phase 2A

Delivery 229 lots 8/31/23
Sold Homes 200 8/31/24

Phase 2B

Delivery 221 lots 8/31/24
Sold Homes 115 6/30/25

Phase 2C

Delivery 228 lots 8/31/25

Phase 2D

Delivery 20 lots 10/30/25
Delivery 198 lots 8/31/26

Phase 2E

Delivery 156 lots (Platting) TBD



SOLD

New Development

SOLD

Completed Homes

COMPANY OUTLOOK



WATER UTILITIES



SHORT TERM OUTLOOK (3-5 YEARS)

- Customer growth to 2,500 accounts
- Consistent tap sales over the remaining phases adding to the recurring customer base
- Annual tap fee increases at 3%

LONG TERM OUTLOOK (SR Buildout)

- Buildout of Sky Ranch 5,000 total residential and commercial connections at Sky Ranch
- Achieving greater operational efficiencies as the segment grows
- Building long-term, recurring revenue streams to enhance shareholder value
- System expansion will serve additional areas (Lowry Ranch, Arapahoe County parcels)

COMPANY OUTLOOK



**LAND
DEV**



SHORT TERM OUTLOOK (3-5 YEARS)

- Steady lot sales over the next 5 years through the completion of Sky Ranch with opportunities to expand portfolio
- Increasing lot margins as lot costs are expected to remain consistent through the remainder of Sky Ranch Development
- Most valuable commercial land yet to begin monetizing which will accelerate margins

LONG TERM OUTLOOK (SR Buildout)

- Buildout/Completion of final phases of the Sky Ranch project
- Expanding development into the Lowry Ranch and surrounding areas approaches Pure Cycle's service region
- Bringing online valuable commercial land at interstate interchange

COMPANY OUTLOOK



SINGLE FAMILY RENTALS



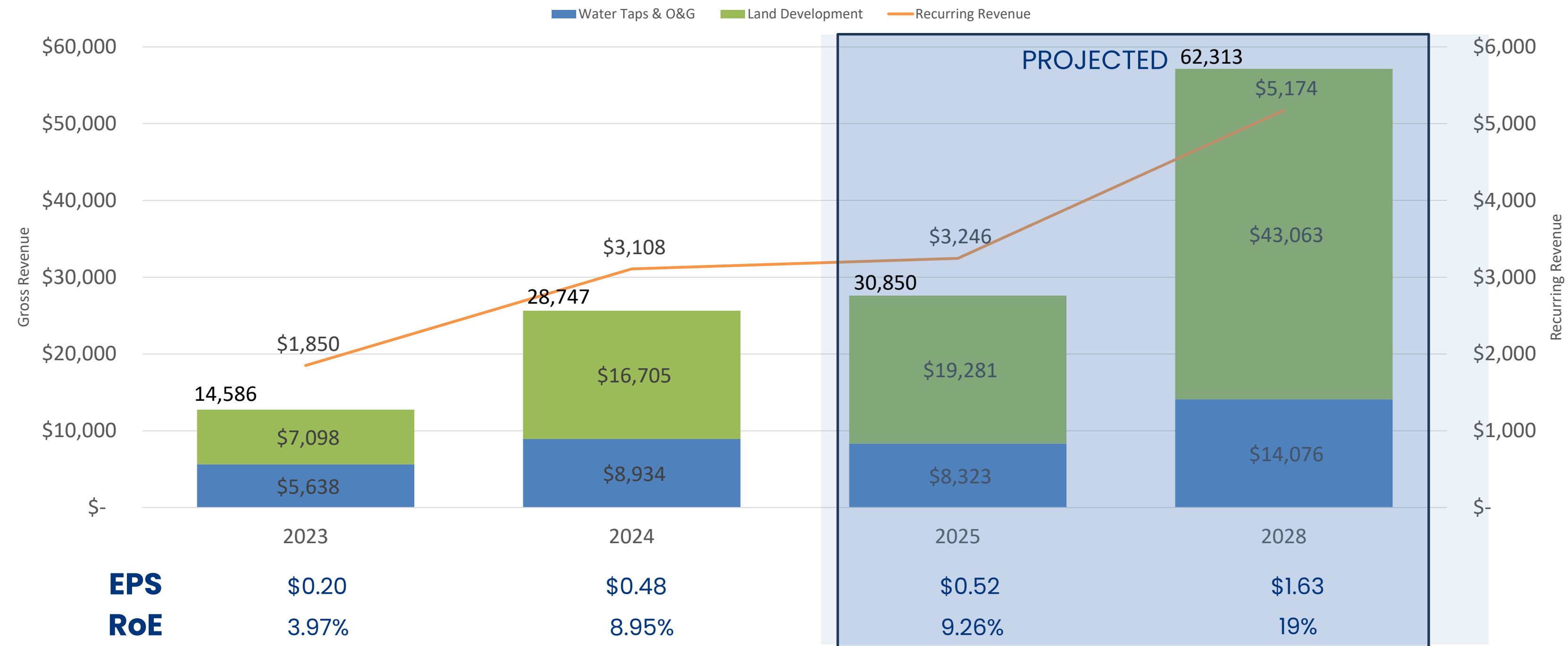
SHORT TERM OUTLOOK (3-5 YEARS)

- Expansion of segment to over 100 homes in the next 5 years
- Increased efficiencies as segment continues to scale
- Sustained population growth, particularly in suburban areas, will drive continued demand for single-family rentals

LONG TERM OUTLOOK (SR Buildout)

- Expansion of segment to over 200 homes growing a diversified investment portfolio to generate long-term recurring revenue
- Increasing operational efficiencies as the rental segment scales
- Leveraging Colorado's strong economic growth and stable job market to support sustained rental demand and affordability

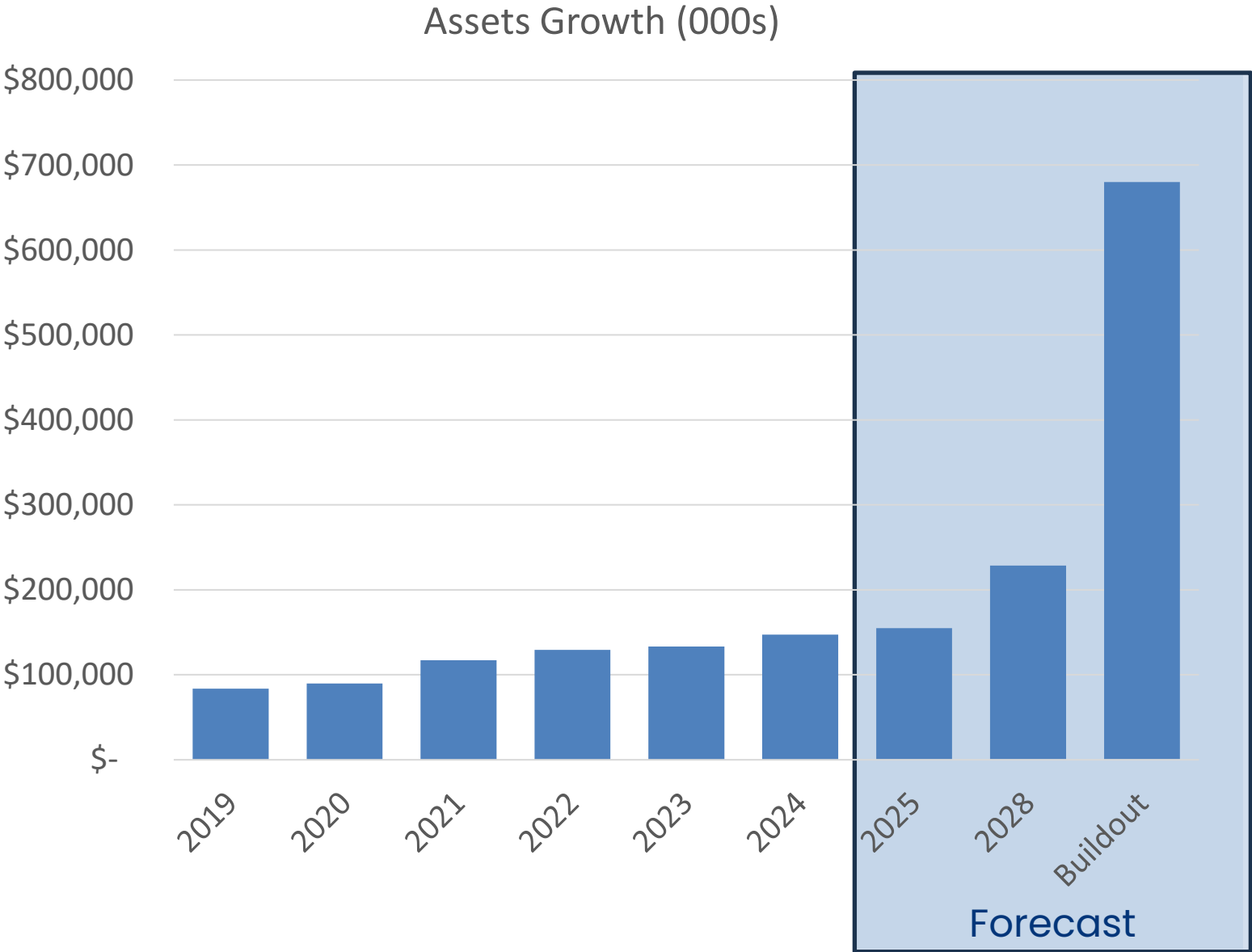
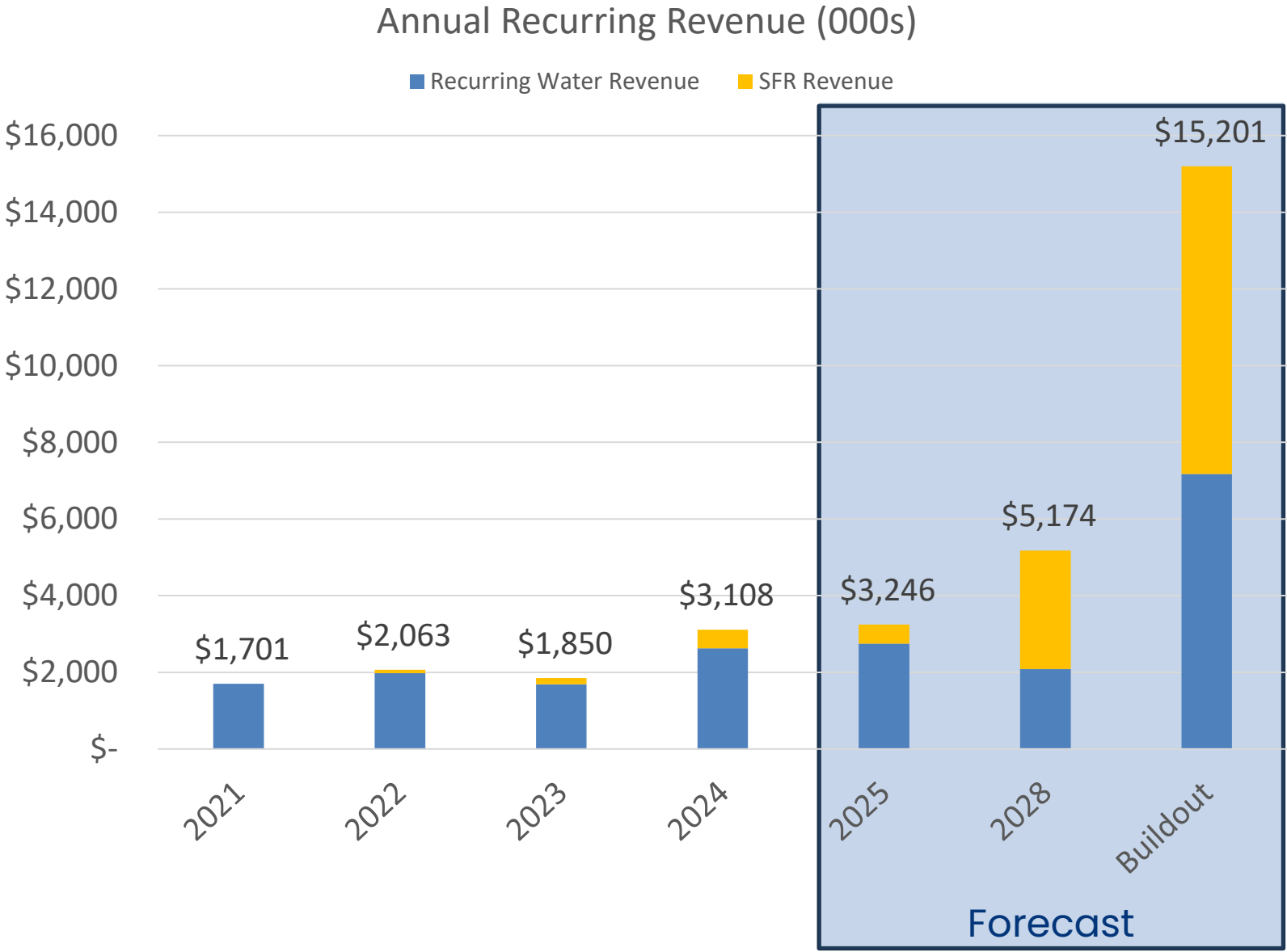
Profitability Trends



The metrics displayed in these graphics are derived from non-GAAP calculations and estimates

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.



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
Total	87,926	\$10.27	112,074



Earnings Presentation

Reminder Investor day is July 16

Starts at 10 am MST followed by a virtual Q&A

Q&A



www.purecyclewater.com

