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

**FORM 8-K**

**CURRENT REPORT**

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): January 7, 2026

**PURE CYCLE CORPORATION**

(Exact name of registrant as specified in its charter)

**Colorado**

(State or other jurisdiction of incorporation)

**0-8814**

(Commission File Number)

**84-0705083**

(IRS Employer Identification No.)

**34501 East Quincy Avenue, Building 1, Suite D, Watkins, CO 80137**

(Address of principal executive offices) (Zip Code)

Registrant's telephone, including area code

**(303) 292-3456**

**N/A**

(Former name or former address, if changed since last report.)

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

**Common Stock 1/3 of \$.01 par value**

(Title of each class)

**PCYO**

(Trading Symbol(s))

**The NASDAQ Stock Market**

(Name of each exchange on which registered)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth Registrant as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth Registrant ☐

If an emerging growth Registrant, 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. ☐

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This current report on Form 8-K is filed by Pure Cycle Corporation (**Registrant**), a Colorado corporation, in connection with the matters described herein

## **Item 2.02 Results of Operations and Financial Condition.**

On January 7, 2026, the Registrant issued a press release announcing its financial results for the three months ended November 30, 2025. A copy of the press release is furnished as Exhibit 99.1 hereto, and is incorporated herein by reference.

In accordance with General Instruction B.2 of Form 8-K, the press release furnished as Exhibit 99.1 to this current report on Form 8-K shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall such information or exhibit be deemed incorporated by reference into any filing under the Securities Act of 1933 or Securities Exchange Act of 1934, except as shall be expressly set forth by specific reference in any such filing.

## **Item 7.01 Regulation FD Disclosure**

On January 8, 2026, the Registrant presented and posted on its website a presentation summarizing Pure Cycle’s operations and financial results (**Earnings Presentation**). The Earnings Presentation is furnished as Exhibit 99.2 to this Form 8-K and is incorporated herein by reference.

The information contained in the Earnings Presentation is summary information and should be read in conjunction with Pure Cycle’s filings with the Securities and Exchange Commission and other public announcements that Pure Cycle may make by press release or otherwise from time to time. The Earnings Presentation will be posted in the Investor Relations section of Pure Cycle’s website, [www.purecyclewater.com](http://www.purecyclewater.com).

The information contained in this Item 7.01 of Form 8-K, including the accompanying Exhibit 99.2 is being furnished, and shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (**Exchange Act**), or otherwise subject to the liabilities of that section. The information contained in the presentation shall not be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, whether made before or after the date hereof, except as shall be expressly set forth by specific reference in such a filing.

## **Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits

<b>Exhibit No.</b>	<b>Description</b>
99.1	<a href="#"><u>Press Release dated January 7, 2026, announcing earnings for the three months ended November 30, 2025</u></a>
99.2	<a href="#"><u>Three months ended November 30, 2025 earnings presentation</u></a>
104	Cover Page Interactive Data File (the cover page XBRL tags are embedded in the inline XBRL document)

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**SIGNATURE**

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

Date: January 8, 2025

**PURE CYCLE CORPORATION**

By: /s/ Marc S. Spezialy

Marc S. Spezialy

Vice President and Chief Financial Officer

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## **Pure Cycle Announces Financial Results For the Three Months Ended November 30, 2025**

DENVER, CO / GLOBE NEWSWIRE / January 7, 2026 – Pure Cycle Corporation (NASDAQ Capital Market: PCYO) (“Pure Cycle”, “we”, “us” or “our”) announced its financial results for the three months ended November 30, 2025. Pure Cycle reported \$4.5 million of net income for the three months ended November 30, 2025, which is a 16% increase in net income from the same period in 2024 and marks the twenty-sixth consecutive fiscal quarter with positive net income. Pure Cycle reported \$0.19 of earnings per fully diluted common share, which is up from \$0.16 in the same period in 2024, a 19% increase. Pure Cycle continues to see demand for entry level lots at our Sky Ranch Master Planned Community despite national headwinds in homebuilding. By partnering with our national home builders, we deliver finished lots on an annual cadence that allows for steady absorption while navigating cyclical housing industry trends.

In the first quarter we completed the delivery of the remaining finished lots in Phase 2C and closed on the initial plat payment with a new homebuilder partner in Phase 2D. Our national homebuilder partners have already begun construction in Phase 2C. We expect to complete Phase 2D in fiscal 2026. Pure Cycle continues to diversify our land development segment by partnering with two new national homebuilders in Phase 2D to bring our portfolio of homebuilders to seven national builders. Finally, we have started platting our next 159 lots in Phase 2E and expect to have lots in Phase 2E completed in fiscal 2027 but will pace construction to match builder absorptions.

Our capital management and balance sheet strategy remains focused on growth and shareholder returns. We are prioritizing investment in our ongoing development projects while utilizing available liquidity to continue our share repurchase program and reserving sufficient capital for strategic development initiatives and land acquisitions.

### **Q1 2026 Highlights**

- Ø Revenue for the three months ended November 30, 2025 and 2024 of \$9.1 million and \$5.8 million, respectively (a 59% increase), which drove pre-tax income of \$6.0 million and \$5.2 million, respectively (a 16% increase).
  - Ø Net income for the three months ended November 30, 2025 and 2024 of \$4.6 million and \$3.9 million, respectively (a 16% increase).
  - Ø Earnings per fully diluted common share for the three months ended November 30, 2025 and 2024 of \$0.19 and \$0.16, respectively (a 19% increase).
  - Ø EBITDA for the three months ended November 30, 2025 and 2024 of \$6.7 million and \$7.6 million, respectively (a 12% decrease) (see table below for reconciliation of net income to EBITDA); and
  - Ø Cash & cash equivalents totaled \$17.1 million on November 30, 2025.
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*Net Income to EBITDA Reconciliation*

We continue our profitability as shown in the table below:

<i>(In thousands)</i>	<b>Three Months Ended</b>	
	<b>November 30, 2025</b>	<b>November 30, 2024</b>
Net Income	\$ 4,565	\$ 3,937
Add back:		
Interest expense, net	94	109
Taxes	1,465	1,271
Depreciation / amortization	566	2,297
EBITDA	<u>\$ 6,690</u>	<u>\$ 7,614</u>
Earnings per common share - basic and diluted		
Basic	<u>\$ 0.19</u>	<u>\$ 0.16</u>
Diluted	<u>\$ 0.19</u>	<u>\$ 0.16</u>
Weighted average common shares outstanding:		
Basic	<u>24,080,086</u>	<u>24,071,907</u>
Diluted	<u>24,156,378</u>	<u>24,157,347</u>

“We are pleased to welcome two new national home builders to our portfolio of customers Pulte Group and Oakwood who together with our other builders including Lennar, DR Horton, KB, Taylor Morrison, and Challenger are producing some of the finest entry level homes in the Denver metropolitan area. Sky Ranch continues to rank as one of the most affordable master planned communities in Denver. This year also brings the start of construction for our Charter High School, scheduled to open in the fall of 2026, which will bring a full K-12 school campus to Sky Ranch. We are grateful for our continued partnership with National Heritage Academy as our Charter operator at Sky Ranch and having a walkable school campus for our community,” commented Mark Harding, CEO of Pure Cycle. “We look forward to investing in improvements in 2026 such as beginning construction of a new interchange at I-70 which will allow continued expansion of the remaining residential phases as well as our valuable commercial opportunities at Sky Ranch,” continued Mr. Harding.

**Q1 2026 Financial Summary***Revenues*

For the three months ended November 30, 2025, and 2024, we reported total revenue of \$9.1 million and \$5.8 million, respectively, with \$2.5 million and \$2.9 million being generated in our water and wastewater resource development segment, \$6.5 million and \$2.8 million in our land development segment, and \$0.1 million and \$0.1 million in our single-family rental business.

For the three months ended November 30, 2025, and 2024, we sold 51 and 38 water or water and wastewater taps, respectively for \$1.7 million and \$1.5 million. As of November 30, 2025, we have sold 1,016 water and wastewater taps at Sky Ranch in Phases 1, 2A, 2B, 2C and 2D. Based on current prices and engineering estimates, we believe Phase 2 of Sky Ranch will produce additional tap fee revenue of more than \$19.0 million in water and wastewater tap fee revenue over the next three years.

As of November 30, 2025, the first development phase (509 lots) is complete and the second development phase (1,031 lots) is being developed in five subphases, referred to as Phase 2A (229 lots), Phase 2B (211 lots), Phase 2C (228 lots), Phase 2D (204 lots) and Phase 2E (159 lots). As of November 30, 2025, Phase 2A is complete, Phase 2B is approximately 98% complete, Phase 2C is approximately 89% complete, and Phase 2D is approximately 65% complete. Phases 2B and 2C are substantially completed with some landscaping and warranty items remaining. Phase 2D is expected to be substantially complete by the end of Pure Cycle's fiscal 2026 and Phase 2E is expected to be complete by the end of fiscal 2027.

As of November 30, 2025, the single-family rental business had 19 homes built and rented or available for rent in Sky Ranch. During the fall of 2025, we brought five townhomes online that were constructed by one of our national homebuilder partners and we are currently under contract with several other national home builders to construct the next 40 single-family detached homes in Phases 2B and 2C at Sky Ranch for delivery in fiscal 2026. As noted in prior releases, due to strong demand for rental homes at Sky Ranch, we expect to have a total of 100 homes in Phase 2 with the ability to add up to 200 homes as Sky Ranch builds out.

"We achieved strong lot sales revenue in Q1 by capitalizing on demand for entry-level homes at Sky Ranch and expanding our partnerships with national homebuilders. We expect this momentum to carry into fiscal 2026 as we advance development in Phase 2D," stated Marc Spezialy, CFO of Pure Cycle. "Construction is currently underway on 218 lots in Phase 2D, with finished lot deliveries scheduled for fiscal 2026. Additionally, we are marketing an additional 159 lots in Phase 2E, which are slated to begin development in the summer of 2026," concluded Mr. Spezialy.

#### *Working Capital*

We reported working capital (current assets less current liabilities) of \$14.8 million as of November 30, 2025, with \$17.1 million of cash and cash equivalents.

### **Q1 2026 Operational Summary**

#### *Water and Wastewater*

Water deliveries decreased for the three months ended November 30, 2025, to 147 acre-feet delivered as compared to 301 acre-feet delivered in the same period in 2024. The decrease in water deliveries is due to a decrease in demand from our oil and gas customers because of reduced drilling activity. Oil and gas operations are highly variable and dependent on oil prices, demand for gas, and timing of development of other leases in our service areas; however, our current expectation is for continued strong demand for oil and gas water sales for the coming years. As Sky Ranch continues to develop, we anticipate continued growth in our residential water and wastewater service revenues, which increased to 103 acre-feet delivered in the three months ending November 30, 2025 compared to 93 acre-feet delivered in the same period in 2024. Water and wastewater tap sales increased in 2025 to 51 taps sold compared to 38 taps in the same period in 2024. Water and wastewater taps are sold to home builders at the time a building permit is issued and are dependent on when the home builder constructs homes and are not contractually driven in terms of timing; therefore, the timing of tap sales fluctuates with demand for new construction. During fiscal 2026, the average price of a Sky Ranch water and wastewater tap held at approximately \$42,000 per tap due to the mix of products being developed, despite an increase in the price of a tap per single-family equivalent.

#### *Land Development*

Lot sales revenue increased to \$6.0 million for the three months ended November 30, 2025 compared to \$2.3 million in the same period in 2024. The number of lots delivered in the first quarter was the result of the delays in closings in Phase 2D experienced at year-end. We recognized certain milestones from our Lot Delivery Agreements with home builders in 2025 which accounted for less than \$0.1 million in lot sales revenue for Phase 2B, \$1.8 million in lot sales revenue for Phase 2C and \$4.2 million in lot sales revenue for Phase 2D. We expect to be substantially complete with the delivery of all 180 lots in Phase 2D during fiscal 2026. Despite lots being transferred to the homebuilders, we will continue to conduct minor construction activities to complete Phases 2B and 2C and to turn over the completed infrastructure to the applicable governmental agency for maintenance.

#### *Single Family Rentals*

During the first quarter of fiscal 2026, an additional five townhomes were brought online and were either rented or available for rent by quarter-end, bringing our total single-family rental count to 19. We are currently under contract with several national home builders to construct the next 40 single-family detached homes in Phases 2B and 2C at Sky Ranch for delivery in fiscal 2026.

#### **Earnings Presentation Information**

Pure Cycle will host an earnings presentation on Thursday January 8, 2026, at 8:30AM Eastern (6:30AM Mountain) to discuss the financial results and answer questions. For an interactive experience, including the ability to ask questions and view the slide presentation, please register and join the event via the link below. Call in access will be in listen-only mode. See below for event details. Additionally, we will post a detailed slide presentation on our website, which will provide an overview of Pure Cycle and present summary financial results and can be accessed at [www.purecyclewater.com](http://www.purecyclewater.com).

When:	8:30AM Eastern (6:30AM Mountain) on January 8, 2026
Event link:	<a href="https://www.purecyclewater.com/Q12026">https://www.purecyclewater.com/Q12026</a>
Call in number:	872-240-8702 (access code: 384 040 539#)
Replay:	<a href="https://www.purecyclewater.com/investors/news-events/ir-calendar">https://www.purecyclewater.com/investors/news-events/ir-calendar</a>

**Other Important Information**

The table below presents our consolidated results of operations for the three months ended November 30, 2025 and 2024 (unaudited):

*(In thousands, except share information)*

**REVENUES:**

## Water and Wastewater

Water and wastewater activities

Water and wastewater tap fees

Total water and wastewater

## Land Development

Lot sales

Project management fees

Special facility projects and other

Total land development

Single-family rentals

Total revenues

**COST OF REVENUES:**

Water and wastewater

Lot development

Single-family rental

Total cost of revenues

General and administrative expenses

Depreciation

Operating income

Other income (expense):

Interest income

Interest expense

Oil and gas royalty income, net

Other, net

Income from operations before income taxes

Income tax expense

Net income

Earnings per common share - basic and diluted

Basic

Diluted

Weighted average common shares outstanding:

Basic

Diluted

<b>Three Months Ended</b>	
<b>November 30, 2025</b>	<b>November 30, 2024</b>
\$ 812	\$ 1,391
1,670	1,466
2,482	2,857
6,024	2,319
296	253
202	199
6,522	2,771
131	124
9,135	5,752
1,112	1,061
1,717	956
55	68
2,884	2,085
1,709	1,792
159	155
4,383	1,720
949	731
(94)	(109)
740	2,807
52	59
6,030	5,208
(1,465)	(1,271)
\$ 4,565	\$ 3,937
\$ 0.19	\$ 0.16
\$ 0.19	\$ 0.16
24,080,086	24,071,907
24,156,378	24,157,347



The following table presents our consolidated financial position as of November 30, 2025 (unaudited) and August 31, 2025 (audited):

(In thousands, except shares)

**ASSETS:**

Current Assets:

	November 30, 2025	August 31, 2025
Cash and cash equivalents	\$ 17,135	\$ 21,931
Accounts receivable, net	2,502	1,330
Prepaid expenses and other assets	414	1,004
Land under development	6,212	7,388
Total current assets	<u>26,263</u>	<u>31,653</u>
Restricted cash	6,734	6,448
Investment in water and wastewater systems, net	68,708	67,523
Land and mineral rights held for development	4,486	4,168
Single-family rental units	7,739	5,240
Related party notes receivable, including accrued interest, less current portion	51,813	45,002
Other assets	2,326	2,245
Total assets	<u>\$ 168,069</u>	<u>\$ 162,279</u>

**LIABILITIES & SHAREHOLDERS' EQUITY:**

Current Liabilities:

Accounts payable	\$ 3,284	\$ 3,518
Accrued and other liabilities	5,322	4,335
Deferred revenue	2,442	3,355
Debt, current portion	440	411
Total current liabilities	<u>11,488</u>	<u>11,619</u>
Debt, less current portion	7,554	6,380
Deferred tax liability, net	1,541	1,541
Lease obligations, less current portion	—	1
Total liabilities	<u>20,583</u>	<u>19,541</u>

Series B preferred shares: par value \$0.001 per share, 25 million authorized;  
432,513 issued and outstanding (liquidation preference of \$432,513)

Common shares: par value 1/3 of \$.01 per share, 40.0 million authorized;  
24,090,605 and 24,066,805 outstanding, respectively

	80	80
Additional paid-in capital	175,631	175,448
Accumulated deficit	<u>(28,225)</u>	<u>(32,790)</u>
Total shareholders' equity	<u>147,486</u>	<u>142,738</u>
	<u>\$ 168,069</u>	<u>\$ 162,279</u>

### **Company Information**

Pure Cycle continues to grow and strengthen its operations, grow its balance sheet, and drive recurring revenues. We operate in three distinct business segments, each of which complements the other. At our core, we are an innovative and vertically integrated wholesale water and wastewater service provider. In 2017, we launched our land development segment, which develops master planned communities on land we own and to which we provide water and wastewater services. In 2021, we launched our newest line of business, the rental of single-family homes located at Sky Ranch, which provides long-term recurring revenues, furthers our land development operations, and adds more customers to our water resource segment.

Additional information, including our recent press releases and SEC filings, is available at [www.purecyclewater.com](http://www.purecyclewater.com), or you may contact our President, Mark W. Harding, or our CFO, Marc Spezialy, at 303-292-3456 or [info@purecyclewater.com](mailto:info@purecyclewater.com).

### **Forward-Looking Statements**

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements are all statements, other than statements of historical facts, included in this press release that address activities, events or developments that we expect or anticipate will or may occur in the future, such as statements about the following: factors that differentiate us in the market and our belief that we are well positioned in the market; the timing of completion and availability for rent of our rental units; the number of rental units we may be able to add as Sky Ranch builds out; timing of development at Sky Ranch, including timing of delivery of finished lots and plans to pace construction to match builder absorptions; future water and wastewater tap sales and revenues; timing of future home construction by our home builder customers; the strength of the Sky Ranch market, including the demand for entry-level and rental homes; future demand for oil and gas water; and forecasts about our expected financial results. The words "anticipate," "likely," "may," "should," "could," "will," "believe," "estimate," "expect," "plan," "intend," "potential" and similar expressions are intended to identify forward-looking statements. Investors are cautioned that forward-looking statements are inherently uncertain and involve risks and uncertainties that could cause actual results to differ materially. Factors that could cause actual results to differ from projected results include, without limitation: home mortgage interest rates, inflation, trade policies, tariffs, and other factors impacting the housing market and home sales; the risk factors discussed in Part I, Item 1A of our Annual Report on Form 10-K for the fiscal year ended August 31, 2025; and those factors discussed from time to time in our press releases, public statement and documents filed or furnished with the U.S. Securities and Exchange Commission.

SOURCE: Pure Cycle Corporation



Exhibit 99.2

# FINANCIAL RESULTS Q1-2026

## EARNINGS PRESENTATION

Presented By:  
**MARK HARDING**



[WWW.PURECYCLEWATER.COM](http://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



## 26 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 Q1 '26, \$23.9M in cash and restricted cash. \$51.8M Note Receivable enabling flexibility in capital allocation decisions.

# 1<sup>st</sup> Quarter Results



CONSOLIDATED METRICS

Q1 2026 results reflect higher revenue and gross profit driven primarily by the timing of finished lot deliveries, with revenue recognition shifting into the quarter.

### QoQ Q1 Revenue



### QoQ Q4 Gross Profit





# 1<sup>st</sup> Quarter Results



CONSOLIDATED METRICS

Q1 2026 net income increased approximately 16% to \$4.6 million, and EPS increased approximately 19% to \$0.19, reflecting higher profitability year over year.

QoQ Q1 Net Income



QoQ Q1 EPS



# YEAR TO DATE RESULTS

As of Q1 2026, approximately 31% of the full-year revenue forecast and 32% 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.

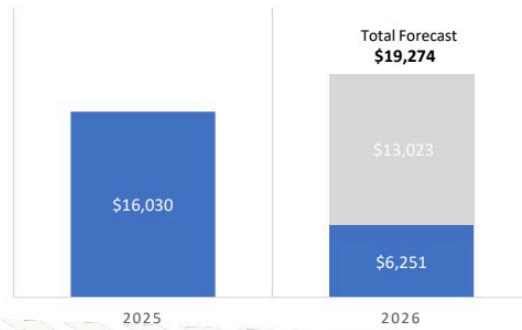
## REVENUE

■ Actual to Date ■ Remaining Forecast



## GROSS PROFIT

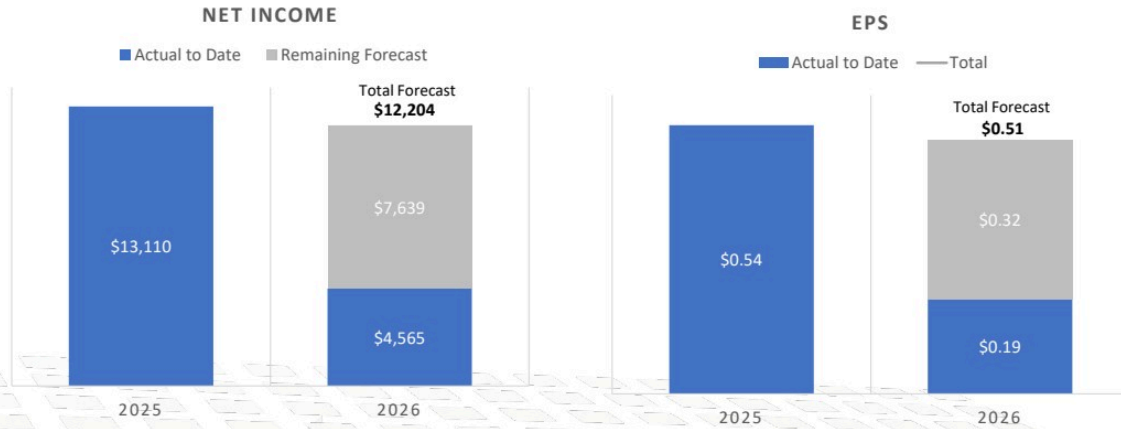
■ Actual to Date ■ Forecast Remaining



# YEAR TO DATE RESULTS

CONSOLIDATED METRICS

As of Q1 2026, approximately 37% of the full-year net income and EPS forecasts have been achieved, representing a stronger early-year contribution compared to FY 2025, when earnings were more back-half weighted.



An aerial photograph of a construction site for water utilities. A large yellow machine, possibly a trencher or pipe layer, is positioned in the center, with a long black pipe extending from it. To the left, a green container is visible. The ground is sandy and uneven, with some sparse vegetation. The image is framed by a blue diagonal border on the right and bottom, and a white and grey checkered pattern on the left and top.

# Water Utilities





# WATER & WASTEWATER

SEGMENT PERFORMANCE

## 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 investment outpaced tap connections

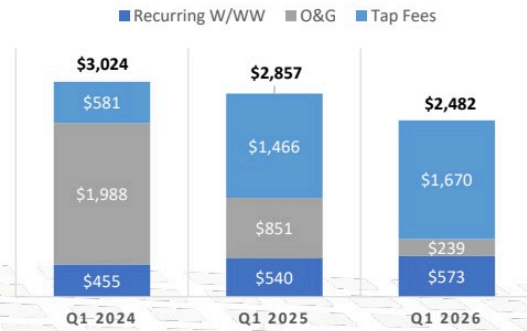
### Operating Leverage in Utilities



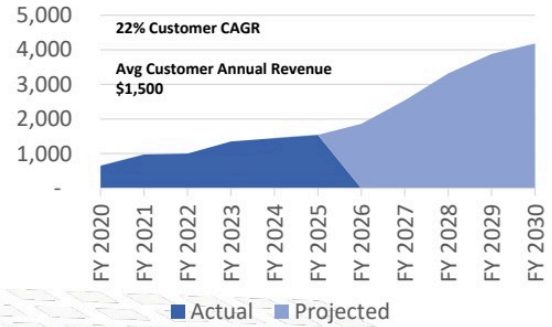


Recurring water and wastewater revenue increased approximately 26% from Q1 2024 to Q1 2026, demonstrating consistent growth in the core utility business. At the same time, tap fee revenue nearly tripled over the same period, reflecting increased development-driven connections. This combination supports a growing recurring base while capturing near-term value from system expansion.

## WATER REVENUES BY TYPE (000S)



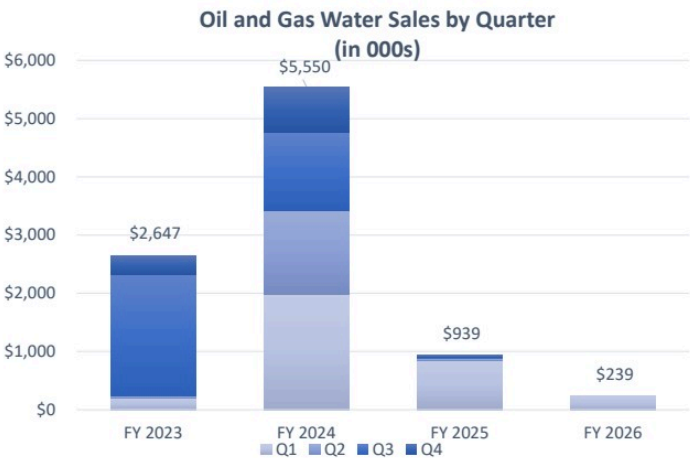
## WATER UTILITY CUSTOMER GROWTH





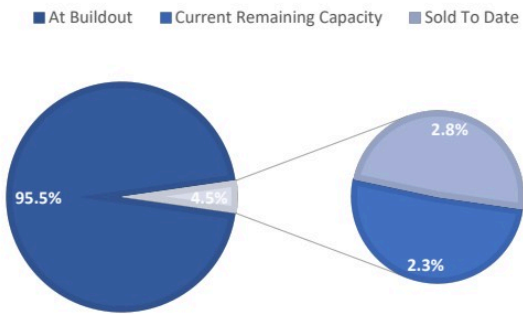
Oil and gas water sales are driven by drilling activity and can vary meaningfully quarter to quarter. While volumes declined in FY 2025 and early FY 2026 due to reduced drilling, the underlying infrastructure, service area, and per-well economics remain intact, providing upside leverage as activity resumes.

- > 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



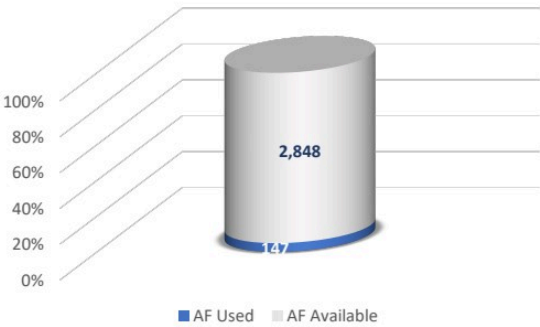
# CAPACITY AND PRODUCTION

## 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 Q1-2026



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

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**Phase 2C: 228 Lots:** 89% complete by Q1 2026; all \$17.3M 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:** 65% complete by Q1 2026; \$4.5M milestone payments received, \$14.5M remaining for FY26.

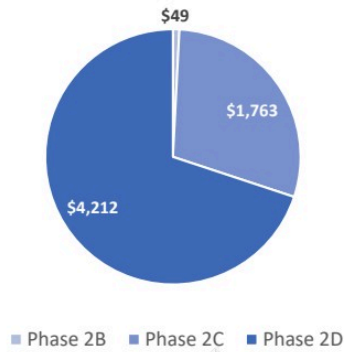


**Visibility into FY26:** Revenue growth expected to continue as final 2D and initial 2E milestones are completed.

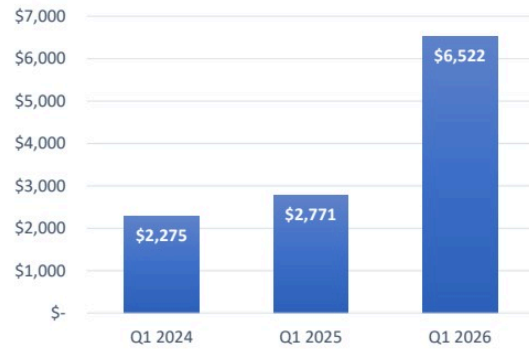


Land development revenue increased significantly in Q1 2026, driven by higher finished lot deliveries. Revenue was primarily generated from Phase 2D, with additional contributions from Phase 2C, reflecting the continued progression of later-stage development phases. Quarter-over-quarter land development revenue increased to \$6.5 million, up materially from prior-year periods due to delivery timing.

**Lot Revenue Contribution by Phase Q1 2026**  
(000s)



**QoQ Total Land Development Revenue (000s)**



\*\*\*\*\*

## 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

+\$17.3M Lot Revenue  
+\$8.3M Tap Fees  
+\$1.2M/yr SFR Rents  
+\$342K/yr W/WW Sales



## PHASE 2D

### 204 Lots

+\$19.0M Lot Revenue  
+\$7.5M Tap Fees  
+\$720K/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 finishing in early fiscal 2026, and Phase 2E is entering the entitlement and grading phase, setting up continued lot deliveries through 2027.

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

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 large, cylindrical water tank 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. The sky is blue with some clouds.

## PHASE 2E

### 159 Lots

This phase will add an estimated

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

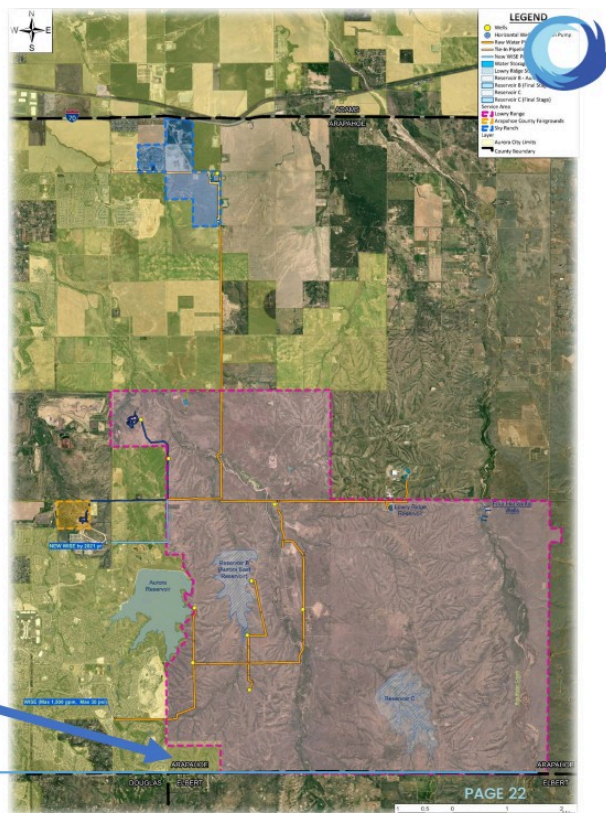
# GROUNDBREAKING ON HIGH SCHOOL





Lowry Ranch Service Area

**PURE CYCLE CORPORATION**







## Single-Family Rentals

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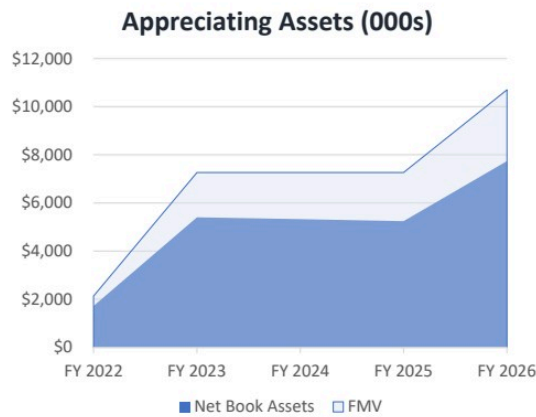
## Segment Performance – Single-Family Rentals

- **19 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.

PURE CYCLE CORPORATION



Single-family rental revenue increased approximately 20% from Q1 2024 to Q1 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.



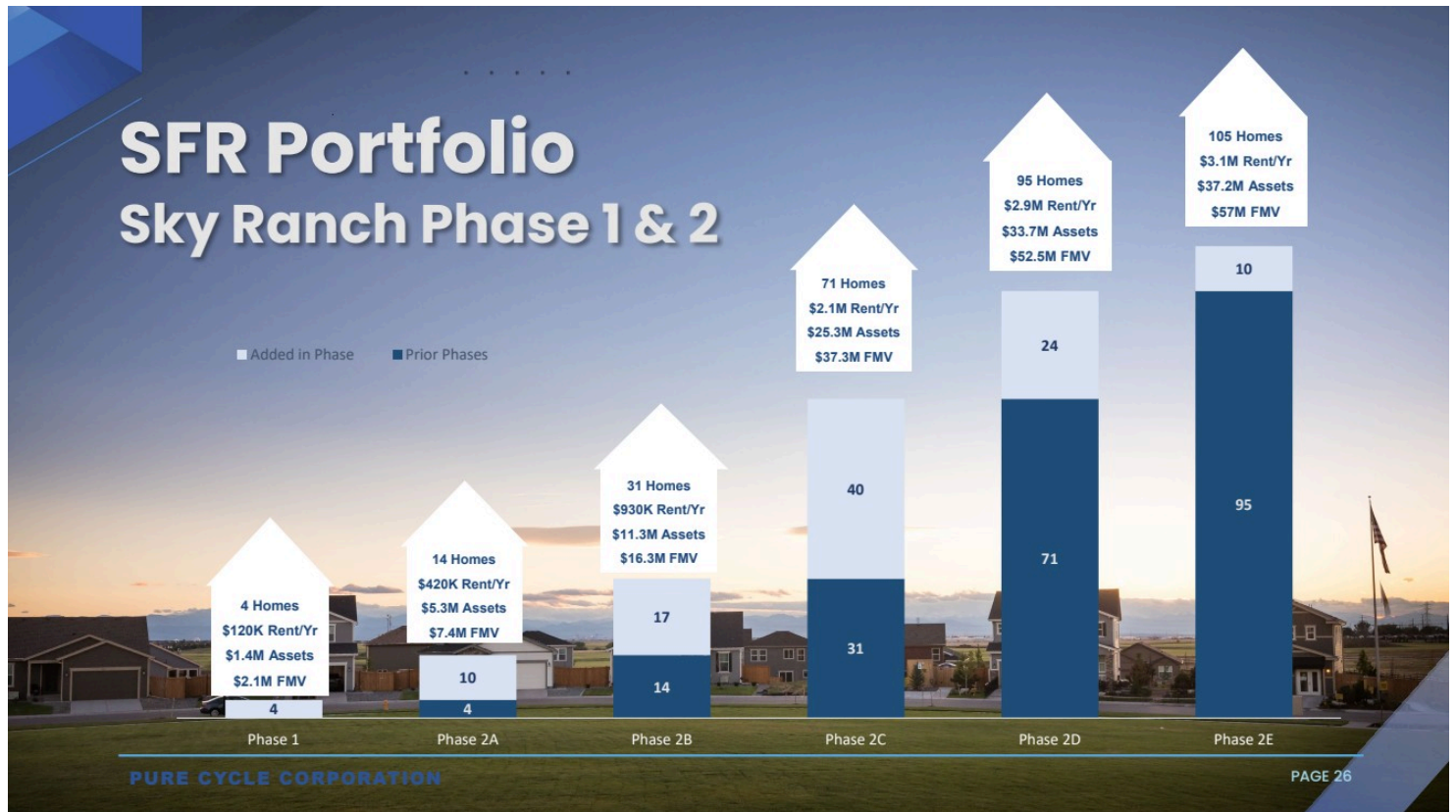
# SFR Portfolio

## Sky Ranch Phase 1 & 2

■ Added in Phase ■ Prior Phases

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# Capital Allocation & Shareholder Value

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# STRONG BALANCE SHEET



## \$70.4M Total Assets

\$8.9M in Wastewater Systems  
\$31.6M Water Rights Portfolio  
\$28.2M in Water Systems  
\$1.7M in other assets

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



## \$11.0M Total Assets

\$2.9M of Land for Development  
\$7.8M developed land for sale  
\$0.3M 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.



## \$7.8M Total Assets

\$10M 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.



## \$67.7M Total Liquidity

\$23.9M in Cash and Restricted  
\$51.8M in Receivable from CAB  
\$8.0M 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.

# 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 coming online in Q2 and an additional 40 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



# 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.

# 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	7,100	10.85	97,474
<b>Total</b>	<b>102,526</b>	<b>10.29</b>	<b>97,474</b>

# 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:**  
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.

PURE CYCLE CORPORATION





# 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 commercial parcels broaden development footprint. Monetization of high-value commercial land near the interstate adds strategic growth potential, including high water users such as Data Centers.

## •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.





# Earnings Presentation

## Q&A



[www.purecyclewater.com](http://www.purecyclewater.com)

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