Q2 2025 Earnings Conference Call

August 11, 2025

Forward-looking statements and other references

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This presentation includes references to calculations that are not based on generally accepted accounting principles (“GAAP”). Reconciliations of each of those non-GAAP measures to the most directly comparable GAAP measures have been included in the Appendix. When forward-looking non-GAAP measures are provided, the Company does not provide quantitative reconciliations of forward-looking non-GAAP measures to the most directly comparable GAAP measures, because it cannot, without unreasonable effort, predict the timing and amounts of certain items taken into account in the computations of each of these measures.

Q2 2025 overview

$311.6M	26.6%	$46.6M	$0.22	$1.12B
Sales	Gross Profit Margin	Non-GAAP Adj. EBITDA*	Non-GAAP Adj. Diluted EPS*	Adjusted Backlog**
-0.6% Y/Y	-950 bps Y/Y -20 bps Q/Q	-43.1% Y/Y 14.9% margin	-64.5% Y/Y	+71.9% Y/Y +8.8% Q/Q

Q2 sales and earnings **impacted by ERP implementation**

Strong backlog will result in a **strong recovery** in 2H 2025

AAON

* See appendix for additional information regarding Non-GAAP measures. **Adjusted for replacement purchase orders received in July related to administrative processing.

Context for recent developments

2022 – 2024

To support future growth, identified need to evolve business systems

April 2025

Longview goes live with new SAP system

Production rates slowed

May 2025

Coil production at Longview limits Tulsa production ramp

June 2025

AAON updates investors with preliminary details at IR day

Two additional coil suppliers challenged

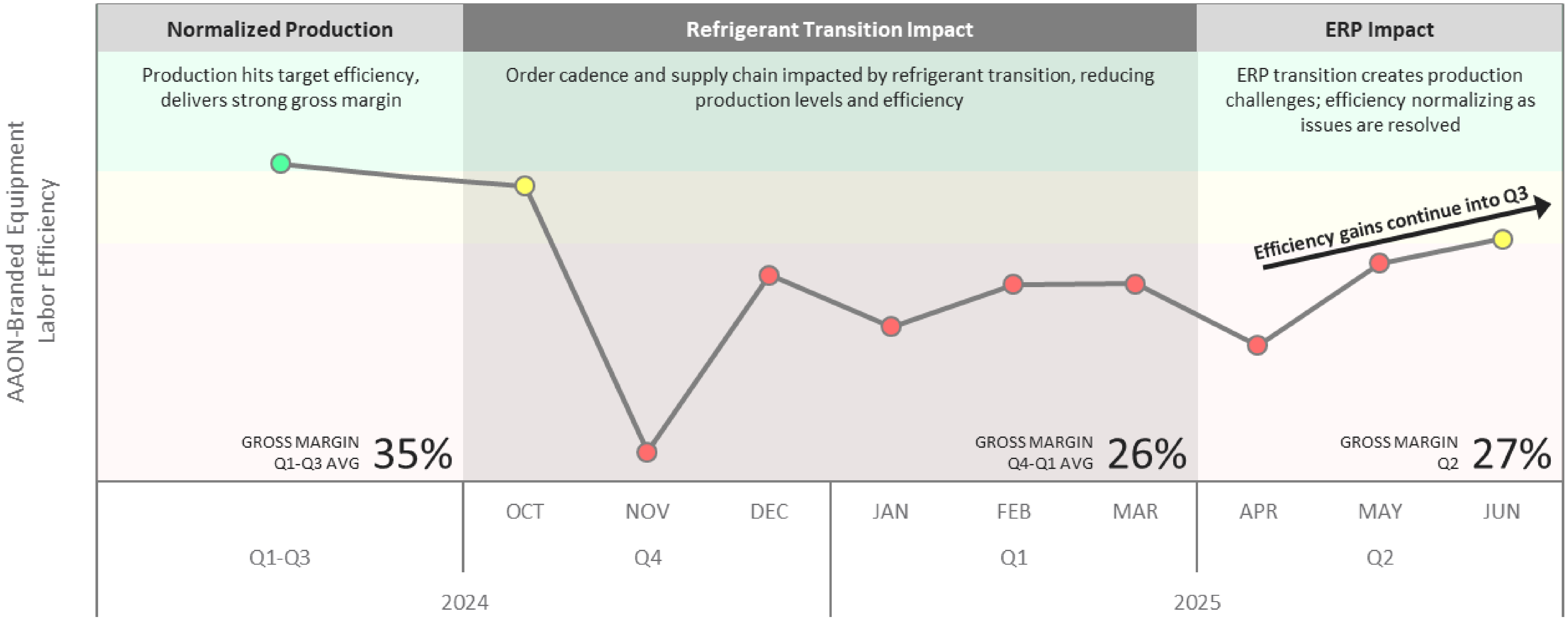
July 2025

Coil production at Longview and from suppliers begin to improve

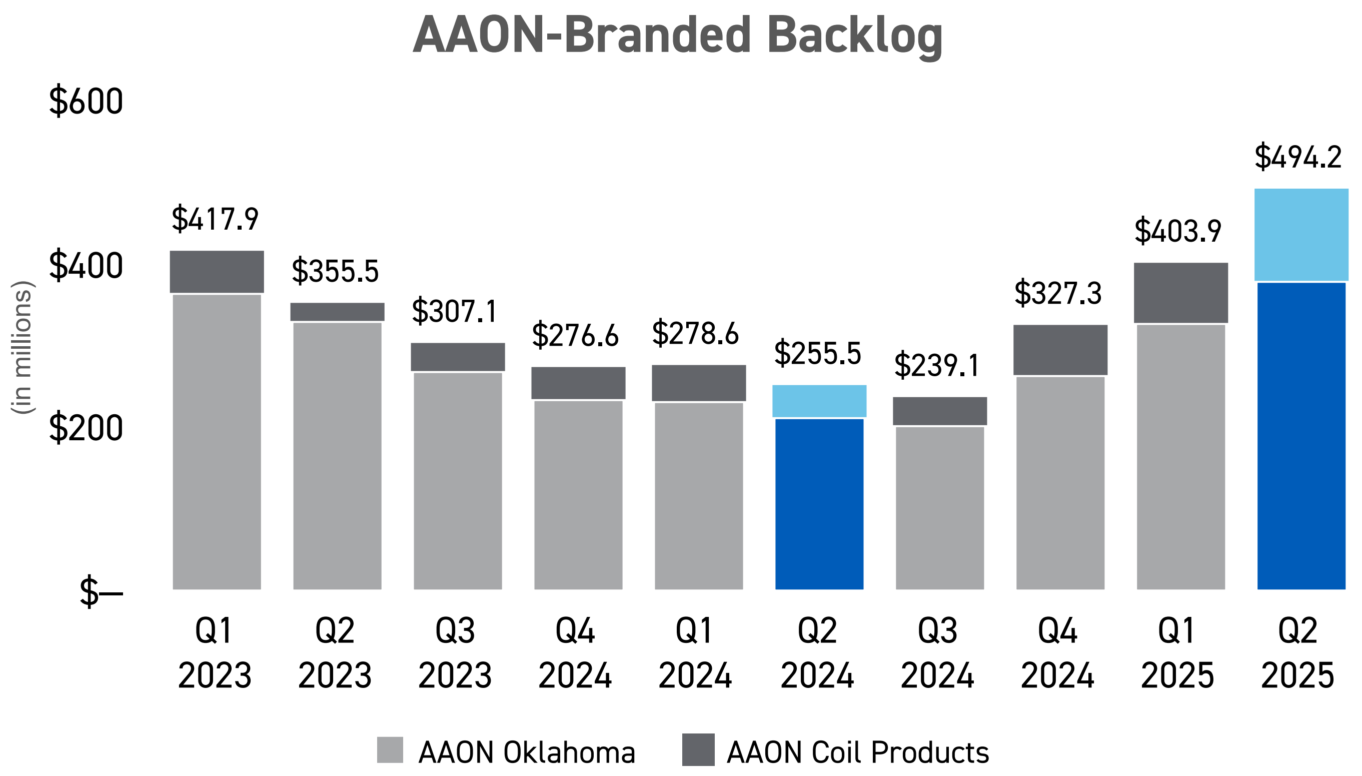
Today

New guide for 2025 which accounts for Q2 weakness and builds in additional ERP cushion for 2H

When efficiency metrics are hit, **margins are delivered**



AAON-Branded Backlog and Production Trends Point To 2H Recovery



Q2 Highlights

Strong bookings of AAON-branded in Q2 and YTD

AAON-branded backlog up y/y 93.4% and up q/q 22.4%

Backlog has favorable pricing: Most orders with Jan 1st 3% price increase and all orders with March 6% tariff surcharge had yet to hit production floor as of June 30th

Update on ERP roll-out

Background

Legacy ERP system was not built for scale. To support our growth, upgrade was required

Rationale

Improves visibility in operations, data quality and margin trajectory

Principles

Strategically rolling-out in stages to minimize impact across sites

Go-Live Sequence

Longview ✓

Memphis

Redmond

Tulsa

2025

2026

Key takeaways

Intentionally began roll-out in Longview given the site's scale and production of AAON and BASX-branded products, including coils

Implementation resulted in slower production

Global functions overseeing implementation will apply lessons learned to future sites, including Tulsa

Revised 2025 guide incorporates meaningful cushion for potential impact

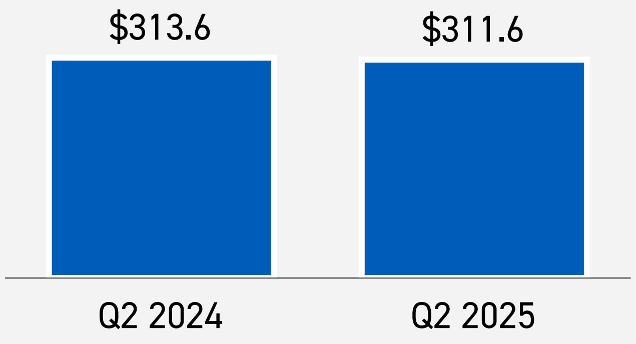
Management will provide regular updates on implementation progress

Q2 highlights

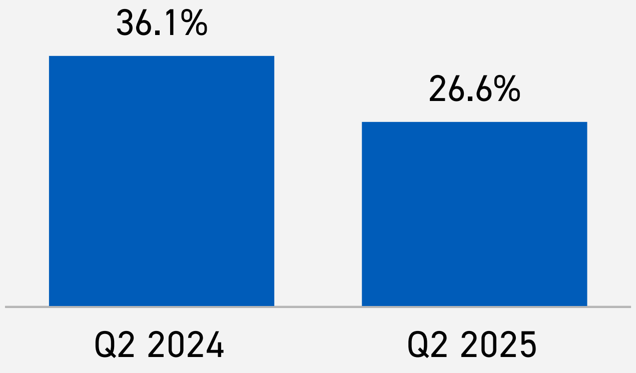
- BASX-branded data center sales up y/y 127% in Q2 and 269% YTD
- Liquid cooling equipment sales approximately 40% of total BASX-branded data center sales in the YTD period
- BASX strategically partners with Applied Digital to supply unique cooling systems for their AI data centers
- AAON-branded national accounts strategy gaining traction, orders up 163% in Q2, up 90% YTD
- In Q2, AAON-branded Alpha Class heat pump sales up 8%, bookings up 61%

Q2 2025 summary

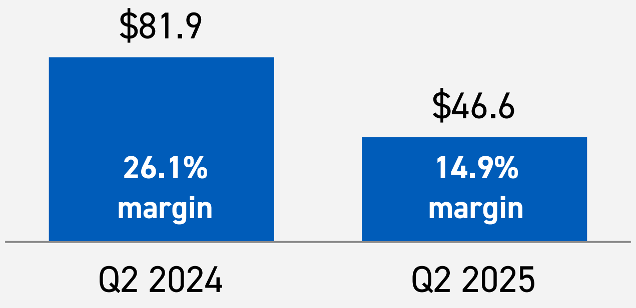
Net Sales



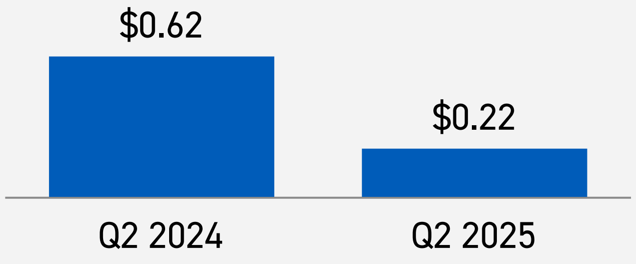
Gross Margin



Non-GAAP Adj EBITDA*



Non-GAAP Adj EPS*



Q2 Highlights

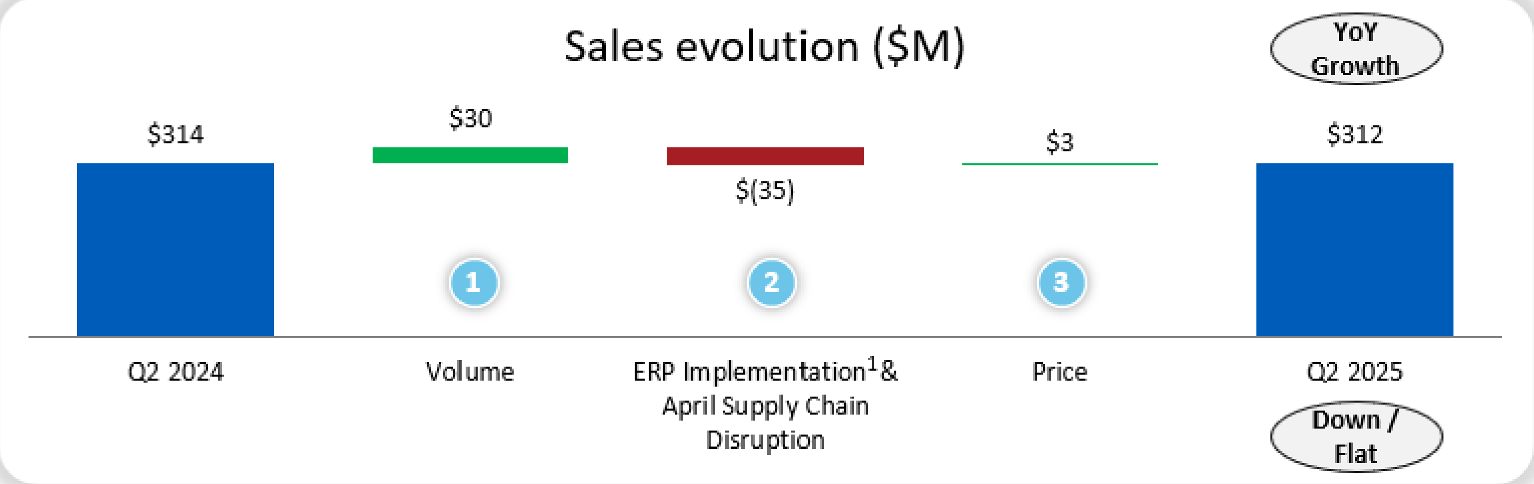
Net sales decline of 0.6% driven by 18.0% decline in sales at AAON Oklahoma segment, nearly fully offset by growth of 20.4% and 86.4% at BASX and AAON Coil Products segments, respectively

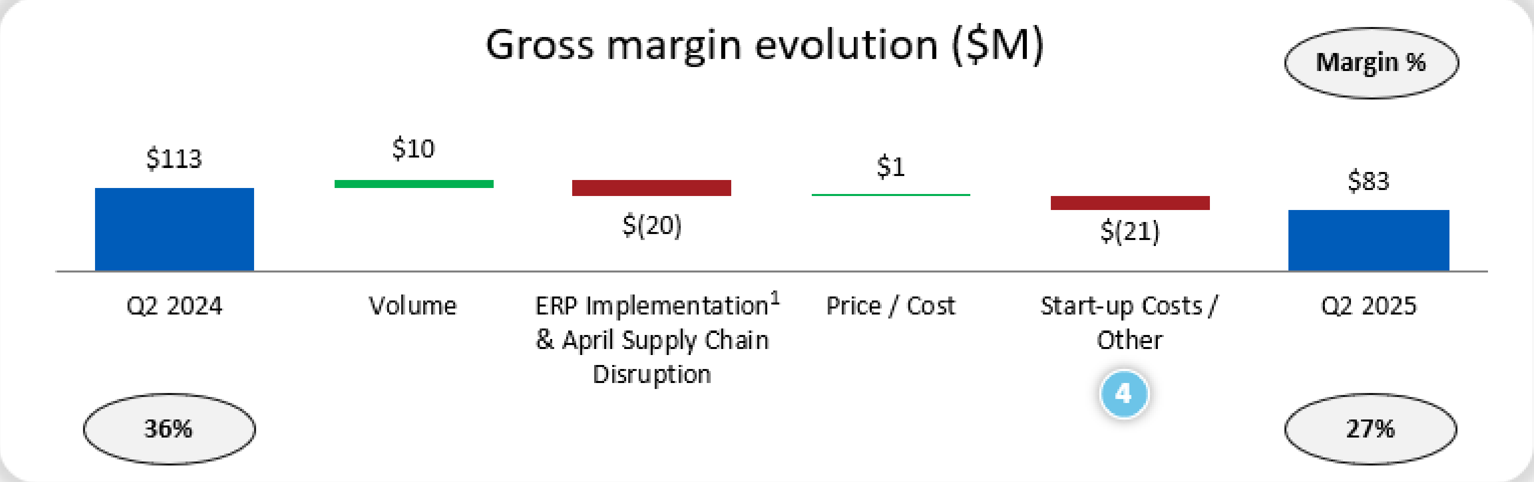
AAON-branded sales decline of 20.9% almost fully offset by 90.0% growth in BASX-branded sales

Challenges related to ERP implementation at the Longview, TX facility limited production at AAON Oklahoma and AAON Coil Products segments, resulting in operational inefficiencies and contracting gross and adjusted EBITDA margins

* See appendix for additional information regarding Non-GAAP measures

Q2 2024 – Q2 2025 performance





Observations

1. Volumes before ERP and supply chain impact were +20%, led by strong growth in backlog and continued strength at BASX

2. ERP implementation at Longview impacted ACP business with knock-on effects in Tulsa; Supply chain issues troughed in April 2025, as messaged with Q1 earnings

3. Initial impact from 3% annual price increase

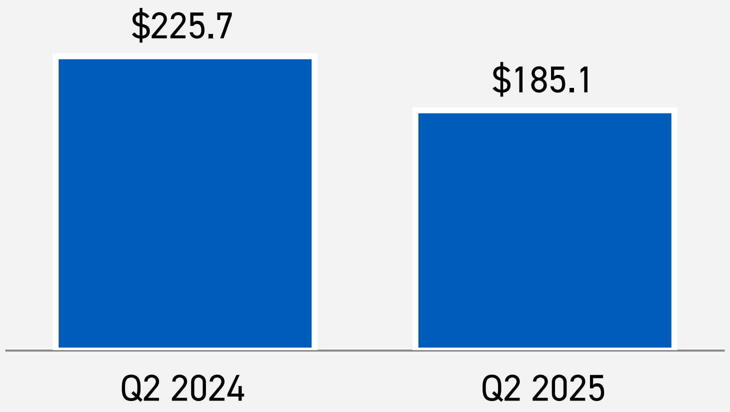
4. Reduced production volumes led to additional cost

AAON

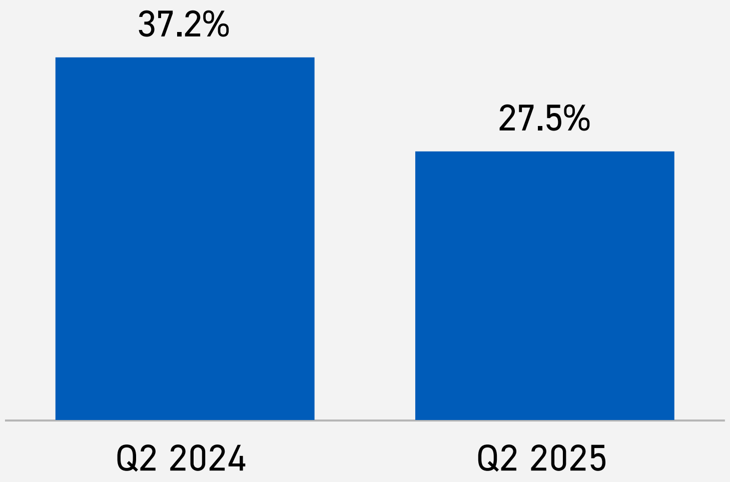
[1] ERP implementation includes impacts on sales and margin and increased inefficiencies as a result of the change.

AAON Oklahoma

Net Sales



Gross Margin



Q2 Highlights

Net sales declined 18.0% as a result of entering the quarter at lower production rates y/y, supply chain issues in early April, and impact of slower coil production at Longview facility

Since March, production consistently improved m/m; July was our strongest month YTD, down 6% from pre-Q4 2024 levels

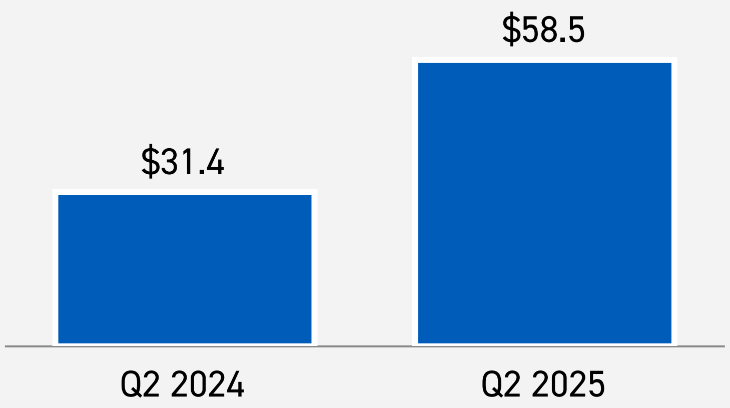
Gross margin was largely impacted by lower production volumes

New Memphis plant contributed $3.0M of cost in Q2

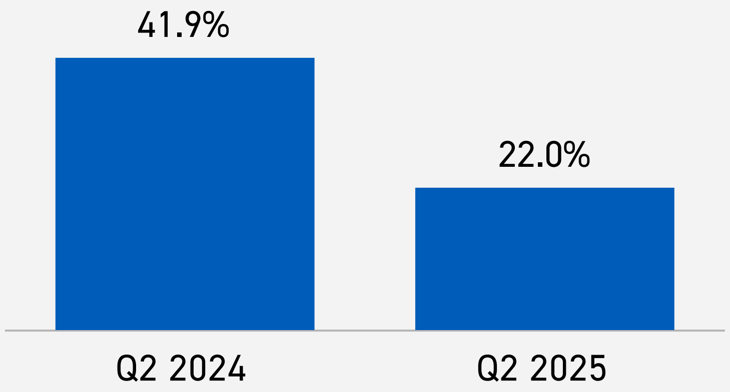
Strong backlog points to q/q growth in both Q3 and Q4

AAON Coil Products

Net Sales



Gross Margin



Q2 Highlights

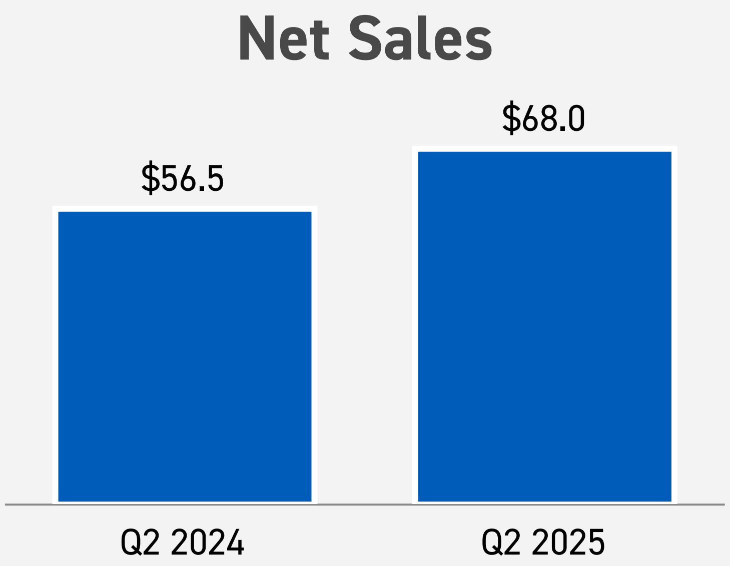
Net sales increase of $27.1M, or 86.4%, driven by $40.1M of BASX-branded sales, partially offset by a $13.0M decline in AAON-branded sales

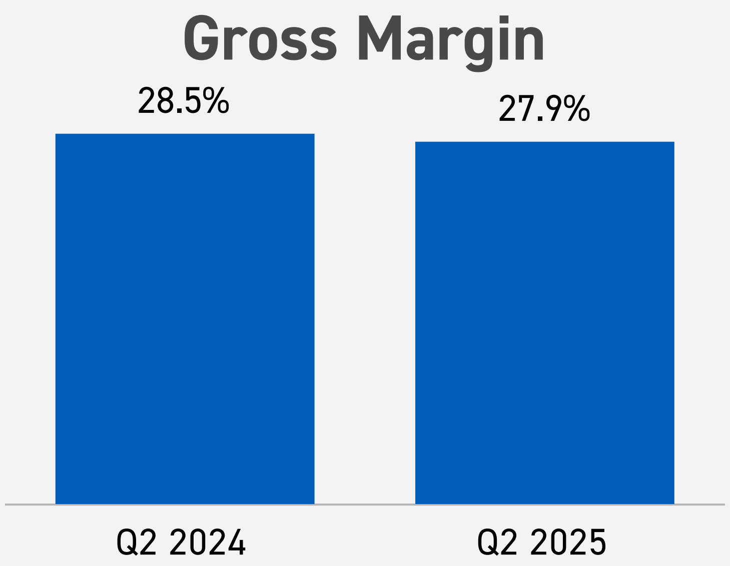
Challenges with ERP implementation impacted AAON-branded production, minimal impact to BASX-branded production

Since April, AAON-branded production is up significantly, still about 37% below pre-4Q 2024 levels

Gross margin impacted by lower production volumes

BASX





Q2 Highlights

Net sales growth of 20.4% driven by strong demand from data center market

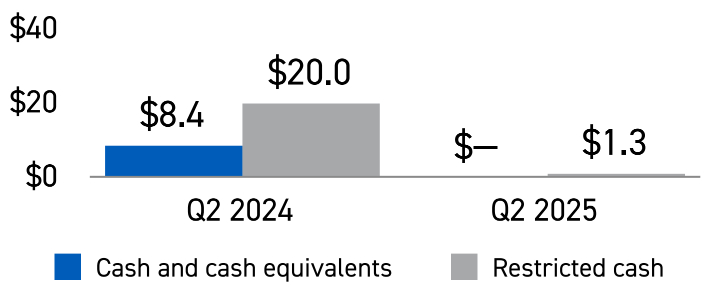
Y/Y, gross margin impacted by higher indirect expenses

Q/Q, gross margin was up a second straight quarter, demonstrating operational efficiencies are improving

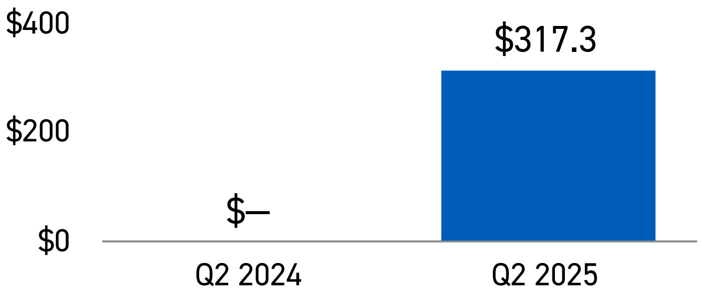
Expect Q3 to look similar to Q2

Q2 2025 summary: balance sheet

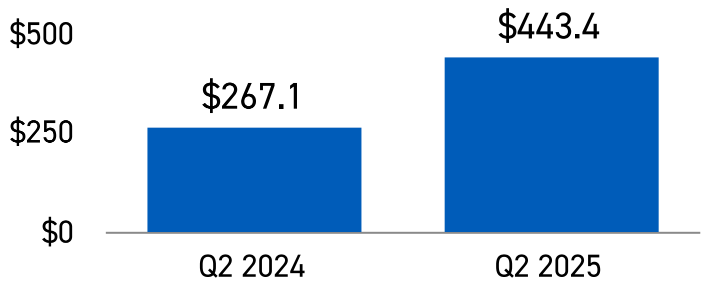
Restricted Cash, Cash & Cash Equivalents



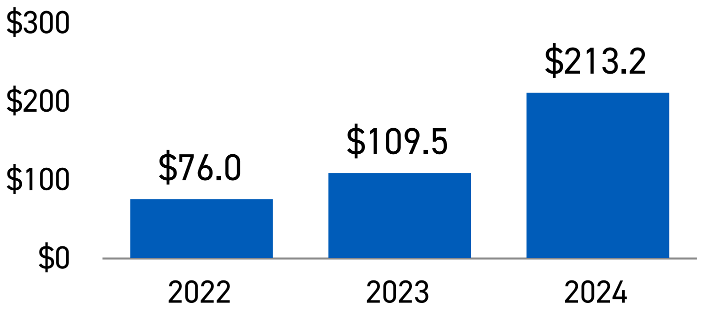
Debt



Working Capital



Annual Capex



* All metrics are in millions

Q2 Highlights

Leverage ratio at the end of the first quarter was 1.40

In Q2, closed on new $500.0M credit facility

Increase to working capital reflects investments made in inventory to accommodate growing backlog

Expect capex of approximately $220.0 million in 2025, related to preparing the Memphis facility for production later this year

Repurchased **$30.0 million** of shares outstanding

AAON

Backlog by brands

(All percentages on this slide represent year-over-year changes)

	Backlog	
BASX brand*	$623.4M Up 58.0%	Demand of air-side and liquid cooling solutions for data centers is robust Opportunities with our customized free cooling chiller systems.
AAON brand	$494.2M Up 93.4%	Backlog is the highest level in AAON history fueled by national accounts Expect production to increase significantly in 2H
TOTAL BACKLOG*	$1.12B Up 71.9%	Strong backlog allows us to plan production more efficiently Anticipate improvement in production volume and efficiency throughout 2025

* Adjusted for replacement purchase orders received in July related to administrative processing

Revised 2025 outlook

	Prior	Current
YoY Sales Growth	Mid-to-High Teens	Low-Teens
Gross Margin	~33%	28%-29%
Non-GAAP Adj. SG&A % of Sales*	15.2%-15.4%	16.5%-17.0%

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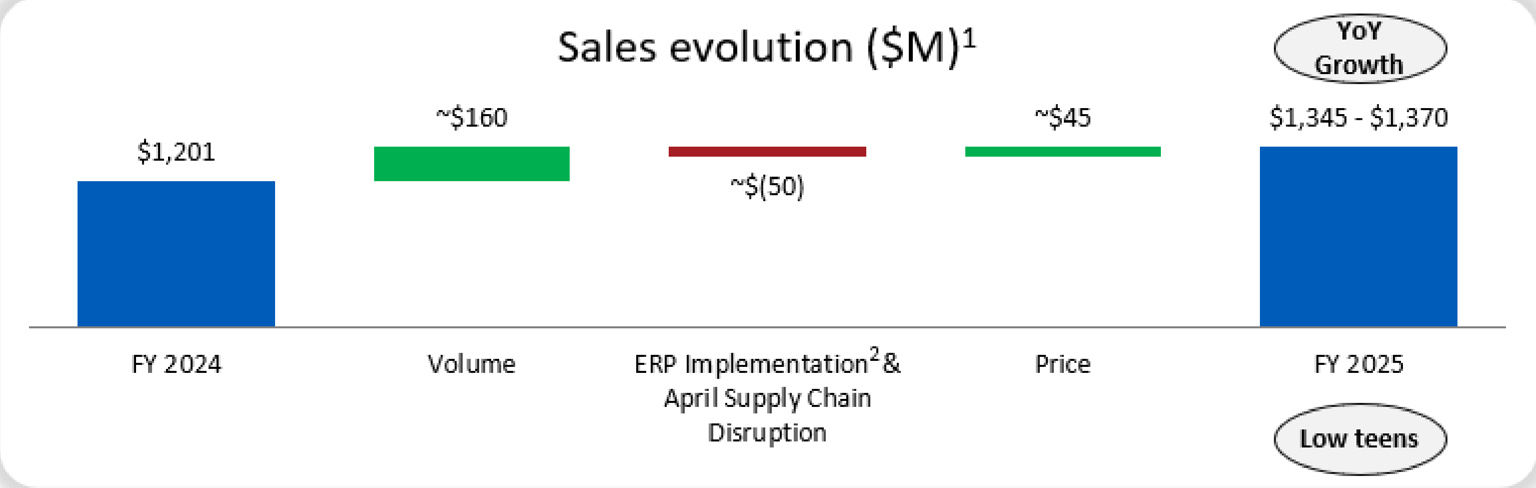
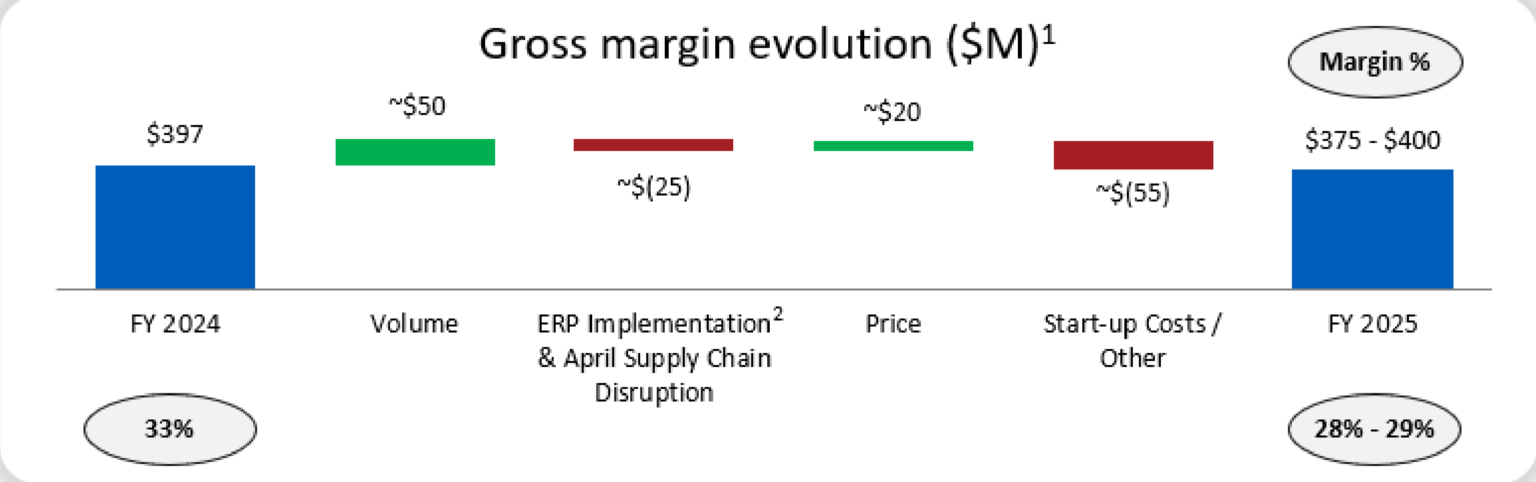
* See appendix for additional information regarding Non-GAAP measures

Revised outlook for 2025





Observations

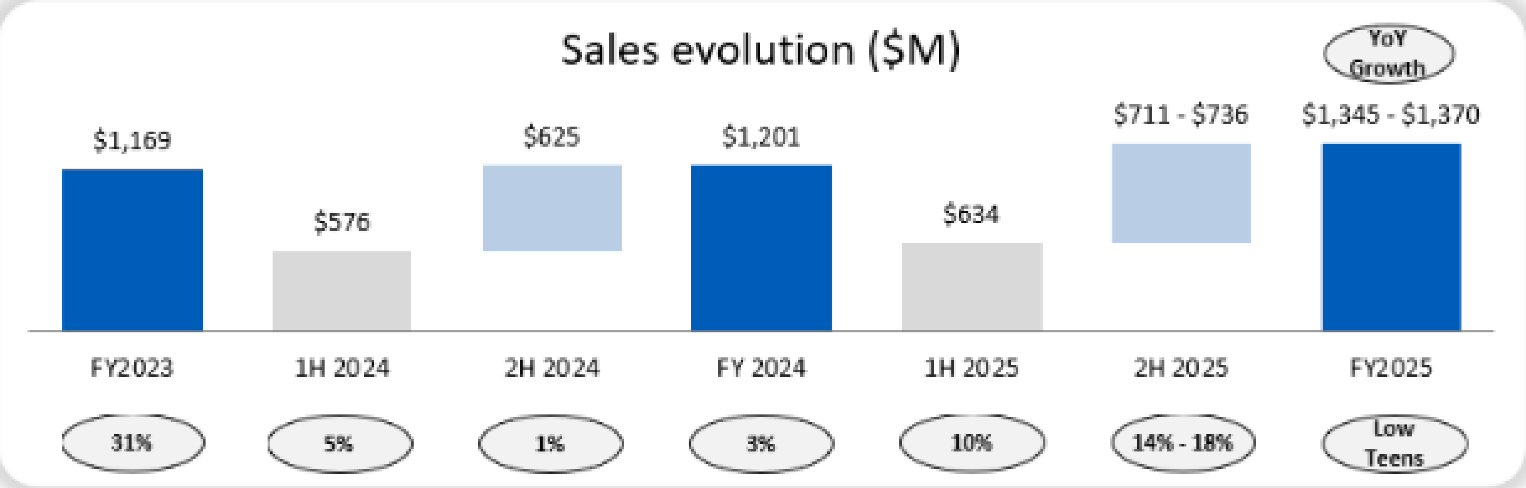
Increased backlog supports 2H 2025 outlook without production issues

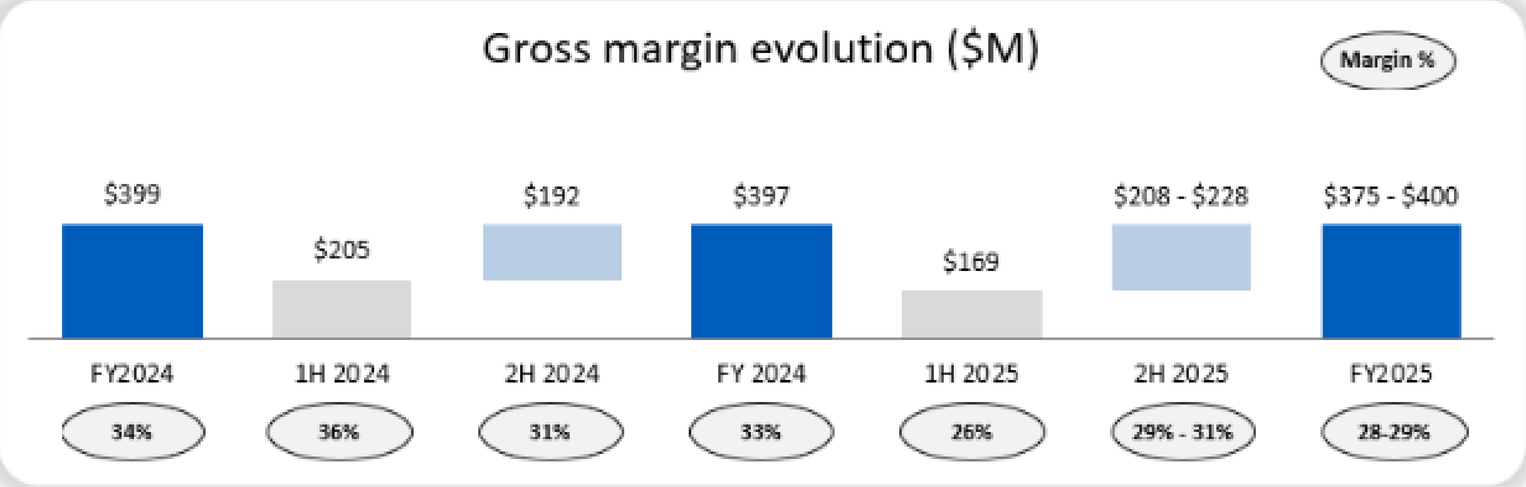
Key KPIs and output trends underpin strengthened production across all facilities

Production efficiencies are on the rise in BASX segment, underpinning margin improvement trajectory

[1] Bridge values represent midpoint of guidance. [2] ERP implementation includes impacts on sales and margin and increased inefficiencies as a result of the change.

2H 2025 performance in context





Observations

2H volumes are well supported by increased backlog

Supply chain normalization will result in margin recovery

2025 guide incorporates appropriate ERP implementation cushion

Outlook

Metric	Q3	Q4 (Implied)	FY25
YoY Sales Growth	Low Single	High Twenties	Low Teens
Gross Margin	28.5%-29.5%	30.0%-31.0%	28.0% - 29.0%
Adj. SG&A [1] % of Sales	17.0%-17.5%	16.5%-17.0%	16.5% - 17.0%

AAON

[1] See Non-GAAP Financial Measures in Appendix.

Appendix

Non-GAAP Financial Measures

Non-GAAP Adjusted Net Income

	Three Months Ended June 30, 2025	Three Months Ended June 30, 2024
	(in thousands)	
Net income, a GAAP measure	$ 15,487	$ 52,228
Memphis incentive fee[1]	3,405	—
Profit sharing effect[2]	(289)	—
Tax effect	(742)	—
Non-GAAP adjusted net income	$ 17,861	$ 52,228
Non-GAAP adjusted earnings per diluted share	$ 0.22	$ 0.62

[1]The incentive fee relates to fees payable to our real estate broker associated with the acquisition of our Memphis, Tenn. plant for a percentage of the incentives awarded to us by various entities.

[2]Profit sharing effect of the Memphis incentive fee in the respective period.

Non-GAAP EBITDA and Adjusted EBITDA

	Three Months Ended June 30, 2025	Three Months Ended June 30, 2024
	(in thousands)	
Net income, a GAAP measure	$ 15,487	$ 52,228
Depreciation and amortization	19,936	14,486
Interest expense, net	4,009	367
Income tax expense	4,018	14,779
EBITDA, a non-GAAP measure	$ 43,450	$ 81,860
Memphis incentive fee[1]	3,405	—
Profit sharing effect[2]	(289)	—
Adjusted EBITDA, a non-GAAP measure	$ 46,566	$ 81,860
Adjusted EBITDA margin	14.9 %	26.1 %

[1]The incentive fee relates to fees payable to our real estate broker associated with the acquisition of our Memphis, Tenn. plant for a percentage of the incentives awarded to us by various entities.

[2]Profit sharing effect of the Memphis incentive fee in the respective period.

Non-GAAP Financial Measures

Non-GAAP Adjusted SG&A

	Q1 2024	Q2 2024	Q3 2024	Q4 2024	2024	Q1 2025	Q2 2025
Selling, general and administrative expenses, a GAAP measure	$ 45,288	$ 45,895	$ 48,637	$ 48,194	$ 188,014	$ 51,293	$ 59,147
Memphis incentive fee[1]	-	-	-	-	-	2,700	3,405
Profit sharing effect[2]	-	-	-	-	-	(230)	(289)
Non-GAAP adjusted selling, general and administrative expenses	$ 45,288	$ 45,895	$ 48,637	$ 48,194	$ 188,014	$ 48,823	$ 56,031
As a percent of sales	17.3%	14.6%	14.9%	16.2%	15.7%	15.2%	18.0%

[1] The incentive fee relates to fees payable to our real estate broker associated with the acquisition of our Memphis. Tenn. Plant for a percentage of the incentives awarded to us by various entities.

[2] Profit sharing effect of the Memphis incentive fee in the respective period.