



Investor Presentation

September 18, 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.



Driving value

The AAON
investment thesis



Our strategic pillars

01

Winning with
superior
engineering,
innovation,
customization
and automation

02

Optimizing the
organization to
drive results and
empower
leaders to drive
value

03

Capitalize on the
value proposition
of our mission
critical solutions
in a dynamically
growing data center
market

04

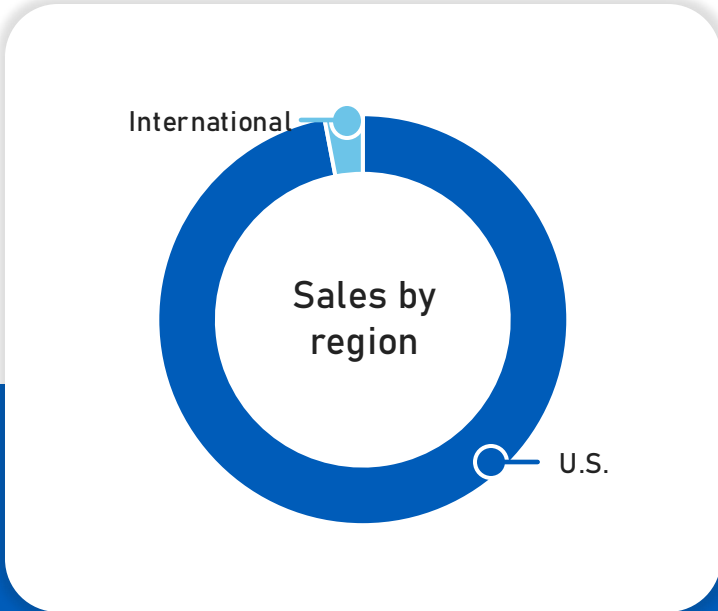
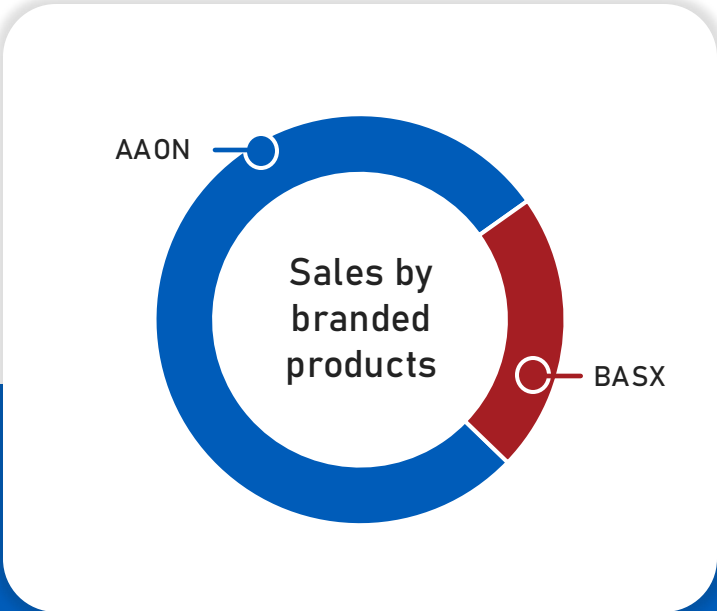
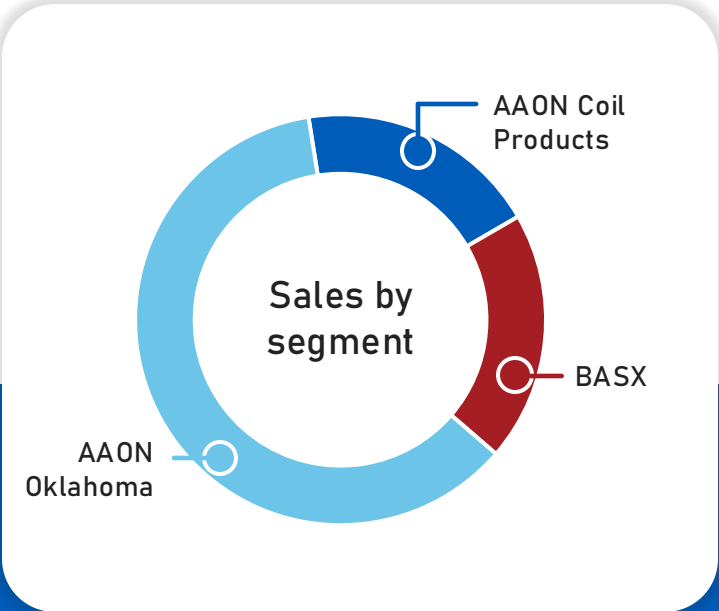
Capitalize on
industry leading
innovation and
secular trends in
the commercial and
industrial markets

05

Be a **best in**
class operator and
make strategic
investments to
support profitable
growth



AAON: an overview



\$1.1B
Order backlog¹

28.7%
Gross margin

18.1%
EBITDA margin

22.5%
CapEx and R&D as
a percent of sales

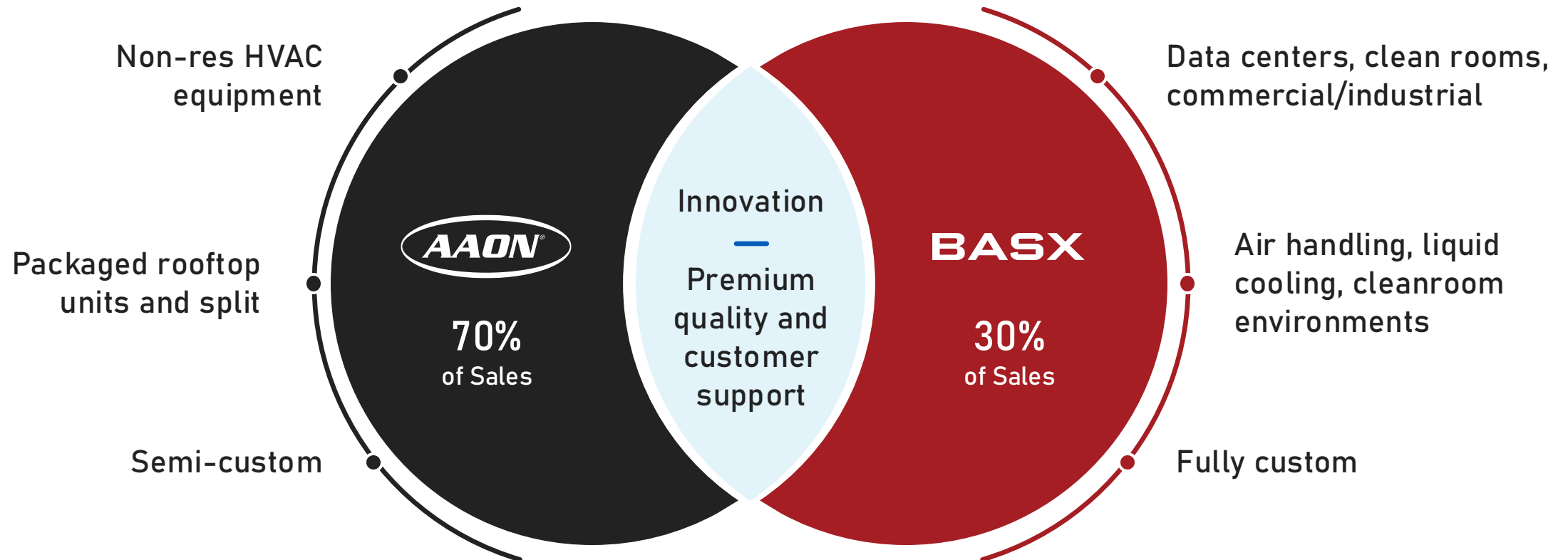
\$1.47
EPS

11.9%
ROIC



¹ Adjusted for replacement purchase orders received in July related to administrative processing.
Note: All data is based on trailing twelve months as of June 30, 2025. See Non-GAAP Financial Measures in Appendix.

Future structure: Leveraging two strong brands



Note: Data is based on trailing twelve months as of June 30, 2025.

What makes BASX special?



Provides solutions not just products

BASX is the only player in the industry that specializes in providing solutions, as opposed to standard products



Full customization

BASX offers a fully customized solution that maximizes operating performance and efficiency, and ease of maintenance



High quality manufacturing

The manufacturing is of the highest quality in the industry, ensuring minimal maintenance and downtime, and extended longevity



Premier customer care

A foundational principle at BASX is providing the customer the best customer experience



Superior customer support

BASX focuses greatly on the aftermarket, ensuring its customers are well handled throughout the life of the equipment

Providing the best customer experience

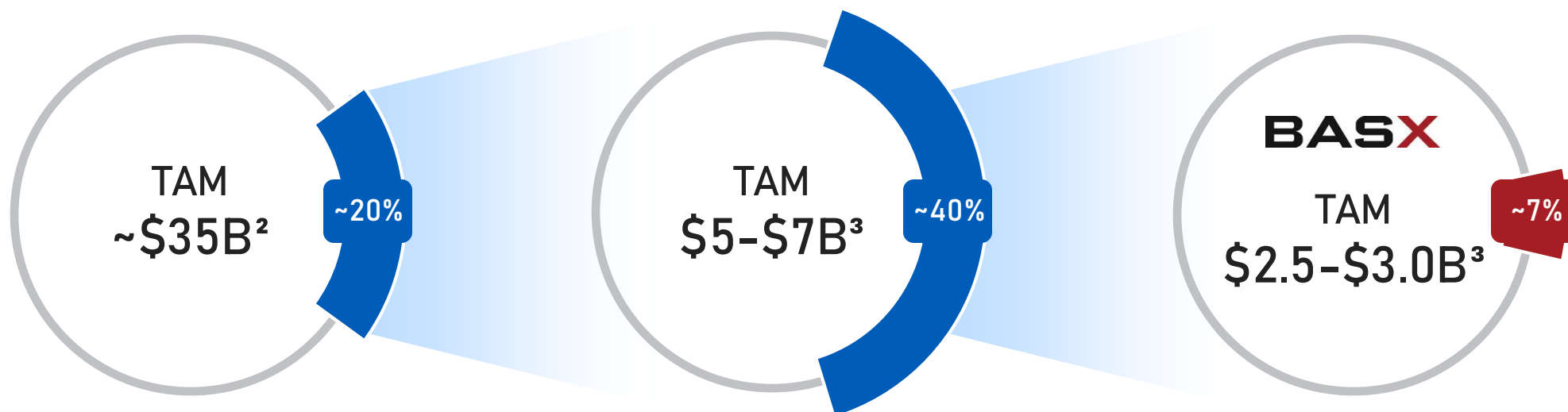


Data centers are a huge and growing market

Total North America data center construction put in place in 2024¹

Total cooling equipment & infrastructure

BASX-specific thermal management equipment



¹ The total cost of constructing data centers in 2024

² Source: U.S. Census Bureau

³ Source: Company estimates. Our 2024 estimated TAM is related to the products BASX provides to data centers.

Data center TAM is shifting to liquid cooling

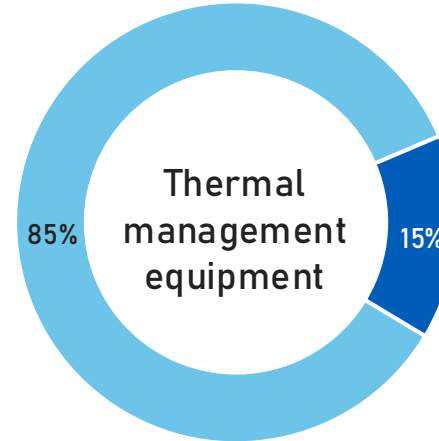
BASX-specific thermal management equipment



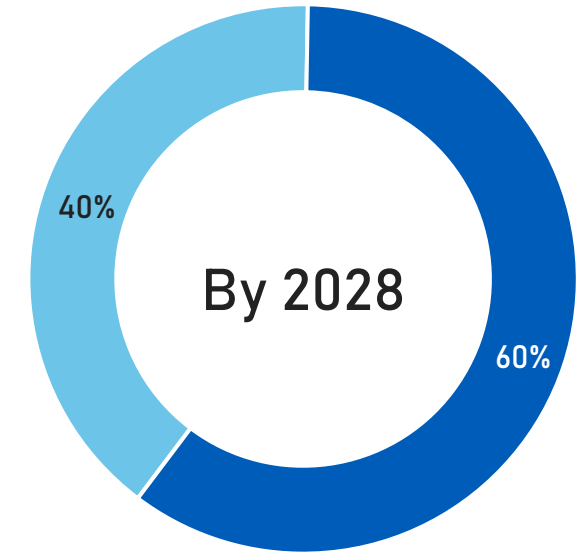
~7%

■ Liquid cooling

■ Air-cooled



To date, a vast majority of **TAM** is cloud compute data centers cooled by **air-side equipment**



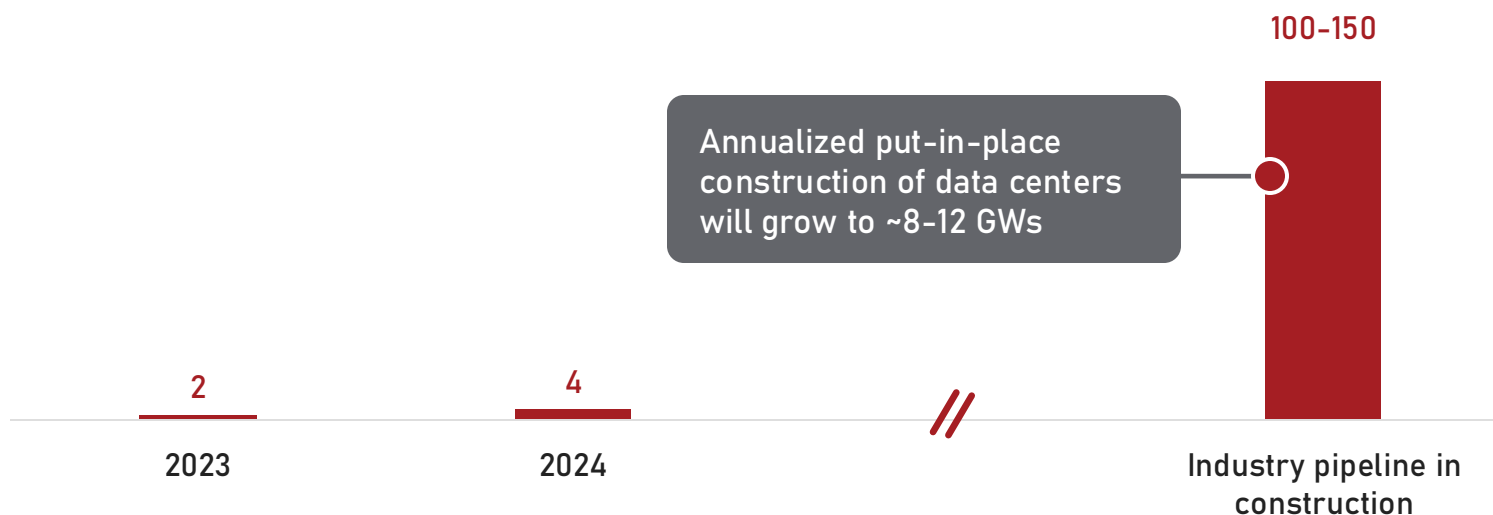
By 2028 we anticipate the split to be **60% liquid** and **40% air-cooled**

Data center pipeline underpins growth

In 2023, compute power of data centers put-in-place in the industry was ~2GW

In 2024, it was ~4GW and currently, there is a pipeline of projects in development totaling 100-150 GWs

Installed capacity (GW)

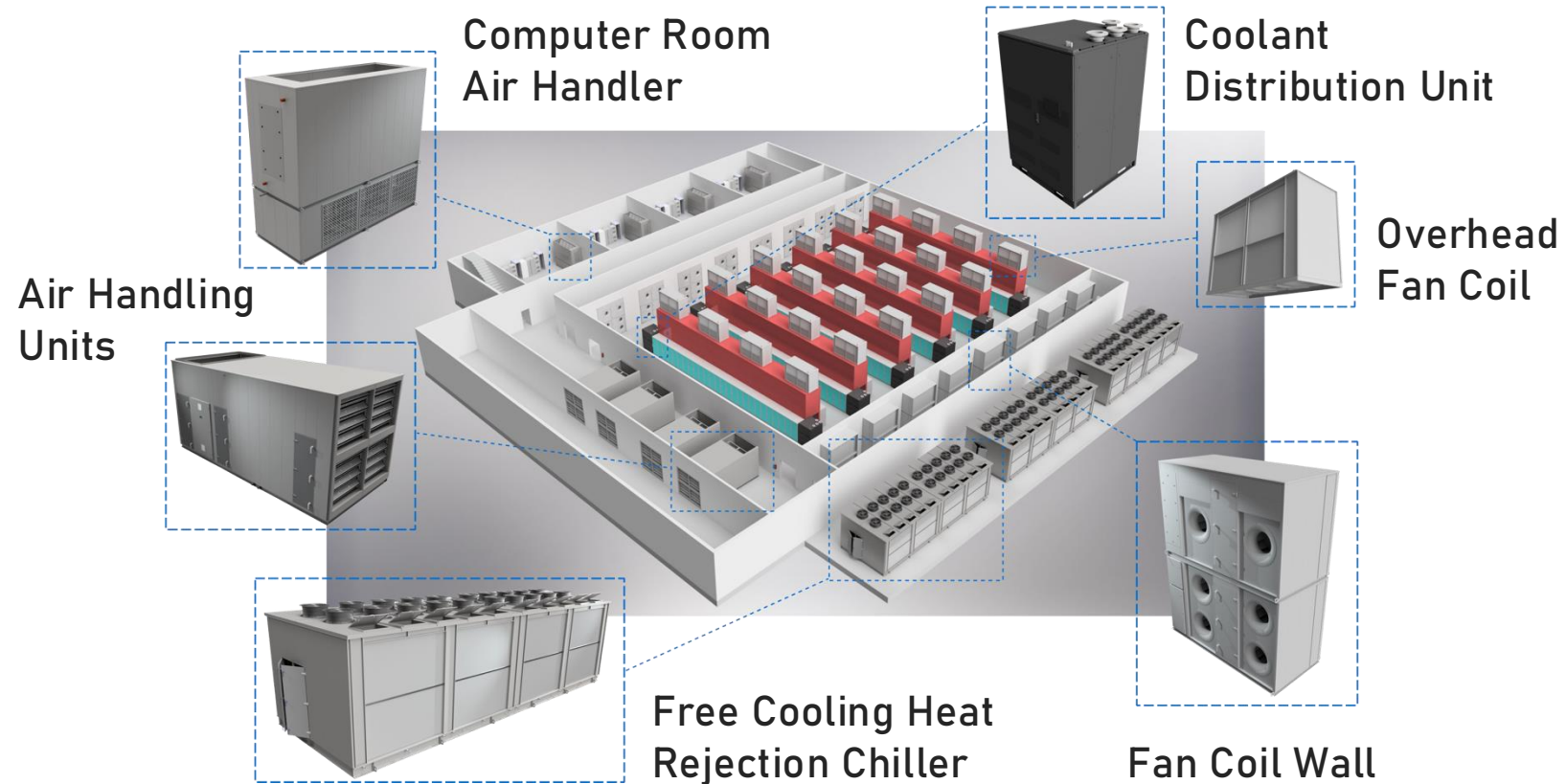


Data center pipeline from a macro perspective is large and growing



Source: Goldman Sachs Global Investment Research, J.P. Morgan Global Research, Company estimates

BASX product offerings provide end-to-end solution for data centers



BASX
opportunity is
~\$1.0B - \$1.5B
per GW¹



¹ Note: Opportunity is based on full utilization of manufacturing square footage of 980,000 sq. ft.

Leading in
innovation
with both
air-side cooling...



Air-side data center cooling

Highly engineered, custom designed capabilities a proven success factor

- Nearly all of BASX-branded sales growth (3-year trailing sales CAGR of 40%, including 35% in 2024) has been driven by providing custom air-side cooling solutions for cloud compute DCs
- Cloud compute market growth plus BASX share gains drives robust growth
- BASX air-side cooling sales (~\$167M in 2024) expected to grow >20% for the next three years
- Air-side cooling is also required in AI DCs, needing 1x-2x the amount of air-side cooling equipment in a cloud compute DC



Liquid data center cooling

Being on the cutting edge of liquid cooling is extremely advantageous in a rapidly evolving market

...And liquid
cooling data
center solutions

BASX is a leading provider as shown by recent order wins

Liquid cooling is incremental growth to air-side cooling, as it is utilized in AI data centers

Since last October, BASX has secured a substantial dollar value of orders for liquid cooling solutions

The technology in AI data centers is changing so rapidly, providing custom designs and manufacturing for our customers is a significant advantage

Building capacity for efficient growth

In our view, the data center HVAC supply chain will remain tight for years

Prioritizing aggressive growth in an efficient way

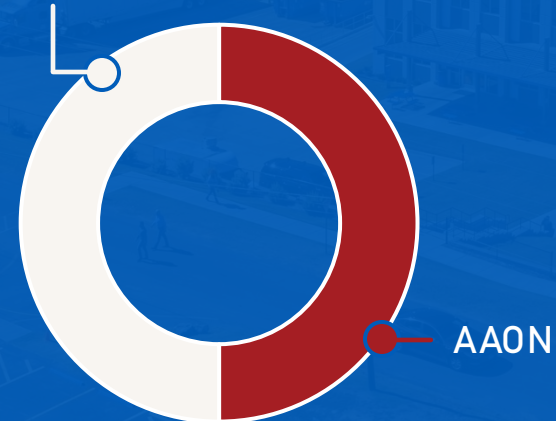
~1M sq ft total incremental manufacturing space

- Designing our first ideally arranged manufacturing facility in Memphis with 787,000 sq ft
- Opened 240,000 sq ft in Longview in January 2025



Added capacity:
2022-2024

Three largest
peers combined



Memphis doubles BASX's production capacity



Facility with 787,000 sq ft, of which 490,000 sq ft is dedicated to BASX DC equipment

Production to start in Q4 2025, ramp up in 2026

Flexibility with 297,000 sq ft of undedicated space:
More data center equipment
New solutions/products

What makes the AAON brand special?



Innovation and engineering

Leading in innovation and engineering is at AAON's core, and it enables us to fully support all our customers



Semi-custom engineering & manufacturing

A proprietary, hard-to-replicate process that seamlessly integrates deep customization within a highly automated production environment



Built for application

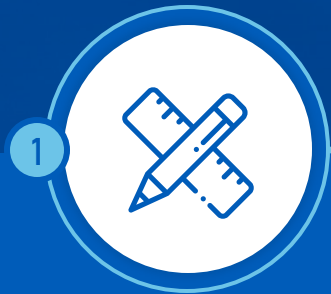
A highly configurable product line allows customers to fit-for-purpose, which maximizes performance and efficiency



Performance and energy efficiency

Innovations such as DOAS (dedicated outdoor air systems) and advanced heat pump capabilities have contributed to leading the industry in quality and performance

Our competitive advantage: The unique integrated process



Sophisticated
engineering
department for
design



Most capable R&D
lab in the industry



Electronically
accepting many
configurations
of equipment



Efficient
manufacturing
through automation
and soft tooling

High barriers to entry with a model that is difficult to copy and perfect

AAON equipment versus the alternative

Feature	Low-quality products	AAON's custom products
Production	Mass production, standardized process	Soft-tooled, highly automated processes
Price	Affordable, budget-friendly	Premium, reflects higher quality
Durability	Not as durable, shorter lifespan	Durable and long-lasting, with a lifespan up to 2x the competition
Customization	Limited or no customization options	Highly customizable, tailored to individual needs and preferences
Maintenance	Difficult, cumbersome	Designed for ease of maintenance

AAON products have **lower TCO** through higher **efficiency**,
longer **lifespan** and greater **reliability**



Products to meet a range of customer needs



Packaged
Rooftop
Unit
2-6 tons



Outdoor
Rooftop Air
Handling Unit
800-2400 cfm



Packaged
Rooftop
Unit
9-15 tons



Condensing
Units
2-60 tons



Packaged
Rooftop
Unit
16-30 tons



Vertical Indoor
Air Handling
Unit
450-10,000
cfm



Horizontal
Indoor Air
Handling
Unit 450-
10,000 cfm



Evaporative
Condenser
Unit
51-261 tons



Packaged
Rooftop
Unit
26-70 tons

Offering a solutions-based sales channel model



Building owners prefer this approach more than contracting with multiple sub-contractors

Sales reps use AAON equipment to **customize the ideal solution**

AAON sells through an independently owned sales channel, with one representative firm in every region of North America

Reps utilize a line card of 20-30 complimentary OEMs that help provide an overall solution to the end customer

This solutions-based sales channel is **superior to most factory products-based sales channels** that we compete against



Building strength in our go-to-market strategy

Focus on parts and service

AAON selling parts and supporting our sales channel in building a world class services operation is key to our solutions-based offering

Providing resources to the sales channel

Customer Exploration Center

—
Mobile experience

—
Training (new academy)

—
Support services

Investing in sales

Account management

—
National Account director

Leveraging the marketing function set up in 2022

Marketing budget up 10x since creation, strengthening market penetration by increasing brand recognition

AAON's go-to-market strategy is significantly more advanced than in the past, and key to contributing to the company's **market share gains**



Total addressable market and share gain opportunity¹

Nonresidential HVAC market
\$14.5B²



\$875M⁴

The addressable market of AAON's commercial HVAC products, including rooftop units, air handlers and condensing units, is ~16x the size of our rooftop sales

Positioned to take share as demand trends shift to meet energy efficiency and decarbonization requirements

6%
market share
and growing

mid-single
digits
3-year sales target

9%
rooftop market
share³

¹ All data on this slide is based on 2024.

² Sources: Grand View Research, Next Move Strategy Consulting, SNS Insider Report

³ In 2024, the size of the rooftop unit market was \$8.5B, compared to AAON's rooftop unit sales of \$768M.

⁴ Sales only include equipment sales, and exclude parts, freight and other items.



Favorable secular trends



Decarbonization



Energy efficiency



Government regulations



Total cost of ownership focus

Our customized, **highly automated platform** allows us to adapt to these secular trends much more efficiently

These secular trends are **driving up the cost of manufacturing** across the industry much more than what we are experiencing

Continuously becoming more competitive

As the price premium narrows, we expand margins and increase our market share

Prior to 2020,
AAON's average price premium
relative to the alternative
market solution was
15%-20%

In the last few years,
the company was able to bring
that premium down to
~10%

In 2025,
we are **narrowing** the
price premium further,
driving share gains
<10%

No competitor can truly match AAON's premium product offering, justifying the price premium. Price premium reflects AAON's price relative to the closest alternative in the market.



Operationally, we've never been stronger

Productivity gains and scaling the operations efficiently

AAON Oklahoma gross margin transformed

30.5%
2020



Continuously finding
ways to increase
productivity and
throughput



35.2%
2024

At the Tulsa facility, we could increase production
volumes by ~40% with minimal additional fixed costs



Continuing to innovate with Alpha Class and heat pumps



Alpha Class

is a product category of the AAON brand that includes commercial HVAC equipment fueled by a fully electric heat pumps

There is a large pipeline of customers interested in decarbonizing and electrifying their HVAC systems

2023

AAON's Alpha Class were the only heat pumps operable below 30°F, and were operable all the way down to 0°F

2024

AAON's total rooftop sales were down 5%
The Alpha Class category was up 39%

2025

Introducing Alpha Class with operability down to -20°F, meeting the Department of Energy's challenge two years ahead of requirement

~15%
of rooftop
sales¹

10%
of total
company
sales¹



¹ All data is based on 2024.

National account opportunity



A substantial percentage of this pipeline is focused on multi-year programs

Landing just one or two national accounts per year could be meaningful and incremental to traditional growth

Many are interested in electrifying their HVAC systems, with Alpha Class giving us an advantage



Q2 2025 recap

\$311.6M

Sales

—
-0.6% Y/Y

26.6%

Gross Profit Margin

—
-950 bps Y/Y
-20 bps Q/Q

\$46.6M

Non-GAAP Adj.
EBITDA*

—
-43.1% Y/Y

\$0.22

Non-GAAP Adj.
Diluted EPS*

—
-64.5% Y/Y

\$1.1B

Adjusted Backlog**

—
+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



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

New ERP implementation impacted recent results

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

August 2025

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



Update on ERP roll-out

Background

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

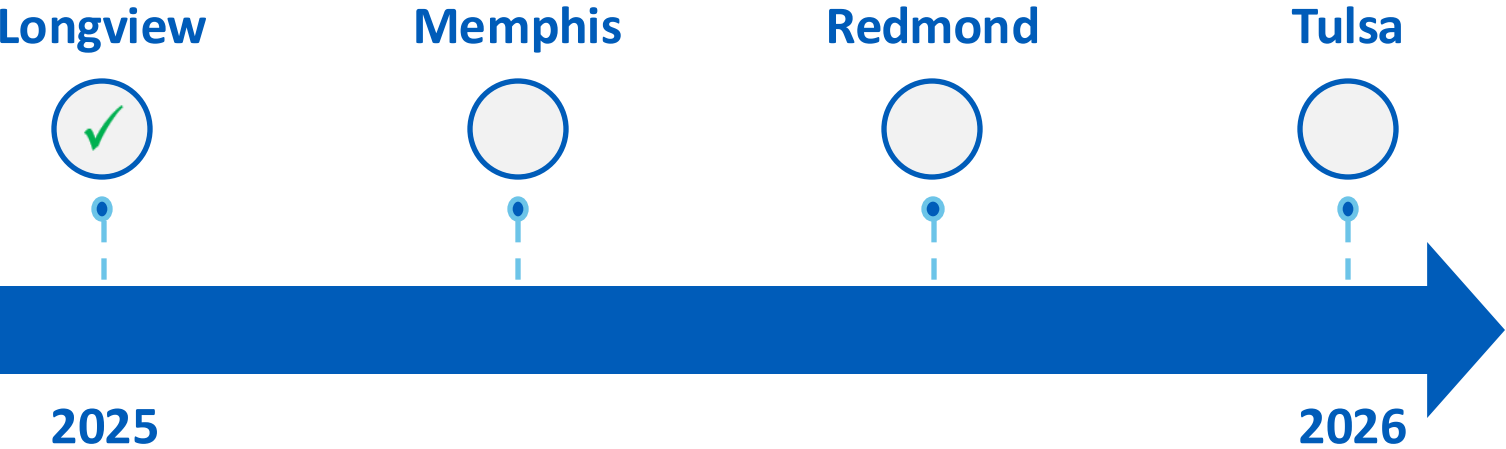
Rationale

Improves visibility in operations, data quality and margin trajectory

Principles

Strategically rolling-out in stages to minimize impact across sites

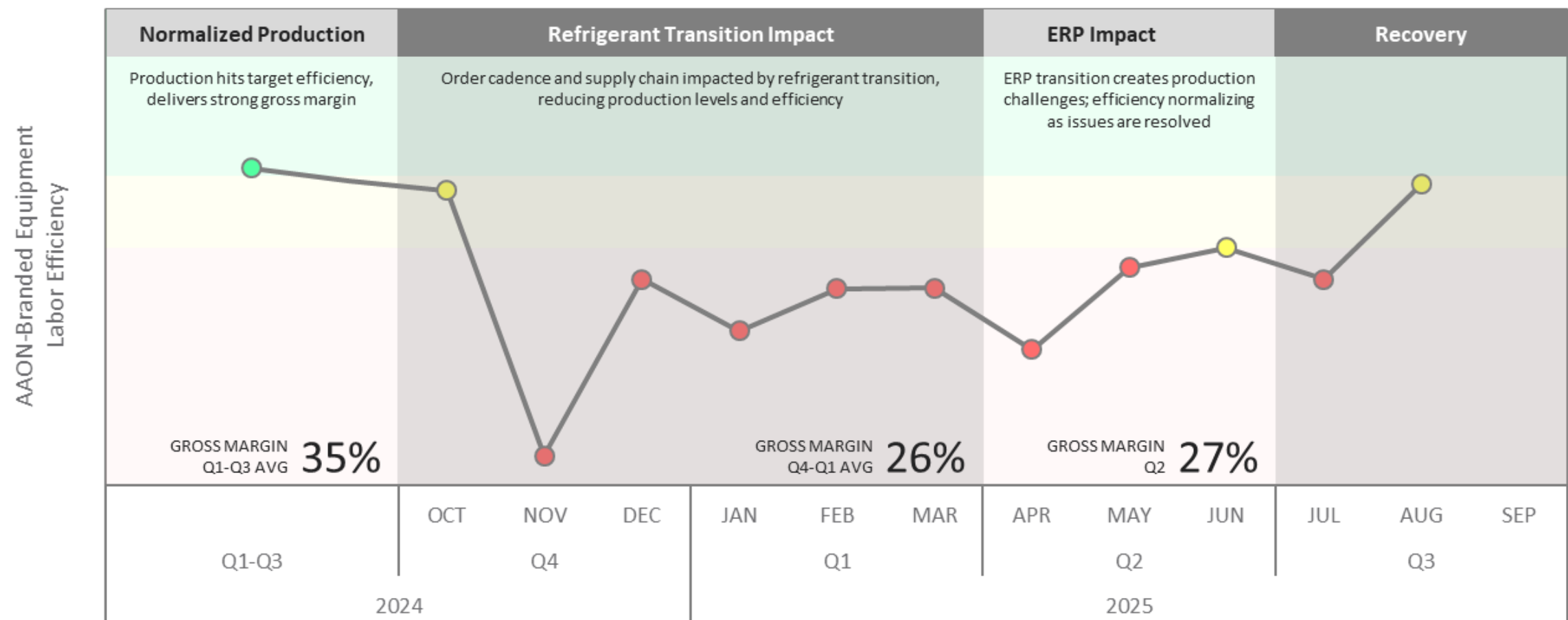
Go-Live Sequence



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
- 2025 guide incorporates meaningful cushion for potential impact
- Memphis go-live is scheduled to take place in Q4 2025, Redmond and Tulsa sometime in 2026

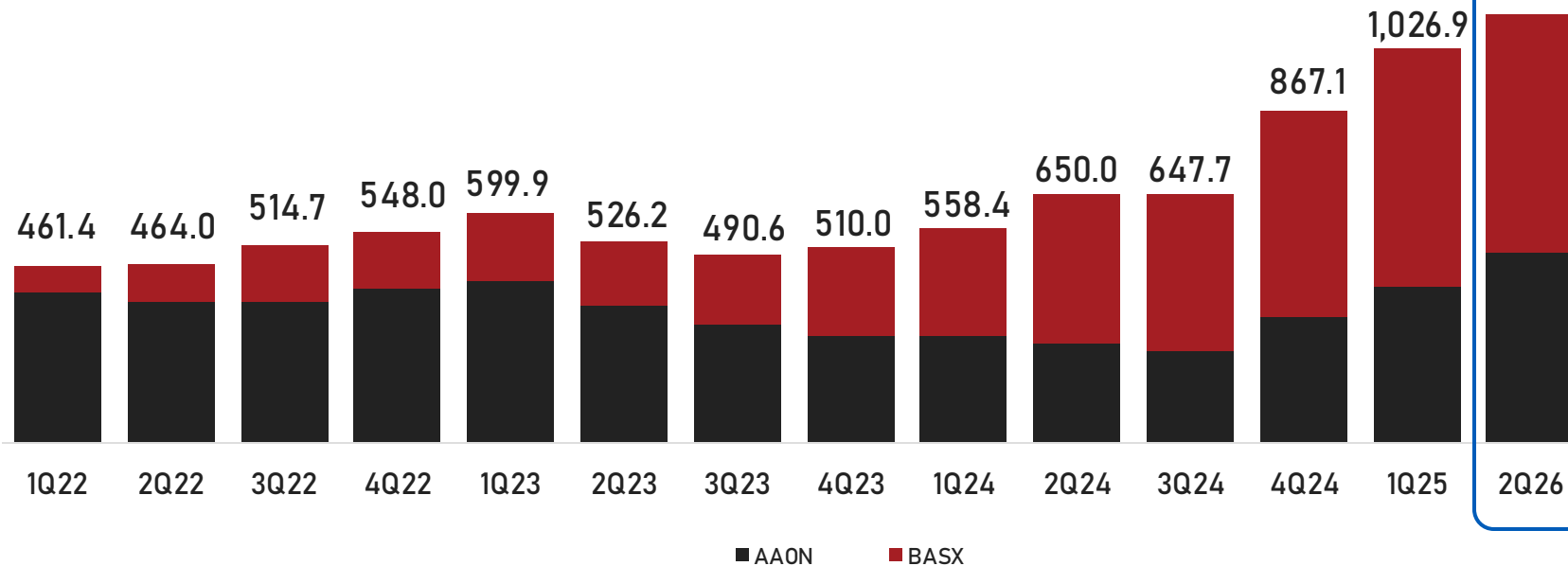
Production of AAON-branded equipment continued to improve through August



Both brands contributing to our strong backlog

Backlog remains strong despite changes in the cycle

Backlog (\$M)



Ended 2Q25
at record
\$1,117.6M*



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

Reaffirming 2025 outlook



Sales

Sales growth in the low-teens



Expenses

Gross margin of 28%-29%

Non-GAAP Adj. SG&A as a % of sales of 16.5%-17.0%



CapEx

Approximately \$220.0 million

Reaffirming our 3-year targets

Organic sales
CAGR
12.5%-plus



mid-single
digits

BASX

~40%

Gross margin
32%-35%

SG&A as a
percent of sales
13%-14%



Note: The three-year organic sales CAGR is assuming a base year of 2024.

Appendix

Non-GAAP Financial Measures

The following table provides a net sales (GAAP), gross profit (GAAP) and gross margin for the periods indicated. The trailing twelve months ("TTM") period presented is a non-GAAP reconciliation period.

	Q2 2025	Q1 2025	Q4 2024	Q3 2024	June 30, 2025 (TTM)
Net income, a GAAP measure	\$ 15,487	\$ 29,292	\$ 24,690	\$ 52,625	\$ 122,094
Depreciation and amortization	19,936	18,943	17,550	17,262	73,691
Interest expense, net	4,009	2,802	1,208	1,091	9,110
Income tax expense	4,018	3,191	3,576	11,885	22,670
EBITDA, a non-GAAP measure	\$ 43,450	\$ 54,228	\$ 47,024	\$ 82,863	\$ 227,565
Net sales, a GAAP measure	\$ 311,567	\$ 322,054	\$ 297,718	\$ 327,252	\$ 1,258,591
EBITDA, a non-GAAP measure	\$ 43,450	\$ 54,228	\$ 47,024	\$ 82,863	\$ 227,565
EBITDA margin	13.9%	16.8%	15.8%	25.3%	18.1%
Diluted EPS	\$0.19	\$0.35	\$0.30	\$0.63	\$1.47



Non-GAAP Financial Measures

The following table provides a net sales (GAAP), gross profit (GAAP) and gross margin for the periods indicated. The trailing twelve months ("TTM") period presented is a non-GAAP reconciliation period.

	Q2 2025	Q1 2025	Q4 2024	Q3 2024	TTM
Net sales	\$ 311,567	\$ 322,054	\$ 297,718	\$ 327,252	\$ 1,258,591
Gross profit	82,729	86,364	77,615	114,158	360,866
Gross margin	26.6%	26.8%	26.1%	34.9%	28.7%

The following table provides a reconciliation to capex and research and development as a percent of sales for the periods indicated. The trailing twelve months ("TTM") period presented is a non-GAAP reconciliation period.

	Q2 2025	Q1 2025	Q4 2024	Q3 2024	TTM
Capex	39,117	50,440	99,344	38,368	227,269
R&D	17,100	16,500	9,500	13,000	56,100
Total capex and R&D	56,217	66,940	108,844	51,368	283,369
Net sales	\$ 311,567	\$ 322,054	\$ 297,718	\$ 327,252	\$ 1,258,591
Capex and R&D as a percent of sales	18.0%	20.8%	36.6%	15.7%	22.5%

Non-GAAP Financial Measures

The following table provides a reconciliation of total assets (GAAP) to invested capital (non-GAAP), averaged invested capital (non-GAAP) and return on invested capital (non-GAAP) for the periods indicated. The trailing twelve months ("TTM") period presented is a non-GAAP reconciliation period.

	June 30, 2025	June 30, 2024
Total assets, a GAAP measure	\$ 1,399,413	\$ 1,010,716
Less: Cash and cash equivalents	14	13
Less: Restricted cash	1,307	12,065
Less: Accounts payable	81,642	28,958
Less: Accrued liabilities	95,332	85,499
Less: Contract liabilities	33,752	26,862
Invested capital, a non-GAAP measure	\$ 1,187,366	\$ 857,319
Average invested capital, a non-GAAP measure	\$ 1,022,343	
Net income (TTM), a GAAP measure	\$ 122,094	
Average invested capital, a non-GAAP measure	\$ 1,022,343	
TTM Return on invested capital	11.9%	



Non-GAAP Financial Measures

The following table provides a reconciliation of net income (GAAP) to EBITDA (non-GAAP) and Adjusted EBITDA (non-GAAP) for the periods indicated:

	Three Months Ended June 30,	
	2025	2024
	<i>(in thousands)</i>	
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	<u>\$ 43,450</u>	<u>\$ 81,860</u>
Memphis incentive fee ¹	3,405	—
Profit sharing effect ²	(289)	—
Adjusted EBITDA, a non-GAAP measure	<u>\$ 46,566</u>	<u>\$ 81,860</u>
Adjusted EBITDA margin	14.9 %	26.1 %

¹The 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.

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

