



INVESTOR PRESENTATION

R.W. Baird Conference

November 7-8, 2023



FORWARD-LOOKING STATEMENTS AND OTHER REFERENCES

Certain statements and information set forth in this presentation contains “forward-looking statements” and “forward-looking information” within the meaning of the Private Securities Litigation Reform Act of 1995. Except for statements of historical fact, certain information contained herein constitutes forward-looking statements which include management’s assessment of future plans and operations and are based on current internal expectations, estimates, projections, assumptions and beliefs, which may prove to be incorrect. Forward-looking statements are provided to allow potential investors the opportunity of management’s beliefs and opinions in respect of the future so that they may use such beliefs and opinions as one factor in evaluating an investment. Some of the forward-looking statements may be identified by words such as “may”, “plan”, “foresee”, “will”, “should”, “could”, “anticipate,” “believe,” “expect,” “intend,” “potential,” “continue,” and similar expressions. While the Company’s management believes that these forward-looking statements are reasonable as and when made, these statements are not guarantees of future performance and undue reliance should not be placed on them. The Company’s forward-looking statements involve significant risks and uncertainties (some of which are beyond the Company’s control) and assumptions that could cause actual future results to differ materially from the Company’s historical experience and its

present expectations or projections. For additional information regarding known material factors that could cause the Company’s results to differ from its projected results, please see its filings with the SEC, including its Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, and Current Reports on Form 8-K. The reader is cautioned not to place undue reliance on forward-looking statements. The Company undertakes no obligation to publicly update or revise any forward-looking statement after they are made, whether as a result of new information, future events, or otherwise, except as required by federal securities laws.

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.



Management Attendees



Gary Fields
President and Chief
Executive Officer



Rebecca Thompson
Chief Financial Officer



Matt Tobolski
President, BASX



Joe Mondillo
Director of Investor
Relations



AAON at a Glance

COMPANY OVERVIEW

Description: AAON is a manufacturer of semi-custom and fully custom HVAC equipment for commercial and industrial buildings in North America

Founded: 1988 Headquarters: Tulsa, OK

Employees: ~3,921² Manufacturing: 4 facilities

Manufacturing/Warehouse Square Footage: 2.2 million

FINANCIAL OVERVIEW¹

Market Cap³: \$4.5B

Sales: \$1.11B | 3-Year CAGR: 28%

EBIT margin: 18.9%

EPS: \$2.04 | 3-Year CAGR: 23%

Long-Term Debt²: \$78.4M | Leverage Ratio⁴: 0.33

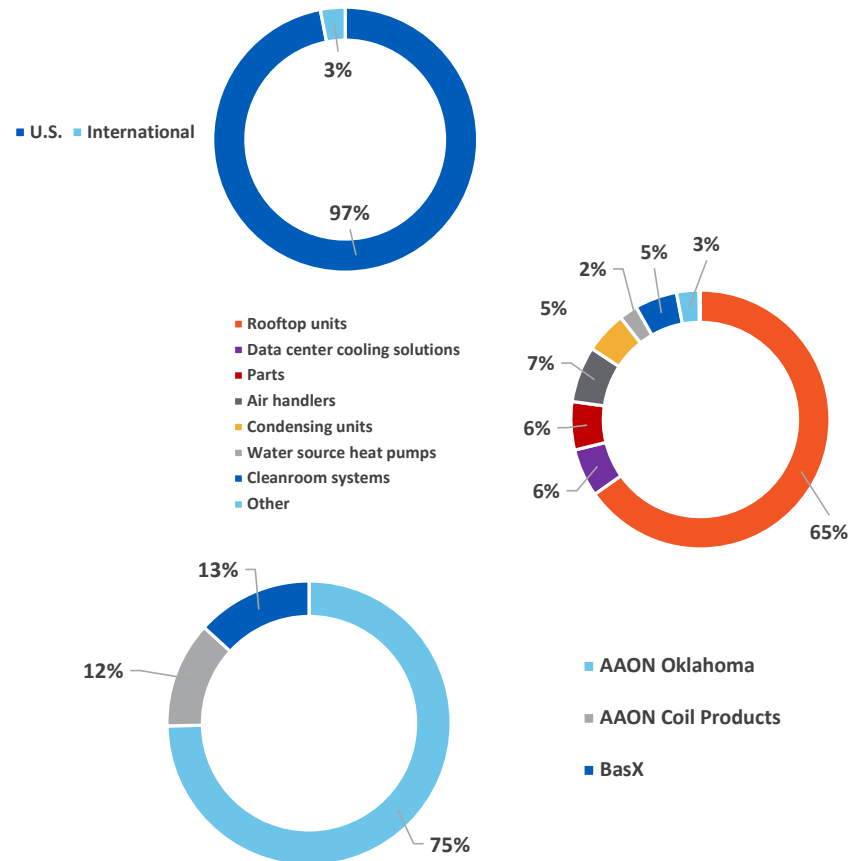
ROIC: 21.7%

Dividend Yield: 0.6%

¹See Appendix on slide 11 for calculation of financial metrics cited in this section. 3-Year sales and EPS CAGR's are based on TTM GAAP financials. ²As of September 30, 2023. ³As of October 31, 2023.

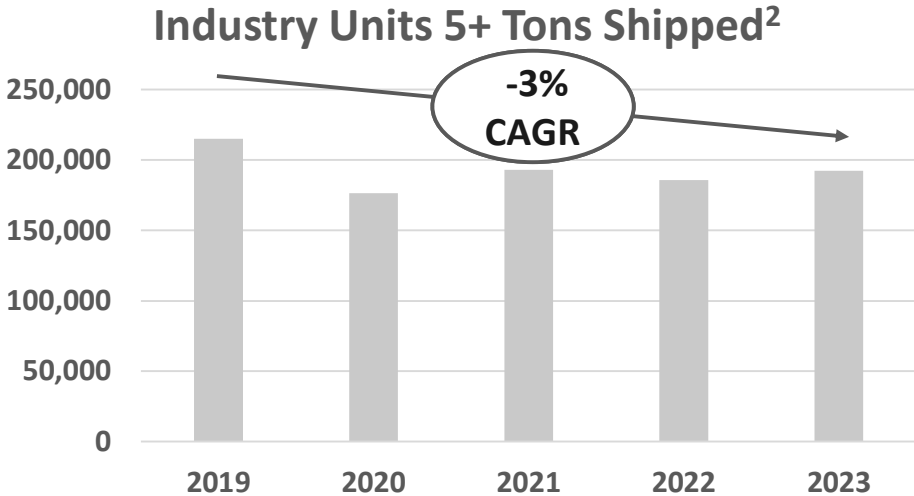
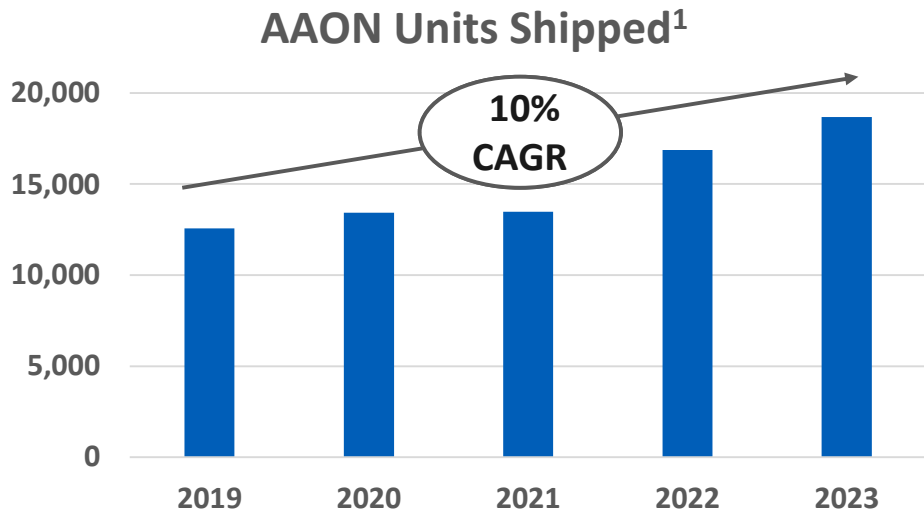
⁴As defined by our debt agreement and disclosed in our Form 10-Q for September 30, 2023.

SALES BREAKOUT





AAON Taking Market Share

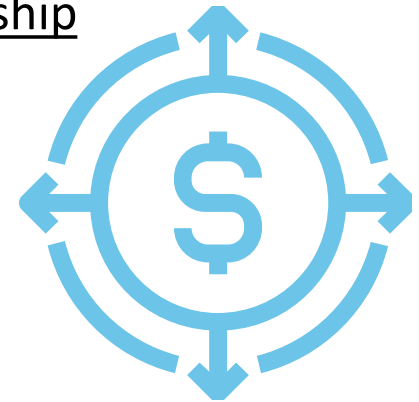


¹ AAON units shipped excludes BASX units and discontinued water-source heat pump WH and WV units. ² Industry units are derived from www.AHRI.net.org. All data for each period January-August.



Today, AAON Wins With Premium Equipment

- For over 20 years, AAON has been known for producing premium HVAC equipment
- Premium equipment comes with a premium upfront price
- AAON equipment has a very attractive value proposition even when considering the premium upfront cost
- In many applications, AAON has the lowest total cost of ownership over the life span of the equipment
 - Equipment life span 1.5x-2.0x the competition
 - Superior energy efficiency
 - Ease of maintenance





Favorable Secular Market Trends



Decarbonization



Electrification



Government Regulations



Economics

From Niche to **MAINSTREAM.**



Not just game changing.
World changing.

AAON Alpha Class is our highest-performing packaged solution ever and is the industry's most versatile line of commercial air-source heat pumps.

By pushing the boundaries of what's possible with its extraordinary omni-climate performance, Alpha Class empowers more people in more places to adopt cleaner, more efficient technology for a better tomorrow.

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BASX 3-YEAR SALES CAGR 45%

Positive bottom-line results have materialized
through post-acquisition synergies

Revenue Synergies

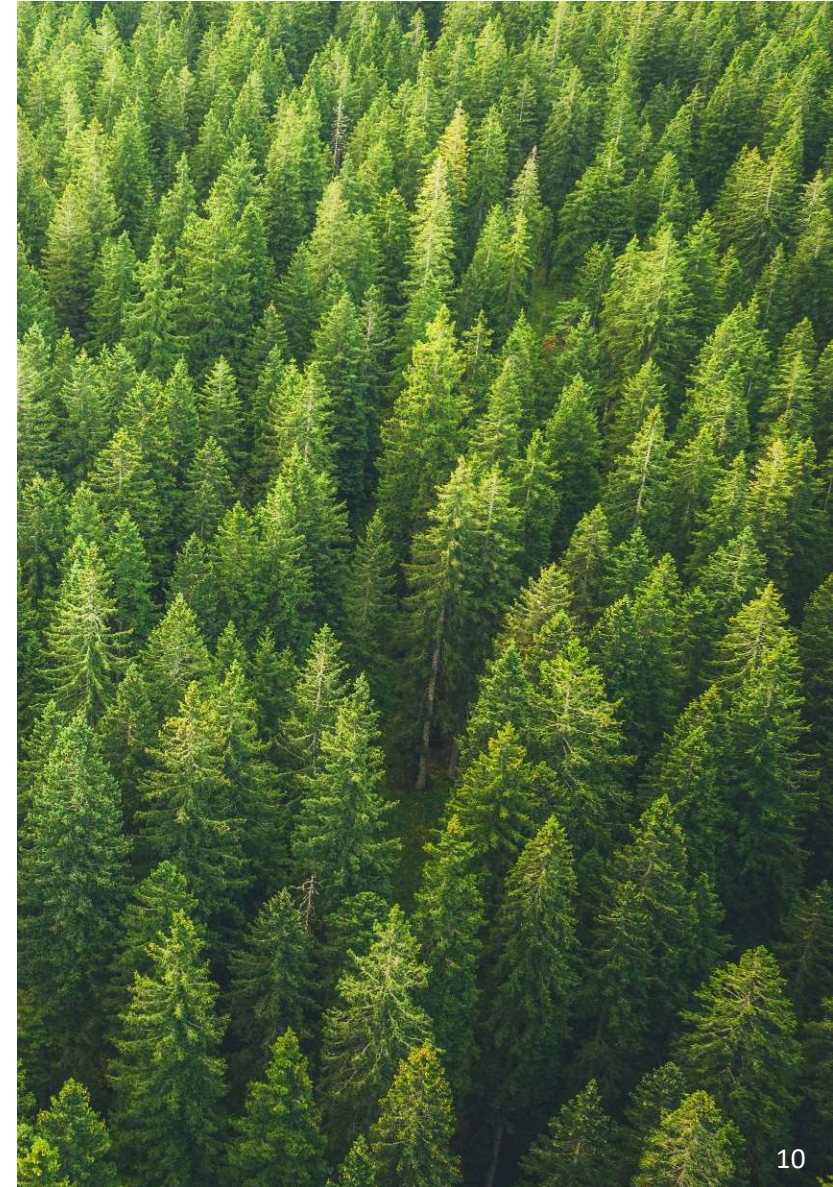
- Leveraged AAON's scale to grow orders with existing customers
- Cross-selling of products to increase order volume on individual projects
- Increased manufacturing capacity by using in-place capacity across fleet

Cost Synergies

- Extensive collaboration between sites enhancing manufacturing efficiency
- Consolidation of vendors to leverage scale and drive down material costs
- Utilization of in-place capacity improving overhead leverage

Fundamentals Are Strong...

- Decarbonization
- Electrification
- Favorable Regulations
- Total Cost of Ownership
- Cold Climate Heat Pumps
- Narrowed Price Premium
- Large Addressable Market
- Strengthening Sales Channel
- Increased Investment in Marketing
- Exposure to attractive sectors such as data centers and semiconductor manufacturing





Appendix

(amounts in thousands, except for per share amounts)

	Q4 2022	Q1 2023	Q2 2023	Q3 2023	TTM
Net sales	\$254,598	\$265,953	\$283,957	\$311,969	\$1,116,477
Net income	38,898	36,814	45,682	48,078	169,472
Taxes	6,871	6,356	7,678	15,413	36,318
Interest	933	1,150	1,543	1,266	4,892
EBIT	\$46,702	\$44,320	\$54,903	\$64,756	\$210,682
EBIT margin	18.3%	16.7%	19.3%	20.8%	18.9%
Diluted EPS	\$0.47	\$0.44	\$0.55	\$0.58	\$2.04
Diluted weighted average shares (in thousands)	82,211	82,861	83,470	83,393	83,393
Annualized dividend per share	\$0.08	\$0.08	\$0.08	\$0.08	\$0.32
October 31st 2023 closing price					\$54.48
Dividend yield					0.6%
As of September 30, 2024					
Invested Capital	\$781,529				
Total Assets	944,543				
Less: Current Liabilities	(140,479)				
Less: Cash	(212)				
Less: Restricted Cash	(22,323)				
Less: Short-term Investments	-				
TTM 9/30 ROIC	21.7%				