

Exhibit 99.1



AAON REPORTS RECORD SALES FOR THE SECOND QUARTER OF 2021 AND A ROBUST INCREASE IN BACKLOG

TULSA, OK, August 5, 2021 - AAON, INC. (NASDAQ-AAON), today announced its results for the second quarter of 2021.

| Financial Highlights: | Three Months Ended June 30, | | | % | Six Months Ended June 30, | | | % |
|---|--|-----------------|---------------|------------|--|--------|--------|---|
| | 2021 | 2020 | Change | | 2021 | 2020 | Change | |
| | <i>(in thousands, except share and per share data)</i> | | | | <i>(in thousands, except share and per share data)</i> | | | |
| Net sales | \$ 143,876 | \$ 125,596 | 14.6 % | \$ 259,664 | \$ 263,079 | (1.3)% | | |
| Gross profit | 42,107 | 38,131 | 10.4 % | 75,264 | 81,078 | (7.2)% | | |
| Gross profit % | 29.3 % | 30.4 % | | 29.0 % | 30.8 % | | | |
| Selling, general and admin. expenses | \$ 16,895 | \$ 15,939 | 6.0 % | \$ 31,591 | \$ 31,153 | 1.4 % | | |
| SG&A % | 11.7 % | 12.7 % | | 12.2 % | 11.8 % | | | |
| Net income | 20,615 | 17,804 | 15.8 % | 36,991 | 39,657 | (6.7)% | | |
| Net income % | 14.3 % | 14.2 % | | 14.2 % | 15.1 % | | | |
| Effective Tax Rate | 18.3 % | 20.0 % | | 15.4 % | 20.8 % | | | |
| Earnings per diluted share | \$ 0.38 | \$ 0.34 | 11.8 % | \$ 0.69 | \$ 0.75 | (8.0)% | | |
| Diluted average shares | 53,603,932 | 52,750,401 | 1.6 % | 53,736,134 | 52,885,491 | 1.6 % | | |
| EBITDA, a non-GAAP measure | \$ 32,777 | \$ 28,562 | 14.8 % | \$ 58,653 | \$ 62,332 | (5.9)% | | |
| | June 30, | June 30, | % | | | | | |
| | 2021 | 2020 | Change | | | | | |
| | <i>(in thousands)</i> | | | | | | | |
| Backlog | \$ 138,131 | \$ 103,508 | 33.4 % | | | | | |
| Cash & cash equivalents & restricted cash | 112,119 | 70,845 | 58.3 % | | | | | |

Net sales for the three months ended June 30, 2021 increased 14.6% to an all time record high of \$143.9 million from \$125.6 million in the same period in 2020. The year over year increase in net sales was driven by robust replacement demand broadly across the nonresidential building market that increased our volume 24.6%. The return to historical employee attendance levels helped drive our production up year over year which led to an increase in our overall revenues even as our product mix shifted to lower priced units. The Company reported diluted EPS of \$0.38, up 11.8% from \$0.34 in the prior year period. The increase in EPS was driven by the higher revenue, improved productivity, lower SG&A expenses as a percent of sales and a lower tax rate, partially offset by inflationary cost pressures. The lower tax rate compared to a year ago was associated with lower corporate income tax rates in the state of Oklahoma that were signed into law during the quarter. This resulted in a one-time benefit of \$0.8 million, and will also lower our effective rate starting in 2022.

The Company finished the quarter with a backlog of \$138.1 million, up from \$103.5 million one year ago and up from \$96.7 million at the end of the first quarter of 2021. The sequential improvement in backlog reflects the improved demand that we experienced throughout the second quarter. New bookings in the quarter increased approximately 70% compared to the same period one year ago.

Gary Fields, President and CEO, stated "Our performance in the second quarter was better than we expected. Organic sales growth of 14.6% was particularly noteworthy. Unlike much of the commercial HVAC market that faced a very easy year over year comparison due to the effects the pandemic had on the market in the second quarter of 2020, we did not face such a comparison. Our sales in the second quarter of 2020 were up year over year 5% versus the commercial market being down approximately 20%-25%. We were also pleased with our gross profit performance, especially considering the inflationary challenges of tight labor markets and increased raw material costs. We will continue to improve productivity and increase prices to counteract these cost pressures."

Mr. Fields continued "Looking to the second half of the year, we are optimistic sales and earnings growth will accelerate. The backlog at the end of the second quarter was up 33.4% from a year ago and 42.8% from the end of the first quarter, which positions us well. Order trends are robust and we show no sign of slowing. We are particularly optimistic considering the new construction market has yet to recover from the pandemic-related downturn. That said, we are seeing early signs of a strong recovery in new construction project planning. In addition to robust demand, we are optimistic our gross profit will continue to improve. Our disciplined pricing strategy combined with expected productivity improvements should drive higher gross and operating profits. Lastly, we continue to manage the business for the long-term as we maintain a positive outlook on the fundamentals of the company over the next several years."

As of June 30, 2021, the Company had no debt and unrestricted cash and cash equivalents of \$111.4 million, which is up from \$79.0 million at the end of 2020. Capital expenditures during the first six months of 2021 were \$33.2 million, as compared to \$33.5 million for the same period a year ago. Rebecca Thompson, CFO, stated "We continue to anticipate our full-year 2021 capital expenditures will total approximately \$70.7 million."

The Company will host a conference call on August 6, 2021 at 9:00 A.M. (Eastern Time) to discuss the second quarter 2021 results. To participate, call 1-888-241-0551 (code 6788945); or, for rebroadcast available through August 13, 2021, call 1-855-859-2056 (code 6788945).

About AAON

AAON, Inc. is engaged in the engineering, manufacturing, marketing and sale of air conditioning and heating equipment consisting of standard, semi-custom and custom rooftop units, chillers, packaged outdoor mechanical rooms, air handling units, makeup air units, energy recovery units, condensing units, geothermal/water-source heat pumps, coils and controls. Since the founding of AAON in 1988, AAON has maintained a commitment to design, develop, manufacture and deliver heating and cooling products to perform beyond all expectations and demonstrate the value of AAON to our customers. For more information, please visit www.AAON.com.

Forward-Looking Statements

This press release includes "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Words such as "expects", "anticipates", "intends", "plans", "believes", "seeks", "estimates", "should", "will", and variations of such words and similar expressions are intended to identify such forward-looking statements. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions, which are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date on which they are made. We undertake no obligations to update publicly any forward-looking statements, whether as a result of new information, future events or otherwise. Important factors that could cause results to differ materially from those in the forward-looking statements include (1) the timing and extent of changes in raw material and component prices, (2) the effects of fluctuations in the commercial/industrial new construction market, (3) the timing and extent of changes in interest rates, as well as other competitive factors during the year, and (4) general economic, market or business conditions.

Contact Information

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AAON, Inc. and Subsidiaries
Consolidated Statements of Income
(Unaudited)

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|--|--|------------|------------------------------|------------|
| | 2021 | 2020 | 2021 | 2020 |
| | <i>(in thousands, except share and per share data)</i> | | | |
| Net sales | \$ 143,876 | \$ 125,596 | \$ 259,664 | \$ 263,079 |
| Cost of sales | 101,769 | 87,465 | 184,400 | 182,001 |
| Gross profit | 42,107 | 38,131 | 75,264 | 81,078 |
| Selling, general and administrative expenses | 16,895 | 15,939 | 31,591 | 31,153 |
| (Gain) loss on disposal of assets | — | — | — | (62) |
| Income from operations | 25,212 | 22,192 | 43,673 | 49,987 |
| Interest (expense), income, net | (4) | 19 | (1) | 80 |
| Other income (expense), net | 39 | 32 | 56 | 5 |
| Income before taxes | 25,247 | 22,243 | 43,728 | 50,072 |
| Income tax provision | 4,632 | 4,439 | 6,737 | 10,415 |
| Net income | \$ 20,615 | \$ 17,804 | \$ 36,991 | \$ 39,657 |
| Earnings per share: | | | | |
| Basic | \$ 0.39 | \$ 0.34 | \$ 0.71 | \$ 0.76 |
| Diluted | \$ 0.38 | \$ 0.34 | \$ 0.69 | \$ 0.75 |
| Cash dividends declared per common share: | \$ 0.19 | \$ 0.19 | \$ 0.19 | \$ 0.19 |
| Weighted average shares outstanding: | | | | |
| Basic | 52,432,822 | 52,099,694 | 52,389,989 | 52,160,348 |
| Diluted | 53,603,932 | 52,750,401 | 53,736,134 | 52,885,491 |

AAON, Inc. and Subsidiaries
Consolidated Balance Sheets
(Unaudited)

| | <u>June 30, 2021</u> | <u>December 31, 2020</u> |
|--|--|--------------------------|
| | <i>(in thousands, except share and per share data)</i> | |
| Assets | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 111,427 | \$ 79,025 |
| Restricted cash | 692 | 3,263 |
| Accounts receivable, net of allowance for credit losses of \$518 and \$506, respectively | 53,311 | 47,387 |
| Income tax receivable | 3,339 | 4,587 |
| Note receivable | 32 | 31 |
| Inventories, net | 87,399 | 82,219 |
| Prepaid expenses and other | 2,940 | 3,739 |
| Total current assets | 259,140 | 220,251 |
| Property, plant and equipment: | | |
| Land | 5,016 | 4,072 |
| Buildings | 129,607 | 122,171 |
| Machinery and equipment | 301,964 | 281,266 |
| Furniture and fixtures | 20,726 | 18,956 |
| Total property, plant and equipment | 457,313 | 426,465 |
| Less: Accumulated depreciation | 217,549 | 203,125 |
| Property, plant and equipment, net | 239,764 | 223,340 |
| Goodwill and intangible assets, net | 3,229 | 3,267 |
| Right of use assets | 1,472 | 1,571 |
| Note receivable | 579 | 579 |
| Total assets | \$ 504,184 | \$ 449,008 |
| Liabilities and Stockholders' Equity | | |
| Current liabilities: | | |
| Accounts payable | \$ 21,250 | \$ 12,447 |
| Dividends payable | 9,970 | — |
| Accrued liabilities | 47,291 | 46,586 |
| Total current liabilities | 78,511 | 59,033 |
| Deferred tax liabilities | 31,071 | 28,324 |
| Other long-term liabilities | 4,493 | 4,423 |
| New market tax credit obligation | 6,383 | 6,363 |
| Commitments and contingencies | | |
| Stockholders' equity: | | |
| Preferred stock, \$.001 par value, 5,000,000 shares authorized, no shares issued | — | — |
| Common stock, \$.004 par value, 100,000,000 shares authorized, 52,416,014 and 52,224,767 issued and outstanding at June 30, 2021 and December 31, 2020, respectively | 210 | 209 |
| Additional paid-in capital | 10,998 | 5,161 |
| Retained earnings | 372,518 | 345,495 |
| Total stockholders' equity | 383,726 | 350,865 |
| Total liabilities and stockholders' equity | \$ 504,184 | \$ 449,008 |

AAON, Inc. and Subsidiaries
Consolidated Statements of Cash Flows
(Unaudited)

**Six Months Ended
June 30,**

| | 2021 | 2020 |
|---|-----------------------|------------------|
| Operating Activities | <i>(in thousands)</i> | |
| Net income | \$ 36,991 | \$ 39,657 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| Depreciation and amortization | 14,924 | 12,340 |
| Amortization of debt issuance cost | 20 | 20 |
| Provision for credit losses on accounts receivable, net of adjustments | 12 | 76 |
| Provision (recoveries) for excess and obsolete inventories | 292 | (193) |
| Share-based compensation | 5,793 | 5,694 |
| (Gain) loss on disposition of assets | — | (62) |
| Foreign currency transaction (gain) loss | (11) | 30 |
| Interest income on note receivable | (19) | (12) |
| Deferred income taxes | 2,747 | 5,061 |
| Changes in assets and liabilities: | | |
| Accounts receivable | (5,936) | 10,929 |
| Income taxes | 1,248 | (4,382) |
| Inventories | (5,472) | (11,617) |
| Prepaid expenses and other | 799 | (568) |
| Accounts payable | 10,650 | 2,893 |
| Deferred revenue | 574 | 473 |
| Accrued liabilities | 300 | 2,423 |
| Net cash provided by operating activities | 62,912 | 62,762 |
| Investing Activities | | |
| Capital expenditures | (33,157) | (33,510) |
| Proceeds from sale of property, plant and equipment | 2 | 61 |
| Principal payments from note receivable | 29 | 25 |
| Net cash used in investing activities | (33,126) | (33,424) |
| Financing Activities | | |
| Stock options exercised | 11,848 | 14,173 |
| Repurchase of stock | (10,271) | (15,937) |
| Employee taxes paid by withholding shares | (1,532) | (1,102) |
| Net cash provided by (used in) financing activities | 45 | (2,866) |
| Net increase in cash, cash equivalents and restricted cash | 29,831 | 26,472 |
| Cash, cash equivalents and restricted cash, beginning of period | 82,288 | 44,373 |
| Cash, cash equivalents and restricted cash, end of period | \$ 112,119 | \$ 70,845 |

Use of Non-GAAP Financial Measures

To supplement the Company's consolidated financial statements presented in accordance with generally accepted accounting principles ("GAAP"), an additional non-GAAP financial measure is provided and reconciled in the following table. The Company believes that this non-GAAP financial measure, when considered together with the GAAP financial measures, provides information that is useful to investors in understanding period-over-period operating results. The Company believes that this non-GAAP financial measure enhances the ability of investors to analyze the Company's business trends and operating performance.

EBITDA

EBITDA (as defined below) is presented herein and reconciled from the GAAP measure of net income because of its wide acceptance by the investment community as a financial indicator of a company's ability to internally fund operations.

The Company defines EBITDA as net income, plus (1) depreciation and amortization, (2) interest expense (income), net and (3) income tax expense. EBITDA is not a measure of net income or cash flows as determined by GAAP.

The Company's EBITDA measure provides additional information which may be used to better understand the Company's operations. EBITDA is one of several metrics that the Company uses as a supplemental financial measurement in the evaluation of its business and should not be considered as an alternative to, or more meaningful than, net income, as an indicator of operating performance. Certain items excluded from EBITDA are significant components in understanding and assessing a company's financial performance. EBITDA, as used by the Company, may not be comparable to similarly titled measures reported by other companies. The Company believes that EBITDA is a widely followed measure of operating performance and is one of many metrics used by the Company's management team and by other users of the Company's consolidated financial statements.

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

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|--------------------------------|--------------------------------|------------------|------------------------------|------------------|
| | 2021 | 2020 | 2021 | 2020 |
| | <i>(in thousands)</i> | | | |
| Net Income, a GAAP measure | \$ 20,615 | \$ 17,804 | \$ 36,991 | \$ 39,657 |
| Depreciation and amortization | 7,526 | 6,338 | 14,924 | 12,340 |
| Interest expense (income), net | 4 | (19) | 1 | (80) |
| Income tax expense | 4,632 | 4,439 | 6,737 | 10,415 |
| EBITDA, a non-GAAP measure | <u>\$ 32,777</u> | <u>\$ 28,562</u> | <u>\$ 58,653</u> | <u>\$ 62,332</u> |