LSB INDUSTRIES

Q1 2024
EARNINGS PRESENTATION

April 30, 2024

Forward-Looking Statements

- Statements in this presentation that are not historical are forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements, which are subject to known and unknown risks, uncertainties and assumptions about us, may include projections of our future financial performance including the effects of the COVID-19 pandemic and anticipated performance based on our growth and other strategies and anticipated trends in our business. These statements are only predictions based on our current expectations and projections about future events. There are important factors that could cause our actual results, level of activity, performance or actual achievements to differ materially from the results, level of activity, performance or anticipated achievements expressed or implied by the forward-looking statements. Significant risks and uncertainties may relate to, but are not limited to, business and market disruptions related to the COVID-19 pandemic, market conditions and price volatility for our products and feedstocks, as well as global and regional economic downturns, including as a result of the COVID-19 pandemic, that adversely affect the demand for our end-use products; disruptions in production at our manufacturing facilities; and other financial, economic, competitive, environmental, political, legal and regulatory factors. These and other risk factors are discussed in the Company's filings with the Securities and Exchange Commission (SEC).
- Moreover, we operate in a very competitive and rapidly changing environment. New risks and uncertainties emerge from time to time, and it is not possible for our management to predict all risks and uncertainties, nor can management assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. Although we believe the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, level of activity, performance or achievements. Neither we nor any other person assumes responsibility for the accuracy or completeness of any of these forward-looking statements. You should not rely upon forward-looking statements as predictions of future events. Unless otherwise required by applicable laws, we undertake no obligation to update or revise any forward-looking statements, whether because of new information or future developments.

Stockholder Rights Plan in Place to Preserve Substantial NOL's

- Our Section 382 Stockholder Rights Plan (the "Rights Plan") is intended to protect our substantial net operating losses ("NOLs"), carryforwards and other tax attributes.
- We can generally use our NOLs and other tax attributes to reduce federal and state income tax that would be paid in the future.
- Our ability to use our NOLs could be substantially limited if we experience an "ownership change," as defined under Section 382 of the Internal Revenue Code of 1986, as amended (the "Code") and the Rights Plan has been designed to help prevent such an "ownership change."
- The Rights Plan provides that if any person becomes the beneficial owner (as defined in the Code) of 4.9% or more of our common stock, stockholders other than the triggering stockholder will be entitled to acquire shares of common stock at a 50% discount or LSB may exchange each right held by such holders for one share of common stock.
- Under the Rights Plan, any person which currently owns 4.9% or more of LSB's common stock may continue to own its shares of common stock but may not acquire any additional shares without triggering the Rights Plan.
- Our Board of Directors has the discretion to exempt any person or group from the provisions of the Rights Plan.
- On August 22, 2023, the Company entered into an Amended and Restated Section 382 Rights Agreement. As a result, the Rights Plan will continue in effect until August 22, 2026, unless terminated earlier in accordance with its terms. The Company plans to submit the Amended and Restated Section 382 Rights Agreement to a vote of the stockholders at its 2024 Annual Meeting of Stockholders.

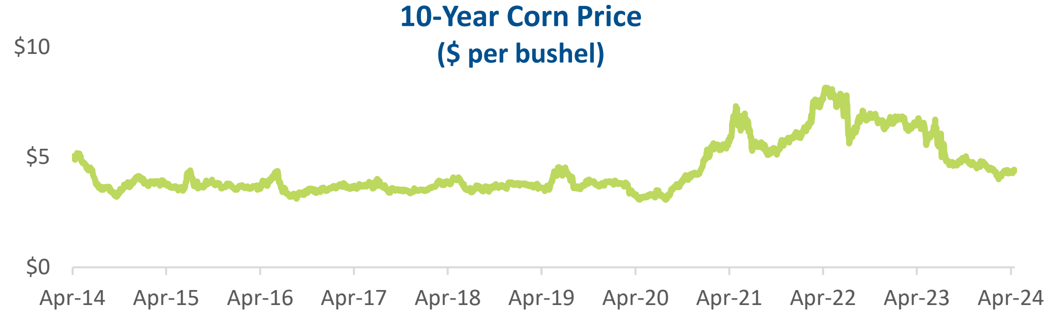
Q1'24 Overview

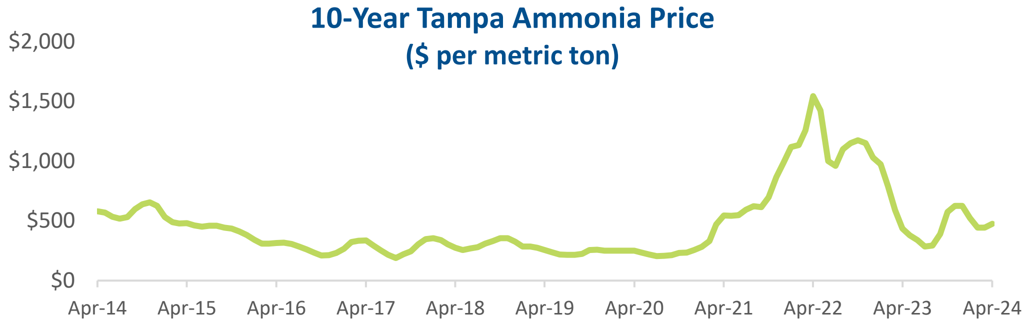
- ✓ Sales volume increased year-over-year, offset by weaker pricing for agricultural products
- ✓ Generated solid free cash flow
- ✓ Returned capital to shareholders through share buybacks
- ✓ De-risked balance sheet through bond repurchases
- ✓ Outlook for nitrogen demand and pricing remains favorable
- ✓ Low-carbon ammonia project timelines remain on track

Agricultural Market Overview (1)

- **U.S. corn price remains near 10-year average level**
  - Corn supply expected to increase in the coming months, though E15 waiver could provide support for demand
  - Corn prices remain resilient despite rising stock-to-use ratios

- **Nitrogen product price trends mixed**
  - Tampa ammonia price settled at $450/MT for May, supported by Q1 downtime, disruption of shipping through the Suez Canal, and delayed startup of new capacity
  - UAN prices underpinned by tight U.S. inventory and reduced imports from Trinidad due to production issues
  - Urea prices could come under pressure on high India inventories

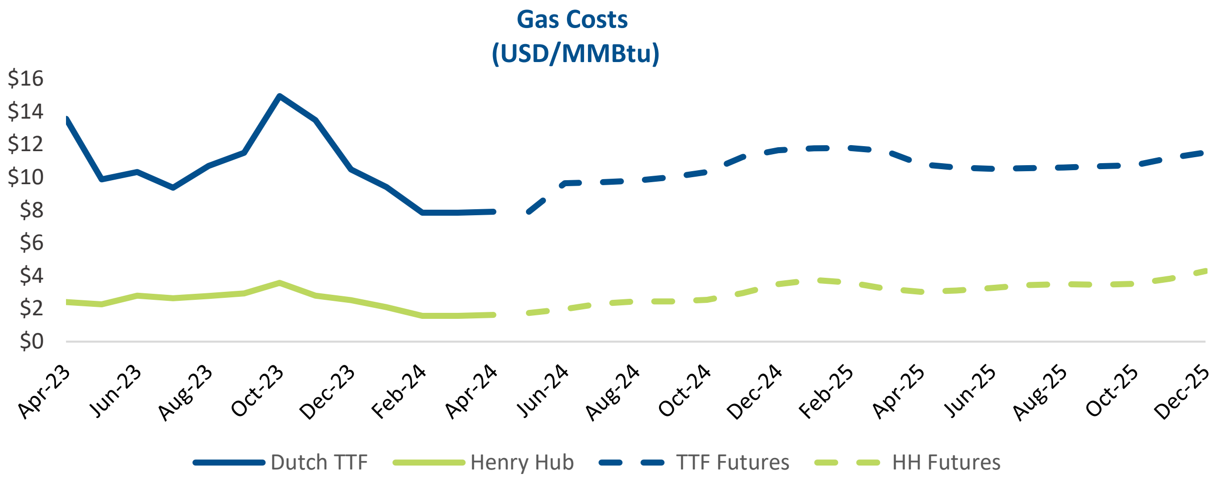


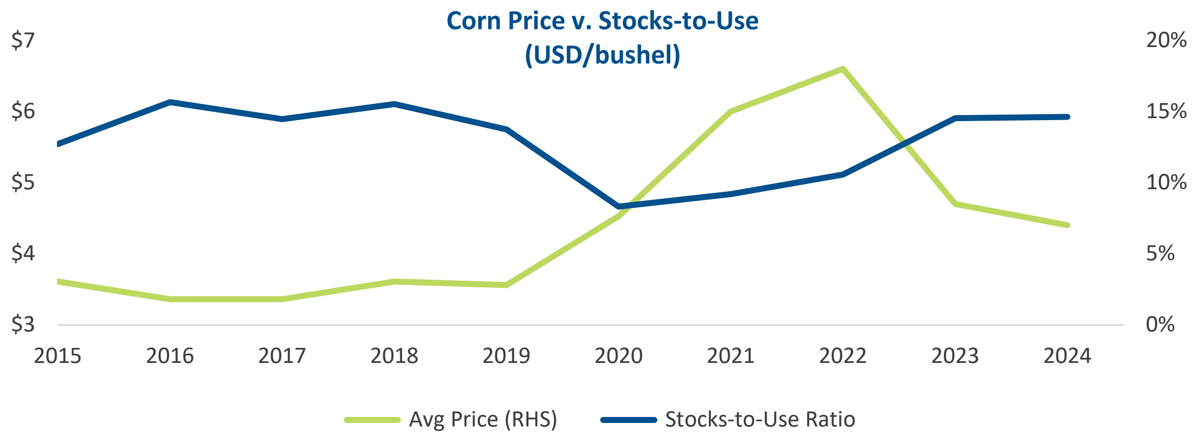


Spot Prices	April 26, 2024	April 26, 2023
Tampa Ammonia	$475 / MT	$380 / MT
UAN (NOLA)	$270 / ST	$275 / ST
Natural Gas (NYMEX Spot Price)	$1.61/MMBtu	$2.12MMBtu

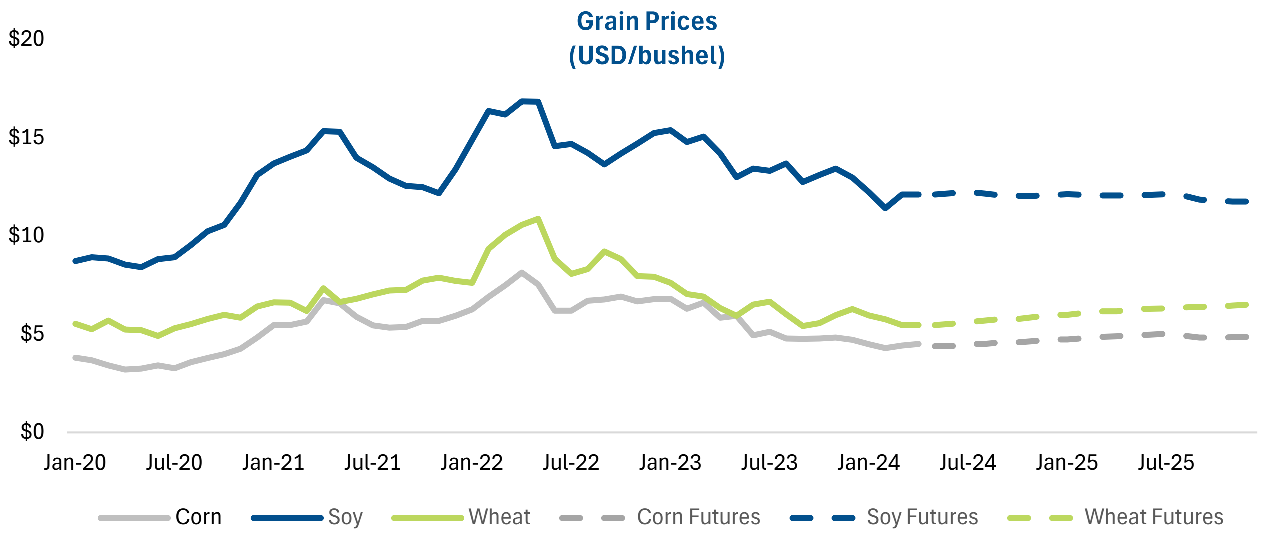
(1) Sources: USDA, Green Markets® A Bloomberg Company , Macrotrends.net, Federal Reserve Economic Data, and Nasdaq.com

Structural Changes in Nitrogen Markets with Sustained Commodity Fundamentals





- U.S. gas prices projected to remain a cost advantage for domestic nitrogen producers relative to European producers for the next two years
- Corn stocks-to-use ratios appear to be leveling off and corn prices remain at prices supportive of farmer profitability
- Grain prices projected to remain at attractive levels over the next two years

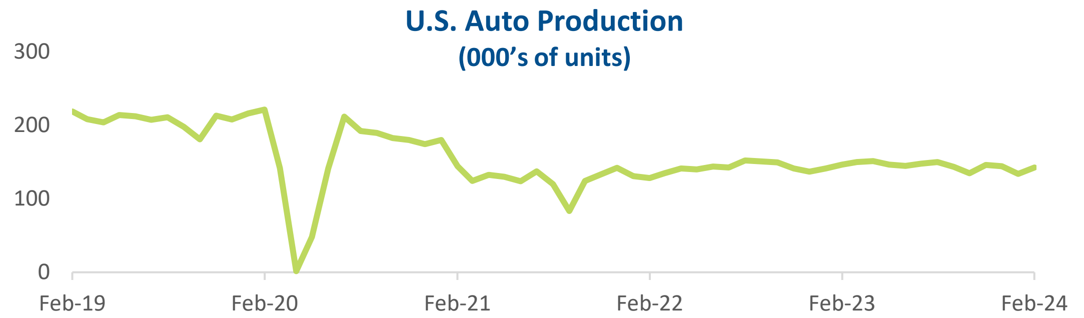


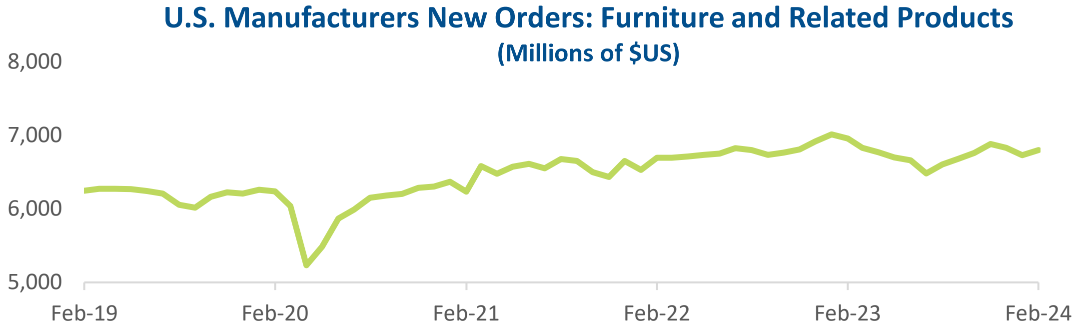
Source: USDA, Argus, Bloomberg, EIA, Management Estimates
Note: Natural Gas Costs derived from forward strips as of 4/19/24

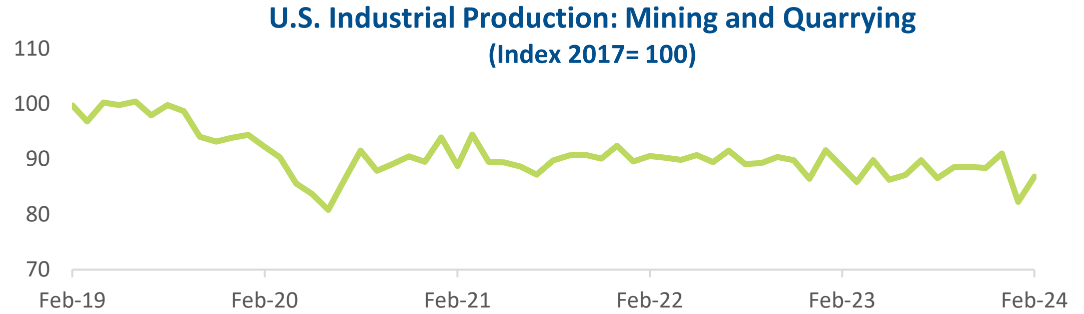
Industrial and Mining Market Overview (1)

- Demand remains stable for Industrial products supported by resilient U.S. economy
- Auto production has been steady for the past two years
- Furniture orders remain above pre-pandemic levels

- Robust demand for Mining products due to attractive market fundamentals for quarrying and aggregate production and U.S. metals demand
- Gold and copper prices have increased materially thus far in 2024
- Coal prices dropped significantly in 2023, however, our exposure to coal mining activity is minimal







(1) Sources: Federal Reserve Economic Data

LSB

Q1’24 Financial Results

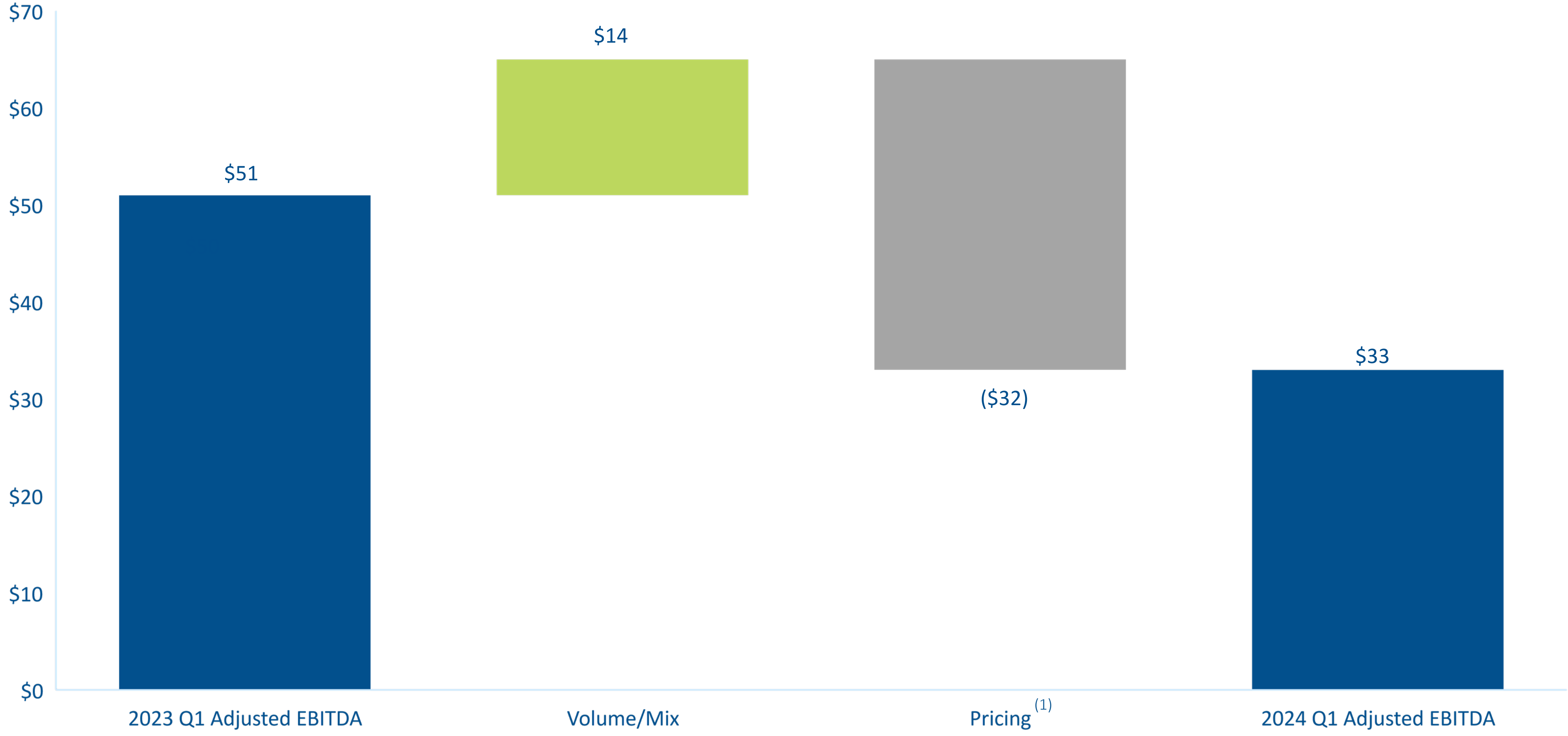
	Q1’24	Q1’23
Net Sales	$138 M	$181 M
Adjusted EBITDA[1]	$33 M	$51 M
Adjusted EBITDA Margin[1]	24%	28%
Diluted EPS	$0.08	$0.21

- Sales volume increased year-over-year
- Net sales and adjusted EBITDA down year-over-year due to lower pricing
- Margin impact of lower pricing partially offset by lower natural gas costs, higher volumes and the benefits of our stable industrial and mining margins

(1) Adjusted EBITDA and Adjusted EBITDA Margin are non-GAAP measures; see reconciliations in appendix

First Quarter – 2024 vs. 2023

$ in millions



(1) Pricing includes approximately $22 million benefit of lower natural gas costs

LSB

Solid Balance Sheet and Cash Flow

	3/31/24	3/31/23
Cash & ST Inv.	$265 M	$426 M
Total Debt	$550	$711
Net Debt[1]/ TTM Adj. EBITDA	2.5X	0.8X
TTM Op. Cash Flow	$102 M	$319 M
TTM CAPEX	$67 M	$56 M
Free Cash Flow Conversion[2]	30%	72%

- Healthy cash balance and robust liquidity position supports balanced capital allocation strategy
- Net debt/TTM Adjusted EBITDA of 2.5X
- Continued positive free cash flow despite pricing environment
- Repurchased approximately 0.7 million shares of common stock during the first quarter of 2024, and approximately 1.5 million shares year-to-date
- Repurchased $33 million in principal amount of Senior Secured Notes during the first quarter of 2024, and $75 million in principal amount year-to-date

(1) Net debt calculated as total long-term debt including current minus cash and cash equivalents and short-term investments
(2) Free Cash Flow Conversion calculated as (Operating Cash Flow – Capital Expenditures) / Adjusted EBITDA

El Dorado Low-Carbon Ammonia Project

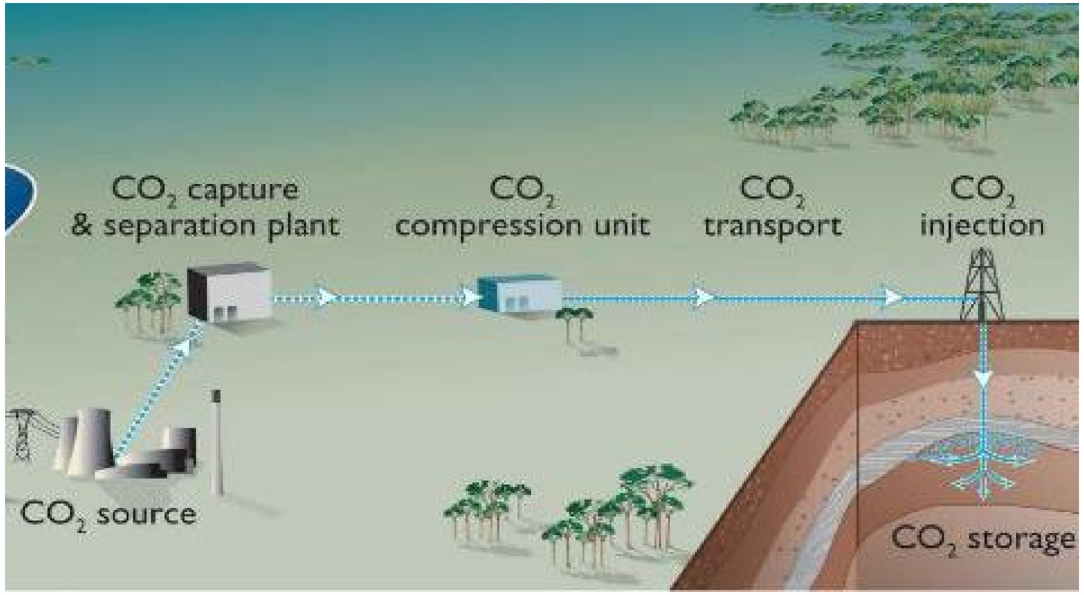
Project Highlights

- Capital investment for LSB is minimal
- Lapis will capture and sequester >450,000 metric tons of CO_2 produced annually in the course of El Dorado's ammonia production
- We expect Lapis to receive 45Q federal tax credit of $85 per metric ton of CO_2 sequestered and pay a fee to LSB for each ton
- The carbon sequestration is expected to result in >375,000 tons of low-carbon ammonia that LSB can potentially sell at a premium
- Once in operation, the project is expected to reduce LSB's Scope 1 CO_2 emissions by ~25% and result in an estimated $15 - $20 million of incremental EBITDA for the company

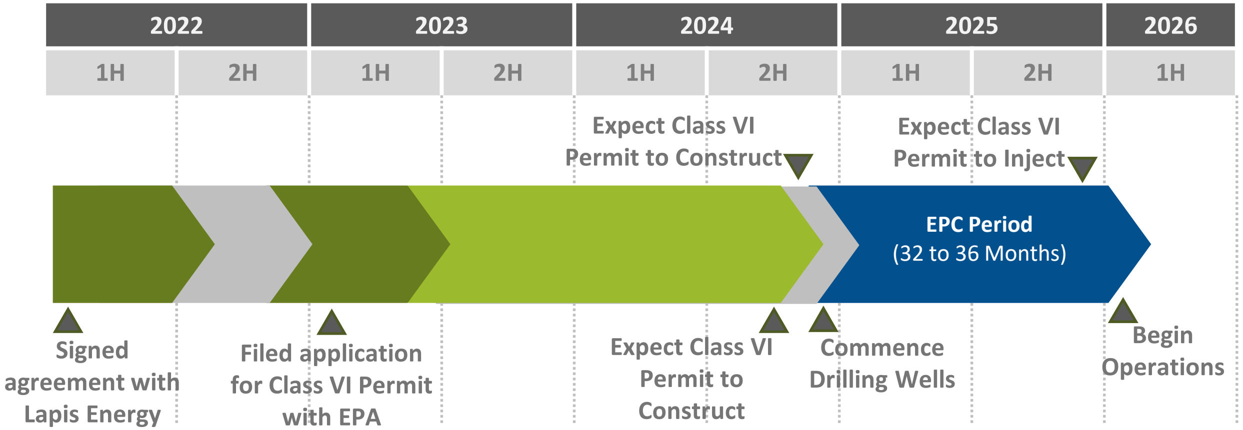
Roles

LSB INDUSTRIES	**Ammonia production at El Dorado, AR facility**	100% owner of ammonia production facility
Lapis Energy	**Develop and construct CO_2 capture and sequestration capabilities**	Full-service CCS developer and operator Experienced team of energy industry professionals with expertise in engineering, construction, geology, site selection and project management

Illustrative Process Flow



Illustrative Timeline



Houston Ship Channel Ammonia Project

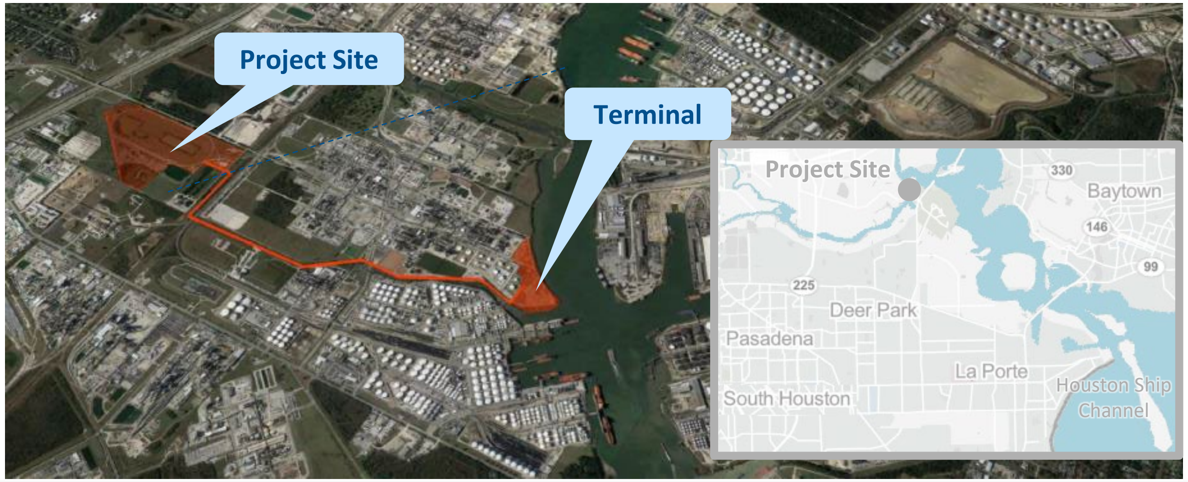
Project Highlights

- New 1.1 million TPA low-carbon ammonia plant at an attractive site in Deer Park, on the Houston Ship Channel – access to low-cost natural gas, key pipelines, and deepwater logistics
- Focused on the domestic and export markets, particularly power generation demand from Japan and Korea and low-carbon ammonia demand from the U.S. and Europe – seizing government incentives at both production and consumption
- INPEX relationship with Japanese utilities provides potential to be highly-contracted with creditworthy counterparties, enabling predictable cash flows and non-recourse project financing

Roles

Air Liquide	**Hydrogen and nitrogen feedstock supplier**	#2 supplier of industrial gases with $100 billion of EV To build and operate ASU and ATR for project
INPEX	**Equity partner and developer delivering Asian offtakers**	#1 E&P company in Japan with $25 billion of EV Equity partner to Air Liquide for ASU and ATR; equity partner to LSB for the ammonia loop
Vopak / exolum	**Terminaling and logistics services**	JV between major terminaling and storage firms To provide site and services to the project
LSB INDUSTRIES	**Ammonia loop equity partner and operator**	Experienced North American ammonia producer To own (~ 50%) and operate the ammonia loop

Location



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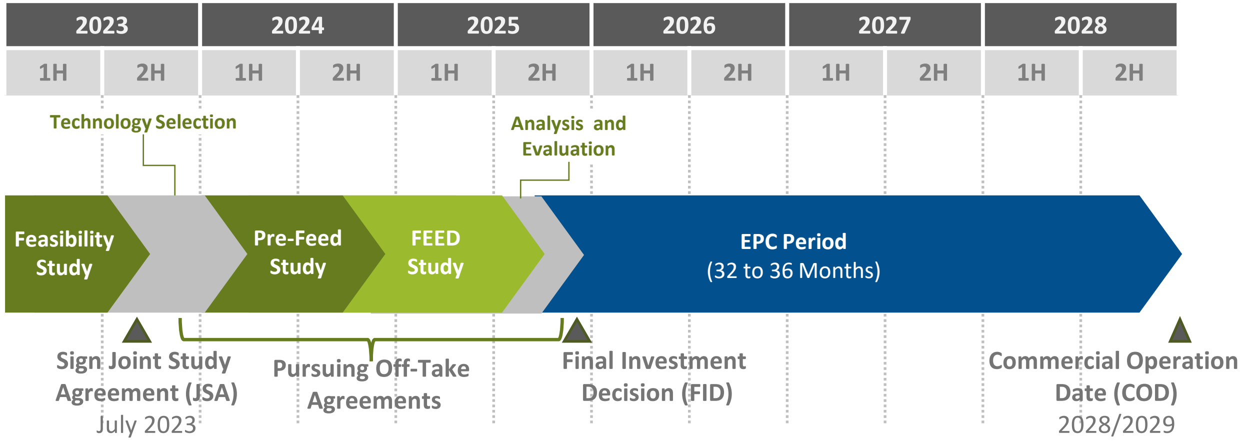

Appendix

Adjusted EBITDA Reconciliation*

LSB Consolidated ($ In Millions)	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Net income	**$ 5.6**	**$ 15.9**
Plus:		
Interest expense and interest income, net	6.1	8.7
Net (gain) on extinguishment of debt	(1.1)	—
Depreciation and amortization	17.1	17.6
Provision for income taxes	0.6	5.9
EBITDA[1]	**$ 28.4**	**$ 48.1**
Stock-based compensation	1.4	0.7
Legal fees (Leidos)	0.4	0.3
Loss on disposal and impairment of assets	1.5	1.9
Turnaround costs	0.9	(0.0)
Growth Initiatives	0.1	—
Adjusted EBITDA[2]	**$ 32.6**	**$ 51.0**

(1) EBITDA is defined as net income (loss) plus interest expense and interest income net, plus loss (or less gain) on extinguishment of debt, plus depreciation and amortization (D&A) (which includes D&A of property, plant and equipment and amortization of intangible and other assets), plus provision (or less benefit) for income taxes. We believe that certain investors consider EBITDA a useful means of measuring our ability to meet our debt service obligations and evaluating our financial performance. EBITDA has limitations and should not be considered in isolation or as a substitute for net income (loss), operating income (loss), cash flow from operations or other consolidated income or cash flow data prepared in accordance with GAAP. Because not all companies use identical calculations, this presentation of EBITDA may not be comparable to a similarly titled measure of other companies. The above table provides a reconciliation of net income (loss) to EBITDA for the periods indicated.

(2) Adjusted EBITDA is reported to show the impact of one time/non-cash or non-operating items-such as, non-cash stock-based compensation, loss (gain) on sale of a business and other property and equipment, one-time income or fees, and certain fair market value adjustments. We historically have performed Turnaround activities on an annual basis, however we are moving towards extending Turnarounds to a two or three-year cycle. Rather than being capitalized and amortized over the period of benefit, our accounting policy is to recognize the costs as incurred. Given these Turnarounds are essentially investments that provide benefits over multiple years, they are not reflective of our operating performance in a given year. As a result, we believe it is more meaningful for investors to exclude them from our calculation of adjusted EBITDA used to assess our performance. We believe that the inclusion of supplementary adjustments to EBITDA is appropriate to provide additional information to investors about certain items. The above table provides reconciliations of EBITDA excluding the impact of the supplementary adjustments.

*Columns may not foot due to rounding

Trailing Twelve Month EBITDA and Adjusted EBITDA*

($ in Millions)	TTM 3/31/2024	3/31/2024	12/31/2023	9/30/2023	6/30/2023
Net income (loss)	**$ 17.6**	**$ 5.6**	**$ (5.3)**	**$ (7.7)**	**$ 25.1**
Plus:					
Interest expense and interest income, net	23.9	6.1	6.2	3.5	8.1
Gain on extinguishment of debt	(9.8)	(1.1)	-	-	(8.6)
Depreciation and amortization	68.5	17.1	18.7	15.5	17.1
Provision (benefit) for income taxes	0.7	0.6	2.4	(5.2)	3.0
EBITDA (1)	**$ 100.9**	**$ 28.4**	**$ 21.9**	**$ 6.0**	**$ 44.6**
Stock-based compensation	6.0	1.4	1.4	1.3	1.9
Legal fees (Leidos)	0.7	0.4	0.1	0.1	0.1
(Gain) Loss on disposal and impairment of assets	3.0	1.5	1.0	(0.0)	0.6
Turnaround costs	3.4	0.9	0.7	1.7	(0.0)
Growth Initiatives	0.1	0.1	-	-	-
Adjusted EBITDA (2)	**$ 114.0**	**$ 32.6**	**$ 25.1**	**$ 9.2**	**$ 47.1**

($ in Millions)	TTM 3/31/2023	3/31/2023	12/30/2022	9/30/2022	6/30/2022
Net income (loss)	**$ 187.5**	**$ 15.9**	**$ 65.9**	**$ 2.3**	**$ 103.4**
Plus:					
Interest expense, net	40.2	8.7	9.9	10.0	11.6
Depreciation and amortization	68.1	17.6	17.1	16.4	17.0
Provision for income taxes	34.0	5.9	6.9	0.8	20.4
EBITDA (1)	**$ 329.7**	**$ 48.1**	**$ 99.8**	**$ 29.5**	**$ 152.4**
Stock-based compensation	3.9	0.7	0.9	0.9	1.4
Legal fees (Leidos)	1.0	0.3	0.2	0.3	0.3
Loss on disposal of assets and impairment of assets	3.2	1.9	0.4	0.0	0.9
Turnaround costs	26.7	(0.0)	4.2	19.2	3.3
Adjusted EBITDA (2)	**$ 364.6**	**$ 51.0**	**$ 105.5**	**$ 49.9**	**$ 158.1**

(1) See definition of EBITDA on previous page
(2) See definition of adjusted EBITDA on previous page

*Columns may not foot due to rounding