LSB INDUSTRIES

Q3 2023
EARNINGS PRESENTATION

November 2, 2023

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.

Q3’23 Overview – Healthy Volume Increase Offset by Lower Prices

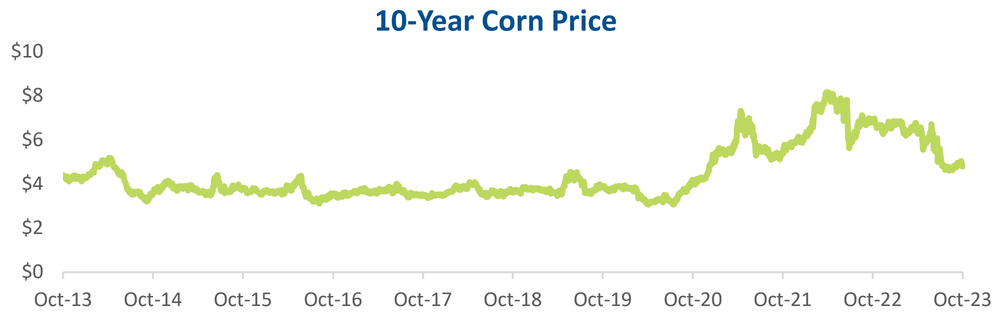
- Strong safety performance with a TRIR of 0.34 for TTM 9/30/23
- Sales volume increased year-over-year as a result of the absence of turnarounds in Q3’23 versus two turnarounds in Q3’22, offset by weaker pricing
- Announced collaboration with INPEX, Air Liquide and Vopak Moda to develop a world-scale blue ammonia production and export facility on the Houston Ship Channel
- Our El Dorado expansion project has been selected to receive funding under the USDA Fertilizer Production Expansion Program

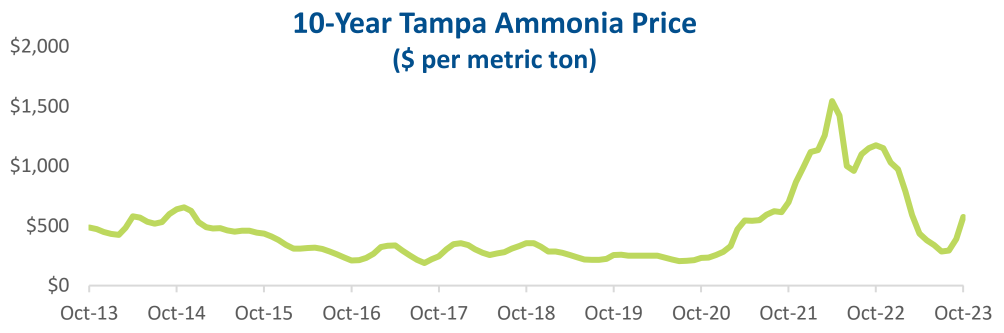
Market Overview (1)

- **U.S. corn price remains above 10-year average level**
  - Corn supply expected to decline modestly in the coming months on lower production
  - 2024 corn price outlook has risen in recent weeks

- **Nitrogen prices have risen in recent months**
  - Tampa ammonia price settled at $625/MT for November, up from $285 in July due largely to global supply constraints
  - Expect pricing to moderate into Q1'24 to levels that should prove attractive to farmers, potentially leading to higher application rates in Spring '24

- Demand remains steady for Industrial products supported by resilient U.S. economy
- Solid demand for Mining products due to attractive market fundamentals for quarrying and aggregate production and U.S. metals demand





Spot Prices	October 27, 2023	October 27, 2022
Tampa Ammonia	$625 / MT	$1,150 / MT
UAN (NOLA)	$260 / ST	$553 / ST
Natural Gas (NYMEX Spot Price)	$3.16/MMBtu	$5.19/MMBtu

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

Q3’23 Financial Results

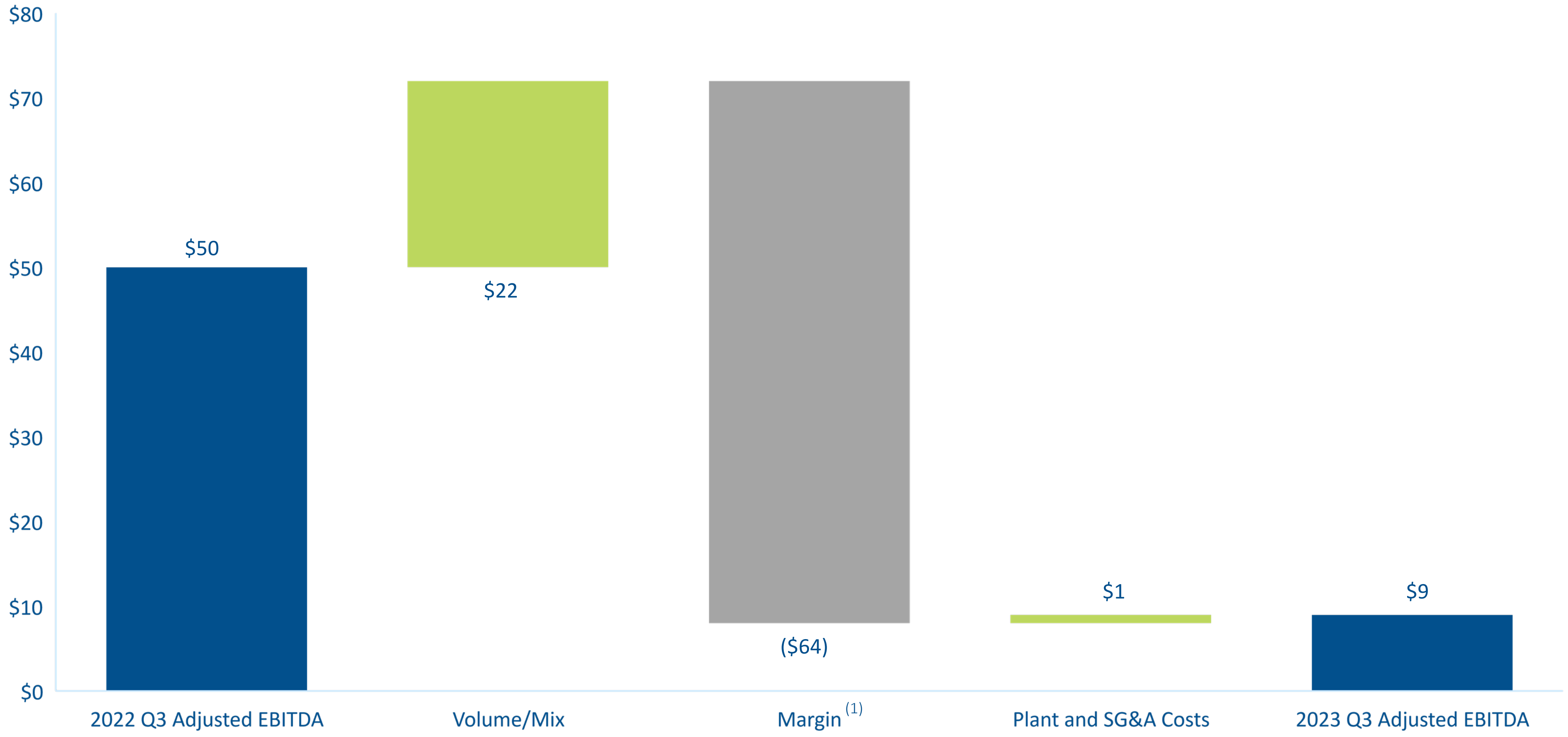
	Q3’23	Q3’22
Net Sales	$114 M	$184 M
Adjusted EBITDA[1]	$9 M	$50 M
Adjusted EBITDA Margin[1]	8%	27%
EPS	($0.10)	$0.03

- Sales volume increased year-over-year as a result of the absence of turnarounds in Q3’23 versus two turnarounds in Q3’22
- Net sales and adjusted EBITDA down year-over-year due to continued pricing weakness

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

Third Quarter – 2023 vs. 2022

$ in millions



(1) Selling prices includes approximately $34 million benefit of lower natural gas costs and $3 million benefit from lower sulfur raw material costs

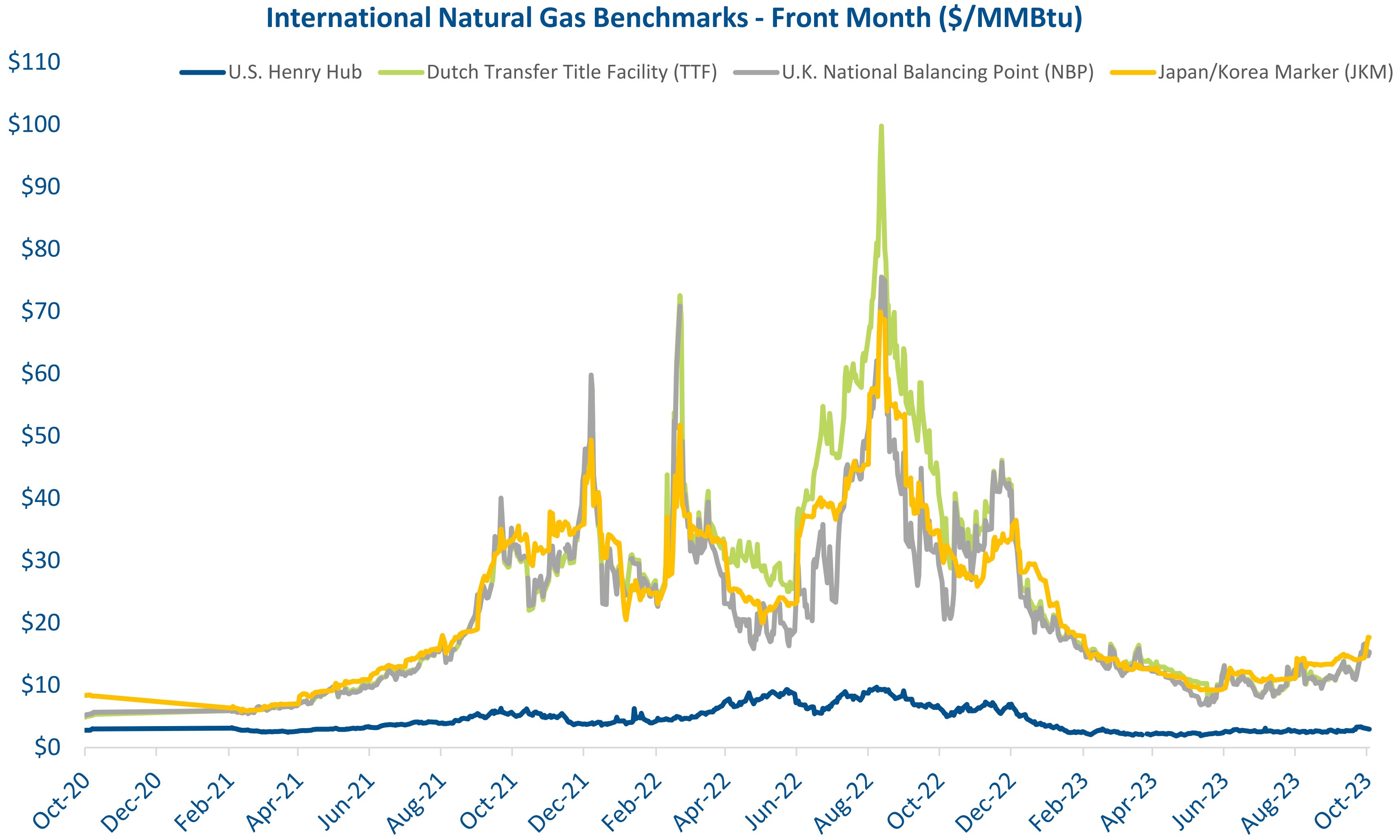
Solid Balance Sheet and Cash Flow

	9/30/23	9/30/22
Cash & ST Inv.	$318 M	$385 M
Total Debt	$583	$714
Net Debt[1]/ TTM Adj. EBITDA	1.2X	0.8X
Op. Cash Flow	$17 M	$38 M
CAPEX	$9 M	$16 M
Free Cash Flow Conversion[2]	95%	45%

- Healthy cash balance and robust liquidity position supports anticipated future investments in growth
- Net debt/TTM Adjusted EBITDA of ~1X
- Continued solid free cash flow despite pricing environment
- Year-to-date 9/30/23 free cash flow conversion rate of >70%

(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

Global Energy Price Spreads (1)



(1) Source: Platts, ICIS Heren, NYMEX

Houston Ship Channel Low-Carbon Ammonia Project

- Four leading energy-related companies collaborating to explore the creation of a large-scale low-carbon ammonia project
  - Air Liquide to collaborate with INPEX on low-carbon hydrogen production for use as feedstock for LSB-operated ammonia loop, in addition to carbon capture and nitrogen production
  - LSB Industries to collaborate with INPEX, Japan's largest E&P company, on the production and marketing of low carbon ammonia; JV agreement being negotiated
  - Facility to sit on Vopak Moda's Houston Ship Channel site
- Expected production of 1.1 million metric tons of blue ammonia per year and sequestration of ~1.6 million metric tons of CO_2
- Feasibility study completed in Q1 2023; Pre-FEED expected to be completed by Q2 2024 followed by FEED
- Project operations expected to begin by late-2027

Our Other Low Carbon Ammonia Projects

El Dorado Blue Ammonia

- April 2022 agreement with Lapis Energy to develop a CO_2 capture and sequestration (CCS) project at El Dorado facility
- Lapis to capture and sequester >450,000 MT of CO_2 produced by LSB's El Dorado ammonia plant
- Submitted EPA Class VI permit application on February 17, 2023; approval expected in first half of 2025
- Expect operations to begin in second half of 2025, subject to EPA permitting
- Expect Lapis, the owner of the CCS equipment, to receive 45Q federal tax credits for sequestered CO_2 and pay LSB a fee for each ton of CO_2 captured
- Expected to reduce LSB's scope 1 CO_2 emissions by 25%
- Working to develop customer demand/offtake

Pryor Green Ammonia

- May 2022 agreements with Bloom Energy and thyssenkrupp Uhde to develop a project to produce zero-carbon ammonia from green hydrogen produced using electrolyzers operating on renewable power at Pryor facility
- Feasibility study continuing with EPC firms to assess costs of installation of electrolyzers and other equipment
- Awaiting guidance on 45V tax credit from IRS
- Should we move forward with this project, expect production of ~30,000 MT of green ammonia per year while reducing Pryor's CO_2 emissions by ~36,000 MT per year
- Working to develop customer demand/offtake

Marine Fuel MOU with Amogy to develop marine fuel supply chain

- May 2023 memorandum of understanding with Amogy Inc. to develop low-carbon ammonia demand as a marine fuel
- The companies are collaborating on the evaluation and development of a pilot program that integrates LSB's low carbon ammonia and Amogy's ammonia-to-power solution
- Also expect to collaborate on exploration of development of low carbon ammonia supply and deployment of Amogy technology across multiple applications, including maritime vessels

Appendix

Adjusted EBITDA Reconciliation

LSB Consolidated ($ In Thousands)	Three Months Ended September 30, 2023	Three Months Ended September 30, 2022	Nine Months Ended September 30, 2023	Nine Months Ended September 30, 2022
Net income (loss)	**$ (7,725)**	**$ 2,312**	**$ 33,270**	**$ 164,477**
Plus:				
Interest expense and interest income, net	3,467	9,960	20,263	31,499
Net (gain) loss on extinguishment of debt	—	—	(8,644)	113
Depreciation and amortization	15,548	16,398	50,255	50,902
(Benefit) provision for income taxes	(5,250)	780	3,622	32,277
EBITDA	**$ 6,040**	**$ 29,450**	**$ 98,766**	**$ 279,268**
Stock-based compensation	1,318	921	3,964	3,089
Legal fees (Leidos)	111	301	475	914
(Gain) loss on disposal and impairment of assets	(11)	22	2,429	828
Turnaround costs	1,741	19,238	1,696	25,064
Adjusted EBITDA	**$ 9,199**	**$ 49,932**	**$ 107,330**	**$ 309,163**

(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. Our policy is to adjust for non-cash, non-recurring, non-operating items that are greater than $0.5 million quarterly or cumulatively.