LSB INDUSTRIES, INC.
INVESTOR OVERVIEW
June 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.

Who We Are

LSB at a Glance

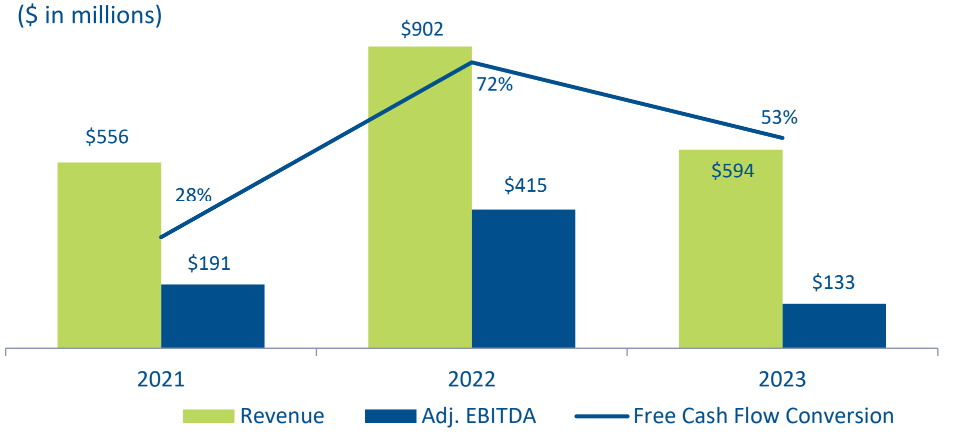
Business Overview

- LSB Industries, headquartered in Oklahoma City, OK, manufactures and sells nitrogen-based products for the agricultural, industrial and mining markets
- The Company is the fifth largest producer of ammonia and the leading merchant marketer of nitric acid in the U.S.
- LSB owns and operates three production facilities strategically located near key areas of customer demand:
  - El Dorado, AR: Manufactures ammonia, ammonium nitrate, nitric acid, sulfuric acid and AN solution
  - Cherokee, AL: Manufactures UAN, ammonia, AN solution and nitric acid
  - Pryor, OK: Manufactures UAN and ammonia
- LSB operates an additional nitric acid facility in Baytown, TX owned by Covestro
- With its strong balance sheet, the Company is well positioned to grow through the development of low-carbon ammonia projects and capacity expansion, while returning value to shareholders

Select Customers

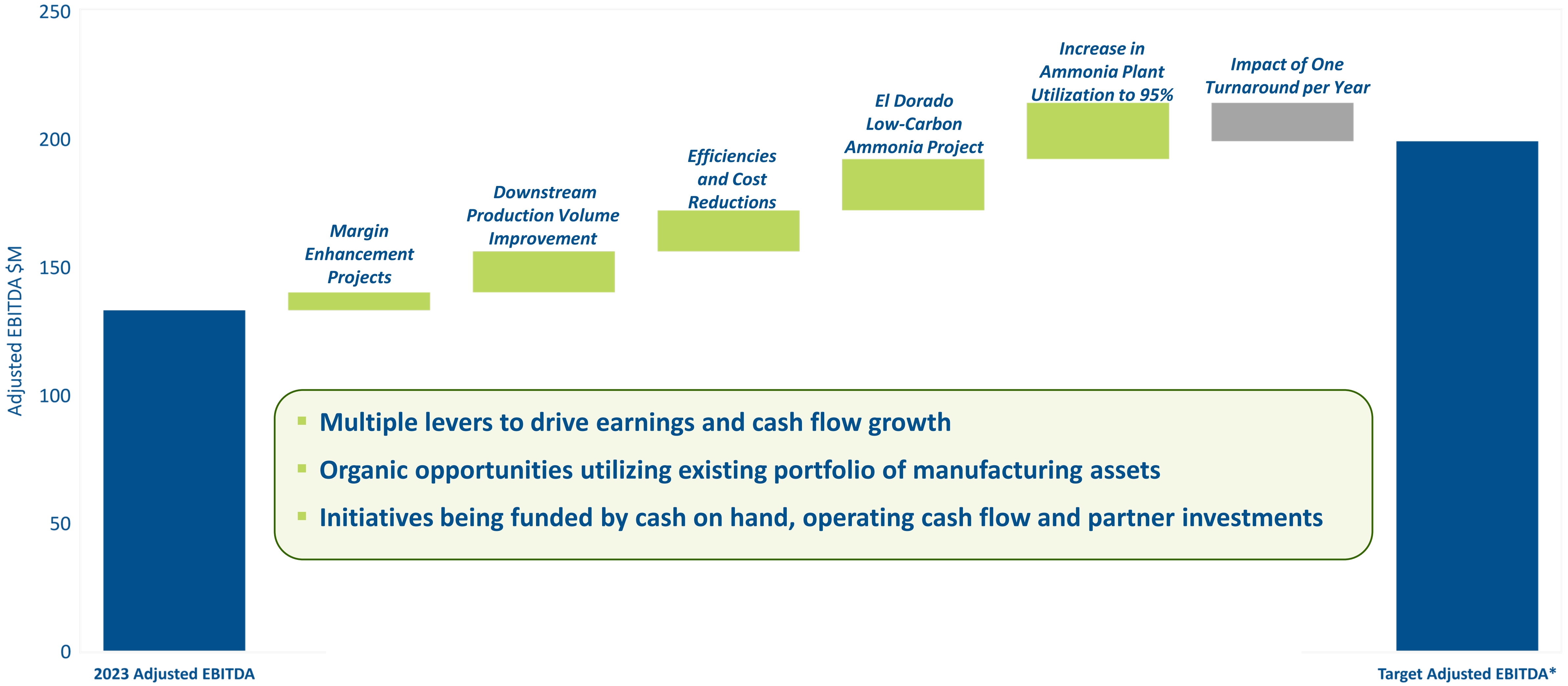
Nutrien Ag Solutions, Southern Company, Dyno Nobel, HANKA, Buckley Powder Company, Austin, Simplot, EPC Groupe, Messer Gases for Life, WinField United

Revenue, Adj. EBITDA and FCF Yield Performance[1]



(1) Adjusted EBITDA and Free Cash Flow Conversion are non-GAAP measures; see reconciliations in appendix

Increase in Earnings Power Driven by Multiple High Returning Initiatives



- **Multiple levers to drive earnings and cash flow growth**
- **Organic opportunities utilizing existing portfolio of manufacturing assets**
- **Initiatives being funded by cash on hand, operating cash flow and partner investments**

***Assumes pricing levels consistent with 2023**

Value Generating Transformation Underway

YESTERDAY	TODAY	TOMORROW
Siloed and "good was good enough"	Professionalized	Energized workforce aligned with the Vision: energy transition leadership
Chemicals, HVAC, other disparate businesses	Chemicals-focused	Focused on low-carbon chemical and energy products
Hamstrung by capital structure	Healthy capital structure	Healthy capital structure, strategic partnerships, and improved access to growth capital
"Left for dead" by the equity market	Trading in line with peers; improved volumes	An equity story of growth and sustainability
Low onstream rates; inefficient operations	Improving onstream rates; proactively improving operations	Operational excellence with enviable onstream rates
No sustainability plan	Sustainability plan supported by clean energy retrofit projects	Sustainability as a growth engine
No cohesive plan for growth – too busy 'putting out fires'	Multiple avenues for growth within existing footprint	Expanding competencies, end markets, and footprint
Less than $40 million in EBITDA	Multiple of yesterday's EBITDA	Larger scale, lower earnings volatility

LSB's Vision is to be a Leader in the Energy Transition

LSB

Experienced Management Team Driving Growth

MARK BEHRMAN
President & Chief Executive Officer

President and CEO of LSB Industries since 2018. He joined the company in 2014 and served as Executive Vice President and CFO from 2015-2018. Prior to LSB, Mr. Behrman had over 30 years of financial and investment banking experience in the industrial, transportation and energy sectors.

CHERYL MAGUIRE
EVP & Chief Financial Officer

Joined LSB in 2015 as the Vice President of Financial Planning and Accounting and was promoted to CFO in 2018. Ms. Maguire has over 20 years of experience in finance and accounting as it relates to the manufacturing and energy sectors.

SCOTT BEMIS
EVP, Manufacturing

Joined LSB in 2024 as Executive Vice President of Manufacturing with over 30 years of operating experience in the chemical manufacturing sector, including 26 years with Dow Inc.

DAMIEN RENWICK
EVP, Chief Commercial Officer

Joined LSB in 2021 as Executive Vice President, Chief Commercial Officer with more than 20 years of experience in the chemical industry, most recently with Houston-based Cyanco, the largest producer and distributor of sodium cyanide in the world.

MICHAEL FOSTER
EVP, General Counsel & Secretary

Joined LSB as General Counsel in 2016. Has more than 28 years of legal experience. Prior to LSB, he most recently served as Senior Vice President, General Counsel and Secretary for Tronox (NYSE: TROX).

DR. JAKOB KRUMMENACHER
VP, Clean Energy

Joined LSB as Director of Clean Energy in 2021. Has more than 18 years of experience in the energy and chemical industry, including positions of increasing responsibility with CF Industries (NYSE: CF) and BP (NYSE: BP).

Our Core Business

Diversified Nitrogen Chemicals Business with Differentiated End Market Positions

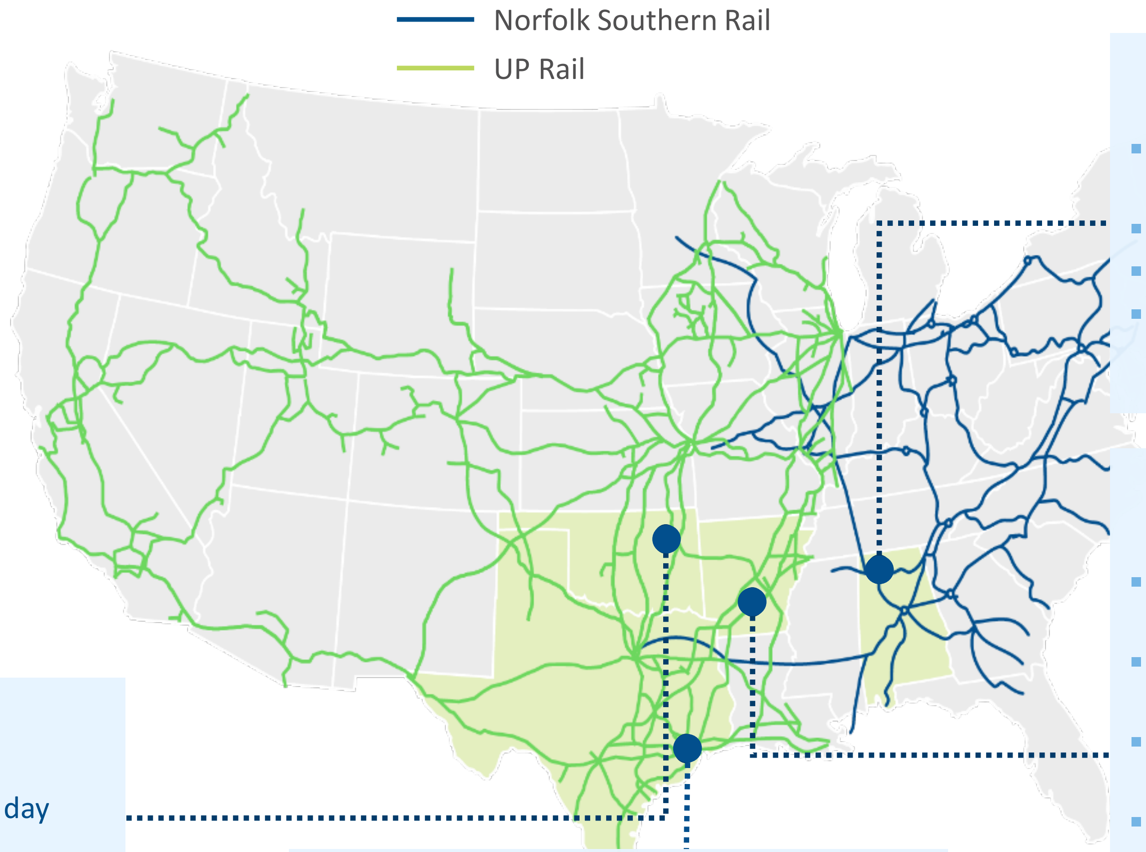
	Key products	End markets
Agricultural	Urea ammonium nitrate solutions (UAN)	Liquid fertilizer for corn and other crops
	Ammonium nitrate (AN)	High-efficacy fertilizer for corn, other crops, and pastures and key nitrogen components in nitrogen, phosphorus, and potassium (NPK) fertilizer blends
	Ammonia	High nitrogen content fertilizer primarily used for corn
Industrial	Ammonia	Chemical feedstock, emissions abatement, water treatments, refrigerants
	Nitric Acid	Semiconductor, nylon and polyurethane intermediates, ammonium nitrate, metals processing
	Sulfuric Acid	Pulp and paper, aluminum, water treatment, metals (lithium), and vanadium processing
	CO_2	Food refrigeration, dry ice, enhanced oil recovery
Mining	Ammonium nitrate	Explosives for mining, quarries, and other blasting activities

Application

Strategically Located Assets with Regional Competitive Advantages

KEY COMPETITIVE ADVANTAGES

- Leveraged to globally competitive, low-cost US natural gas
- Multiple options to add new, or increase existing, plant production capacities
- Strategic proximity to key end user markets
- Integrated production and logistics network to drive security of supply



Cherokee, AL

- Ammonia production capacity of 515 tons per day
- UAN, AN, and nitric acid
- UAN expansion pathway
- Strategically located to supply Eastern Corn Belt fertilizer markets

El Dorado, AR

- Ammonia production capacity of 1,350 tons per day
- Nitric acid, ammonium nitrate (AN), mixed acids, sulfuric acid production
- Multiple options to add new or increase existing plant production capacities
- Strategically located to supply AN fertilizer and explosives markets
- Access to NuStar ammonia pipeline
- Uniquely placed to sequester carbon emissions and produce low carbon products

Pryor, OK

- Ammonia production capacity of 675 tons per day
- UAN production
- UAN expansion pathway
- Strategically located to supply the Southern Plains with direct rail access to Corn Belt

Baytown, TX

- Nitric acid production
- Co-located with Covestro under long-term operating agreement

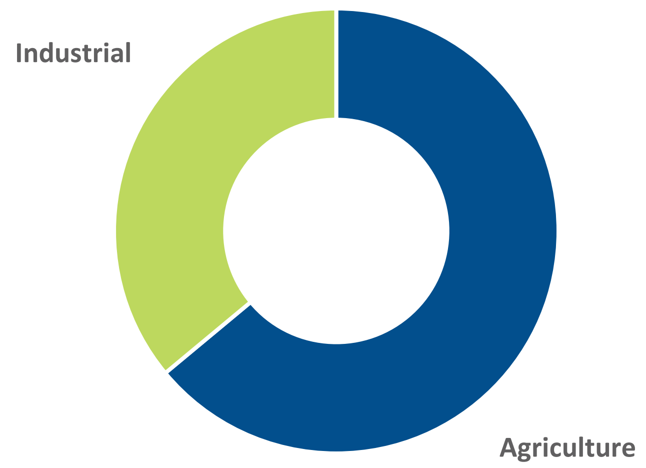
Diversified Nitrogen Chemicals Business with Differentiated End Market Positions

Broad diversification provides offtake stability and ratability

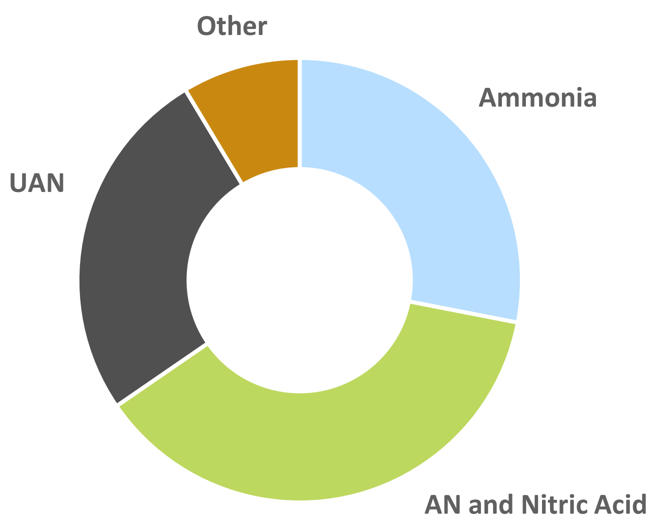
Operational and market flexibility to optimize mix and maximize earnings

Sales balance of spot and contract

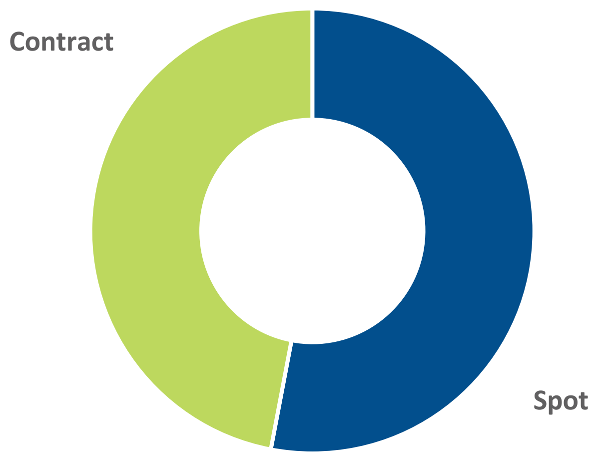
Revenue by market - 2023



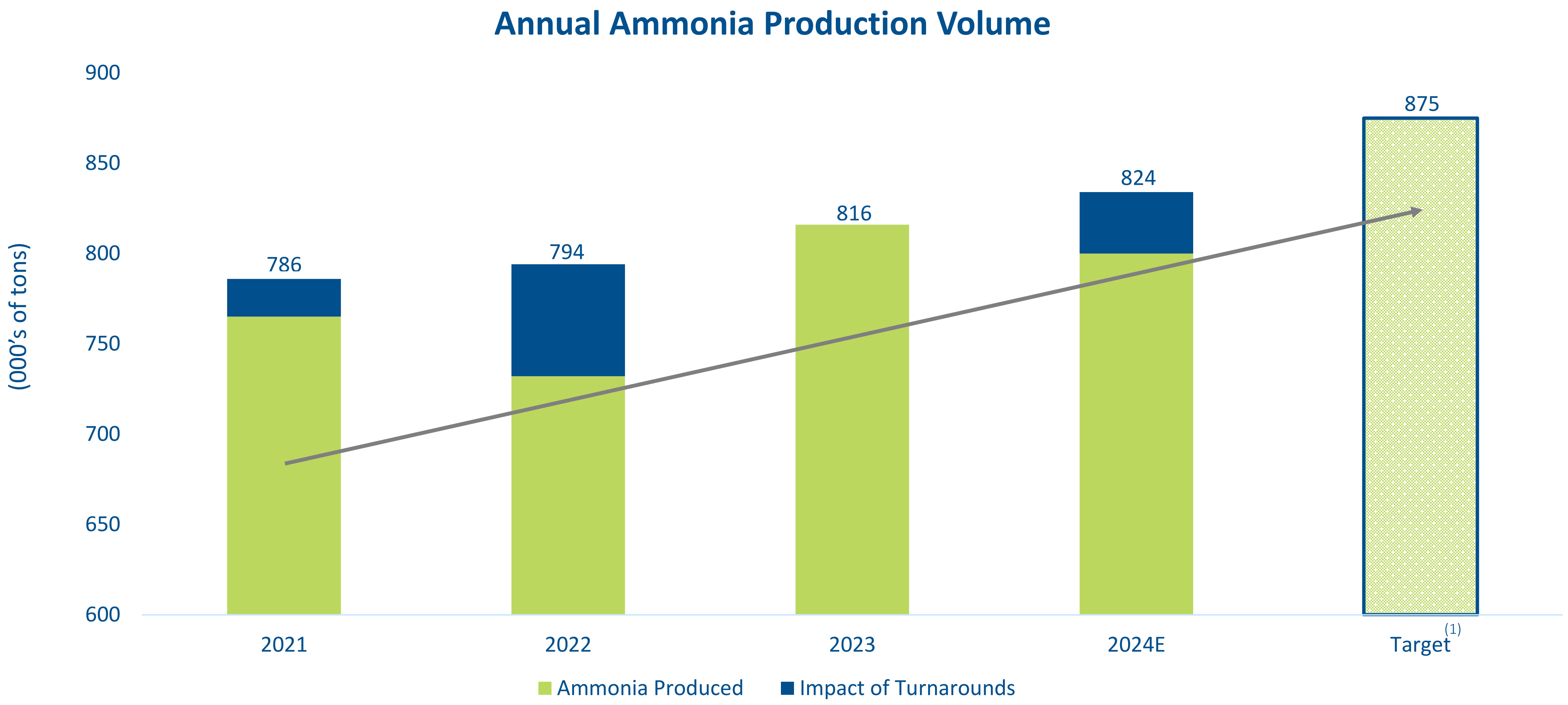
Revenue by product - 2023



Volume by sales method - 2023



Reliability Initiatives Driving Increased Ammonia Production



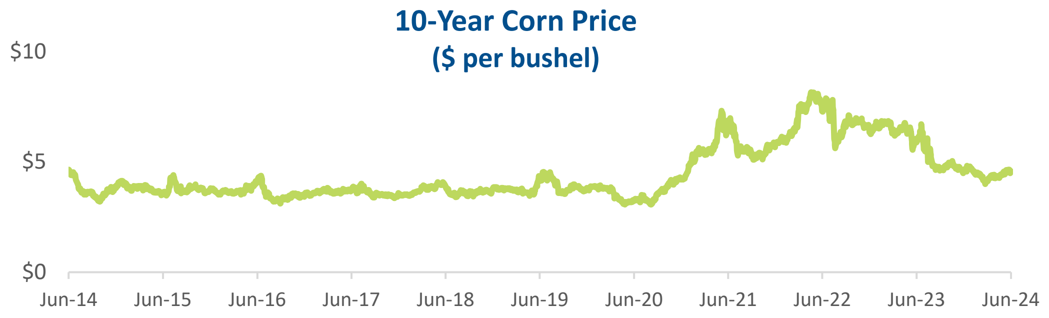
(1) Based on capacity utilization of ~95%

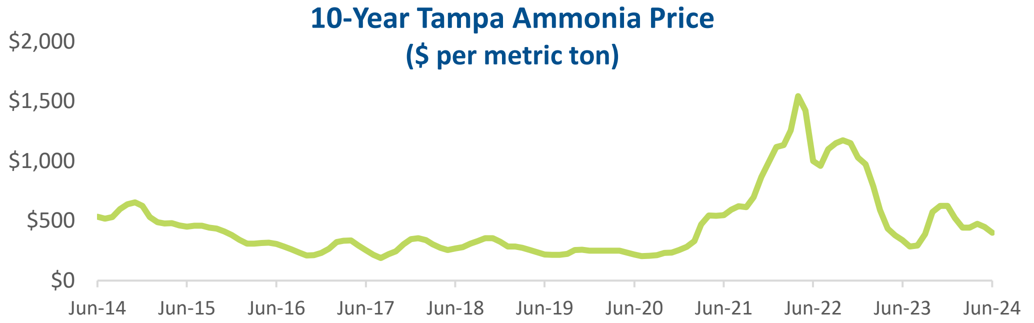
Market Dynamics

Agricultural Market Overview

- **U.S. corn price remains near 10-year average level**
  - Corn supply expected to increase in the coming months, though E15 ethanol 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 $400/MT for June, supported by Trinidad production issues, disruption of shipping through the Suez Canal, and delayed startup of new capacity
  - UAN prices supported by delayed applications and reduced imports from Trinidad due to production issues. Fill values expected to be in-line with last year
  - Urea prices could come under pressure on high India inventories and return of Chinese exports in 2H 2024

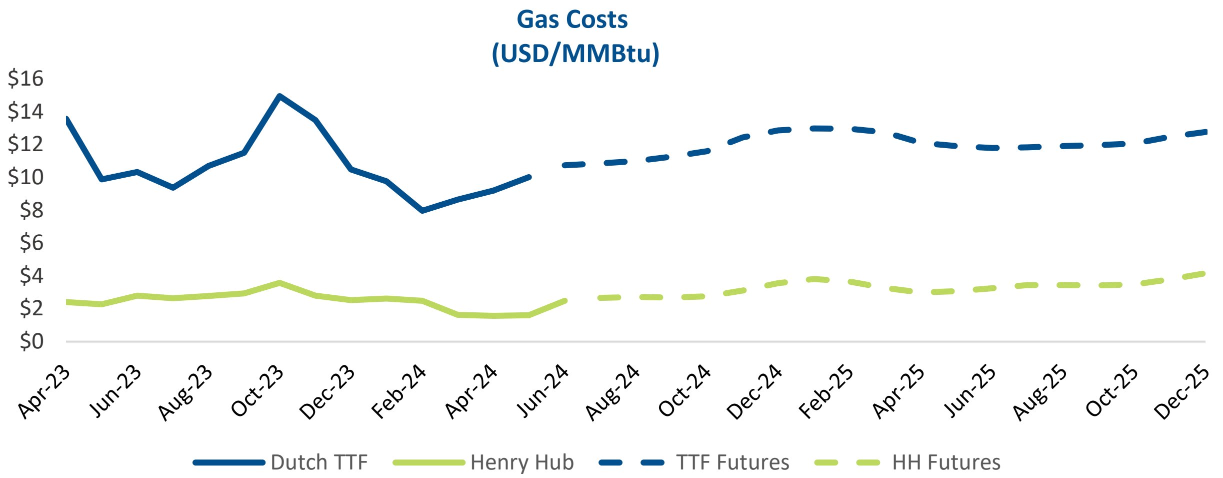


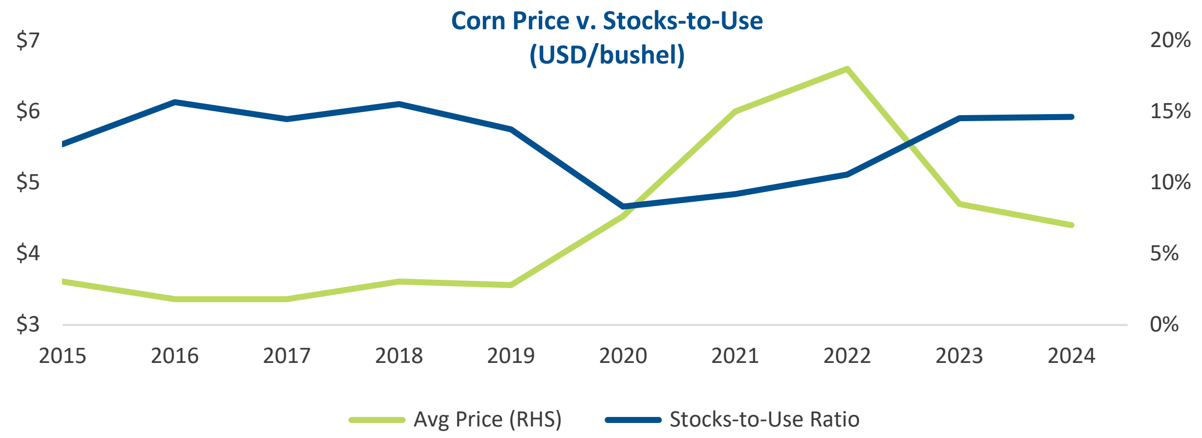


Spot Prices	May 31, 2024	May 31, 2023
Tampa Ammonia	$400 / MT	$340 / MT
UAN (NOLA)	$240 / ST	$220 / ST
Natural Gas (NYMEX Spot Price)	$2.59/MMBtu	$2.27/MMBtu

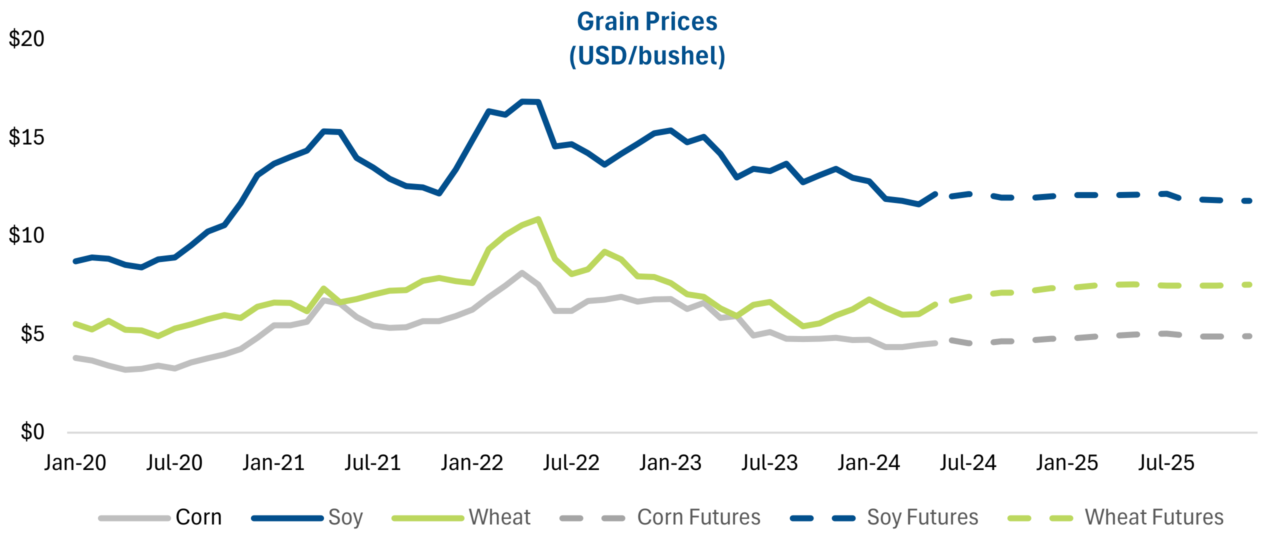
Sources: USDA, Green Markets® A Bloomberg Company , Macrotrends.net, Federal Reserve Economic Data, and Nasdaq.com

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 levels supportive of farmer profitability
- Grain prices projected to remain at attractive levels over the next two years

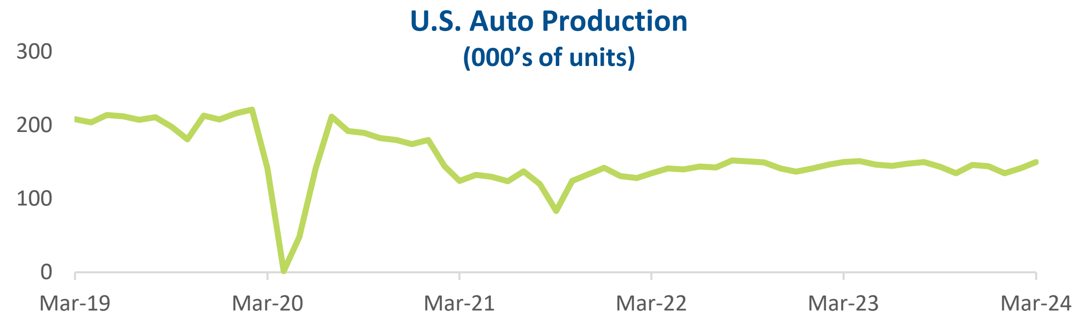


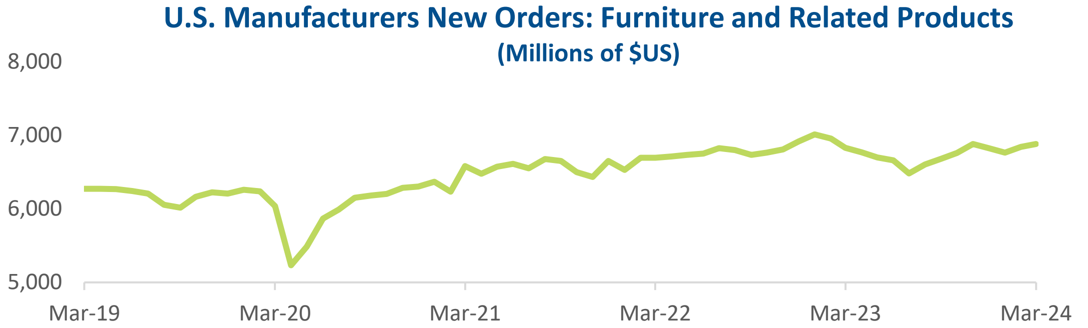
Sources: USDA, Argus, Bloomberg, EIA, Management Estimates
Note: Natural Gas Costs derived from forward strips as of 4/19/24

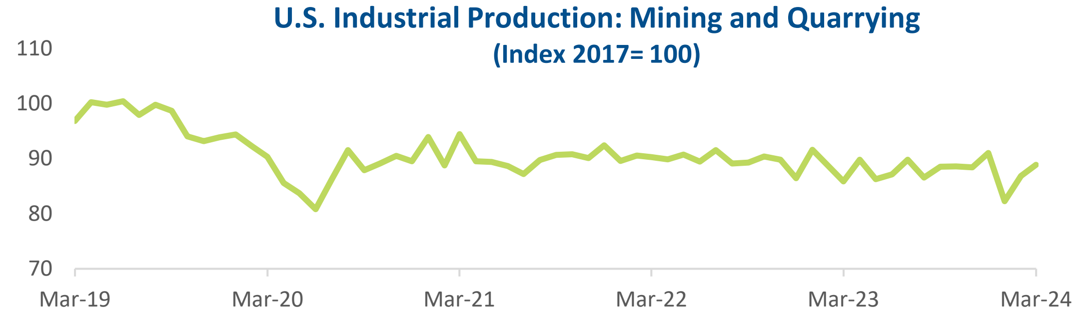
Industrial and Mining Market Overview

- 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







Sources: Federal Reserve Economic Data

Financial Overview

Continued Profitability Through the Cycle

	FY'23	FY'22	FY'21
Net Sales	$594 M	$902 M	$556 M
Adjusted EBITDA[1]	$133 M	$415 M	$191 M
Adjusted EBITDA Margin[2]	22%	46%	34%

- All-time record results in 2022 reflect the impact of Russia's invasion of Ukraine on product selling prices, partially offset by two turnarounds
- 2023 results reflect moderation of product selling prices due, in part, to lower cost of production for marginal producers in Europe and weaker industrial demand in Asia translating into increased global supply of nitrogen
- Impact of lower selling prices during 2023 was partially offset by stronger ammonia operating rates and production volumes compared to 2022

(1) Adjusted EBITDA is a non-GAAP measure; see reconciliation in appendix
(2) Adjusted EBITDA Margin is calculated as Adjusted EBITDA as a percentage of Net Sales

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%

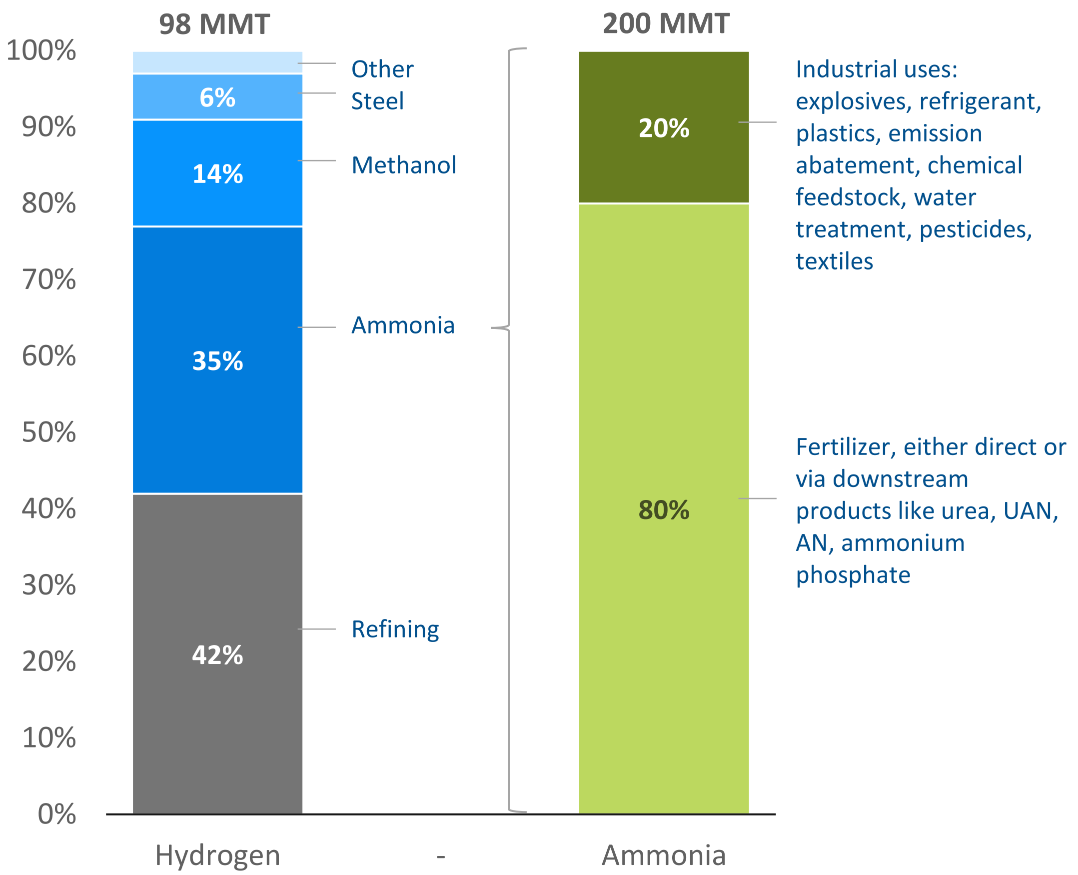
- Healthy cash balance and robust liquidity position supports balanced capital allocation strategy
- Net debt/TTM Adjusted EBITDA of 2.5X
- Continued positive free cash flow despite pricing environment
- Repurchased approximately 0.7 million shares of common stock during the first quarter of 2024, and 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

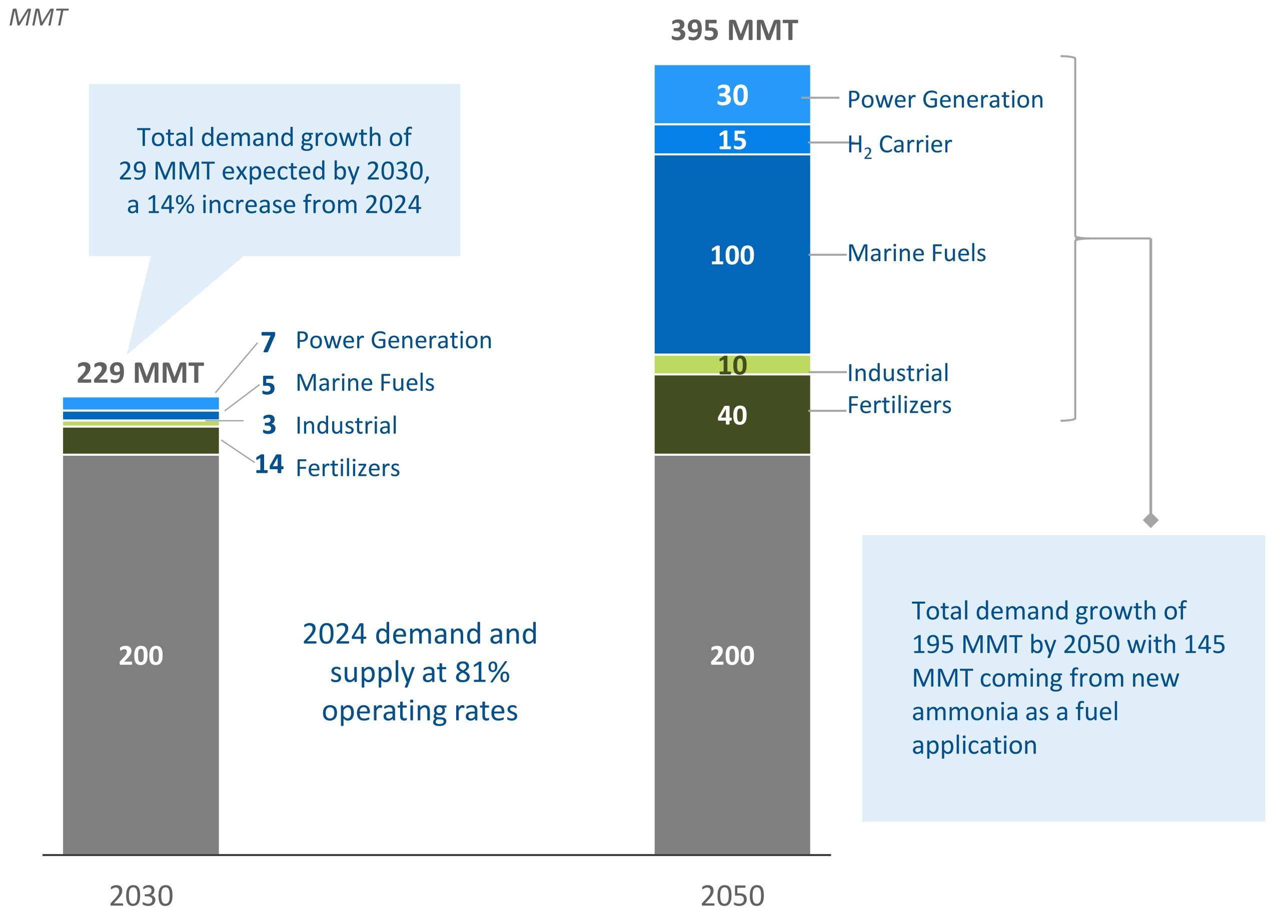
Clean Energy Vision and Strategy

Low Carbon Ammonia – Why it Matters

2024 annual consumption of hydrogen and ammonia



Global ammonia demand forecast



The Clean Energy Transition has Begun

First Bunkering and Tests of Ammonia as Marine Fuel Completed in Singapore

Fortescue Green Pioneer successfully bunkered with ammonia and began engine tests (MPA)

PUBLISHED MAR 15, 2024 6:24 PM BY **THE MARITIME EXECUTIVE**

JERA to conduct trial of co-firing ammonia at coal power plant from March to June

By **Yuka Obayashi**

March 13, 2024 7:25 AM CDT · Updated 5 days ago

Aa

A general view of Japan's biggest power generator JERA's thermal power station, as it prepares to start operation of a new 1.07 gigawatts (GW) coal-fired power plant to help alleviate the electricity crunch in the summer, in Taketoyo, Aichi Prefecture, July 14, 2022. Picture taken July 14, 2022. REUTERS/Yuka Obayashi/File Photo *Purchase Licensing Rights*

El Dorado Low-Carbon Ammonia Project

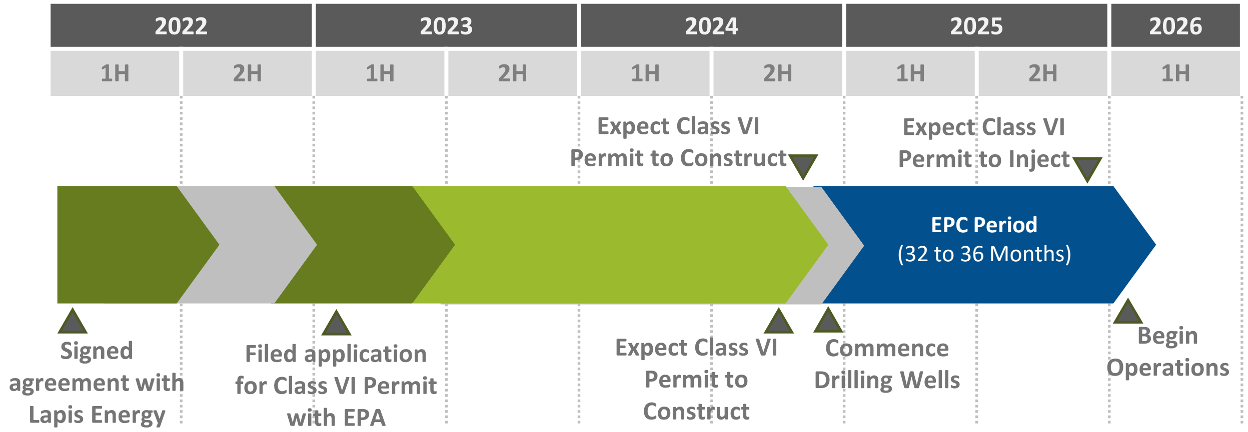
Project Highlights

- 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

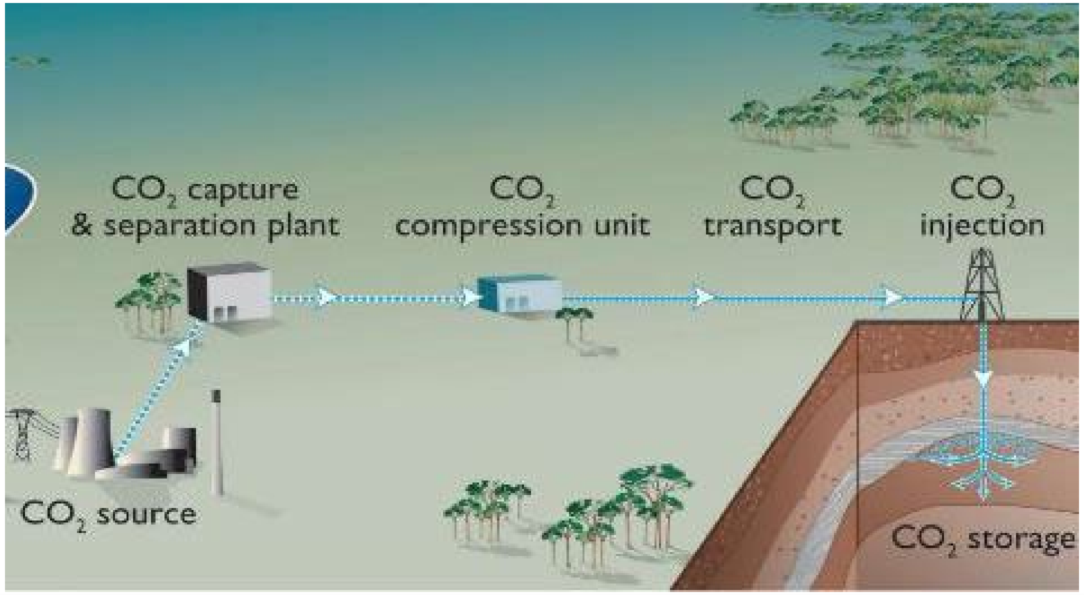
Roles

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 Timeline



Illustrative Process Flow



Five-Year ANS Offtake Agreement Validates Low-Carbon Strategy

Agreement:

- Agreement to supply Freeport Minerals with up to 150,000 short tons of low carbon ammonium nitrate solution (ANS) per year
- Five-year agreement commences January 1, 2025, with a phasing in of the low carbon contracted volume
- Freeport intends to use the low carbon ANS for its U.S. copper mining operations
- Will leverage LSB's low-carbon ammonia project with Lapis Energy at its El Dorado facility

Key Benefits:

- Well-aligned with LSB's strategy to shift mix of sales towards more predictable, multi-year, cost-plus contracts with industrial and mining customers
- Positions LSB as a leader and first-mover in the commercialization of low-carbon nitrogen products

Houston Ship Channel Low-Carbon Ammonia Project

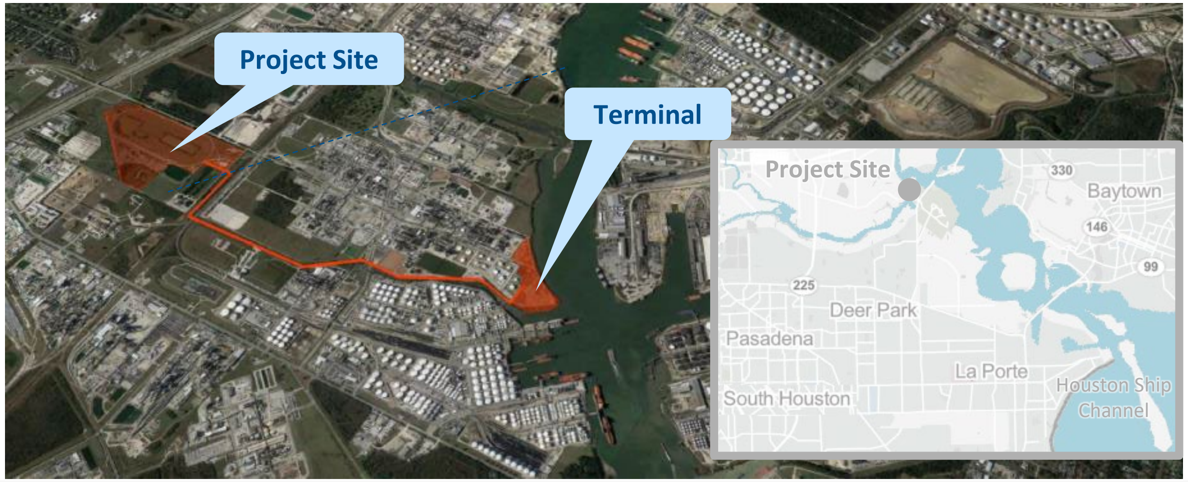
Project Highlights

- 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

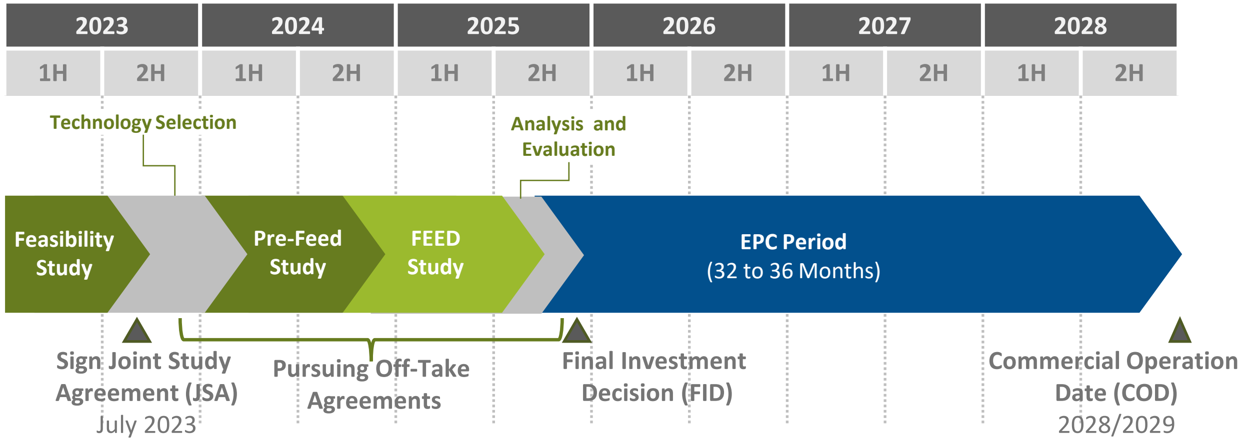
Roles

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

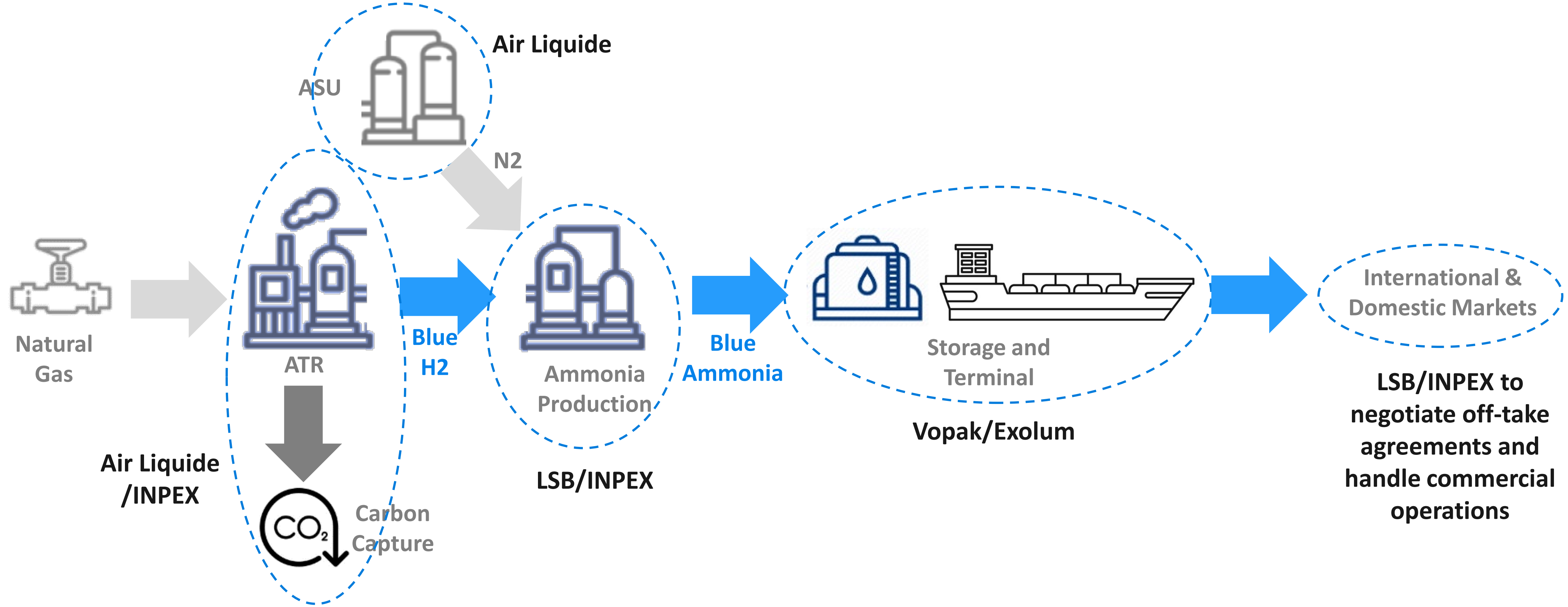
Location



Illustrative Timeline



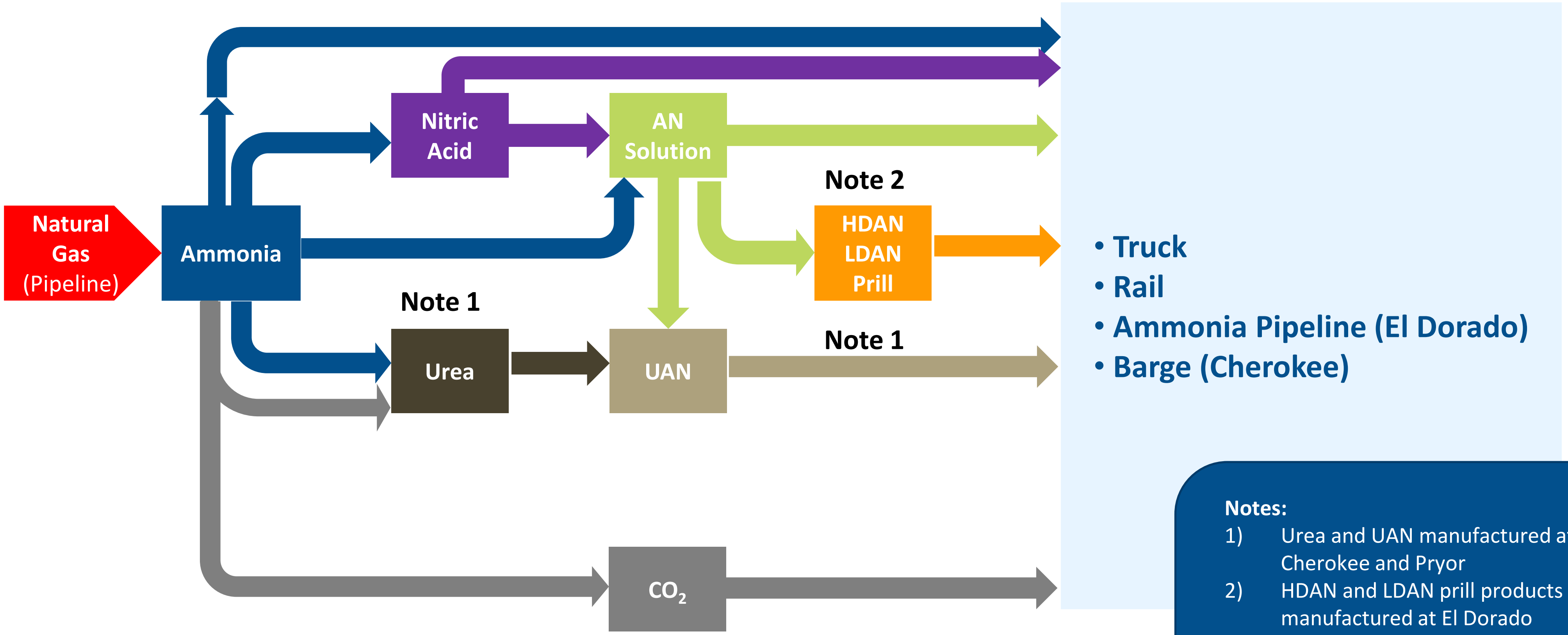
Houston Ship Channel Project Schematic and Ownership Structure



Project partners willing to accommodate equity ownership in the ATR/CCS and/or ammonia loop for material off-takers

Appendix

The Core Manufacturing Process



Notes:

1) Urea and UAN manufactured at Cherokee and Pryor
2) HDAN and LDAN prill products manufactured at El Dorado

Other product streams are manufactured at the 3 sites that are not depicted in this diagram

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