



Third Quarter **2023** Financial Results

Safe Harbor Statement

The Private Securities Litigation Reform Act of 1995, as amended, (the “Act”), provides protection from liability in private lawsuits for “forward-looking” statements made by public companies under certain circumstances, provided that the public company discloses with specificity the risk factors that may impact its future results. The Company wants to take advantage of the “safe harbor” provisions of the Act. Certain statements made during this presentation are forward-looking statements under the Act. Except for historical financial and business performance information, statements made during this presentation should be considered forward-looking as referred to in the Act. Much of the information that looks towards future performance of the Company is based on various factors and important assumptions about future events that may or may not actually come true, including the impacts on our business of the COVID-19 pandemic and the risk that the Company will not be able to achieve the expected benefits of its strategic plans, including its strategic shift to maintain all of its businesses under common ownership. As a result, operations and financial results in the future could differ materially and substantially from those discussed in the forward-looking statements made during this presentation. Certain risks and uncertainties are detailed from time to time in the Company’s filings with the United States Securities and Exchange Commission (“SEC”).

You are strongly urged to review all such filings for a more detailed discussion of such risks and uncertainties. The Company’s SEC filings are available at no charge at www.sec.gov and on the Company’s website at investor.theodpcorp.com.

During portions of today’s presentation, the Company may refer to results which are non-GAAP financial measures. A reconciliation of GAAP to non-GAAP financial measures is available on the Company’s website at investor.theodpcorp.com. These measures exclude charges or credits not indicative of core operations and the tax effects of these items, which may include but not limited to merger integration, restructuring, acquisition costs, and asset impairments.

The Company’s outlook through 2023 included in this presentation includes non-GAAP measures, such as adjusted EBITDA, adjusted Operating Income, adjusted EPS and adjusted Free Cash Flow. These measures exclude charges or credits not indicative of core operations, which may include but not be limited to merger integration expenses, restructuring charges, acquisition-related costs, executive transition costs, asset impairments and other significant items that currently cannot be predicted without unreasonable efforts. The exact amount of these charges or credits are not currently determinable but may be significant. Accordingly, the Company is unable to provide equivalent GAAP measures or reconciliations from GAAP to non-GAAP for these financial measures.

Joseph Vassaluzzo

Chairman of the Board



Operating Structure & Driving the Three Horizon Strategy

Company Multiple Expansion

First Horizon

Second Horizon

Third Horizon

Office DEPOT
OfficeMax

odp BUSINESS SOLUTIONS™



VEYER™

VARIS™

Omnichannel Retail

B2B Distribution

3rd Party Logistics

Digital procurement technology platform

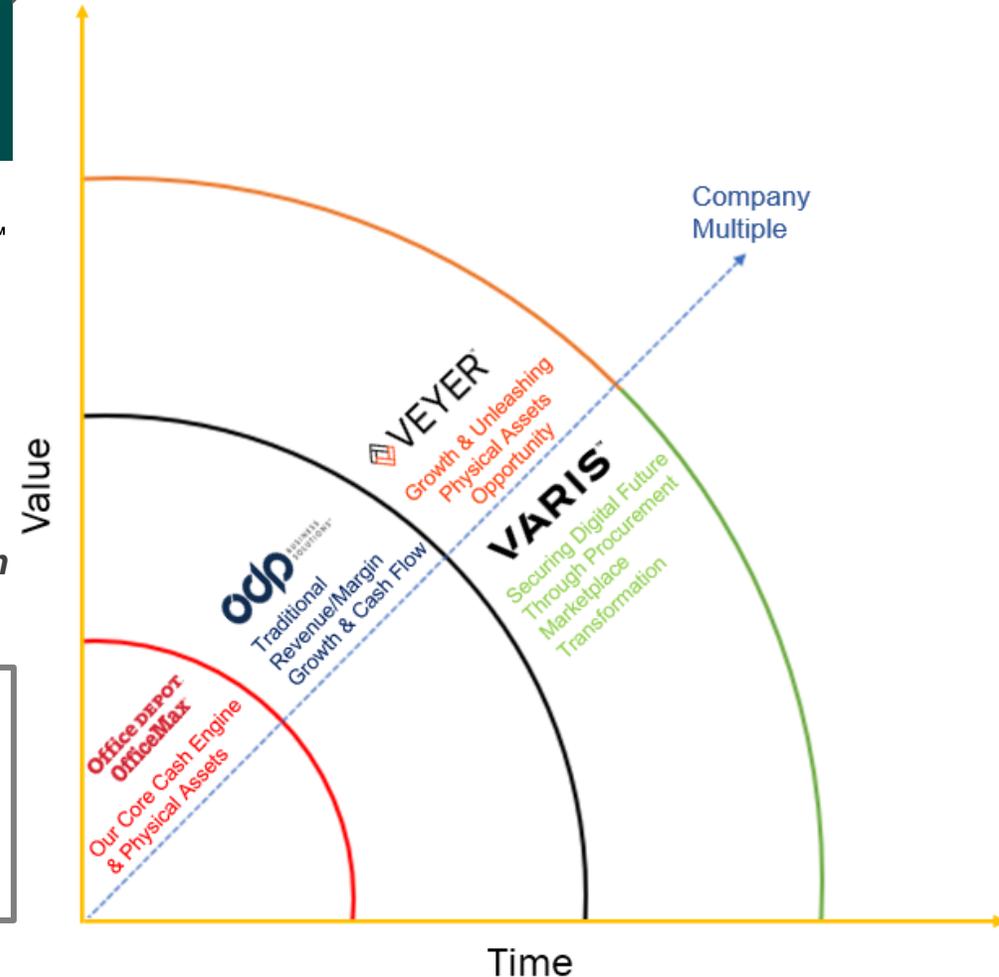
Generate stable cash flow

Expand margins, grow in adjacencies, cash flow

Drive incremental income by leveraging current asset base

Expand client base and accelerate growth

- ◆ Low-Cost Model Focus
- ◆ Diligently Manage Balance Sheet/Cash
- ◆ Disciplined Capital Allocation
- ◆ Transformation
- ◆ Operational Excellence
- ◆ EPS and EBITDA Growth
- ◆ Live Our 5C Culture
- ◆ Automation



Driving Operational Excellence in 3Q23

Shareholder Value Creation Formula
Operational Excellence + Capital Allocation

**Delivered strong operating results
despite macro headwinds**
Strong operating income, EBITDA,
and cash flow results

Enhanced Shareholder Returns
Shareholder focused capital allocation plan



Creating Long-Term Shareholder Value

3Q23 Financial Overview

Anthony Scaglione, EVP & Chief Financial Officer



Third Quarter 2023 Performance & Accomplishments

1

Operational excellence and low-cost business model approach drove solid operating results in a challenging macroeconomic environment

- Strong adjusted operating income and adjusted EBITDA results
- 27% increase in adjusted EPS YOY
- Drove strong adjusted free cash flow results year to date

2

Continued to execute upon \$1 billion share repurchase plan

- Repurchased 659 thousand shares for \$32 million during 3Q23
- Repurchased 9 million shares for ~\$420 million since beginning of the new plan (Nov '22)
- Represents ~25% of the Company's market value since inception of the program

3

Strong progress across our four business units

- Increased margins at ODP Business Solutions
- Drove third party revenue and EBITDA growth at Veyer
- Expanded assortment at Office Depot
- Enhancing platform and engaging customers at Varis

Driving operational excellence and remaining shareholder focused

Third Quarter 2023 Summary

Third Quarter		
(\$ in millions, except per share amounts) ⁽¹⁾	2023	2022
Sales	\$2,009	\$2,172
Operating Income	\$91	\$84
Adjusted Operating Income ⁽¹⁾	\$95	\$95
Net Income From Continuing Operations	\$70	\$67
Diluted Earnings Per Share From Continuing Operations	\$1.79	\$1.36
Adjusted Net Income From Continuing Operations ⁽¹⁾	\$73	\$73
Adjusted Earnings Per Share From Continuing Operations (Fully Diluted) ⁽¹⁾	\$1.88	\$1.48
Adjusted EBITDA ⁽¹⁾	\$125	\$131
Operating Cash Flow From Continuing Operations	\$112	\$163
Free Cash Flow ⁽²⁾	\$86	\$138
Adjusted Free Cash Flow ⁽³⁾	\$89	\$160

Delivered strong operating results despite challenging macroeconomic backdrop

Revenue results influenced by reduced business and consumer spending YOY

Strong adjusted EPS and adjusted free cash flow

- Adjusted EPS ⁽¹⁾ \$1.88 per share, up 27%
- Adjusted free cash flow ⁽²⁾ of \$89 million

Low-cost model drove strong operating results

- Adjusted operating income ⁽¹⁾ of \$95 million
- Adjusted EBITDA ⁽¹⁾ of \$125 million

(1) As presented throughout this presentation, adjusted results represent non-GAAP financial measures and exclude charges or credits not indicative of core operations and the tax effect of these items, which may include but not be limited to merger integration, restructuring, acquisition costs, and asset impairments. Reconciliations from GAAP to non-GAAP financial measures on the Company's Investor Relations website at investor.theodpcorp.com.

(2) As used in this presentation, Free Cash Flow is defined as cash flows from operating activities less capital expenditures. Free Cash Flow is a non-GAAP financial measure and reconciliations from GAAP financial measures on the Company's Investor Relations website at investor.theodpcorp.com.

(3) As used in this presentation, Adjusted Free Cash Flow is defined as Free Cash Flow excluding cash charges associated with the Company's Maximize B2B Restructuring and expenses incurred in connection with our previously planned separation of the consumer business and re-alignment. Adjusted Free Cash Flow is a non-GAAP financial measure and reconciliations from GAAP financial measures on the Company's Investor Relations website at investor.theodpcorp.com.



Valuable Partner for the Evolving Needs of Business

Drove strong operating results despite macro headwinds

- Expanded operating margins surpassing 2025 goals
- Operational excellence and low-cost model driving results

Adjacency categories remain at 44% of total division revenue

- Stronger sales in cleaning & breakroom supplies offset by lower sales of technology

Sales performance influenced by macroeconomic conditions

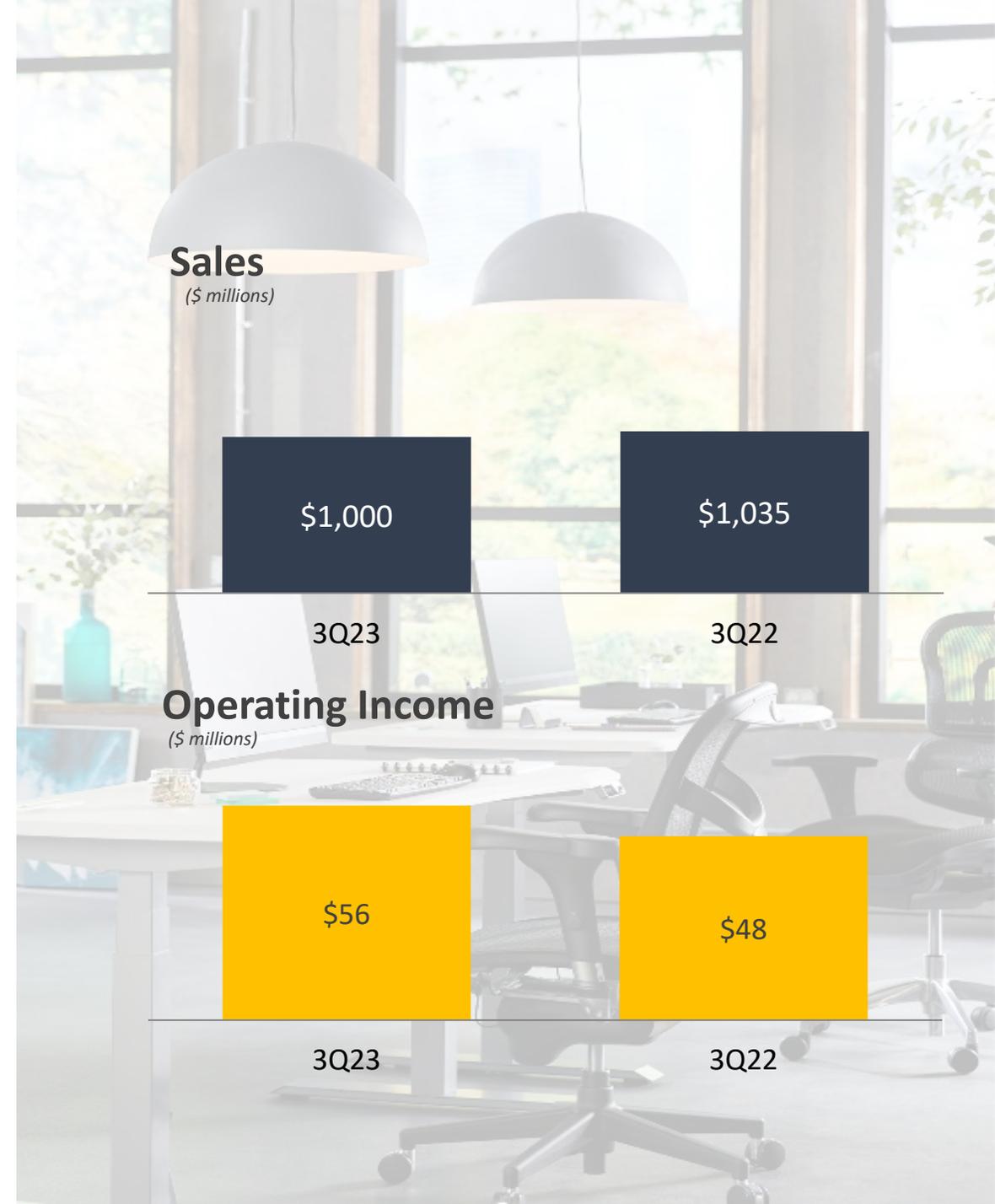
- Macroeconomic factors causing cautious enterprise spending
- Flatter return to office trends

Operating income increased 17% YOY

- \$56 million versus \$48 million in 3Q22
- Operating margins up 100 bps YOY; EBITDA margins ~6%

Strong business pipeline and winning net new business

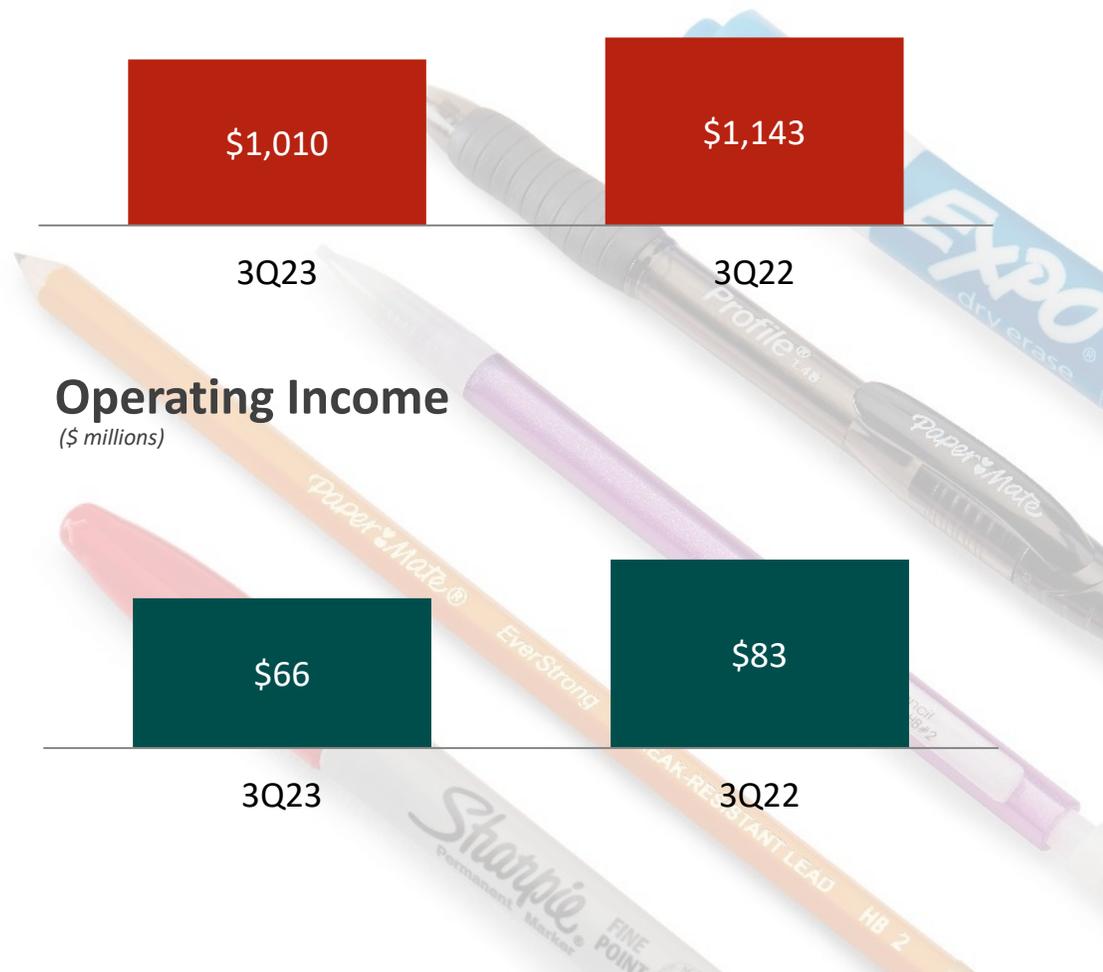
- Winning net new business and renewals



Office DEPOT[®] OfficeMax[®]

**Strong Value Proposition to Small Businesses,
Education & Home Office Customers**

Sales (\$ millions)



Strong customer care and service

- Industry leading NPS score of over 70%

Lower sales driven by weaker macroeconomic conditions and fewer stores in service YOY

- Cautious consumer spending and weaker demand YOY during back-to-school season
- 71 fewer stores in service YOY
- Stronger demand for copy and print services

Same store sales comp down 6%

Operating income of \$66 million versus \$83 million in 3Q22

- Lower sales and higher costs related to inflation

Expanded product categories showing promise



Veyer Supply Chain & Logistics

World-class supply chain services and sourcing

- Core competencies in distribution, fulfillment, transportation, global sourcing and purchasing; Global sourcing presence in Asia

Delivering best-in-class service

- Next day delivery to 98.5% of the US population
- Servicing ODP's internal customers, ODP Business Solutions and Office Depot at a low cost
- Gaining momentum providing services using existing capacity to external 3rd party customers

External third-party revenue and EBITDA growing

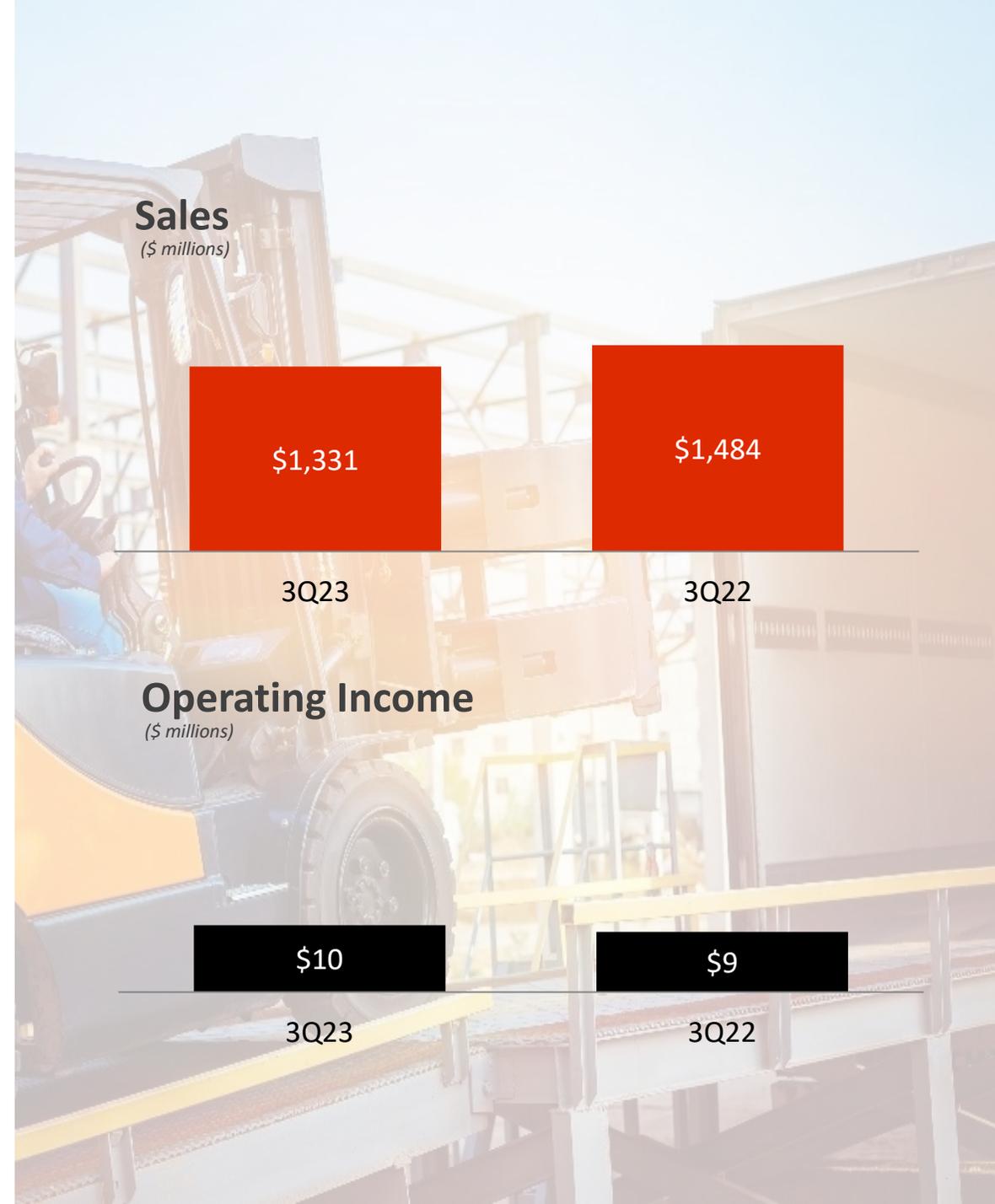
- Revenue derived from third party customers up 50% YOY
- EBITDA generated from 3rd party services up ~120% YOY

Sales of \$1.3 billion in 3Q23

- Strong support for ODP Business Solutions, Office Depot and services to 3rd party customers

Operating income of \$10 million versus \$9 million in 3Q22

- Product mix and growth in 3rd party services



VARIS

Innovative Digitally Native B2B Procurement Platform

Digitally native B2B procurement platform providing consumer-like experience for buyers and suppliers

- Launched platform in November 2022; Category creator

Incorporating customer feedback and working to enhance capabilities

Engaging and onboarding new customers and suppliers

Sales of \$2 million in 3Q23

- Mostly from existing customers from prior acquisition

3Q23 operating loss of \$17 million

Sales (*\$ millions*)



Operating Income (*\$ millions*)



Balance Sheet / Cash Flow Highlights

Strong Available Liquidity	<ul style="list-style-type: none">Total available liquidity of approximately \$1.2 billion at end of 3Q23\$384 million in cash and cash equivalents\$771 million available credit under the Third Amended Credit Agreement\$173 million in total debt
Operating Cash Flow	<ul style="list-style-type: none">Operating cash flow of \$112 million in 3Q23Included \$3 million of restructuring and other costsPrudent inventory and working capital management
Capital Expenditures & Other	<ul style="list-style-type: none">Capital expenditures of \$25 million in 3Q23Continued investments in the Company's digital transformation, supply chain and distribution network, and eCommerce capabilities
Adjusted Free Cash Flow*	<ul style="list-style-type: none">Adjusted Free Cash flow of \$89 million in 3Q23
Share Repurchase	<ul style="list-style-type: none">Repurchased 659 thousand shares for \$32 million during 3Q23Repurchased 9 million shares for ~\$420 million since inception of the new buyback plan

* Free Cash Flow is a non-GAAP financial measure and is defined as cash flows from operating activities less capital expenditures. As used in this presentation, Adjusted Free Cash Flow is defined as free cash flow excluding cash charges associated with the Company's Maximize B2B Restructuring Plan, and the expenses incurred in connection with the previously planned separation and re-alignment. Free Cash Flow and Adjusted Free Cash Flow are non-GAAP financial measures and reconciliations from GAAP financial measures can be found at the Company's Investor Relations website at investor.theodpcorp.com.

Updated Full Year 2023 Guidance

	Previous	Updated
Sales	Approximately \$8.0 billion	Revised to \$7.8 - \$7.9 billion
Adjusted EBITDA ⁽¹⁾	\$400 - \$430 million	Affirmed
Adjusted Operating Income ⁽¹⁾	\$270 - \$300 million	Revised to \$280 - \$310 million
Adjusted Earnings per Share ^{(*) (1)}	\$5.00 - \$5.30 per share	Revised to \$5.30 - \$5.60 per share
Adjusted Free Cash Flow ⁽²⁾	\$200 - \$230 million	Affirmed
Capital Expenditures	\$100 - \$120 million	Affirmed

*Adjusted Earnings per Share (EPS) guidance for 2023 excludes potential discrete (tax) items that may affect quarter to quarter fluctuations and includes expected impact from share repurchases.

(1) The Company's guidance for full year 2023 includes adjusted results representing non-GAAP financial measures that exclude charges or credits not indicative of core operations, and the tax effect of these items, which may include but not be limited to merger integration, restructuring, acquisition costs, and asset impairments. Reconciliations from GAAP to non-GAAP financial measures can be found at the Company's Investor Relations website at investor.theodpcorp.com.

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Q&A