



First Quarter **2022** Financial Results

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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 be limited to merger integration, restructuring, acquisition costs, and asset impairments.

David Bleisch

EVP and Chief Legal & Administrative Officer



Gerry Smith

Chief Executive Officer



ODP: Rising to the Challenge & Driving Strong Performance

Market Challenges

Macroeconomic backdrop

Inflation, supply chain/sourcing,
higher fuel costs

Continued effects of COVID

Work environment/distributed workforces

Evolving customer needs

Focus on Key Tenets

1

Drive Low-Cost Model

Lower fixed cost, scalable model

2

Transition to Higher
Growth Opportunities

Expanding our value proposition

3

Evolving into Higher
Value Businesses

New B2B growth engines

1Q22 Results

- ✓ Delivered strong operating results
- ✓ Made significant progress on strategic initiatives
- ✓ Continued to advance digital platform business and supply chain capabilities

Creating Long-Term Shareholder Value

Winning Culture

Working, investing & giving back

Strong Support of our Communities



#depotdifference

ESG Matters

Environmental Reducing GHG emissions

Social Focused on diversity and inclusion

Governance Independent Directors and Pay for Performance



Customer

Caring

Commitment

Creativity

Change

1Q22: Summary of Significant Accomplishments

Safety of associates & customers are priority #1

- 1 Delivered strong operating results in a challenging environment
- 2 Made significant progress on strategic initiatives: Maximizing value and aligning assets in support of future state of the business
- 3 Advanced digital platform business (Varis) and supply chain/sourcing business (Veyer)
- 4 Enhanced returns to shareholders

Building a More Valuable Enterprise

Low-Cost Model and Flexible Ecosystem Drove Strong Operating Results

Delivered solid performance despite industry challenges

- Operational excellence and supply chain flexibility positioned ODP to deliver solid performance
- Stable top-line results despite fewer retail stores in service
- Improved back-to-office trends drove stronger performance in ODP Business Solutions division; better traction in contract channel
- Retail division continued to deliver solid results
- Private fleet, distribution assets, and flexible pricing strategies helped mitigate some of the supply chain and inflationary cost pressures
- Low-cost model helped drive \$88 million in adjusted operating income

\$88
Million*
Adjusted Operating Income

*Non-GAAP financial measure. A reconciliation of GAAP to non-GAAP financial measures can be found at investor.theodpcorp.com.

ODP Business Solutions: Strong Value Proposition

Valuable partner for the evolving needs of business

Improving back-to-office trends

- Private enterprise & education sector beginning to recover
- Contract channel sales up, offset by lower eCommerce sales

Stronger sales across majority of offerings; adjacency categories increased to ~46% of sales

- Increase in core supplies and cleaning & breakroom sales
- Stronger performance in copy & print
- Technology-related product sourcing remains a challenge
- Adjacencies ~46% of total ODP Business Solutions revenue

Strong renewal win rate & net customer wins

Pricing flexibility and prior investments helping offset supply chain/inflationary pressures

- Private fleet; 3PL relationships; contract base carrier agreements
- Flexible sourcing & supply network; pricing flexibility
- Operating income doubled YOY





Retail: Strong Performance in 1Q22

Strong support for schools, education customers & small businesses

- Support for schools and hybrid workers; continued home office supply headquarters source for small businesses
- Stable sales results for open stores; optimized Retail footprint
- Strong sales-per-shopper and omni-channel sales supported by our 20-minute pick-up guarantee
- Lower retail store traffic trends compared to last year's strong demand during the pandemic
- Increase in demand for copy and print services and certain core supply categories; offset by lower sales of cleaning and PPE; technology and PC products impacted by supply chain and sourcing
- Continued strong operating margins

ODP: Building a More Valuable Business

2020



Holding Company
Reorganization
.....
Maximize B2B

2022



Aligning Assets to
Support our Business

Varis: Continued Strong Progress in 1Q22

Private preview launch on MSFT platform



Generated excitement during
Microsoft Dynamics integrators conference

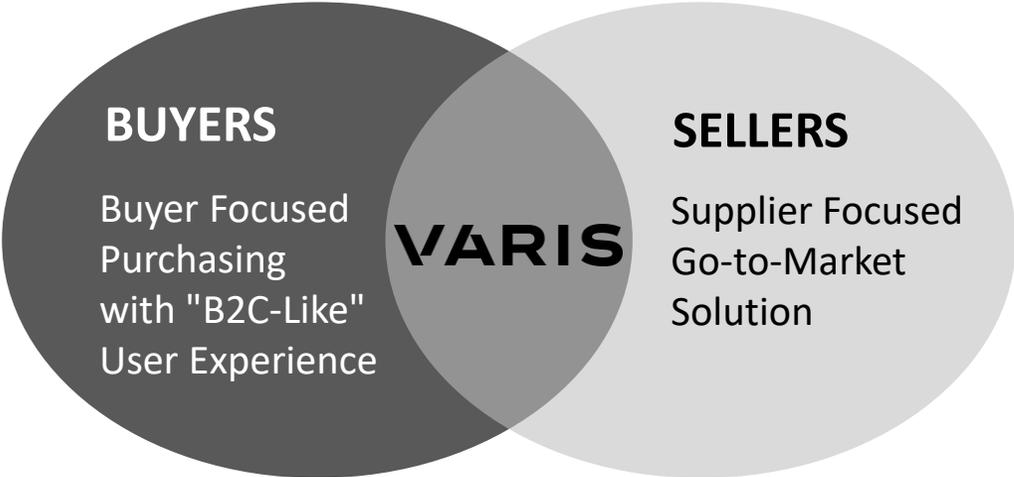


Receiving positive feedback from customers



Attracting new build partners; customers & suppliers

Working with new build partners; incorporating feedback
Continuing private preview and ready to onboard new customers



Innovative Platform for Buyers & Suppliers

1Q22 Financial Overview

Anthony Scaglione, EVP & Chief Financial Officer



First Quarter 2022 Summary

First Quarter		
(\$ in millions, except per share amounts) ⁽¹⁾	2022	2021
Sales	\$2,178	\$2,174
Operating Income	\$76	\$69
Adjusted Operating Income ⁽²⁾	\$88	\$93
Net Income From Continuing Operations	\$55	\$63
Diluted Earnings Per Share From Continuing Operations	\$1.09	\$1.12
Adjusted Net Income From Continuing Operations ⁽²⁾	\$64	\$68
Adjusted Earnings Per Share From Continuing Operations (Most Diluted) ⁽²⁾	\$1.27	\$1.22
Adjusted EBITDA ⁽²⁾	\$125	\$133
Operating Cash Flow From Continuing Operations	\$30	\$103
Free Cash Flow ⁽³⁾	\$9	\$91
Adjusted Free Cash Flow ⁽⁴⁾	\$16	\$96

- Inflation and global supply chain dynamics creating industry challenges and increased costs
- Stable revenue results YOY despite reduced store footprint
- Improving back-to-office trends driving ODP Business Solutions performance
- Stronger demand for copy and print, core supplies, and cleaning and breakroom products, offset by lower demand for technology categories
- Low-cost model, flexible supply chain and pricing strategies helped drive operating income
 - Adjusted operating income ⁽²⁾ of \$88 million
 - Adjusted EBITDA ⁽²⁾ of \$125 million

(1) Reflects reclassification of financial results of the CompuCom Division to Discontinued operations, net of tax in the Consolidated Statements of Operations for all periods presented. The Company also reclassified the related assets and liabilities as assets and liabilities held for sale on the accompanying Consolidated Balance Sheets as of December 25, 2021. Cash flows from the Company's discontinued operations are presented in the Consolidated Statements of Cash Flows for all periods.

(2) Non-GAAP financial measure. A reconciliation of GAAP to non-GAAP financial measures can be found at investor.theodpcorp.com.

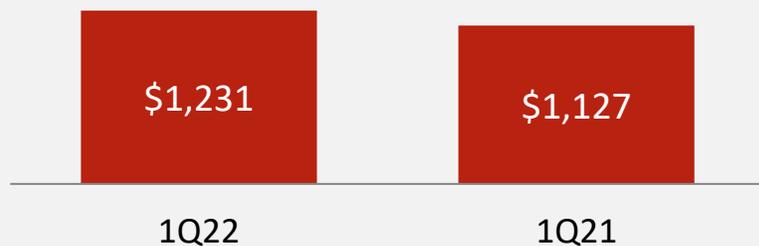
(3) As used in this presentation, Free Cash Flow is defined as cash flow from operating activities less capital expenditures. Free cash flow is a non-GAAP financial measure. A reconciliation of GAAP to non-GAAP financial measures can be found at investor.theodpcorp.com.

(4) 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, the Business Acceleration Program, and the planned separation of the consumer business. Adjusted Free Cash Flow is a non-GAAP financial measure and reconciliations from GAAP financial measures can be found at the Company's investor relations website at investor.theodpcorp.com.

ODP Business Solutions Division – 1Q22

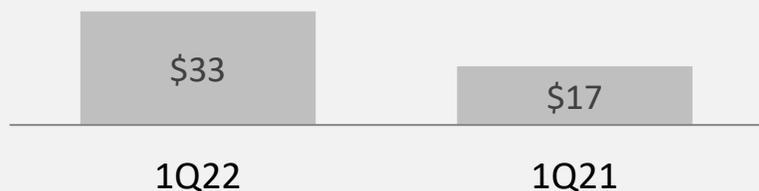
Sales

(\$ millions)



Operating Income

(\$ millions)

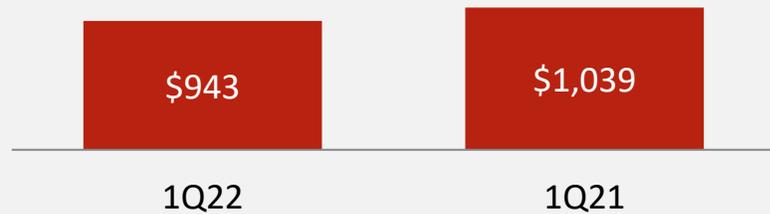


- **Sales increased 9% versus 1Q21**
 - Improved back-to-office and classroom trends driving stronger traction in contract channel YOY
 - Lower eCommerce channel demand YOY
 - Leveraging supply chain capabilities and pricing flexibility
- **Increased demand for core supplies, cleaning & breakroom offset by lower technology sales**
 - Core supplies, workspaces, copy and print, and cleaning and breakroom categories increased as businesses began return to office
 - Sourcing challenges persist for technology products and ink
 - Adjacency categories increased to 46% of total ODP Business Solutions revenue
- **Operating income of \$33 million versus \$17 million in 1Q21**
 - Higher sales volume and lower SG&A expenses offset increased supply chain costs
- **Strong retention and net new wins**

Retail Division – 1Q22

Sales

(\$ millions)



Operating Income

(\$ millions)



- **Sales decreased 9% versus 1Q21**
 - Primarily driven by 114 fewer stores in service YOY, including 6 store reductions during the quarter
 - Stronger YOY demand for copy and print services and core supply categories for open stores, offset by lower sales in PPE, cleaning, technology products
 - Supply chain sourcing challenges in technology and ink
- **Lower traffic trends partially offset by stronger sales-per-shopper and solid omni-channel sales supported by our 20-minute pickup guarantee**
- **1Q22 operating income of \$89 million; 9% operating margin**
 - Product mix and low-cost model approach drove operating performance offsetting cost pressures

Balance Sheet / Cash Flow Highlights

Strong Available Liquidity	<p>Total available liquidity of approximately \$1.4 billion at end of 1Q22</p> <ul style="list-style-type: none">• \$557 million in cash and cash equivalents• \$874 million available credit under asset-based lending facility• \$199 million in total debt
Operating Cash Flow	<p>Operating cash flow of \$30 million in 1Q22</p> <ul style="list-style-type: none">• Included \$7 million of restructuring and other costs• Timing of working capital drove lower operating cash flow in quarter
Capital Expenditures & Other	<p>Capital expenditures of \$21 million in 1Q22</p> <p>Continued investments in B2B platform and digital transformation (Varis); Lower investment requirements for retail operations</p> <p>Cash restructuring charges of \$2 million and separation charges of \$5 million</p>
Adjusted Free Cash Flow*	<p>Adjusted Free Cash Flow of \$16 million in 1Q22</p>
Share Repurchase	<p>Over \$300 million committed to shareholders over the past 12 months in stock repurchases</p> <p>Executing upon ASR; \$342 million available for additional share repurchase through June 2022</p>

* 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, the Business Acceleration Program, and the planned separation of the consumer business. Adjusted Free Cash Flow is a non-GAAP financial measure and reconciliations from GAAP financial measures can be found at the Company's investor relations website at investor.theodpcorp.com.

Q&A