



First Quarter
2025 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 limited to merger integration, restructuring, acquisition costs, and asset impairments.

Gerry Smith

Chief Executive Officer



The ODP Corporation - Key Takeaways

Leveraging core assets to expand growth in B2B market segments

1 Leveraging core strengths and executing Optimize for Growth plan to accelerate B2B pivot

Capturing opportunities in traditional markets and expanding into new, higher growth, market segments

2 Better start to the year and improved overall year-over year (YOY) performance trends

Improving YOY comparable trends and stronger adjusted free cash flow

3 Solid balance sheet and liquidity position; business model generates free cash flow providing flexibility for future growth

First Quarter 2025 Performance

- 1 Improved consolidated YOY comparable revenue trends in 1Q25; Sequential improvement in adjusted EBITDA; Meaningful increase in adjusted free cash flow YOY
- 2 Office Depot: Better top-line YOY comparable trends; Same store sales improved 500 basis points YOY; Performance trends accelerating
- 3 ODP Business Solutions: Top-line trends YOY consistent with same period last year; Soft market demand; Working to onboard new business wins; Making progress in hospitality segment expansion
- 4 Veyer: Strong revenue growth from third-party customers; Adding new accounts to portfolio
- 5 Cash conversion improved, generating \$45 million in adjusted free cash flow, more than doubling YOY
- 6 Rigorous management system, previous actions, and flexible model positions ODP to help mitigate potential impacts from tariff policy changes

Positioning ODP for Sustainable Long-term Growth

Expanding Beyond Office Supplies

Expanding into higher growth, large industry segments beyond office supplies

Signed first partnership with leading hotel management company featuring over 15 thousand customer locations

Hospitality: large and growing market segment - \$16B and growing

Established key supply agreements with Sobel Westex and Hunter Amenities

Building inventory; Adding talent

Engaging with potential customers; Receiving positive feedback

Developing relationships with additional key market participants and other leading hotel management companies



Potential \$16B Hospitality Addressable Market

Executing “Optimize for Growth” Plan

Accelerating Growth in B2B

Leverages core strengths and accelerates speed to capture growth in B2B and third-party logistics segments

Realigns organizational structure, product offerings and go-to-market strategies to target high-growth opportunities in B2B

Reduces fixed costs; limits future reliance on retail and associated liabilities

Closed 9 retail store locations and incurred \$48 million in restructuring costs in 1Q25

Multi-year plan; expected total costs in range of \$185 - \$230 million

Expected \$380 million uplift in EBITDA; \$1.3 billion in total value creation over life of plan

- Cost savings; lease liability reductions; supply chain optimization
- Does not consider benefit from early capture of B2B revenue



1Q25 Financial Overview

Max Hood, SVP, Co-Chief Financial Officer



First Quarter 2025 Summary

First Quarter		
(\$ in millions, except per share amounts)	2025	2024
Sales	\$1,699	\$1,869
Operating Income (Loss)	\$(32)	\$41
Adjusted Operating Income ⁽¹⁾	\$54	\$66
Net Income (Loss) From Continuing Operations	\$(29)	\$31
Diluted Earnings (Loss) Per Share From Continuing Operations	\$(0.97)	\$0.83
Adjusted Net Income From Continuing Operations ⁽¹⁾	\$32	\$50
Adjusted Earnings Per Share From Continuing Operations (Fully Diluted) ⁽¹⁾	\$1.06	\$1.31
Adjusted EBITDA ⁽¹⁾	\$76	\$91
Operating Cash Flow From Continuing Operations	\$57	\$44
Free Cash Flow ⁽²⁾	\$36	\$13
Adjusted Free Cash Flow ⁽³⁾	\$45	\$17

Improved YOY consolidated comparable revenue trends

Generated strong adjusted free cash flow

Consumer business led performance

Revenue results reflect 46 fewer stores in service YOY and reduced transactions in Office Depot; lower sales at ODP Business Solutions

- Adjusted operating income ⁽¹⁾ of \$54 million
- Adjusted EBITDA ⁽¹⁾ of \$76 million
- Adjusted EPS from continuing operations ⁽¹⁾ of \$1.06 per share (fully diluted)

Adjusted free cash flow⁽³⁾ of \$45 million in the first quarter of 2025, up from \$17 million in the same period last year

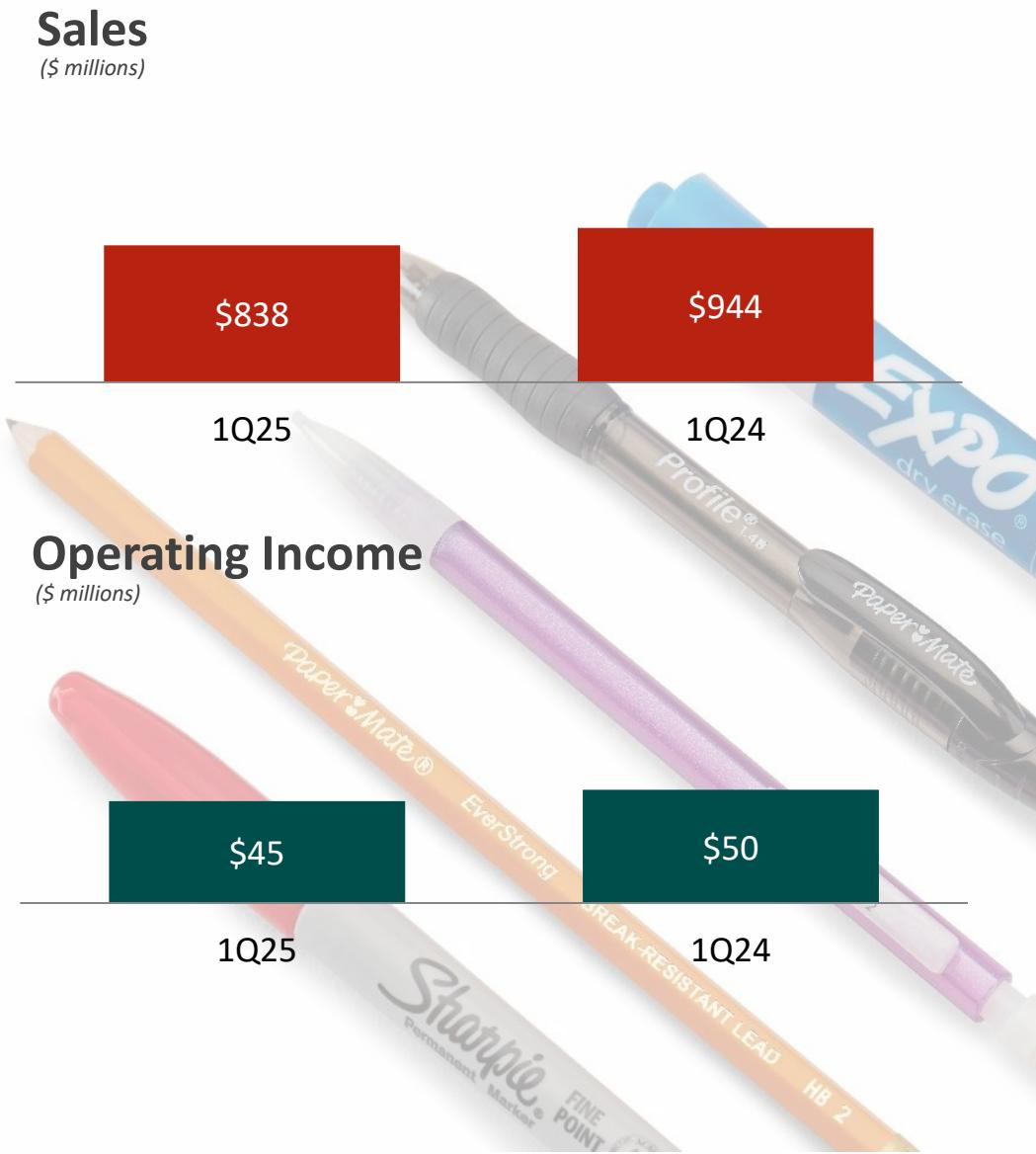
(1) As presented throughout this release, adjusted results represent non-GAAP financial measures and exclude charges or credits not indicative of core operations and the tax effect of these items, which may include but not be limited to merger integration, restructuring, acquisition costs, and asset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

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

(3) As used in this release, Adjusted Free Cash Flow is defined as Free Cash Flow excluding cash charges associated with the Company's restructuring programs, and related expenses. Adjusted Free Cash Flow is a non-GAAP financial measure and reconciliations from GAAP financial measures can be found in this release as well as on the Company's Investor Relations website at investor.theodpcorp.com.

Office DEPOT® OfficeMax®

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



Reported revenue down 11% reflecting improvement in sales trends YOY

- Targeted sales initiatives having positive impact
- Higher average order volumes and sales per shopper
- 46 fewer stores in service YOY; closed 12 stores in quarter

Comparable store sales trend improved by 500 basis points YOY



Operating income of \$45 million in 1Q25; Sequential margin improvement

Sales momentum continues to date



Valuable Partner for the Evolving Needs of Business

B2B distribution business serving large enterprises, medium and small businesses

Continued challenging business environment

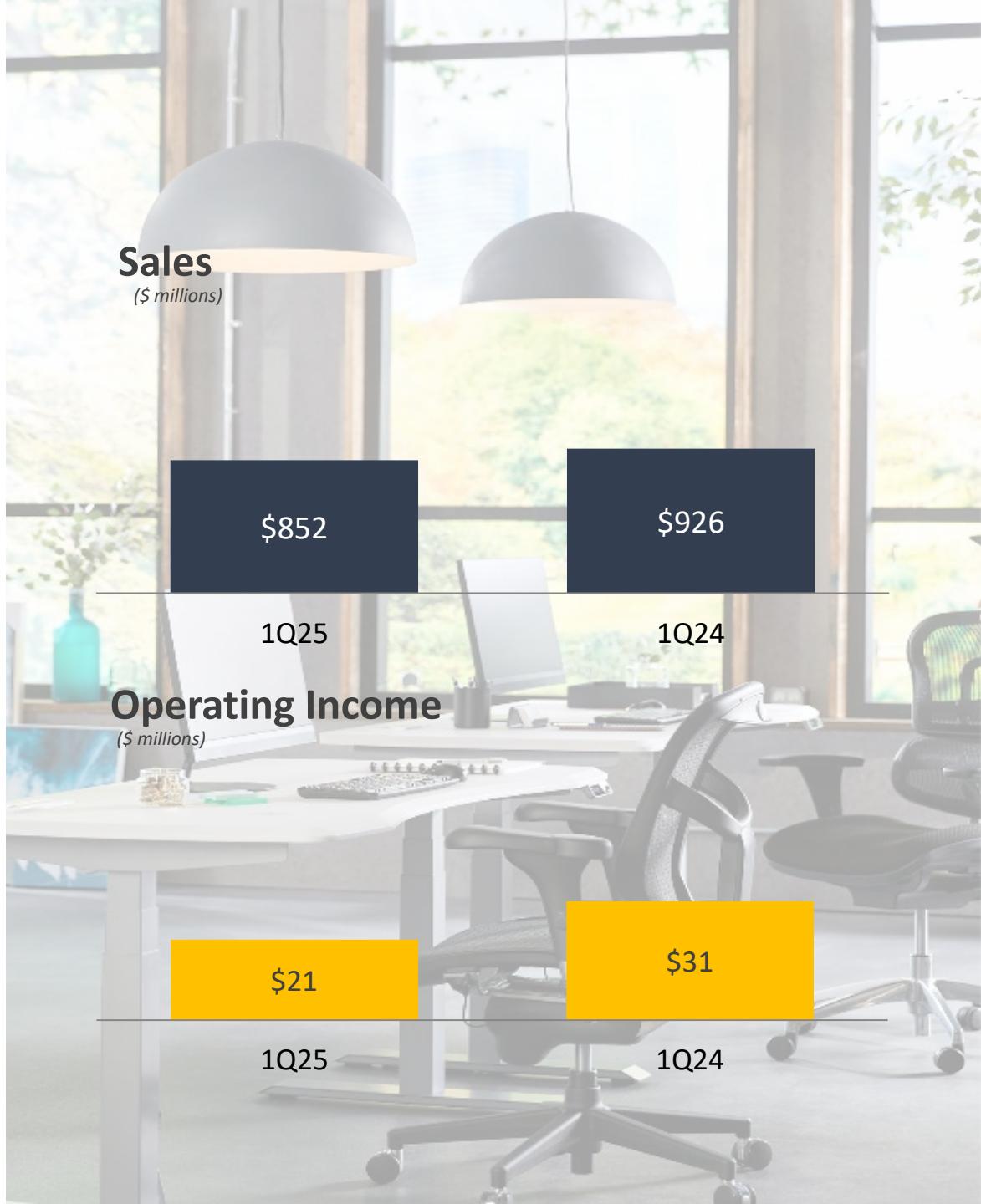
- Macroeconomic factors causing enterprise spending constraints
- Soft demand
- Implementing initiatives to drive top-line traction

Adjacency categories 44% of total division revenue

Operating income of \$21 million in 1Q25

Winning and onboarding large new business contracts

Making progress in hospitality industry





Veyer Supply Chain & Logistics

Nationwide supply chain services and global sourcing

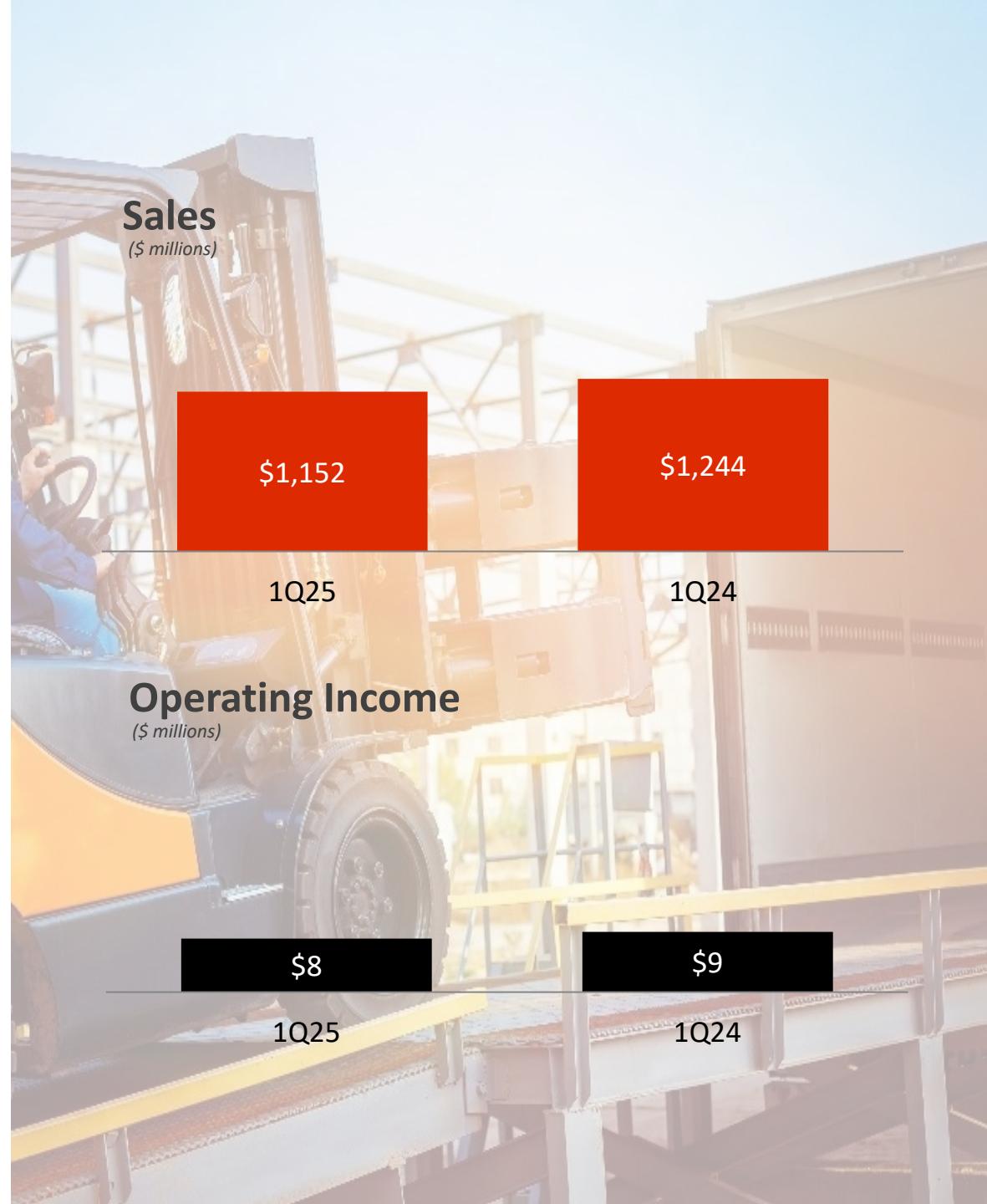
- Core competencies in distribution, fulfillment, transportation, global sourcing and purchasing; global sourcing presence in Asia
- Key strategic asset for ODP

Delivering best-in-class service

- Next business day delivery capability to ~98.5% of the US population
- Servicing ODP Business Solutions and Office Depot at a low cost
- Providing supply chain services for 3rd party customers

Gaining traction with 3rd party customers

- Adding new nationally-branded customers
- Executing service for one of world's largest social media-focused e-Commerce platforms
- Revenue generated from 3rd party customers was \$17 million 1Q25, up 89% versus prior year
- EBITDA from 3rd party customers \$3 million in 1Q25, flat with the prior year period as the Company invested in resources to on-board slate of new customers



1Q25 Financial Overview

Adam Haggard, SVP, Co-Chief Financial Officer



Balance Sheet / Cash Flow Highlights

Strong Available Liquidity

Total available liquidity of \$653 million at end of 1Q25

- \$185 million in cash and cash equivalents
- \$468 million available credit under the Fourth Amended Credit Agreement
- \$262 million in total debt
- Net cash positive relative to ABL balance

Operating Cash Flow

Operating cash flow from continuing operations of \$57 million in 1Q25

- Included \$10 million of restructuring spend
- Prudent inventory and working capital management

Capital Expenditures & Other

Capital expenditures of \$21 million in 1Q25

Continued investments in the Company's B2B platform

Adjusted Free Cash Flow*

Adjusted Free Cash Flow of \$45 million in 1Q25, up from \$17 million in prior year period

* 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 release, Adjusted Free Cash Flow is defined as Free Cash Flow excluding cash charges associated with the Company's restructuring programs, and related expenses, and changes in restricted cash. Adjusted Free Cash Flow is a non-GAAP financial measure and reconciliations from GAAP financial measures can be found in this release as well as on the Company's Investor Relations website at investor.theodpcorp.com.

The ODP Corporation - Concluding Comments

Leveraging core assets to expand growth in B2B market segments

1

Better start to the year and improved overall YOY performance trends

Improving YOY comparable trends and stronger adjusted free cash flow

Winning substantial new business in B2B

2

Executing strategy and making solid underlying progress in expansion into hospitality sector

3

Executing “Optimize for Growth” restructuring plan to reduce fixed cost & accelerate B2B pivot

4

Solid balance sheet and liquidity position; business model generates free cash flow providing flexibility for future growth

Q&A