Letter to Unitholders

Overview

Our business continues to steadily compound value and our per unit value continues to increase despite the volatile macroeconomic headlines. Over the past few months, we have realized more than $800 million from asset sales and distributions, completed $4 billion of debt refinancings to strengthen our capital structure and invested approximately $300 million to acquire two market-leading businesses. We also maintained an increased pace of repurchase activity, acquiring 2.2 million units and shares during the quarter. To date this year, we have returned nearly $160 million to our owners through repurchases at highly accretive levels. Buying our own units well below fair value is the easiest and most efficient way for us to generate returns for our investors.

Our operations are performing well. Adjusted EBITDA of $591 million increased 13% over the prior year driven by improved performance of existing operations and stable margins. Owning great businesses with market-leading positions and having the operational expertise to navigate through an uneven macroeconomic environment, like today, is serving us well, as it has through past periods of volatility. The anticipated proceeds from our recent capital recycling initiatives will enhance our flexibility in executing our strategy and further enable the transformation of current cash flow into future wealth creation.

The value proposition for investors in our business has arguably never been better: 1) we trade at a material discount to the private-market value of our assets; 2) those assets provide mission critical products and services and generate cash flow across economic cycles; and 3) every dollar that is recycled is redeployed by the same Brookfield team which has generated tremendous returns on capital for decades.

Secondaries: Another Option to Surface Value

Over the years, most of our returns have been achieved by finding great businesses, buying them for value and executing our operational plans to improve their performance. At the right time, we can sell these businesses and reinvest the capital to continue compounding our growth.

As our business continues to scale, finding new ways to surface value provides us additional optionality to execute our playbook — secondary transactions are one of these options at our disposal. In simple terms, a secondary transaction is the sale or transfer of an investment interest from one investor to another, typically at a discount to the net asset value (NAV) as a means to provide the existing investor with a source of liquidity. While secondary discounts can vary based on a range of factors such as the quality, age and class of the asset, on average, private equity-led secondaries have traded at discounts of 10% or higher over the past few years.

Secondaries have evolved into an attractive alternative investment strategy offering investors good returns through exposure to specific investments typically more mature and with a lower risk profile. This risk adjusted return is attractive and in response, the secondaries market has grown significantly in recent years. To put this in context, last year global secondaries transaction volumes eclipsed $150 billion, more than double the size of the market compared to five years ago. Much of this growth has been supported by the increasing availability of new pools of capital and the continued evolution of alternative investment strategies that may favor these types of lower risk profile returns.

A secondary sale of a stake in our businesses can be a great way to accelerate our capital recycling and build value per unit. To that end, last month we sold a portion of our interest in three of our businesses to seed a new evergreen fund managed by Brookfield. In exchange, we took back units of the new fund with an initial redemption value of approximately $690 million — representing an aggregate 8.6% discount to NAV, which in our view is in line with comparable secondary trades.

At these values, the transaction is highly accretive to our current trading price. The units we received are expected to be redeemed for cash at the fixed discount to NAV beginning later this year. These proceeds will provide us added flexibility to accelerate buybacks, reinvest in growth and reduce debt, increasing intrinsic value of our units and shares. Furthermore, the considerable value of the interests retained in the businesses will allow us to continue to participate in the upside as we execute our value creation plans.

Stepping back, we launched our business as a way to provide public investors access to Brookfield's private equity capabilities. Today our business is just that – a large and valuable private equity secondary which should trade at a much narrower discount that is more comparable to where other secondaries trade in the private market. This should prove itself out as we continue to surface value in accretive ways, including the asset sales we recently completed.

Liquidity and Capital Allocation

Our strong balance sheet gives us options. Corporate liquidity at the end of the quarter was approximately $2.9 billion, pro forma for proceeds from announced acquisitions and monetizations, including the expected cash redemption of the units we received in the new evergreen fund. In addition, we have over $7 billion of liquidity available within our underlying operations.

We have made significant progress advancing our capital allocation priorities since the beginning of the year. When the market misprices the value of our business, we are happy to buy back our units and shares at a significant discount to what they are worth. This is an excellent use of our capital and we continue to execute our repurchase program under our existing normal course issuer bid (NCIB), which we plan to renew once it expires later this month.

In addition to returning capital to shareholders, we are continuing to invest in acquisitions to support our growth. Earlier this week, alongside partners, we agreed to privatize First National Financial Corporation for approximately $2.7 billion. The business is a leading Canadian residential and multi-family mortgage lender and an essential service provider to the Canadian housing market, an industry we know very well. Its highly resilient earnings and strong cash flows are supported by the fees and income it earns on a large and growing base of mortgages under administration. First National's asset-light model mitigates the risk of loss and underpins a track record of strong margins and returns on capital. We see opportunities to modernize its systems, streamline operations and strengthen its service model in a private setting, alongside our partners. Our share of the equity investment is expected to be approximately $145 million for an 11% interest in the business. The transaction is expected to close later this year, subject to customary closing conditions and regulatory approvals.

Beyond acquisitions, constructive credit markets and robust demand for the debt of high-quality issuers continues to support our strong access to capital, enabling us to complete several refinancings over the last few months. These initiatives included:

- Repricing $900 million of USD term loans at our electric heat tracing systems manufacturing operation, reducing the spread by 50 basis points to SOFR plus 3.00%.

- Refinancing a $2.1 billion EUR term loan at our modular building leasing services operation extending maturity by approximately 3 years.

- Refinancing $1.2 billion of USD and EUR secured notes at our advanced energy storage operation, extending maturities on the borrowings by approximately 5 years.

Our Operating Results Were Resilient

Adjusted EBITDA for the quarter of $591 million increased compared to $524 million in the prior year reflecting resilient underlying operating performance, tax recoveries and contribution from recent acquisitions. Margins of over 20% were stable compared to the prior year.

As a reminder, most of our global operations are market leaders, largely providing goods and services where they are sourced, and as a result, are not overly reliant on cross-border trade. As global trade policies continue to evolve, we do not expect the impact of tariffs to have a material effect on the cash flows of our operations. Where there are effects, we anticipate we will be able to implement operational and commercial plans to mitigate the impacts.

Business Services

Our Business Services segment generated second quarter Adjusted EBITDA of $205 million, an increase compared to $182 million in the prior year reflecting increased contribution on a same store basis.

Our residential mortgage insurer is performing well. As a reminder, mortgage insurance in Canada provides insurance against default for lenders on homes. The average price of one of our homes is approximately $350,000 and typically we cater to first-time homebuyers. While the overall Canadian housing market has softened, demand across the business' market segment remains strong driven by access to new mortgage products, including extended 30-year amortization mortgages which has benefited homebuyer affordability. As a result, volumes of new insurance premiums written by the business have continued to grow, increasing over 20% compared to the prior year, while losses on claims remain well below historical average levels. The business remains well capitalized to manage the impacts of any correction in home prices and potentially higher losses on claims. During the quarter, the business paid distributions of $90 million, of which our share was approximately $40 million, increasing our realized return to more than our initial investment.

We continue to make progress on strengthening the leadership position and enhancing service levels at our dealer software and technology services operation. The business signed several contract renewals and extensions with larger dealer groups in the U.S. during the quarter, and churn levels appear to be stabilizing. Work that is underway to upgrade and modernize the technology stack is expected to continue for the next 12-18 months and the costs associated with these initiatives will continue to be reflected in our near-term financial results.

Last year, we completed the acquisition of Network International, the leading digital payment processor in the Middle East, and shortly thereafter combined the business with our existing payment processor in the region. Since the combination, we have hired a new executive leadership team and launched our integration workstreams focused on revenue, technology and cost-related synergies. The increased scale of the combined platform is performing ahead of expectations, building on a strong track record of double-digit growth in EBITDA and benefiting from strong secular tailwinds particularly in the business' core United Arab Emirates market. While there is more work to do, we are off to a good start and pleased with our progress over the past few months.

Industrials

Our Industrials segment generated second quarter Adjusted EBITDA of $307 million compared to $213 million in the prior year benefiting from strong execution and tax recoveries at our advanced energy storage operation.

Our advanced energy storage operation is performing exceptionally well. Growing demand for advanced batteries and strong operational execution continue to drive increased underlying results. The business' global share of low-voltage batteries in its addressable market is over 30% today and its share of advanced batteries is even greater. As part of its efforts to further strengthen its market leadership position, the business recently announced plans to establish a new U.S. manufacturing, technology and training center, expand advanced battery manufacturing in the U.S. and enhance its U.S. recycling and critical mineral recovery capabilities. These initiatives are part of the business' longer-term U.S. reinvestment plans supported by its ongoing cash flow generation.

Volumes at our engineered components manufacturer are showing signs of early-stage improvement across many of its international and North American end markets. While demand remains well below normal cycle levels, the business is generating positive cash flow and improved margins driven by ongoing cost and working capital optimization initiatives. These actions position the business well for a broad based recovery in market conditions.

Carve-out activities at our electric heat tracing systems manufacturer are progressing well. We appointed a new leadership team, rebranded the business and established a value creation office to support the execution of our operational improvement plans which include optimizing its cost structure, upgrading its manufacturing capabilities and repositioning the commercial strategy. Underlying performance has been strong reflecting resilient aftermarket driven demand and favorable mix of higher margin product sales.

Infrastructure Services

Our Infrastructure Services segment generated second quarter Adjusted EBITDA of $109 million compared to $157 million in the prior year which included contribution from our offshore oil services' shuttle tanker operation that was sold earlier this year.

At our lottery services operation, we recently signed several new contracts and extensions with lottery operators in the U.S. and Canada which should contribute to increased annual earnings later this year as the delivery of other recent wins for lottery operators in the U.K. and New Zealand continue to progress. While industry fundamentals remain resilient, lower lottery jackpot sizes and fewer hardware deliveries compared to prior year is reflected in our results. We are continuing to support the scaling of the business' digital lottery offerings following the recent realignment of the digital lottery operations under a new leadership team aimed at strengthening the position in this high-growth area to support expansion into new markets in both the U.S. and internationally.

Performance at our work access services operation has been impacted by ongoing market softness primarily within the commercial end markets resulting in reduced demand for the business' higher margin rental services. Earlier this year we established a new transformation office comprising key leaders across the organization to reposition the business with a focus on expansion into higher growth segments of the market. While still early days, these efforts should help accelerate progress on our value creation plans at a time when smaller scale competitors are struggling in a challenging market environment.

Communications with You

In response to investor feedback and with the goal of simplifying and streamlining our communications, we will transition to publishing a comprehensive Brookfield investor letter on a quarterly basis, beginning with our third quarter reporting. This new format will take the place of our current shareholder letter and will cover the most important themes and strategic developments across all of Brookfield, including topics most relevant to Brookfield Business Partners. The letter will be published at the end of Brookfield's reporting cycle to cover all themes and updates across all parts of Brookfield and its affiliates.

We believe this approach will make it easier for investors to stay current on the full breadth of activity across Brookfield through a single, consolidated update.

We will continue to provide timely updates throughout the year via our quarterly press releases and earnings calls with management. In addition, we will also publish a standalone Brookfield Business Partners investor letter on an annual basis alongside our fourth quarter results.

Closing

Six months into the year, our larger operations are on plan and our per unit value is higher – exactly what we set out to do. The outlook for the global economy is difficult to predict but we are optimistic knowing that our consistent strategy of owning great businesses and taking a hands-on approach to enhancing their performance is a proven strategy that has enabled us to compound value across past economic cycles. With this letter, we simply want to reinforce that patience, discipline and the alignment of capital have allowed us to compound value at BBU for nearly a decade – and will continue to do so going forward.

Thank you for your trust, partnership and continued interest in Brookfield Business Partners. Please do not hesitate to contact any of us should you have suggestions, questions, comments or ideas — we value your engagement.

Sincerely,

Anuj Ranjan
Chief Executive Officer

Cyrus Madon
Executive Chairman

August 1, 2025

Cautionary Statement Regarding Forward-looking Statements and Information

Note: This letter to unitholders contains "forward-looking information" within the meaning of Canadian provincial securities laws and "forward-looking statements" within the meaning of applicable Canadian and U.S. securities laws. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, include statements regarding the operations, business, financial condition, expected financial results, performance, prospects, opportunities, priorities, targets, goals, ongoing objectives, strategies and outlook of Brookfield Business Partners, as well as regarding recently completed and proposed acquisitions, dispositions and other transactions, and the outlook for North American and international economies for the current fiscal year and subsequent periods, and include words such as "expects", "anticipates", "plans", "believes", "estimates", "seeks", "intends", "targets", "projects", "forecasts", "views", "potential", "likely" or negative versions thereof and other similar expressions, or future or conditional verbs such as "may", "will", "should", "would" and "could".

Although we believe that our anticipated future results, performance or achievements expressed or implied by the forward-looking statements and information are based upon reasonable assumptions and expectations, investors and other readers should not place undue reliance on forward-looking statements and information because they involve assumptions, known and unknown risks, uncertainties and other factors, many of which are beyond our control, which may cause the actual results, performance or achievements of Brookfield Business Partners to differ materially from anticipated future results, performance or achievements expressed or implied by such forward-looking statements and information. These beliefs, assumptions and expectations can change as a result of many possible events or factors, not all of which are known to us or are within our control. If a change occurs, our business, financial condition, liquidity and results of operations and our plans and strategies may vary materially from those expressed in the forward-looking statements and forward-looking information herein.

Factors that could cause actual results to differ materially from those contemplated or implied by forward-looking statements include, but are not limited to, the following: the cyclical nature of our operating businesses and general economic conditions and risks relating to the economy, including unfavorable changes in interest rates, foreign exchange rates, inflation, commodity prices and volatility in the financial markets; the ability to complete and effectively integrate acquisitions into existing operations and the ability to attain expected benefits; business competition, including competition for acquisition opportunities; strategic actions including our ability to complete dispositions and achieve the anticipated benefits therefrom; global equity and capital markets and the availability of equity and debt financing and refinancing within these markets; changes to U.S. laws or policies, including changes in U.S. domestic and economic policies as well as foreign trade policies and tariffs; technological change; litigation; cybersecurity incidents; the possible impact of international conflicts, wars and related developments including terrorist acts and cyber terrorism; operational, or business risks that are specific to any of our business services operations, infrastructure services operations or industrials operations; changes in government policy and legislation; catastrophic events, such as earthquakes, hurricanes and pandemics/epidemics; changes in tax law and practice; and other risks and factors detailed from time to time in our documents filed with the securities regulators in Canada and the United States including those set forth in the "Risk Factors" section in our annual report for the year ended December 31, 2024 filed on Form 20-F.

Statements relating to "reserves" are deemed to be forward-looking statements as they involve the implied assessment, based on certain estimates and assumptions, that the reserves described herein can be profitably produced in the future. We qualify any and all of our forward-looking statements by these cautionary factors.

We caution that the foregoing list of important factors that may affect future results is not exhaustive. When relying on our forward-looking statements and information, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Except as required by law, we undertake no obligation to publicly update or revise any forward-looking statements or information, whether written or oral, that may be as a result of new information, future events or otherwise.

Cautionary Statement Regarding the Use of a Non-IFRS Measure

This letter to unitholders contains references to a Non-IFRS measure. Adjusted EBITDA is not a generally accepted accounting measure under IFRS and therefore may differ from definitions used by other entities. We believe this is a useful supplemental measure that may assist investors in assessing the financial performance of Brookfield Business Partners and its subsidiaries. However, Adjusted EBITDA should not be considered in isolation from, or as substitute for, analysis of our financial statements prepared in accordance with IFRS.

References to Brookfield Business Partners are to Brookfield Business Partners L.P. together with its subsidiaries, controlled affiliates and operating entities. Unitholders' results include limited partnership units, redemption-exchange units, general partnership units, BBUC exchangeable shares and special limited partnership units. More detailed information on certain references made in this letter to unitholders will be available in our Management's Discussion and Analysis of Financial Condition and Results of Operations in our interim report for the second quarter ended June 30, 2025 furnished on Form 6-K.