Annual Letter to Unitholders

Overview

We are in a new era for private investments – one which depends on hard work and driving operational excellence. The majority of the value we have historically realized has come from improving the businesses we own. This is the environment we were built for.

2025 reflected our approach in action. Our financial performance on a same-store basis improved over the prior year and we continue to work closely with our management teams to enhance the underlying margins and cash flows of our businesses. We also generated more than $2 billion of capital recycling proceeds, repaid $1 billion of corporate borrowings, invested approximately $700 million in four growth acquisitions and repurchased approximately $235 million of our units and shares at a significant discount to intrinsic value.

In addition, we are nearing the completion of our planned corporate reorganization which will result in a single newly-listed corporation – a change we expect will improve trading liquidity, enable greater index inclusion and broaden access for global investors.

The value proposition for our investors is as strong as ever: 1) our trading price is 50% higher than a year ago but still at a material discount to intrinsic value; 2) our operations provide vital products and services and generate durable cash flows; and 3) every dollar that is recycled is reinvested by the same Brookfield team which has compounded capital at exceptional rates for decades.

Markets are Healthy

Despite trade tensions and geopolitical uncertainty, the global economy remains resilient. In the U.S., economic activity continues to benefit from stable labor markets and resilient consumer spending, while further easing of interest rates is supporting a constructive growth outlook. Although the environment for businesses in Europe has been challenging, more accommodative central bank monetary policy and sustained fiscal spending is helping alleviate trade-related headwinds and providing more optimism for growth.

Credit markets remain open and spreads have tightened toward historical lows. Demand for the debt of high-quality businesses like ours remains robust which has enabled us to complete over $20 billion of financings over the past year, reducing the cost on refinanced borrowings by more than 50 basis points. Going forward we will continue to be opportunistic, improving terms, extending maturities and optimizing our capital structures to enhance our long-term financial flexibility.

Transaction activity is also picking up, with global M&A volumes rebounding to the highest levels since 2021. Our pipeline is equally robust, as the bid-ask spreads between buyers and sellers narrow and more opportunities advance to later-stage processes. Tailwinds from constructive transaction environments like these are important for our business, creating opportunities over time to monetize larger-scale businesses, generate liquidity and reinvest in new acquisitions to fund our growth.

The Right Strategy Built for the Right Moment

We created BBU nearly a decade ago with a simple premise: provide public market investors access to Brookfield's global private equity capabilities, developed and refined over the last 25 years. Our strategy has not changed – find great businesses, buy them for value, and execute our operational plans to improve performance and cash flows.

Today, two forces are accelerating demand for exactly this approach.

First, deglobalization is requiring businesses to rethink everything – supply chains, sourcing and manufacturing capabilities. This requires significant capital and, more importantly, change management expertise to lower costs and maintain competitiveness. At the same time, large conglomerates are looking to sharpen their focus and rationalize non-core operations. These are often good businesses that have simply been overlooked. We have a long history of executing these types of complex carve-outs and are seeing more of these opportunities emerge in our pipeline.

Second, AI is transforming industrial and services businesses, not just the technology platforms building the models. The beneficiaries will be those who can actually implement these tools to automate processes, reduce costs, address labor shortages, innovate product lines, optimize supply chains and transform analog systems to digital operations. The bottleneck today is not the technology – it is the operators who have the change management expertise to implement and properly transform businesses.

Our integrated operating model – combining investment and operating professionals, maintaining a strong local presence across all markets we operate in and harnessing the insights and informational advantages of the Brookfield ecosystem – differentiates our approach and has enabled us to generate strong returns across all economic cycles.

Several acquisitions during the year illustrate our approach:

- Fosber is a global leader in machinery and services for the corrugated packaging industry. The business generates nearly two-thirds of its profitability from recurring aftermarket demand across a large installed base of products which operate in mission-critical environments with high costs of downtime. We were able to acquire the business at approximately 10x annual EBITDA as a carve-out from a larger conglomerate, where it had historically operated with limited capital investment and management focus. We see clear opportunities to enhance performance through supply chain optimization, improved pricing discipline, increased share of wallet and targeted investment to enhance the business' digital and automation capabilities.

- First National is a leading Canadian residential and multi-family mortgage lender and a vital service provider to the Canadian housing market. The business operates an asset-light, highly cash-generative platform supported by a large base of over C$160 billion of mortgages under administration, which generates recurring revenue with limited credit risk. Our deep understanding of the Canadian housing market provided us valuable insight on the regulatory, operating and risk environment. We were able to move quickly in building a value creation plan and since closing we see an even greater opportunity to drive value through modernization of underwriting and servicing workflows to improve cost efficiency.

- Chemelex is a leading manufacturer of electric heat management solutions, benefiting from durable aftermarket replacement demand across a large installed base. We acquired the business at approximately 11x annual EBITDA through a carve-out, with clear opportunities to improve margins through organizational simplification, commercial optimization and capacity rationalization. We are off to a strong start led by a newly strengthened management team and executing initiatives to streamline the product portfolio, refine the go-to-market strategy and refocus the business on profitable, sustainable growth.

Clarios – A Business Like Few Others

Clarios, our advanced energy storage operation, is our largest and most valuable investment today – comprising 30% of our overall net asset value. As the global leader in advanced low-voltage batteries, Clarios powers one in three cars on the road today. Approximately 80% of volumes are generated through the high-margin, resilient aftermarket channel, supported by unmatched scale, technology leadership and long-standing relationships with nearly all major global automakers.

A common misconception is that electric vehicles threaten the low-voltage battery business. The opposite is true. Every vehicle – regardless of powertrain – requires a low-voltage battery to support core functions, including charging, security, software updates and critical safety systems. As vehicle electrification and digitalization increase, demand for higher-performance advanced batteries continues to grow. With approximately 50% of global advanced battery production capacity, Clarios is uniquely positioned to lead this transition.

To support this growth, Clarios is accelerating investment to further strengthen its leadership position. Earlier this year, the business announced a multi-billion-dollar capital reinvestment program focused on expanding U.S. manufacturing capacity, developing state-of-the-art facilities and enhancing recycling and critical mineral recovery capabilities. These investments are supported by strong cash generation and U.S. manufacturing tax credits.

Since our acquisition, underlying annual EBITDA at Clarios has increased by 40% – or almost $700 million. We see a path to achieving a similar level of growth over the next five years driven by the continued growth in high-margin advanced batteries, commercial excellence, ongoing operational efficiency and innovation in new technologies, including supercapacitors. Over this same period, the business should generate close to $5 billion of cumulative free cash flow, before the receipt of any tax benefits, providing substantial flexibility to support deleveraging and growth.

Strong demand for Clarios' debt enabled us to upfinance the balance sheet and fund a $4.5 billion distribution to owners in early 2025. Our share was approximately $1.2 billion, crystallizing a 1.5x multiple of our investment in the business while still owning all our shares in the business. Based on Clarios' growth and free cash flow generation, it has the potential to distribute a similar level of cash over the next five years – allowing us to nearly double our realized return without selling a single share.

Our Balance Sheet and Capital Position is Strong

Our balance sheet and liquidity are a key source of strength, providing us with significant flexibility to invest in growth, support our operating businesses and opportunistically return capital to our owners.

We ended the year with approximately $2.6 billion of corporate liquidity, pro forma for recent transactions including the expected cash redemption of units in a Brookfield managed evergreen fund which we received in exchange for the secondary sale of partial interests in three businesses in 2025.

We have made significant progress executing on our repurchase program, buying back over 8 million units and shares since the start of 2025 at a 50% average discount to our per unit view of fair value. This is an excellent use of our capital and we remain committed to completing our $250 million repurchase program. Beyond this, we will maintain a balanced approach to capital allocation, including repurchases, growth acquisitions and further debt reduction.

The over $20 billion of financings we completed during the year enabled us to proactively manage maturities and reduce financing costs. This included repricing $900 million of term loans at our electric heat tracing operation, reducing the spread by 50 basis points; refinancing $1.6 billion of notes at our advanced energy storage operation, extending the maturities by five years and reducing rates by 175 basis points; and refinancing $2.7 billion of debt at our audience measurement operation, reducing rates by 200 basis points.

Closing

We made excellent progress in 2025 across all three pillars of our strategy: acquiring great businesses for value, improving underlying operations and cash flows and recycling capital to reinvest in growth. Our business is well-positioned for continued value creation in 2026.

The market for what we do is as attractive as it has been in years and we have the capital, capabilities and discipline to execute.

Thank you for your trust and partnership.

Sincerely,

Anuj Ranjan
Chief Executive Officer

Cyrus Madon
Executive Chairman

January 30, 2026

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, the expected closing of our corporate reorganization, expected future distributions or dividends, 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, 2025 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 annual report for the year ended December 31, 2025 to be filed on Form 20-F.