

Risk Factors Comparison 2025-02-26 to 2024-02-29 Form: 10-K

Legend: New Text ~~Removed Text~~ Unchanged Text Moved Text Section

Investing in our securities involves certain risks. Before investing in any of our securities, you should carefully consider the following summary of the principal factors that make an investment in our securities speculative or risky as well as the risks described under the caption “ Risk Factors, ” under Item 1A of this Report. If any of these risks actually occurs, it could have a material adverse effect on our businesses. The risks described below and under the caption “ Risk Factors, ” under Item 1A of this Report are not the only risks that affect our businesses. Additional risks that are unknown or not presently deemed significant may also have a material adverse effect on our businesses. The following is a summary of our risk factors that appear in Item 1A of this Report.

Risks Relating to Our Structure

- Our general partner, and its control person, has significant influence over us, and sales by our controlling unitholder pursuant to a margin call or otherwise could cause our unit price or the value of our assets in the Investment Funds to decline or otherwise impact our liquidity;
- We have engaged, and in the future may engage, in transactions with our affiliates;
- We are subject to the risk of becoming an investment company;
- We may structure transactions in a less advantageous manner to avoid becoming subject to the Investment Company Act;
- We may become taxable as a corporation if we are no longer treated as a partnership for U. S. federal income tax purposes;
- We may be negatively impacted by the potential for changes in tax laws;
- Holders of depositary units may be required to pay tax on their share of our income even if they did not receive cash distributions from us;
- Tax gain or loss on the disposition of our depositary units could be more or less than expected;
- Tax- exempt entities may recognize unrelated business taxable income they receive from holding our units, and may face other unique issues specific to their U. S. federal income tax classification;
- Non- U. S. persons may be subject to withholding regimes and U. S. federal income tax on certain income they may earn from holding or disposing of our units;
- We may be liable for any underwithholding by nominees on our distributions or on transfers of our units made after January 1, 2023;
- Our unitholders likely will be subject to state and local taxes and return filing or withholding requirements in states in which they do not live as a result of investing in our units;
- We prorate our items of income, gain, loss and deduction between transferors and transferees of our units based upon the ownership of our units at the close of business on the last day of each month, instead of on the basis of the date a particular unit is transferred. The IRS may challenge this treatment, which could change the allocation of items of income, gain, loss and deduction among our unitholders;
- A unitholder whose units are loaned to a “ short seller ” to cover a short sale of units may be considered as having disposed of those units. If so, such unitholder would no longer be treated for U. S. federal income tax purposes as a partner with respect to those units during the period of the loan and may recognize gain or loss from the disposition;
- If the IRS makes audit adjustments to our income tax returns for tax years beginning after 2017, it (and some states) may collect any resulting taxes (including any applicable penalties and interest) directly from us, in which case our cash available to service debt or pay distributions to our unitholders, if and when resumed, could be substantially reduced;
- We may be subject to the pension liabilities of our affiliates;
- We are a limited partnership and a “ controlled company ” within the meaning of the Nasdaq rules and as such are exempt from certain corporate governance requirements;
- Certain members of our management team may be involved in other business activities that may involve conflicts of interest;
- Holders of Icahn Enterprises’ depositary units have limited voting rights, including rights to participate in our management;
- Holders of Icahn Enterprises’ depositary units may not have limited liability in certain circumstances and may be personally liable for the return of distributions that cause our liabilities to exceed our assets;
- Since we are a limited partnership, you may not be able to pursue legal claims against us in U. S. federal courts; and
- We have become subject to, and may in the future be subject to, short selling strategies driving down the market price of our depositary units and increasing the volatility of the trading market for our depositary units, as well as regulatory investigations and litigation.

Risks Relating to Liquidity and Capital Requirements

- We are a holding company and depend on the businesses of our subsidiaries to satisfy our obligations;
- To service our indebtedness, we will require a significant amount of cash. Our ability to maintain our current cash position or generate cash depends on many factors beyond our control;
- Our failure to comply with the covenants contained under any of our debt instruments, including the indentures governing our senior ~~unsecured~~ notes (including our failure to comply as a result of events beyond our control), could result in an event of default **or a foreclosure on the collateral securing the notes** that would materially and adversely affect our financial condition;
- We may not have sufficient funds necessary to finance a change of control offer that may be required by the indentures governing our senior notes;
- We have made significant investments in the Investment Funds and negative performance of the Investment Funds may result in a significant decline in the value of our investments; and
- Future cash distributions to Icahn Enterprises’ unitholders, if any, can be affected by numerous factors.

Risks Relating to Our Investment Segment

- Our investments may be subject to significant uncertainties;
- The historical financial information for the Investment Funds is not necessarily indicative of its future performance;
- The Investment Funds’ investment strategy involves numerous and significant risks, including the risk that we may lose some or all of our investments in the Investment Funds. This risk may be magnified due to concentration of investments and investments in undervalued securities;
- We may not be able to identify suitable investments, and our investments may not result in favorable returns or may result in losses;
- Successful execution of our activist investment activities involves many risks, certain of which are outside of our control;
- The Investment Funds make investments in companies we do not control;
- The use of leverage in investments by the Investment Funds may pose a significant degree of risk and may enhance the possibility of significant loss in the value of the investments in the Investment Funds;
- The possibility of increased regulation could result in additional burdens on our Investment segment;
- The ability to hedge investments successfully is subject to numerous risks;
- The Investment Funds invest in distressed securities, as well as

bank loans, asset backed securities and mortgage- backed securities; and ● The Investment Funds may invest in companies that are based outside of the United States, which may expose the Investment Funds to additional risks not typically associated with investing in companies that are based in the United States. Risks Relating to our Consolidated Operating SubsidiariesOur consolidated operating subsidiaries are subject to various risks, including but not limited to: ● Changes in regulations and regulatory actions; ● Operational disruptions, damage to property, injury to persons or environmental and legal liability; ● Environmental, **health or safety** laws and regulations; ● Increased investor and market interest in environmental, social and governance (“ ESG ”) matters; ● Volatility of commodity prices; ● Compliance with the U. S. Environmental Protection Agency Renewable Fuel Standard; ● Climate change laws and regulations; ● Operations in foreign countries; and ● Significant labor disputes involving any of our businesses or one or more of their customers or suppliers. iii