

Our digital assets are being offered on a “best efforts” basis and no individual, firm or corporation has agreed to purchase any digital assets in this offering. As a result, we may be inadequately financed and will not be able to achieve a broadly diversified portfolio. We may sell fewer equity digital assets than we require to execute our business strategies and objectives.

If we are unable to sell a sufficient amount of equity digital assets, we will make fewer purchases, resulting in less diversification in terms of the numbers and types of purchases we own and the areas in which our purchases or the properties underlying our purchases are located which would make it more difficult for us to accomplish our business objectives. Further, it is likely that in our early stages of growth we may not be able to achieve portfolio diversification consistent with our longer-term purchase objectives, increasing the likelihood that any single purchase's poor performance would materially affect our overall purchase performance. Our inability to raise substantial funds would also increase our fixed operating expenses as a percentage of gross income. Each of these factors could have an adverse effect on our financial condition and ability to pay distributions to digital asset holders.

79. EDGE196™ cannot assure additional funding to portfolio companies.

After EDGE196™ has acquired an investment in a portfolio company, continued development and marketing of products may require that additional financing be provided. In particular, companies in the early stages of development in which EDGE196™ expects to invest often have substantial capital needs that are typically funded over several stages of purchase.

No assurance can be made that such additional financing will be available, and no assurance can be made as to the terms upon which such financing may be obtained. Our portfolio companies may face intense competition, including competition from companies with greater financial and other resources.

EDGE196™'s ability to exit from and liquidate portfolio companies may be constrained at any particular time.

EDGE196™ expects to exit from EDGE196™'s portfolio purchases in two principal ways:

I. Private sales (including acquisitions of its portfolio companies)

II. Initial and secondary public offerings

At any particular time, one or both of these avenues may not be open to us, or timing with respect to these exit mechanisms may be inopportune. In addition, during the process of exiting purchases, if portfolio companies are taken public, EDGE196™ is highly likely to be required to continue to hold minority equity stakes for a certain period of time after the public offering. In cases where EDGE196™ holds minority positions in its portfolio companies and will not have the ability to sell its portfolio companies without majority owner consent or to unilaterally cause portfolio companies to enter into transactions which would enable EDGE196™ to liquidate its holdings. As such, our ability to exit from and liquidate portfolio companies may be constrained at any particular time.