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1. Executive Summary

Pixy Boxes is the first gamified curation platform and accelerator for NFTs (non-fungible tokens). The mission is clear: boost sales, circulation, and exposure for creators and brands while allowing collectors to unbox and discover rare digital assets. Via the PixyBox Marketplace, collectors unlock sealed packages of NFTs curated from diverse pools (Collections) of NFT assets. Curation is at the core of our value proposition. The platform's commission structure incentivises curators (independent contributors) to develop balanced, high-quality PixyBox Collections.

The underlying tech is a powerfully scalable dApp (decentralised app) launching on BSC in Q4 2022. We will migrate to Polygon in Q2 2023. Concerning governance, PixyBox is a fully functional DAO (decentralised autonomous organisation), where token holders vote on decisions that impact the future operation of the platform. Users also vote on the roster of creators that get to launch tokenised crowdfunding campaigns. PixyBox merges artists' ingenuity with the transparency of blockchain and the excitement of mystery boxes.

For creators, PixyBox increases direct sales and ongoing royalties for their portfolio. For collectors, opening boxes provide opportunities to discover new artists and valuable scout assets for their NFT portfolios. For curators, crafting high-quality collections is directly incentivised via commission.

A. Value Proposition for Creators

For creators, the platform dramatically expands their work's exposure, reach, and circulation. Creators receive proceeds each time their work is sold within a PixyBox. Smart contracts ensure they also benefit from subsequent resales of their work. Through Balance Network IDO Launchpad, creators can host tokenised crowdfunding campaigns to support the development of future NFT projects. We have also established the PixyBox Fund to cultivate a vibrant community further. From our upcoming pool, creators can apply for grants to support the creation of innovative pieces of work.

We understand the time, effort, and creativity of creating unique work. As such, we prioritise direct monetisation pathways for creators.

B. Value Proposition for Collectors

The platform is a fun, beginner-friendly sandbox for collectors to build and curate their NFT collections. Each PixyBox gives them access to unique limited-edition assets with approachable price tags. One value of curation is that it eliminates the "paradox of choice" hurdle, which can be frustrating for mainstream shoppers. Moreover, the auction framework does not appeal to

everyone. Pixy Boxes simplified the fixed-price framework will attract buyers who do not like the stress or strategy required to participate in auctions.

Through Balance Network IDO Launchpad, collectors gain early access to invest in the careers of emerging and well-established creators. By participating in a creator's coin offering, they unlock the ability to earn passive income from future sales of a creator's work. They also directly support creators in a streamlined, transparent, and decentralised way.

We recognise that not every art collector is highly tuned into the blockchain. Therefore, we have set a low barrier to entry to the platform. Delving into the world of NFT collecting no longer requires a high degree of tech-savviness or an engineering degree. Our streamlined onboarding and purchasing framework will appeal to collectors across age and economic demographics.

Pixy Boxes offers collectors a fun, curated, beginner-friendly platform to collect NFTs and invest in emerging artists.

2. Current Market Frictions

A. Valuation

The scarcity of NFT assets makes the valuation of individual pieces difficult. Investors see NFT sales history as the best metric for determining the value of an asset. Yet the transaction history of an asset may be skewed due to a manipulating market practice called wash trading. Wash trading occurs when an investor places a sell order and then places a buy order to fulfil their sell order. This chain of transactions is completed with the sole purpose of feeding misleading information to the market. Given the relatively small number of NFT assets being traded today, the impact of this practice can have a particularly distorting effect. Pixy Boxes will work with external auditors to highlight potential wash-trading activity.

PixyBox pools NFTs and their associated trading histories from various sources. These values are displayed to buyers and sellers to encourage balanced pricing practices. By unifying these values on one platform, Pixy Boxes offers transparency that facilitates value discovery for cultivators and traders.

Pixy Boxes eliminates the possibility of wash trading through its unique mystery box framework.

B. Circulation

The one-of-a-kind, indivisible nature of NFTs makes them inherently illiquid. Fungible assets can be broken into smaller pieces and freely traded on exchanges. Non-fungible assets must be purchased in whole, directly from the sellers. Buyers must use multiple, unconnected platforms to

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search for NFT pieces and then bid individually on them. This 1:1 transaction mechanism presents friction that hinders circulation and scalability.

PixyBox increases the supply of NFTs by:

1. Strategic outreach to traditional artists and creators across categories

2. facilitating the tokenisation of their existing body of work

3. offering attractive grants to support the creation of exclusive content

PixyBox increases the demand for NFTs by:

1. Lowering the barrier of entry for new collectors, enthusiasts, and speculators

2. gamifying the purchasing experience using the mystery box mechanism

3. consolidating high-quality NFTs, aggregated from many sources, into one place

PixyBox increases circulation and liquidity within the NFT market by boosting both the supply and demand of tokenised collectables. Inclusion in a PixyBox Collection increases the probability that a creator's assets are sold instead of remaining stale on a marketplace.

C. Incentives

Since the sector is still in the early stages, there are no well-established incentive mechanisms to encourage creators to tokenise their art. Unlike in the physical art world, where the routes to monetisation, brand recognition, and fame are well established, the options for digital artists are opaque. We see the emergence of NFTs as a prime opportunity to work with creators to create value and grow their careers in this new frontier.

PixyBox boosts the volume and exposure of tokenised works by independent creators.

Current platforms can be intimidating to new collectors. Each platform exists in its silo. This causes users to jump between sites if they want to build a diverse portfolio of assets. Sticker shock is also an issue since the reserve prices for individual pieces can make the barrier of entry too high for mainstream collectors.

PixyBox simplifies the discovery process. Instead of searching for an individual, NFT works via many different platforms. Users can purchase Pixy Boxes with various limited-edition and potentially precious collectables aggregated across the NFT ecosystem.

PixyBox seamlessly bridges multiple platforms and lowers entry barriers for new NFT collectors by being easy to use and not requiring high initial investments.

D. Transparency

Traditional collectable markets are often opaque. From creation to the initial sale to secondary market sales - every transaction around an NFT-associated asset is public and traceable. Given the decentralised structure of blockchain, these underlying properties cannot be altered or tampered with. This immutability property is absent in the traditional collectables market, where trusted clearinghouses are needed to verify that a piece is not forged or stolen.

3.   PixyBox Mechanics

A. Overview

The first step is to upload your art, and we will generate it as an NFT. Your new NFTs can be minted individually or can be minted in a PixyBox. Creators define the value of the NFTs or PixyBoxes. You can sell your NFTs individually or in PixyBoxes.
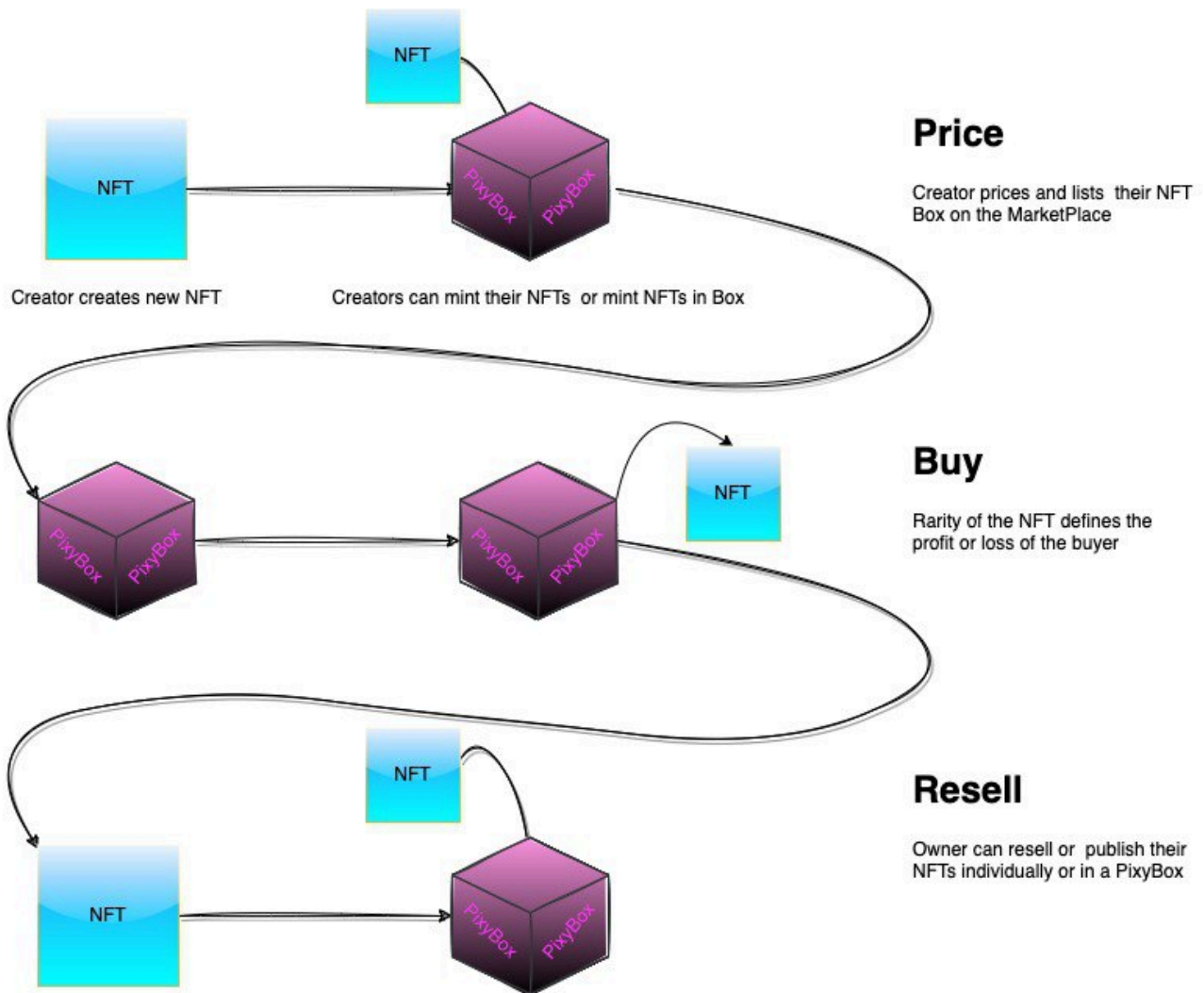
Creators receive 97,5% of the sale. The remaining 2,5% is the share of the PixyBox to invest in the platform. PixyBox also receives a cut of 2,5% from the collector.

PixyPool is planned to be launched, and the yield farm will be active in Q1 2023.

Pixy MarketPlace dynamics will reward curators that create balanced collections. For example, blending a select number of pieces of high monetary value with more moderately priced assets will make the collection more appealing to buyers. For buyers, anticipation, the element of surprise, and the desire to collect NFTs drive the appeal for purchasers. Opening PixyBox also rewards players with Pixy tokens.

PixyBox incentivises curators to scout talented creators, bring them to the platform, and generate income.

4. Tech

Price

Creator prices and lists their NFT Box on the MarketPlace

Creator creates new NFT

Creators can mint their NFTs or mint NFTs in Box

Buy

Rarity of the NFT defines the profit or loss of the buyer

Resell

Owner can resell or publish their NFTs individually or in a PixyBox

A. NFT Overview

Non-fungible tokens (NFTs) are unique, non-interchangeable assets minted on-chain. These tokens can be linked to anything from digital art to physical assets. The core attributes of NFTs give them unique value and categorically separate them from other types of assets. These properties include being verifiably unique and indivisible. The underlying code's transparency means that any given token's scarcity and ownership is evident without the need for a trusted intermediary. We view the emergence of NFTs as a continuation of a paradigm shift from centralised to decentralised systems. This framework is now unlocking fresh business models for the creators of digital and physical collectables.

Most NFTs currently in existence is tied to one-of-a-kind digital collectables. However, the potential scope for this technology is expansive.

B. PixyBox DApp

The PixyBox DApp is being built with scalability, interoperability, and future integrations. Non-fungible tokens (NFTs) are unique, non-interchangeable assets minted on-chain. While NFTs can

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be minted in various standards, Binance Smart Chain BEP-721 is the most ubiquitous. Today PixyBox is being built to accommodate BSC standards. Notably, our long-term roadmap includes support for alternative standards, including BEP-1155.

C. PixyBox Process

Creators add individual NFTs to the platform using a clean, user-friendly interface.

The PixyBox creation process works based on NFT minting. NFTs can be published individually or in a PixyBox.

- By navigating the "Create NFT Box" menu, you can start designing your NFT Mystery Box.

- All the fields should be filled in to proceed.
- Your NFTs and NFT Mystery Boxes will be created on our encrypting algorithm. PixyBox creates its metadata and also masks the operations on the network side.
- After filling in the fields, go ahead and click "Create".

Success! NFT Mystery Box is created and published on the platform.

D. Integrations

PixyBox uses its pricing and trading data. This data assists valuation and is provided for reference to Creators and Collectors. PixyBox will also provide integration to MetaMask and WalletConnect for users to store their NFT assets.

E. Polygon Migration

Polygon is a next-gen blockchain protocol whose value lies in its unique ability to connect multiple blockchains into one network seamlessly. It enables networks to scale quickly, interoperate autonomously, self-govern, and upgrade without needing hard forks. Polygon's value lies in its ability to maintain communication, facilitate value transfer, and securely pool the activity of blockchains.

PixyBox will migrate from BSC to Polygon in Q2 2023. Polygon allows blockchains to interoperate in a parallel and agile manner seamlessly.

5. Project Timeline

Artists have already started to be onboarded to the platform. Ecosystem partnerships are developing organically and on a steady trajectory. PixyBox will be published in September 2022. The public launch is targeted for November 2022.

6. Considerations

The security of our platform is an important consideration. PixyBox has severally endured security tests. Without involving any third-party software, PixyBox has an improved security status.

Our servers and application is monitored instantly, and software and data protection is the primary concern of PixyBox.

7. Partnerships

A. Creators

From the onset, we are targeting creators across broad categories of art and collectables. Independent creators and established NFT platforms will be critical partners for the PixyBox platform. We currently have 50+ artists on our roster. The platform is currently online and open to all Creators and Collectors.

Until recently, digital creators have had limited avenues towards monetising their work. One means has been to leverage advertising-fueled platforms such as Instagram, YouTube, and Facebook. Here, the road to monetisation is opaque, especially for less established artists. While a small group of artists can profit through these channels, most artists struggle to gain recognition and income in these crowded, algorithm-driven spaces. Another pathway to revenue has been licensing access to content via centralised platforms such as Shutterstock or Spotify. Although these deals can be lucrative for individual creators, the ability to earn through this route is typically limited to only the most famous creators.

Tokenising an artwork transforms it into a verifiably unique asset. This paradigm enables digital creators to sell their work the same way that creators of physical art can. Owing to the transparency of blockchain and smart contracts, NFTs mean assets can be traded at their fair market values without the need for trusted intermediaries.

NFTs open entirely new pathways for digital creators to earn near-term and recurring income for their work.

B. Ecosystem Partners

We have already established our partnership with BalanceNetwork, an All-in-One Blockchain Web 3.0 Platform.

We see existing platforms such as Open Sea, Rarible, and Dapper Labs as potential partners for this project. We are also conversing with established gaming platforms and other sources for high-quality NFT assets. Through the extensive networks of our founders, advisors, and project investors, we are actively engaging KOLs, celebrities, influencers, and communities within the art, gaming, and crypto spaces. We see PixyBox as an enabling hub within the broader ecosystem. Follow our Medium channel to see our most recent partnership announcements.

The nascent NFT market is in an exciting building phase. PixyBox is primed to be a trusted partner to established and emerging stakeholders across the industry.

8. Tokenomics

A. Supply, Staking, Burning

Pixy is the governance token of the PixyBox platform. In total, only 100,000,000,000 Pixy tokens will ever be minted. Out of the total supply, a minimum of 500,000,000 Pixy will be reserved for community issuance.

The primary way to acquire $BLES is by participating in the ecosystem. For example, players mine tokens each time they open a PixyBox. Other ways to acquire $BLES include:

- selling NFTs for Pixy

- trading $BLES through centralised and decentralised exchanges

- receiving mining rewards for winning or voting in competitions

- receiving a Foundation Grant as a creator

Many of the advanced benefits of holding Pixy arise from the world of decentralised finance (Defi). Key reasons to hold $Pixy include:

- Earning interest by staking Pixy

- Using Pixy to pay for NFTs

The platform will also feature a token burn mechanism to counteract the potentially inflationary effects of mining.

B. Distribution

General distribution of the tokens issued as follows:

PixyBox Distribution
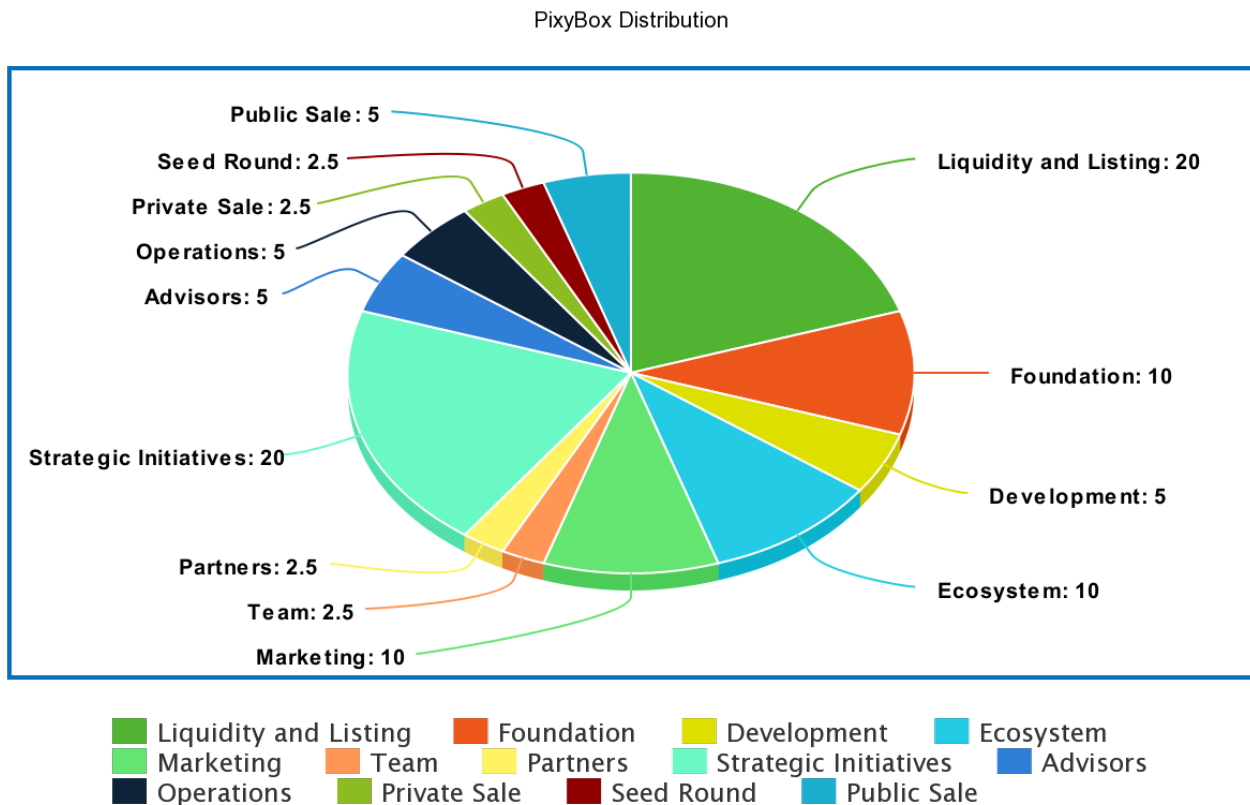
- 20% liquidity and listing
- 10% foundation
- 5% development
- 10% ecosystem
- 10% marketing
- 2,5% team
- 2,5% partners
- 20% strategic initiatives
- 5% advisors
- 5% operations
- 2.5% private sale
- 2.5% seed round

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- 5% public sale

By offering staking and other utility layers to Pixy token, PixyBox is bridging the gap between traditional consumer marketplaces and Defi.

9. Contact

- [Website](#)

- [Twitter](#)

- [Instagram](#)

10. Glossary

Blockchain

A digital ledger in which transactions are recorded chronologically and publicly and where past transactions cannot be edited or deleted.

DAI

A decentralised cryptocurrency stabilised against the value of the BNB.

BNB

BNB is the cryptocurrency coin that powers the BNB Chain ecosystem. As one of the world's most popular utility tokens, you can trade BNB like any other cryptocurrency and use BNB in a wide range of applications and use cases.

Non-Fungible

Describes an asset that cannot be interchanged with other individual goods or assets of the same type.

Non-fungible token

A token which is unique and not mutually interchangeable by its specification. An NFT often represents the digital proof of ownership of a unique asset.

Smart contract

A unique piece of software that runs within a blockchain.

Token

A digital proof of ownership whose behaviour is regulated by a smart contract in the blockchain.

Wash trading

Wash trading negatively impacts the community as a whole. For Collectors, Investors, and Traders, misleading historical information hinders their ability to evaluate a piece and make informed decisions about its value.

Examples that we see in the NFT arena include:

- Illegitimate trades to create hype and artificial demand for a specific asset or artist

- Illegitimate trades to inflate metrics about a platform

11. Disclaimer

A. Important Notice

This White Paper does not constitute a prospectus or offer document of any sort and is not intended to constitute an offer of securities or a solicitation for investment in securities in any jurisdiction. $Pixy tokens are not intended to constitute securities in any jurisdiction.

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b. You agree and acknowledge that this Whitepaper does not constitute a prospectus or offer document of any sort and is not intended to constitute an offer of securities in any jurisdiction or a solicitation for investment in securities, and you are not bound to enter into any contract or binding legal commitment, and no cryptocurrency or other form of payment is to be accepted based on this Whitepaper;
c. You agree and acknowledge that no regulatory authority has examined or approved of the information set out in this Whitepaper, no action has been or will be taken under the laws, regulatory requirements or rules of any jurisdiction, and the publication, distribution or dissemination of this Whitepaper to you does not imply that the applicable laws, regulatory requirements or rules have been complied with;
d. You agree and acknowledge that this Whitepaper, the undertaking and the completion of the Token Sale, or future trading of the $Pixy tokens on any cryptocurrency exchange, shall not be construed, interpreted or deemed by you as an indication of

the merits of the PixyBox and the Distributor, the $Pixy tokens, the Token Sale (each as referred to in this Whitepaper);

e. The distribution or dissemination of this Whitepaper, any part thereof or any copy thereof, or acceptance of the same by you, is not prohibited or restricted by the applicable laws, regulations or rules in your jurisdiction, and where any restrictions about possession are applicable, you have observed and complied with all such restrictions at your own expense and without liability to PixyBox and the Distributor;

f. You agree and acknowledge that in the case where you wish to purchase any $Pixy tokens, the $Pixy tokens are not to be construed, interpreted, classified or treated as:

    (i) Any kind of currency other than cryptocurrency;

    (ii) debentures, stocks or shares issued by any person or entity (whether PixyBox and the Distributor)

    (iii) rights, options or derivatives in respect of such debentures, stocks or shares;

    (iv) Rights under a contract for differences or any other contract, the purpose or pretended purpose of which is to secure a profit or avoid a loss;

    (v) units in a collective investment scheme;

    (vi) units in a business trust;
    (vii) derivatives of units in a business trust; or

    (viii) Any other security or class of securities.

g. You have a primary degree of understanding of the operation, functionality, usage, storage, transmission mechanisms and other material characteristics of cryptocurrencies, blockchain-based software systems, and innovative contract technology;

h. You are fully aware and understand that in the case where you wish to purchase any $BLES tokens, there are risks associated with Pixy Boxes and the Distributor and their respective business and operations, the $BLES tokens, the Token Sale (each as referred to in the Whitepaper);

i. You agree and acknowledge that neither Pixy Boxes nor the Distributor is liable for any indirect, special, incidental, consequential or other losses of any kind, in tort, contract or otherwise (including but not limited to loss of revenue, income or profits, and loss of use or data), arising out of or in connection with any acceptance of or reliance on this Whitepaper or any part thereof by you; and

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This Whitepaper includes market and industry information and forecasts from market research reports and publicly available information. Such sources and publications generally state that the information they contain has been obtained from sources believed to be reliable. Still, there can be no assurance as to the accuracy or completeness of such included information. Save for directors, executive officers and employees of Pixy Boxes, no person has provided their consent to the inclusion of their name and other information attributed or perceived to be attributed to such person in connection in addition to that in this Whitepaper and no representation, warranty or undertaking is or purported to be provided as to the accuracy or completeness of such information by such person.

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