Let the invisible influence flow in the physical world and resonate with the imagined world.

BNFT

Based on a 100% community-owned decentralized virtual space meta-universe+NFT+DeFi platform on the Bsc chain
1. EXECUTIVE SUMMARY

1.1. THE NEED AND OPPORTUNITY

Today, there are no universal tools for scaling Augmented Reality (AR) solutions on the IT market. Without leaving a studio, it is impossible to place AR content with high accuracy in the real world to achieve 100% immersive effect.

All existing technologies require the presence of developers in real world to merge an AR content with real landscape. The development of each AR project is exclusive, requires over need financial and time resources.

At the same time, the society reached the level when it requires access to the Augmented Reality, and the mass market is seeking for the technology for everyday use in all spheres of life.

1.2. THE SOLUTION

We are solved the main problem of the Augmented Reality — the Scaling for mass-market! BNFT® has created all over the planet the global Augmented Reality layer powered by blockchain called the Digital Land®.

In BNFT augmented reality ecosystem the average cost of AR projects will be reduced from 30,000 USD to 300 USD and time reduced from 3 months to 3 days.

Being a complex solution based on artificial intelligence, neural networks, blockchain and distributive GIS it offers a way of linking 3D content to designated coordinates from anywhere in the real world. The system, thus, solves the problem of scaling the Augmented Reality technology up and opens the path towards an explosive growth of the AR solutions and profiting from them.
2. RATIONALE

Why carry a bulky device with you if your calls, messages, TV channels, and games can be sent directly to your headset? All of this diverse content in this almost mystical environment will be at your fingertips. Isn’t this what our childhood dreams of magic looked like?

Augmented reality headsets will soon become available everywhere. In this landmark moment in time, mankind will require a universal environment that unites real and virtual worlds in one single information space. This environment is being created today.

Such interlacing of the virtual layer with real landscapes is achieved through combining mobile device tracking technologies and geographical information systems (GIS).

Tools, such as the incredible ARKit, GoogleCore and Windows Holographic, have provided mobile devices with new capabilities. Motion tracking enables a device to understand its position and orientation as it moves in three-dimensional space.

Area learning uses visual cues, the device recognizes its location and can correct its movements. Depth perception sensors tell the device the shape of the world around it, using point clouds to set up virtual interactions.

GIS uses geospatial data, where remote sensing generates digital elevation models and builds textured virtual 3D landscapes in stunning detail, at an accuracy of up to a few centimeters.

The merge of the real and digital world is unavoidable, and there are a key idea to discuss: how to made only step for scaling any project building on AR technology!

When the need for on-site developers for linking virtual content to real landscapes is removed, the integration of digital reality will speed up. Remote positioning of augmented reality content is a step toward scaling the AR technology globally.
3. CAPABILITIES

3.1 HOW TO DRASTICALLY REDUCE COSTS TO AR DEVELOPING

Let’s say you’re an augmented reality developer and you live in Paris. You want to set a reanimated Godzilla loose on the streets of Tokyo, or revive the Bastille in Paris, or plant a line of snow-covered firs or palm trees along the street outside your window.

You’ll have to spend days, weeks, perhaps even months linking your installations with the real world. Add to that the travel costs and hotels (if you decide to do your experiment in Tokyo).

On the plus side, you would get fit from walking in circles up and down the street, scanning everything around you in order to give your app the required area learning. You’d have to do quite a bit of walking since those visual markers you scanned a half an hour ago have already changed.

The sun has that annoying tendency to move around the sky and to change the optical characteristics of space that are required for depth perception. Not only will your markers look different depending on the time of day, but also depending on the time of the year.

You’ve spent a Hollywood budget in making Godzilla appear in Tokyo, or gone out on the street outside your house every hour for a whole year. Provided that your markers in Tokyo haven’t been covered up by new advertising, and your neighbor hasn’t repainted their fence, or your markers haven’t been blocked out by snow or a blossoming sakura tree, then, and only then, when people who’ve downloaded your app come to the place you’ve been “treating”, they’ll see the wonderful things you’ve created in augmented reality.

BNFT is a remote positioning and content management system for augmented reality. You will be able to embed your installations remotely in any location on the planet. You will gain access to high-traffic locations, where you will be able to build entire worlds integrated into the real environment.

3.3 HOW TO CREATE NEW JOBS IN THE DIGITAL ECONOMY

Experts predict sweeping job losses in many economic sectors due to the introduction of robotics and artificial intelligence. Many of us
have been tangled up in virtual worlds since childhood, when the games we played taught us skills, including the ability to create 3D objects and trade them.

Finally, these skills can find their real-world application. To get our BNFT Ecosystem working effectively, we plan on opening a marketplace — an online portal where producers and consumers can exchange resources and pay for them using the platform’s internal tokens. The portal will be primarily used to sell content, software and Digital Land.

The BNFT system will place many tasks on the marketplace in an auction. BNFT will offer a price for the best solution. The higher the sum, the more developers, actors and professionals will be involved in the project. Similar systems are already in place on such websites as Threadless, 99Designs and TopCoder.

BNFT will use blockchain as a ledger to identify who owns land or content, and who has the right to transfer it, as well as register all transfers. Smart contracts based on blockchain technology will guarantee every content creator and programmer copyright protection and ensure automated payment for the use of their intellectual property.

Smart contracts will also protect the rights of content and landowners. BNFT will make extracting real-world value from skills developed in the virtual gaming space possible. This will give millions of people an opportunity to make a living in a world more populated than any other virtual universe.

During our work on the project, we discussed possibilities for the application of AR technologies with business professionals from different sectors. When creating this document, we realised that the list of uses would be endless.

We are sharing the ideas which have real humanitarian value and will be the first to affect the augmented reality market. These areas include media, advertising, architecture and design, games and entertainment, tourism, education. You can add projects you find interesting and be assured that they have the potential to become part of the BNFT economy.
3.2 PLACE MARKETING

In 2014 we launched the world’s first augmented reality park in a Latvian town Ludza. It’s a small town with a population of about 5,000. In 3 years, over 200,000 people have come to see our reconstruction of a Teutonic knights’ castle.

Our augmented reality attraction increased the number of tourists by 30% per year. The duration of time tourists spend on visiting this landmark has increased from 15 minutes to 2 hours. This means real customers for local businesses and a welcome supplement to the town treasury.

In 2016, we saw Pokémon Go bringing over 100 million people out on the streets all around the world in just two months. The Pokémon game showed how the simplest of virtual objects attached to the physical world, even conditionally, can increase the attractiveness of any location, and affect people’s behavior and perception.

BNFT is a system that will allow future generations of Pokémon to use the real landscape and play real hide-and-seek with the users. Soon, it will be possible to link 3D objects of any complexity with no space limitations at a click of a button.
4. COMPANY OVERVIEW

4.1 THE VISION

In 5 years from now, as a mature company, we will become an industry standard in developing World Wide Augmented Reality Layer – an metaverse, merging the physical and virtual worlds as one space in which users can interact with a computer-generated environment and other users in real world

World Wide AR layer is designed for everyday user interactive experience with augmented, virtual and mixed reality multimedia content. The augmented reality environment is available through a free ARViewer, installed on the user's mobile device.

4.2 THE NEED AND OPPORTUNITY

Today, there are no universal tools for scaling AR solutions on the IT market. Without leaving a studio, it is impossible to place AR content with high accuracy in the real world to achieve 100% immersive effect.

All existing technologies require the presence of developers in real world to merge an AR content with real landscape. The development of each AR project is exclusive, requires over need financial and time resources.

At the same time, the society reached the level when it requires access to the Augmented Reality (AR), and the mass market is seeking for the technology for everyday use in all spheres of life.

At the stage of mass availability of AR gadgets, users and content producers will need a single environment for convenient and correct placement, interaction and exchange of augmented reality content.

4.3 THE SOLUTION

We are solved the main problem of the Augmented Reality — the Scaling for mass-market!

BNFT® has created all over the planet the World Wide Augmented Reality Layer called the Digital Land®.
In BNFT augmented reality ecosystem the average cost of AR projects will be reduced from 30,000 USD to 300 USD and time reduced from 3 months to 3 days.

Being a complex solution based on artificial intelligence, neural networks and distributive GIS it offers a way of linking 3D content to designated coordinates from anywhere in the real world.

The solution is based on augmented reality environment modeling Platform for remote superposition of virtual objects over planet's surface relief.

4.4 THE MISSION

Our goal is to eliminate the presence of developers in a variety of remote locations in order to design, create and manage augmented reality environment

Set up of public information space as the global layer of augmented reality connecting the physical and virtual worlds anywhere in the world as an augmented reality metaverse.

Free access for a wide range of users to the functions of the software, which allows to change the surrounding augmented reality space on the fly.

The system, thus, solves the problem of scaling the Augmented Reality (AR) technology up and opens the path towards an explosive growth of the AR solutions and profiting from them.

This is the basis for the AR projects to be supplied at the global mass market! Even a child could easily create a multi-user application in a single social network and share this creative potential with an unlimited number of people viewing the project everywhere in the real world.

By purchasing or renting the BNFT Digital Land the user is able to launch his/her own business by connecting interactive content with the real world and include it in the global social network of the augmented reality ecosystem.
4.5 THE EXPERIENCE

We have a vast experience in AR, since 2013 we have created a series of augmented reality parks in spaces. Our projects still have no analogues in the world in terms of scale and quality of the content.

4.6 EXPERT ASSESSMENTS

Since the company was founded, it has passed several independent examinations:

• The product, technology, and the anticipated results of the applied research has competitive advantages over its global equivalents;

• The product, technology, and the anticipated results of the applied research has a significant potential for commercialisation within Russia and globally;

• The project is theoretically feasible and does not contradict the laws of science;

• The project’s team (key researchers, developers and project managers) have the knowledge and experience required to bring the project to completion and conduct the required applied research;

• The project team includes experts with international experience in research and development, as well as experience in commercialising results.

We were evaluated by the St. Petersburg Pre-seed Investment Fund in 2013, resulting in an investment.

In 2014, we were evaluated by Microsoft Seed Fund and were provided with a grant.

In 2015, the company underwent a thorough, multi-level review by the international expert panel of the Skolkovo Innovation Centre in Russia.

The panel included independent consultants, scientists and business people. As a result, Piligrim XXI became a Skolkovo resident.
5. TECHNOLOGY

5.1 DESCRIPTION

BNFT is a universal information space that unites the real and virtual worlds in a single ecosystem. It is a peer-to-peer network with an infrastructure including a Digital Land Registry and other digital assets.

The BNFT Ecosystem platform combines functions of distributed GIS, augmented reality, 3D simulation, Computer Vision, Optical pattern recognition, Artificial intelligence, and blockchain architecture.

Positioning technology based on SLAM (Simultaneous Localization and Mapping). SLAM is a method for updating a map in a previously known space with simultaneous control of the current location and the path traveled, based on 3D markers - real-world objects with high-resolution terrain maps supplied by third-party GIS.
The augmented reality layer can be accessed on location by using customer-facing app AR Viewer with mobile devices, such as smartphones, tablets, smartphones with AR headsets, standalone AR glasses and headsets like HoloLens, AR contact lenses, and others.

AR Viewer is a free, cross-platform multi-user software program that enables participants to see augmented reality objects in a real-world environment.

5.2 COMPONENTS AND FUNCTIONS

AUTOMATED MODELLING SYSTEM FOR THE AUGMENTED REALITY ENVIRONMENT:

This system performs the following tasks:

• Builds 3D landscape models based on high resolution geospatial data obtained from GIS and other information from the public domain (photos, etc.);
• Identifies likely paths of movement for the user in the given land plot;
• Generates objects-markers to determine the user’s location (the location of the user’s device);
• DATABASE MODULE: This module executes a database management system (DBMS), to store landscape models and provide remote access to them for dealing with various types of request.

INTEGRATED MODELLING ENVIRONMENT: A toolkit to create and maintain software and to manage and edit content.

AR VIEWER: A freeware client for mobile devices with a positioning system used for correctly displaying augmented reality objects at a given location.

BLOCKCHAIN: A set of scenarios which enable users to adjust their P2P relationships and payment methods for various platform functions. A fast payment system for internal transactions with low commission. It is the key to the rapid economic development of BNFT’s world of augmented reality.
5.3 ADVANTAGES

• Experienced team (more than a 5-year experience in the international market of solutions for the AR industry)
• Confirmed concept (since 2014, a series of interactive augmented reality parks in the open air was created and launched)
• Active audience
• Technology stack (we are completing a preparatory stage of development for a coming launch of proprietary technology of remote positioning of 3D augmented reality content in the real world. The stack includes Mobile SLAM, CV, AI, GIS Geospatial Data, landscape 3D modeling and blockchain)
• Registered trademarks
• Mass consumer orientation - the platform provides the people with no specific skills with the simplest tools for creating AR projects
• Global market for technology implementation through remote launch of interactive projects anywhere in the world
• Versatility of the platform (the platform will be connectible and functioning on most mobile systems, including outdated low-cost models, initially focused on compatibility with various AR devices)
• High demand for the project from manufacturers of mobile gadgets, AR headsets, 5G providers
• Reduction of time and financial costs for the implementation of AR projects in the open air by almost 100 times

5.5 DISADVANTAGES

• Visualization is limited by the screen of the mobile device (until AR headsets and lenses enter the mass market)
• Dependence on the Internet coverage at a place of installation
• The rapid development of the technology depends on the large-scale implementation of 5G
• Requirements of a connectible mobile device for the end user
• Innovative experimental development is difficult to schedule in terms of timing and financial investments.
5.4 INTELLECTUAL PROPERTY

Registration of BNFT in the EU, China, Japan, application at the examination stage in Korea, registration in the USA is planned.

Patent documents for the following technologies are being prepared:

1. Library of computer vision BNFT Core. It provides marker-free localization functionality for creating any applications of augmented reality.

2. An alternative method of comparison, based on the analysis of straight lines.

3. An automated generator of Digital Land plots suitable for locating AR objects. This is a universal algorithm that allows you to "detail" the earth's surface, distributed over it by a continuous network of equal hexagons, taking into account the peculiarities of the relief.

4. The automatic pricing algorithm on digital lands, which relies on huge amounts of information relating to, for example, geographic data, data on availability and patency, as well as sociological research on the population and guests of the territory.
6. THE DIGITAL LAND

Bruce Non Fungible Token economy is based on the generation of an augmented reality layer called BNFT. It is a limited digital asset described as BSC Smart Contract, and it can be acquired in exchange for an BNFT token.

6.1 THE DIGITAL LAND OVERVIEW

The Digital Land is a asset of cyberspace and real world. Digital layer of the augmented reality ecosystem is divided into plots perfectly linked to real world objects at the exact coordinates. The land plot ownership is contracted in blockchain.

The Digital Land is a intellectual asset. The project technology stack includes blockchain, artificial intelligence and neural networks, as well as GIS in tandem with SLAM technology.

The Digital Land is a limited asset. The Digital Land plots are tied to the most famous and popular locations of the planet, receiving the highest volume of human traffic in a year: the Eiffel tower, New York stock market, Roman Colosseum and others.

Digital Land is a market asset demand. The Digital Land plots auctioning off on the BNFT. Marketplace have increased sharply – by 500 per cent - in value. The similar VR project Decentraland prices of land rose from $100 to $1500.

The Digital Land is an opportunity to make money. Your property will be turning a profit through resale, renting out and any kind of content placement.

The Digital Land is the freedom of creation and business. The BNFT® technological platform allows to remotely manage your property online from anywhere in the world.

6.2 THE MAIN SERVICE

The main service provided by BNFT is the augmented reality layer, the Digital Land. This system provides access to a development framework containing a 3D simulation of the Earth’s landscape and the functionality to create an augmented reality environment.
Logically, since the Digital Land is linked to the Earth’s surface, its scope has a natural limit of 12% of the Earth’s surface utilized by humans, i.e. 18 trillion m².

The augmented reality layer, hosting remotely positioned virtual objects, is divided up into equal parts of 100 m² each. Land plots can be purchased in exchange for BNFT token.

A single physical server can generate a plot of around 200x200 m. Each plot can support a limited number of virtual objects and simultaneously connected visitors. This is known as the land’s capacity.

By collecting a pool of several land plots, the capacity can be increased, and more objects and a higher number of users connected can be supported. With BNFT® it is possible to pool together a group of non-adjacent plots and transfer the capacity of all the plots within the pool to a single plot.

This is called capacity transfer. This makes it possible for the system to generate the augmented reality layer and make full use of Digital Land® plots outside of high-traffic areas.

6.3 WHY BUY OR RENT THE DIGITAL LAND PLOTS?

Owning or renting a plot of Digital Land is an exciting opportunity for creative users and a profitable occupation for private enterprises. You can buy land to place the virtual objects you create or purchase in the marketplace in the real world.

Your land means your rules. You can transform the world on the lawn outside of your house or develop commercial project thousands of miles away on another continent. The digital layer is your domain, and you can shape it to your taste.

Every plot of Digital Land is linked to a specific real-world location — a place where you can bring real people and share the results of your labour by organizing shows, presentations and games.

6.4 VALUE OF THE LAND

The value of any plot of Digital Land is determined by its popularity. Places like the centers of large cities with high populations are limited and would have the highest popularity.
We feel that there will be mass adoption of the BNFT Ecosystem. We will also invest heavily in its development and promotion. We plan to turn the existing traffic in the real life into traffic in the ecosystem.

By launching and selling Digital Lands gradually — city by city, quarter by quarter — the deficit of Digital Land will be growing, which will fuel greater interest among future landowners.

This greater interest is the foundation on which we will build the auction system to enable Digital Land trading. This allows the community to independently determine the market value of Digital Land in the system. The price of plots sold in auction determines the average price of other plots.

Another variable determining the value of Digital Land will be profitability. The plot of Digital Land brings money by attracting users to paid content, e.g. an AR museum entrance fee at the site of historic ruins or a participation fee for joining an interactive multiplayer game. The profits will be higher from a digital plot that has been advertised in a territory with more traffic.

Another example: Attendance of a central location in a city ranges from 50,000 people per day (Paris, the area in front of the Eiffel Tower) to 100,000 (Beijing, Forbidden City of Gugun). This is comparable to the attendance of an average news website. The banner on such a site would cost about $300 per month.

The placement of terrestrial advertising in these locations is often prohibitive. 1 billboard per month would cost at least $10,000. Our calculation is that in BNFT, in key locations, a single interactive banner can cost at least $50 per month.

The owner of 100 m2 can place 10 banners, so the minimum advertising income from 100 m2 bought for $100 will be $6000 per year. The income from one dollar spent for the land is $60.

You can open a virtual shop in a real location and start selling any sort of product. For doing this online in any location without leaving your house, you’ll need to get a Digital Land plot.
6.5 DIGITAL LAND AS A COMMODITY

What makes the Digital Land as a commodity unusual is not the land itself that is bought, but the income that can be made by developing the infrastructure and activating the entrepreneurial potential. You buy the right to receive regular income because of your labour. The more you make from the plot, the higher the cost of the land.

Every plot of Digital Land comes with geographical coordinates, landscape marker descriptors, a basic set of tools to manage AR content, and a channel to contact the platform’s management system.

6.6 TYPES OF DIGITAL LAND PLOTS

- Global network: BNFT® landowners and private landowners.
- Region: a 200 x 200 m section of the network or 40,000 m2 of Digital Land®.
- Plot: a part of a region with an area of 1 are (100 m²).
- Private landholding: one or several plots owned by a single user.

Users can remotely buy, rent, manage, lease and sell their augmented reality layer plots. Within their holdings, users can create, display, share or sell augmented reality content.

A user’s right to ownership over virtual land is encoded in a blockchain contract with the registry number for every 1 are (100 m²) plot linked to a specific set of geographical coordinates.
7. ECOSYSTEM RESIDENTS

Landowners, tenants, developers and users are the categories considered as residents in the ecosystem. Landowners may buy and sell land, lease it, and place AR content on land plots.

- Tenants may rent land, sublease it, and place AR content on the rented plot per the conditions stipulated by the landowner.
- Developers can create software or content. A developer may define the rules of usage for the work they create.
- A user in the real world can access all the system’s services through an AR viewer and can buy and sell digital assets.
- Landowners can bring an unlimited number of users of augmented reality content to the plots they own. The popularity of each plot will depend both on the quality of content and on the popularity of the real territory.

For example, the demand for AR content in Paris will be considerably higher than that in the Mauritanian Desert. This contributes to developing a secondary market for land, rent, content and advertising. Landowners control what content is published in their holdings.

This content can vary from a static 3D scene to an interactive system. A landowner may do as they wish with their land plot, including the following actions:

Place any digital content in their territory. The smart contract may include a number of restrictions as to the nature of the content (content associated with violence, adult scenes, etc.);

Schedule a showing of content for users (games, guided tours, educational programs, promotions, AR attractions, etc.);

Lease the plot or sell it to another owner;

The amount of server space allocated to a single plot is limited, so the owner can buy additional capacity from the community or buy unoccupied land plots and transfer the capacity to their own holdings.
Content creators, i.e. code developers, 3D artists and authors of other works uploaded into the system, can use the copyright. These conditions are described in the smart contract.

There are bonuses for users who help to develop or test the system. They help to improve the positioning of the system in the surrounding area by accepting the transfer of data from their device to the system server.
8. MARKET

Our company works in the information and communication technologies (ICT) sector, which is involved in the creation of infrastructure and components to assist with modern computing technologies.

Although there is still no generally accepted definition of ICT, the term is usually applied to all devices, network components, applications and systems that collectively enable people and organizations to interact in the digital world. Since its creation, the company’s main focus has been on developing augmented reality (AR) technologies.

8.1 THE MARKET SECTOR, SEGMENT, AND SIZE

Our company works in the ICT sector. Information and communications technologies is the infrastructure and components that enable modern computing.

Although there is no single, universal definition of ICT, the term is generally accepted to mean all devices, networking components, applications and systems that combined allow people and organizations to interact in the digital world.

Our segment is the market of Augmented reality software.

8.2 AR MARKET OVERVIEW

Availability of cheap sensors and existence of a large number of potential options of application in user applications are drivers of this growth. Pokemon Go is an excellent example of potential of technology. The research Bain & Company predicts significant increase in rating of adaptation of technology from 13 to 42%.

According to Digi-Capital, in 2019 mobile AR delivered at over $3 billion globally, driven by appstore revenues (primarily Pokemon Go), adspend (e.g. from mobile AR features in messaging apps) and eCommerce sales (e.g. Houzz delivering 11x sales uplift). Mobile AR installed base (i.e. configured devices) grew more slowly than anticipated to over 850 million globally.

Smartglasses had a mixed 2020, with Microsoft HoloLens winning a $480 million US military contract, Magic Leap launching more of a dev kit than a consumer product, and other early smartglasses pioneers reported to be selling assets or furloughing staff. Smartglasses revenue
(mainly hardware and enterprise solutions/services) was in the hundreds of millions of dollars, which together with mobile AR delivered total AR market revenue 3% lower than anticipated.

8.3 MARKET FORECAST

According to International Data Corporation, worldwide spending on augmented reality and virtual reality (AR/VR) is forecast to be nearly $20.4 billion in 2019, an increase of 68.8% over the $12.1 billion expects will be spent this year.

The latest update to IDC's Worldwide Semianual Augmented and Virtual Reality Spending Guide also shows that worldwide spending on AR/VR products and services will continue this strong growth throughout the 2017-2022 forecast period, achieving a five-year compound annual growth rate (CAGR) of 69.6%.

8.4 AR/VR PLATFORM REVENUE

2023 column totals in chart are in $70B to $75B range for AR (mobile AR/smartglasses) and $10B to $15B range for VR (mobile, standalone, console, PC) revenue. Early market developments indicate adoption of
AR/VR technologies on a worldwide basis will expand for a decade or longer. The innovators that serve a broad base of industries support dynamic end user needs through the growing options in hardware and software solutions.

The services will play a more prominent role in enterprise investments as the market matures.

Worldwide spending on AR/VR solutions will be led by the commercial sectors, which will see its combined share of overall spending grow from 64.5% in 2019 to more than 80% in 2022.

The industries that are expected to spend the most on AR/VR in 2019 include personal and consumer services ($1.6 billion), retail ($1.56 billion), and discrete manufacturing ($1.54 billion).

Ten industries are forecast to deliver CAGRs of more than 100% over the five-year forecast period, including state/local government (123.7% CAGR), resource industries (120.9% CAGR), and wholesale (120.9% CAGR). Consumer spending on AR/VR will continue to be greater than any single industry ($7.2 billion in 2019) but will grow at a much slower pace (36.6% CAGR).
Consumer spending volume will determine three of the four largest AR/VR use cases in 2019: virtual reality games ($4.0 billion), video/feature viewing ($2.0 billion), and augmented reality games ($616 million).

The only commercial use case to crack the top 4 in 2019 will be training ($1.8 billion), but two other commercial applications – online retail showcasing ($558 million) and industrial maintenance ($413 million) – will become firmly established. With a five-year CAGR of 119.2%, industrial maintenance spending will nearly overtake augmented reality gaming in 2022.

Several other commercial use cases (lab and field, retail showcasing, anatomy diagnostics, and internal videography) are forecast to see CAGRs greater than 100% over the forecast period.

Hardware will account for more than half of all AR/VR spending throughout the forecast, followed by software and services. The largest category of hardware spending will be host devices, but AR viewers will make notable gains with a five-year CAGR of 128.3%. AR software spending will make similar gains with a five-year CAGR of 121.8%, overtaking VR software by 2021.

And services spending will be bolstered by strong CAGRs for AR custom application development (133.0%), AR systems integration (130.4%), and AR consulting services (121.9%). The strong growth in AR hardware, software and services spending will push overall AR spending well ahead of VR spending by the end of the forecast.

8.5 INVESTMENT IN TO INDUSTRY

In the last two years there were favourable conditions for investment into technology of augmented reality, and all large technological companies do serious investments in this industry.

By far the largest investment category by value (dollars invested) was core tech, particularly Chinese companies crossing over between computer vision and AR (so not AR pureplays).

Even removing these crossover investments from the numbers, there was still significant investment with Chinese companies in AR advertising, lifestyle and smartglasses categories completing $100 million plus deals.
In the West, smartglasses company Magic Leap did the biggest deal with its $461 million round. Mobile AR games company Niantic also raised a large series C, some of which was revealed in December and which was finally announced as having topped out at $245 million with a nearly $4 billion valuation in January (note: the January portion is not included in the 2018 numbers). There were other deals ranging from hundreds of thousands to tens of millions of dollars across over 20 AR/VR categories last year.

The first three quarters of 2018 saw massive growth of investment in China, together with significant decline in the US. Q4 2018 returned to more normal historic levels of deal flow and dollars invested globally (including in the US), but the first two quarters of the year could set the tone for AR/VR investment to come.
9. STRATEGIC PLANNING

9.1 THE STRATEGY AND THE BUSINESS MODEL

The company's strategy for 2020 is the merge of real and virtual space in a single AR metaverse easily accessible to the mass consumer who is using the AR gadgets and headsets in his everyday life.

The local users access to the AR metaverse is provided through AR Viewer - freeware software installed in the user's gadgets.

The Digital land owners and content creators access to the WEB client with content management system for remotely launching AR projects anywhere in the world.

The company's goal is to monetize the solutions of the BNFT ecosystem.

Ways of monetization:
- Sales of the Digital land as assets on the Land auctions and directly to the users.
- Sales of subscription on the WEB client with tools for landowners
- Sales of subscription to access to WEB client with tools for software developers and content creators.

9.2 MARKETING

1. Digital land is sold through the auctions in high people traffic areas, such as the square in front of the Eiffel Tower in Paris, Wall Street in New York and so on.

2. Since August 2018 until April 2019, 5,800 auctions were held in the 10 largest cities of the world, 10,700 parcels were sold to more than 2,000 landowners. There are over 15,000 registered users.

3. The highest prices at auctions reached sites in New York, Paris and Tokyo.

4. The Sandboxes will be created in each city where we sell the Digital Land. In the Sandboxes, the system will test various types of content to attract users. The successful tests will be transferred to landowners as a ready to use cases.

5. A rating system has been introduced for landowners, motivating them to acquire land and actively use it. Used the game mechanics elements.

6. A number of actions were held that motivated the increase in purchases. The most successful were the “gift for purchase”, “find a
good parcel with a gift”, the “cash back“…. In the future, shares on the marketplace will be held regularly.

7. Conducted advertising campaigns in social networks. The cost of attracting a user to Facebook was reduced from $20 to $6.

8. In the future, the main efforts to attract users will be directed to content marketing to attract landowners and to conduct their own meetings to attract developers.

9. The system for selling land between users, a system for selling content and attracting users to their lands will be implemented on the marketplace.

10. To promote the system, well-known brands from various industries will be invited to pilot projects.

9.3 PRICE POLICY

On the first stage after launching of the ecosystem, the base price of the Digital land is $0.25 per square meter and in the future price should be increased till $5 per square meter.

The secondary the Digital Land market will set prices for parcels depending on growth of a people traffic in specific location, content attractively and other parameters.

Trade of the Digital land between users will take place on the marketplace in P2P format.

The cost of subscription for landowners is $10 per year. Subscription gives the right to use basic services of the system.

The cost of a subscription for developers is $90 per year. Subscription gives the right to use full services of the system. The developer also gains access to the ability to sell copyrighted content and software to BNFT Marketplace users.

9.4 PROMOTION CAMPAIGN THROUGH

1. Digital marketing

2. Company’s website

3. Social networks
4. Professional blogs, forums and other on-line resources
5. Participation in the industry trade shows and conferences
6. Own hosted conferences and trainings sessions for prospects and customers.
7. Partner Network of companies involved in creation of all sorts of gadgets for AR technology, from smartphones to AR/VR helmets and lenses.
8. Professional on-line resources for tourism, education, design, construction and gaming.
The BNFT team is premiering the technological prototype for creating the BNFT. Marketplace launched and the Digital land auctions started. BNFT coins into circulation as a system payment means. The Digital land was put on sale with a total area of 1500 km² in the 10 largest metropolitan areas of the planet.

List of cities:


3. Mexico City. The historical centre of Mexico City, stretching from Constitution Square (Zócalo) to Alameda Central park. On the site of an ancient Aztec settlement. Area: 1 km². Population of Mexico City: 20.3 million. Foreign tourists: 5.2 million per annum.


7. St. Petersburg. The central district around Palace Square. This is the most popular part of the city for tourists and a UNESCO heritage site. Area: 2 km². Population of St. Petersburg: 5 million. Visitors: 6.9 million per year.

8. Rome. The districts of Celio and Campitelli. Located on one of the Rome’s seven hills, this is the oldest part of the city, and it is where the most famous attractions are located. Area: 1.4 km². Population of Rome: 2.9 million. Visitors: 7.1 million a year.

9. Istanbul. Sultanahmet district in the old European part of Istanbul. On a promontory between the Golden Horn, Bosphorus and Sea of Marmara, today it is the most popular place for tourism in Turkey. Area: 1.5 km². Population of Istanbul: 14.8 million. Visitors: 7.1 million a year.

2021

Launch of the AR Viewer prototype, testing of remote positioning tools.

Running the beta version of AR Viewer with basic functionality.

Placement of basic information content in test locations. Motivating users to use the software to earn tokens. Launching Partner’s projects.

Launching P2P part of BNFT marketplace with content focused on involving independent and 3-th party developers and content-creators, promoting and providing legal support to the system, and other tasks to help speed up its development.

The initial content on the marketplace will include the following: Task packages: special packages with BNFT® tasks for developers, 3D artists, lawyers, copywriters, musicians, animators, marketing and PR experts, and other professionals willing to contribute to the project and earn money from our system.

Development kit: open source library-based tools for developers and 3D artists designed to create personal assets for BNFT users.

Original assets: independent solutions created using BNFT DevKit or indie projects to be distributed within the BNFT Ecosystem.

The launch of AR Viewer as and mobile app with monetisation system for testers and scouts to motivate users to use the software and earn the currency in the BNFT metaverse.

Testers will take photos of spatial markers using their devices and send those photos to BNFT. All they will need to do is go for a walk and perform some simple tasks with the AR Viewer turned on.

Users will be able to earn the currency of the BNFT metaverse by simply using the software installed on their mobile devices.

2022

The amount of georeferenced AR territory will increase to 40,000 km² and the Worldwide Augmented Reality Grid will be created.

2023

Increase the size of georeferenced AR territory to 100,000 km², combining the physical and virtual worlds into one single augmented reality environment.
11. TEAM

Ilia Korguzalov: Founder; Team role: Vision, project conceptualization and management, design and market research. Education: Degree in Economics; 15+ years exp. in business development; Founder of a branding agency and travel magazine.

Diana Sorina: CEO, Founder; Education: Degree in Economics; 12+ years exp. in marketing, branding, sales and PR. Founder of a branding agency and travel magazine. Team role: marketing and sales.

Tatiana Chernih, Founder, Education: Degree in Journalism; 12+ years of experience in journalism and PR. Team role: leading researcher, PR.

Daniel Girdea, Founder, IR 6+ years of experience in working and investing in Real Estate & construction business. Project role: EU branch of the business development.

Dr. Igor Rozhdestvensky, CSO & Founder, Education: PhD in Physics, Theoretical & mathematical; IT and Entrepreneurship, 20+ years experience.

Aleksandr Emilianov: Co-Founder. R&D lead. Education: Computer Science and Engineering (Ph.D): University of West Bohemia, Plzen, Czech Republic. Lomonosov Moscow State University, Russia. 20+ years exp. in: algorithm and software developer, Computer vision.
12. THE TOKENS OF THE BNFT ECOSYSTEM

13.1 ECOSYSTEM CURRENCY

BNFT - Currency. Symbol BNFT. Decimals: 18
Owned public chain: Bscscan
Initial issuance method: IDO (liquidity mining)
Sector: NFT Meta universe Binance Smart Chain Coinbase Pro Comprehensive
Total issuance: 1000000000000
5% (50 billion pieces) creation airdrop,
40% (400 billion pieces) fair issuance to add a decentralized PancakeSwap (pancake) BNFT/USDT mobile mining pool.
55% (550 billion pieces) deposited in the black hole is completely burned and destroyed (the black hole as one of the holders also enjoys the dividends of the coin-holding mining).

Smart contract: 0xeAc534DD0D93dd6E17E12B1d9d635ab5548C81d3

13.2 DISTRIBUTION OF TOKENS:

• 15% tax deduction for each transaction on the chain
• 1: 4% of community operation promotion and repurchase destruction (3% for repurchase destruction, 1% for community operation and promotion).
• 2: 5% automatic LP: 5% is added to the liquidity in the PancakeSwap BNFT/USDT pool, thus creating a rising price floor.
• 3: 6% static reward, real-time dividends for holding coins for automatic mining (black holes as one of the holders also enjoy coin holdings for mining dividends).
13.3 ECOSYSTEM ASSETS

The Ecosystem Assets such as digital land and other — for example, content or scripts are nonfungible token BEP20 standards. Property rights to those assets as well as the conditions and the cost or royalty of their use are recorded in the smart contract.
13. RISK FACTORS AND SECURITY MEASURES

We understand the concerns that potential investors may have regarding the BNFT project and its development. You can view our declaration of risks in the following document:

Notice to residents of the United States
BNFT certifies that, to the best of its knowledge and understanding the offer and offering of these BNFT tokens does not constitute an offer and offering of a security or of gambling chips. In case of doubt, be advised that the offer and offering of the BNFT tokens has not been registered under the U.S. securities act of 1933, as amended (the “securities act”), or under the securities laws of certain states. These BNFT tokens may not be offered, sold or otherwise transferred, pledged or hypothecated except as permitted under the securities act and applicable state securities laws pursuant to an effective registration statement or an exemption therefrom.

Notice to residents of Canada
BNFT certifies that, to the best of its knowledge and understanding the offer and offering of these BNFT tokens does not constitute an offer and offering of a security or of gambling chips. In case of doubt, be advised that unless otherwise permitted under securities legislation, the holder of this BNFT token must not trade the BNFT token before the date that the issuer becomes a reporting issuer in any province or territory.

Notice to residents of China
BNFT certifies that, to the best of its knowledge and understanding the offer and offering of these BNFT tokens does not constitute an offer and offering of a security or of gambling chips. The BNFT tokens are not being offered or sold and may not be offered or sold, directly or indirectly, within the people’s republic of china (for such purposes, not including the Hong Kong and Macau special administrative regions and Taiwan), except as permitted by the securities legislation and other laws and regulations of the people’s Republic of China.

Notice to residents of the United Kingdom
BNFT certifies that, to the best of its knowledge and understanding the offer and offering of these BNFT tokens does not constitute an offer and offering of a security
or of gambling chips. In case of doubt, be advised that in the United Kingdom this document is being distributed only to, and is intended only for (and any investment activity related to it will be engaged in only with):
investment professionals (within the meaning of article 19(5) of the financial services and markets act 2000 (financial promotion) order 2005 as amended (the “FPO”)); (II) persons or entities of a kind described in article 49 of the FPO; (III) certified sophisticated investors (within the meaning of article 50(1) of the FPO); and (IV) other persons to whom it may otherwise lawfully be communicated (all such persons together being referred to as “relevant persons”). This document has not been approved by an authorised person.

Any investment to which this document relates is available only to (and any investment activity related to it will be engaged in only with) relevant persons. This document is intended only for relevant persons and persons who are not relevant persons should not take any action based upon this document and should not rely on it. By receiving and retaining this document that you warrant to the company, its directors, and its officers that you are a relevant person.

**BNFT: Risk Factors and Security Measures**

We understand the concerns of our existing and potential investors regarding problems and risks that BNFT® may face during its development. Below, we outline the risk factors:

► Our products are highly technical and may contain undetected software bugs or hardware errors, which might manifest in a way that could seriously harm our reputation and our business.

  • These bugs and errors can manifest in any number of ways in our products, including through diminished performance, security vulnerabilities, malfunctions, or even permanently disabled products. We have a practice of rapidly updating our products to fix these bugs. Some errors in our products may be discovered only after a product has been used by users, and may in some cases be detected only under certain circumstances or after extended use.

  • Our efforts to protect our users’ information may be unsuccessful due to the actions of third parties, software bugs, or other technical malfunctions, employee error or malfeasance etc. In addition, third parties may attempt to fraudulently
induce employees or users to disclose information in order to gain access to our data or our users' data. Should any of these events occur, information belonging to us or our users could be accessed or disclosed improperly.

►Unfavorable media coverage could seriously harm our business. If we receive a high degree of media coverage globally, unfavorable publicity regarding, for example, our privacy practices, product changes, product quality, litigation, regulatory activity, or the actions of our partners or users could seriously harm our reputation. Such negative publicity could also adversely affect the size, demographics, engagement, and loyalty of our user base and result in decreased revenue or slower user growth rates, which could seriously harm our business.

• We may be subject to regulatory investigations and proceedings in the future, which could cause us to incur substantial costs or require us to change our business practices in a way that could seriously harm our business.
• It is possible that a regulatory inquiry might force us to change our policies or practices. And, were we to violate existing or future regulatory orders or consent decrees, we might incur substantial monetary fines and other penalties that could seriously harm our business.
• We have a short operating history and a new business model, which makes it difficult to evaluate our prospects and future financial results and increases the risk that we will not be successful.
• We began commercial operations in 2016 and became profitable in 2017. We have a short operating history and a new business model, which makes it difficult to effectively assess our future prospects. Accordingly, we believe that investors’ future perceptions and expectations, which may be idiosyncratic and vary widely, and which we do not control, will affect our token price.
• Our business model is based on the promotion and development of new technologies in the field of augmented reality for real life projects that include advertising, construction, landscaping and tourism.
• The technologies are based on building 3D landscape models via high resolution geospatial data, machine learning algorithms, the blockchain and smart contracts.

You should consider our business and prospects in light of the challenges we face, including those discussed in this section.
• We develop and will continue to develop our products and services in partnership
with game designers.

- The loss of one or more of our key personnel, or our failure to attract and retain other highly qualified personnel in the future, could seriously harm our business.

We currently depend on the continued services and performance of our key personnel, including our CEO. As we continue to grow, we cannot guarantee that we will continue to attract the personnel we need to maintain our competitive position. In particular, we intend to hire a significant number of engineers, game designers, IT developers and mathematicians, and we expect to face significant competition in hiring them.

As we mature, the incentives enabling us to attract, retain, and motivate employees provided by our Token Sale gains or by future arrangements, such as cash bonuses, may diminish in effectiveness. If we do not succeed in attracting, hiring, and integrating excellent personnel, or retaining and motivating existing personnel, we may be unable to grow effectively and our business could be seriously harmed.

►We have broad discretion in how we may use the net proceeds from our Token Sale, and we may not use them effectively.

We will use net proceeds that we receive from our Token Sale in accordance with our mission – constantly increasing prediction accuracy to improve the performance of our investment products. Our efforts may be ineffective due to poor management, regulatory investigations, and other problems. We may use a portion of the net proceeds to acquire complementary businesses, products, services, or technologies. We may also spend or invest these proceeds in a way with which our tokenholders disagree. If our management fails to use these funds effectively, our business could be seriously harmed.
If we are unable to protect our intellectual property, then the value of our brand and other intangible assets may be diminished, and our business may be seriously harmed. If we need to license or acquire new intellectual property, we may incur substantial costs.

We aim to protect our confidential proprietary information, in part, by entering into confidentiality agreements and invention assignment agreements with all our employees, consultants, advisors, and any third parties who access or contribute to our proprietary know-how, information, or technology.

We also rely on trademark, copyright, patent, trade secret, and domain name protection laws to protect our proprietary rights. We have filed various applications to protect aspects of our intellectual property, which could require significant cash expenditures. However, third parties may knowingly or unknowingly infringe upon or challenge our proprietary rights, and pending and future trademark and patent applications may not be approved. In addition, effective intellectual property protection may not be available in every country in which we operate or intend to operate our business.

In any of these cases, we may be required to expend significant time and funds to prevent infringement or to enforce our rights. Although we have taken measures to protect our proprietary rights, there can be no assurance that others will not offer products or concepts that are substantially similar to ours and compete with our business.
We include opensource software in our products. From time to time, we may face claims from third parties claiming ownership of, or demanding release of, the open-source software or derivative works that we have developed using such software, which could include our proprietary source code, or otherwise seeking to enforce the terms of the applicable open-source license.

These claims could result in litigation and could require us to make our software source code freely available, seek licenses from third parties to continue offering our products for certain uses, or cease offering the products associated with such software unless and until we can re-engineer them to avoid infringement, which may be very costly.

If we are unable to protect our proprietary rights or prevent unauthorized use or appropriation by third parties, the value of our brand and other intangible assets may be diminished, and competitors may be able to more effectively mimic our service and operational methods. Any of these events could seriously harm our business.