

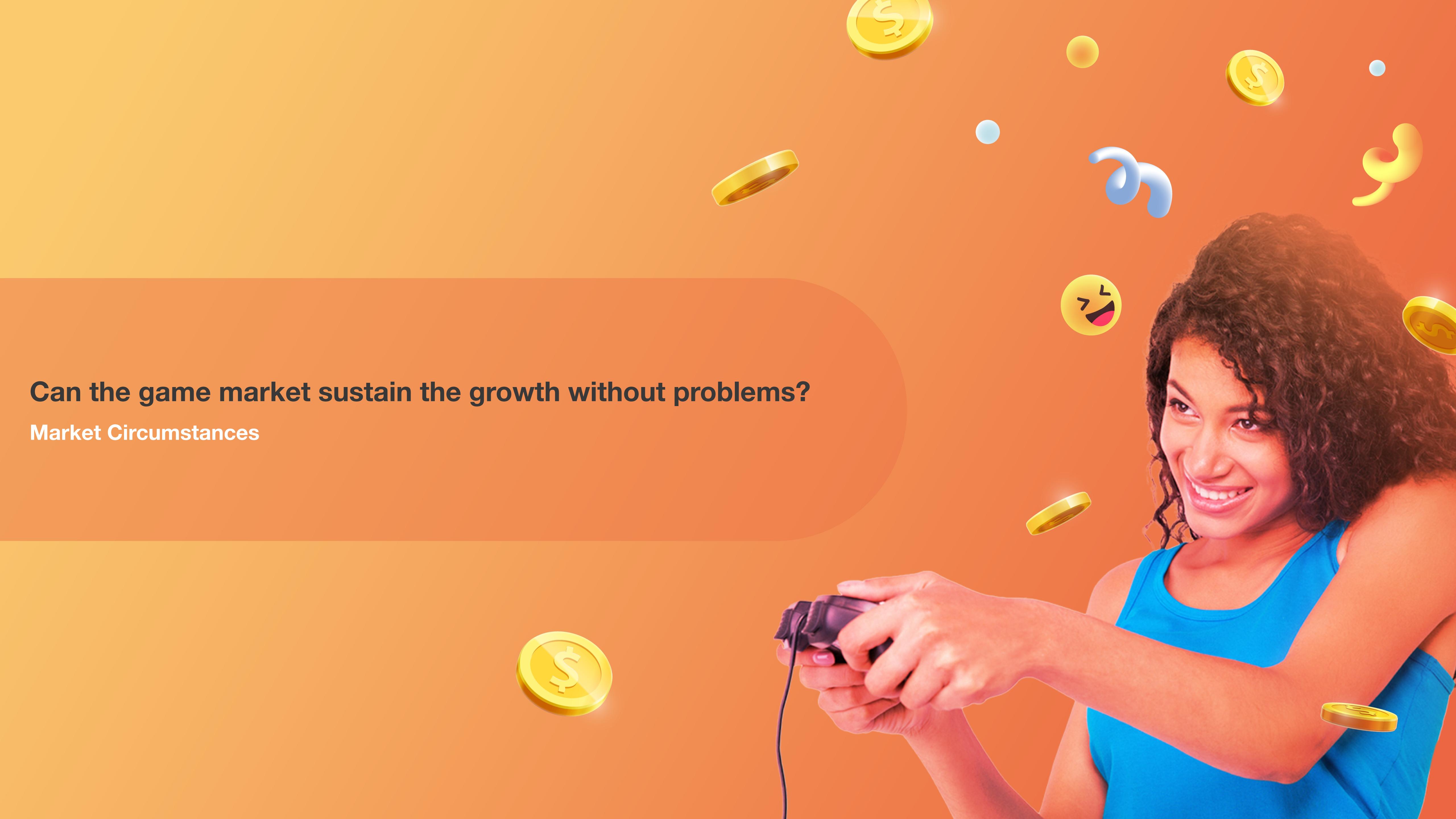
# **Alchemist Republic White Paper**

Play-to-Earn platform driven by NFT & DeFi

2021.10

# Table of Contents

<b>Market Circumstances</b>	<b>1</b>
<b>Play-to-Earn Arises: New Game Business Paradigm</b>	<b>5</b>
<b>Alchemist Republic: Play-to-Earn Platform</b>	<b>10</b>
<b>Business Model and Token Economics</b>	<b>18</b>
<b>Service Milestones and Future Plans</b>	<b>24</b>
<b>Blue Baikal Core Team</b>	<b>29</b>



Can the game market sustain the growth without problems?

Market Circumstances

## Loyal gamers make up for the gaming market

Market Circumstances

The global gaming market is massive and is expected to reach about 200 trillion won in 2021 and 230 trillion in 2023. The spending and consumption of loyal gamers played a significant role in creating a game market worth 200 trillion won, and their high purchasing power is still driving the growth of the market now.



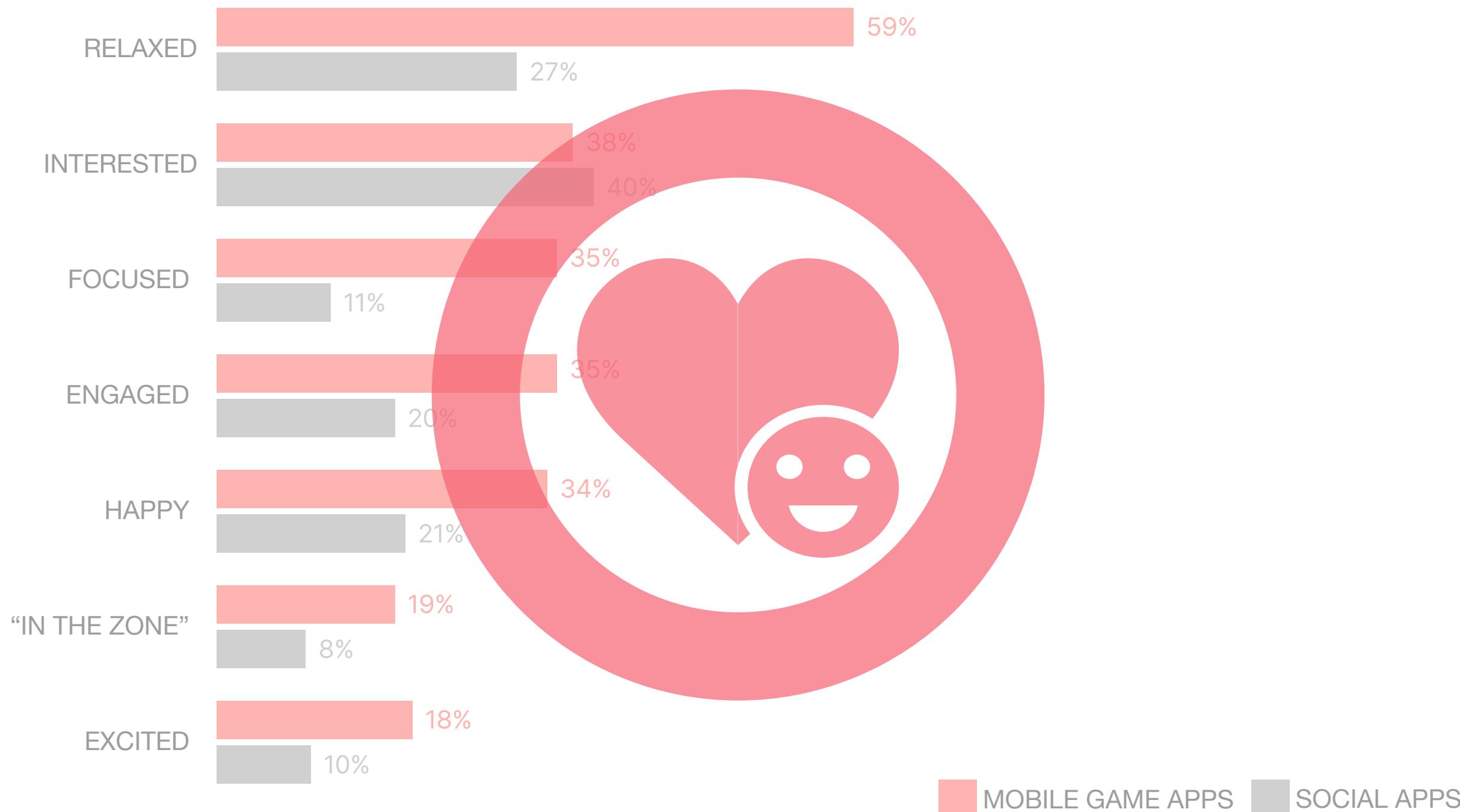
\*source: Newzoo 2021

# Is a psychological reward enough?

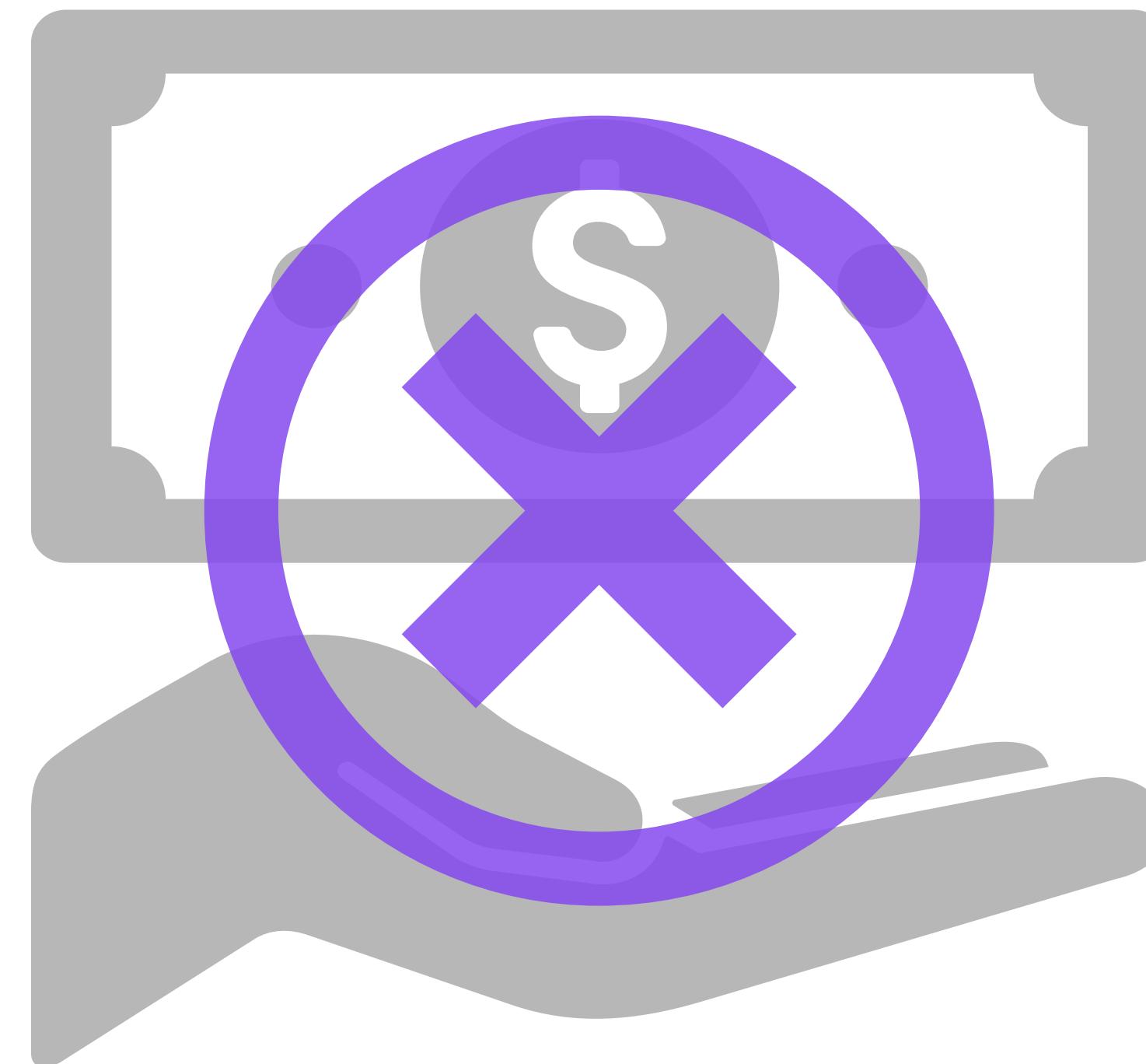
Market Circumstances

Gamers have only been rewarded with psychological satisfactions, like fun and enjoyment, from games. Are psychological rewards sufficient? Despite the fact that the game industry has continued to grow through huge expenditure by highly loyal consumers, gamers have yet received any goods of practical value other than the psychological reward of fun, and do not gain any economic benefit.

## Psychological Benefit



## Economical Benefits



\*source: Tapjoy 2017

# The continuous growth may backfire to hurt the very people who helped grow it

Market Circumstances

Gamers played a big role in the formation of the 200 trillion won game market through their loyalty and purchasing power. However, excessive charging by developers is causing fatigue and unfairness in gaming, and it is becoming more difficult to guarantee the continuous growth of the game market with only psychological rewards offered by games.

## FACT 1

**Psychological rewards are given in lieu of practical economic benefit**

Users never receive goods of practical value other than the psychological reward of fun.

## FACT 2

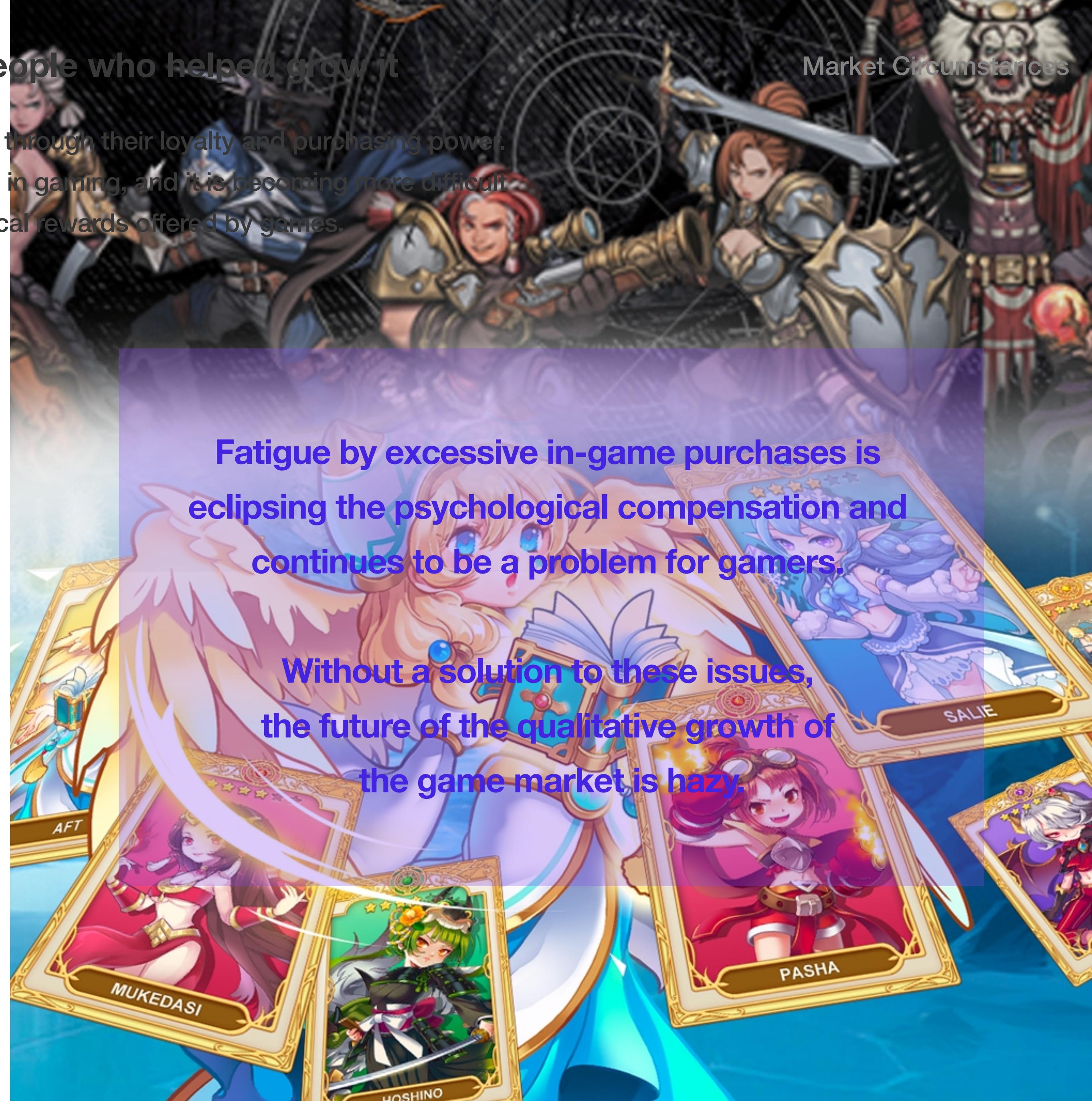
**Psychological compensation is damaged by fatigue and unfair practice**

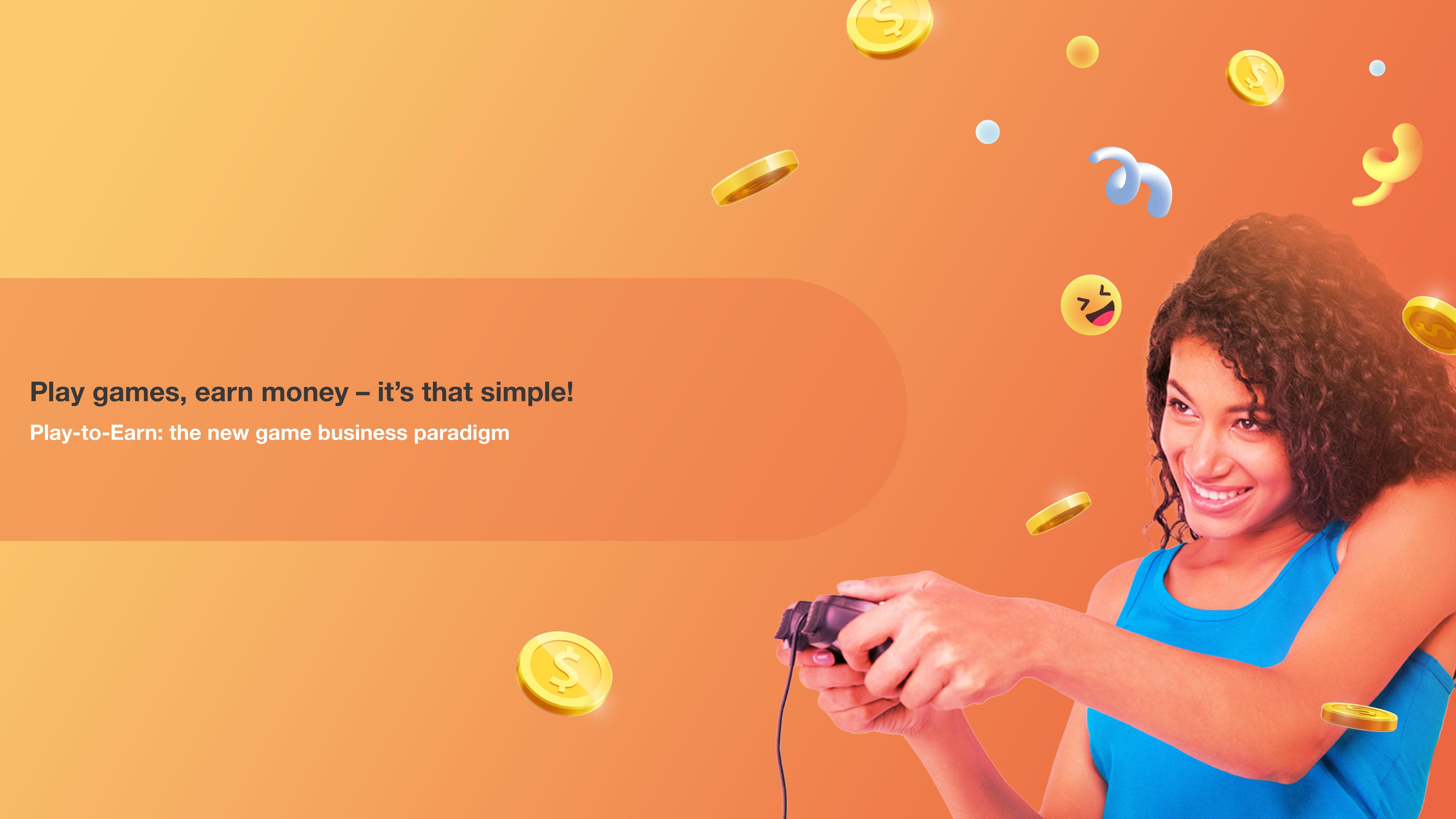
Excessive introduction of in-game purchases is causing fatigue and a sense of injustice that undermine the psychological rewards.

## FACT 3

**Ownership of acquired game items is limited**

Even items secured by purchase will vanish when the game shuts down.





Play games, earn money – it's that simple!

Play-to-Earn: the new game business paradigm

# Play-to-Earn drives mutual benefits and sustainable growth

Play-to-Earn Arise: New Game Business Paradigm

If gamers are given not only psychological rewards for their time and money, but also tangible economic rewards, the act of playing the game itself can become an economic activity that has economic value beyond fun.

## Play game, Earn Money

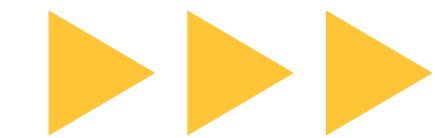
Now, to guarantee the future sustainable growth of the game industry, it has become a necessity to provide economic value beyond just having fun.

### As-Is

Psychological rewards without tangible compensation.

Excessive introduction of in-game purchases.

Vague ownership of game items.

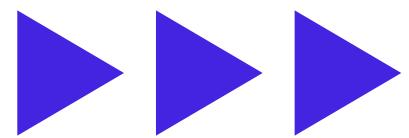


### To-Be

Providing practical/economic benefits beyond psychological rewards such as fun.

Development of alternative forms of profit generation through economic activities.

True ownership of purchased items even after game server closure.



### New Game Business Paradigm



# Play-to-Earn drives mutual benefits and sustainable growth

Play-to-Earn Arise: New Game Business Paradigm

Play-to-Earn, which creates new economic values in games, mutually benefits both gamers and developers by eliminating the harmful effects of excessive charging and by providing a new source of revenue.

**FOR gamers**

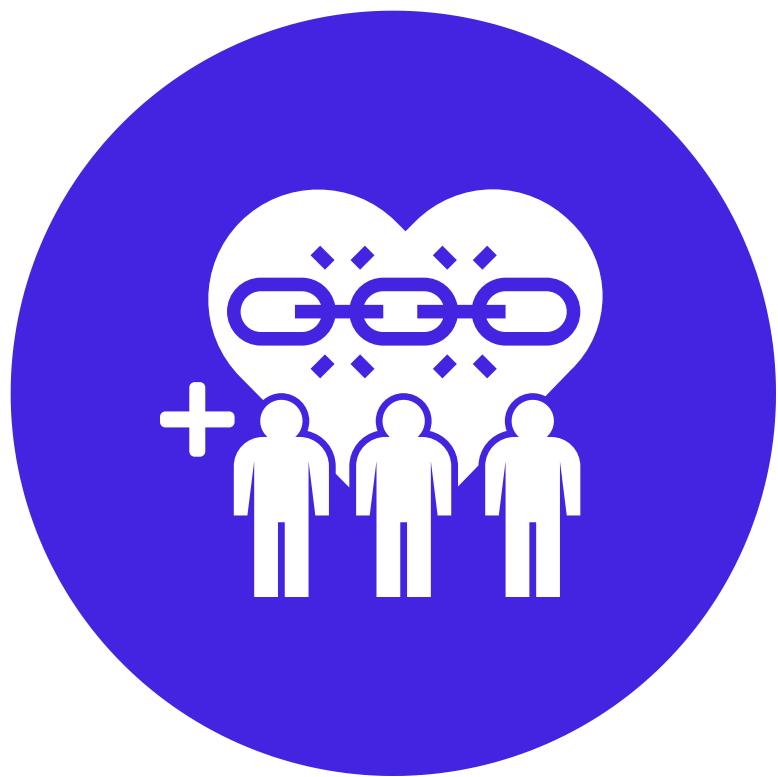


Psychological rewards

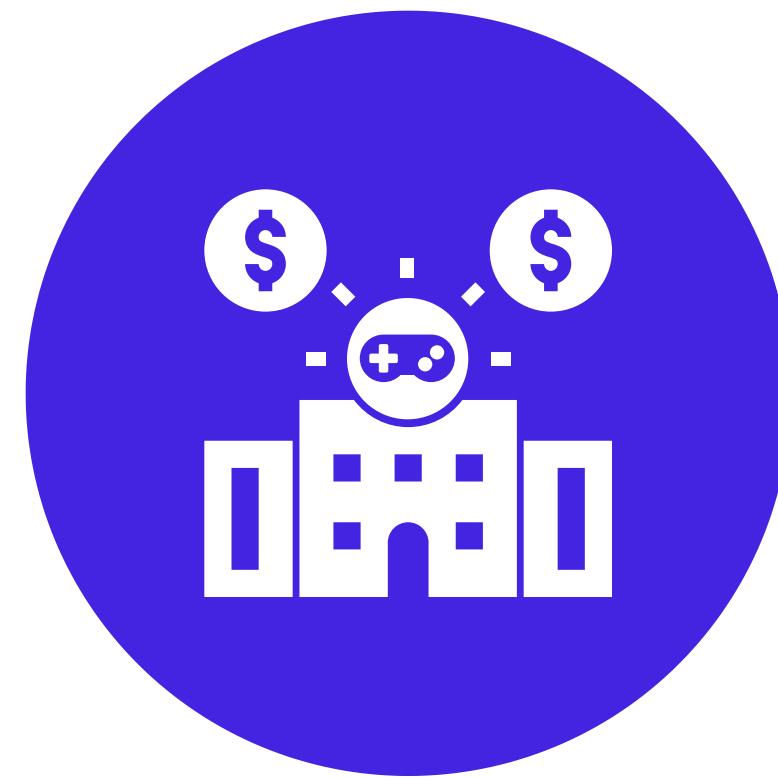


Economic benefits

**FOR developers**



increase the number of users



increase in sales

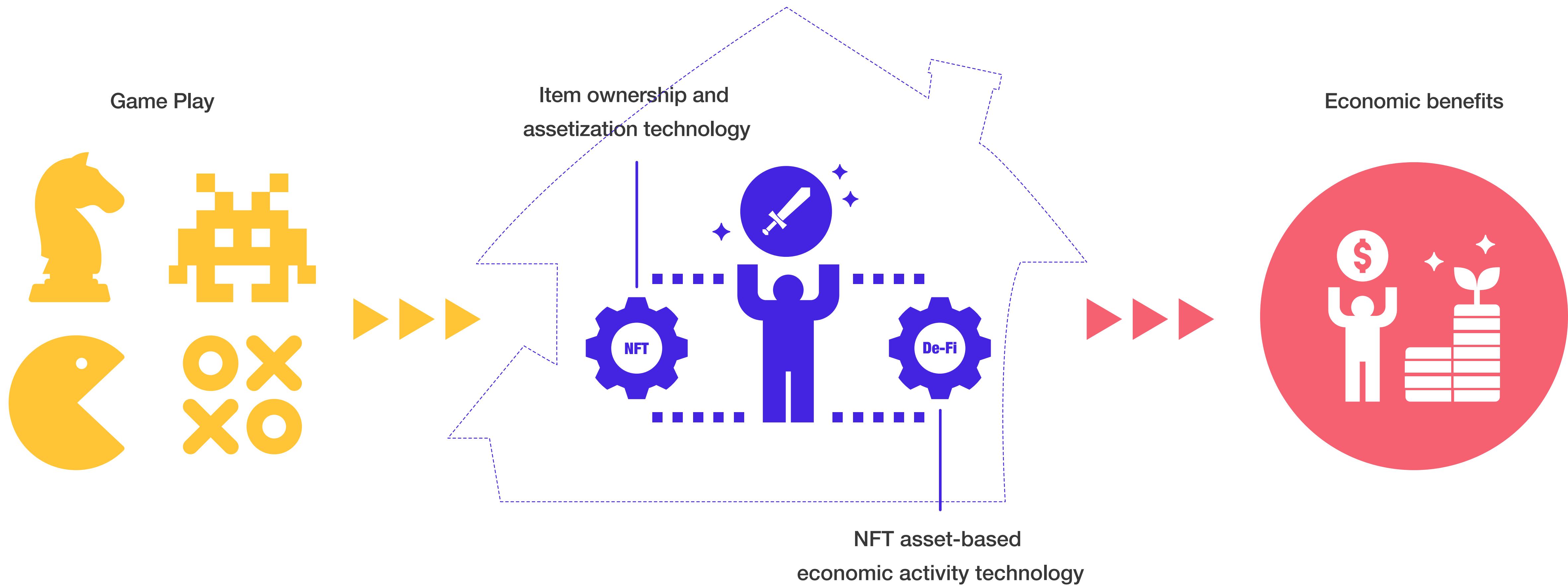
**Economic benefits work in conjunction with psychological reward.**

**Improved loyalty by removing excessive drive to make purchases, and increases in the number of users and projected sales due to new economic benefits.**

## NFT & DeFi – the perfect combination for Play-to-Earn

Play-to-Earn Arise: New Game Business Paradigm

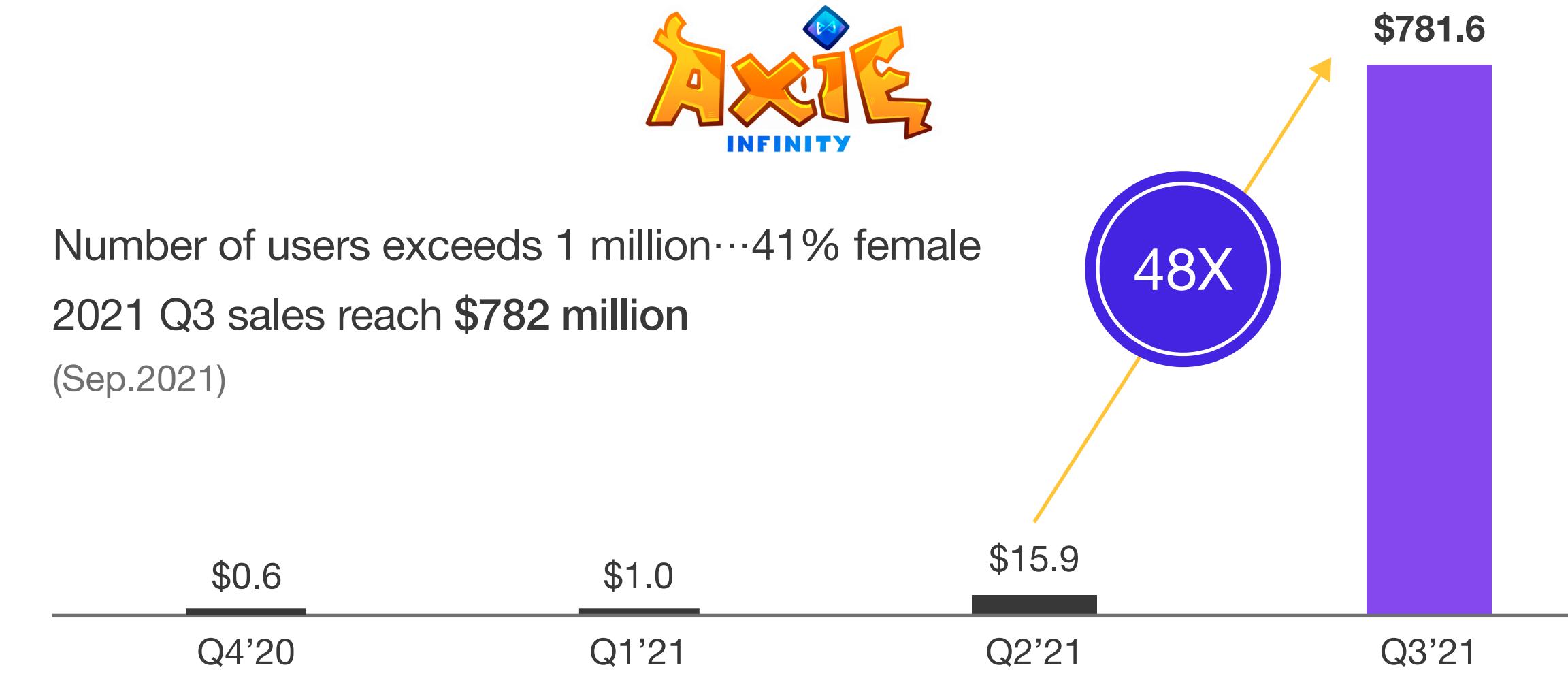
Blockchain technologies such as NFT and DeFi are optimal technologies for realizing Play-to-Earn because they can generate economic benefits beyond mere fun in games. Gamers can secure and capitalize on in-game items through NFT technology, and ultimately providing new economic value for the secured digital assets through DeFi technology.



# Blockchain-based Play-to-Earn is taking off and growing

Play-to-Earn Arise: New Game Business Paradigm

The Play-to-Earn market based on blockchain's NFT and DeFi is showing real results and continuing to grow.



Number of users exceeds 1 million...41% female  
2021 Q3 sales reach \$782 million  
(Sep.2021)

 Decentraland

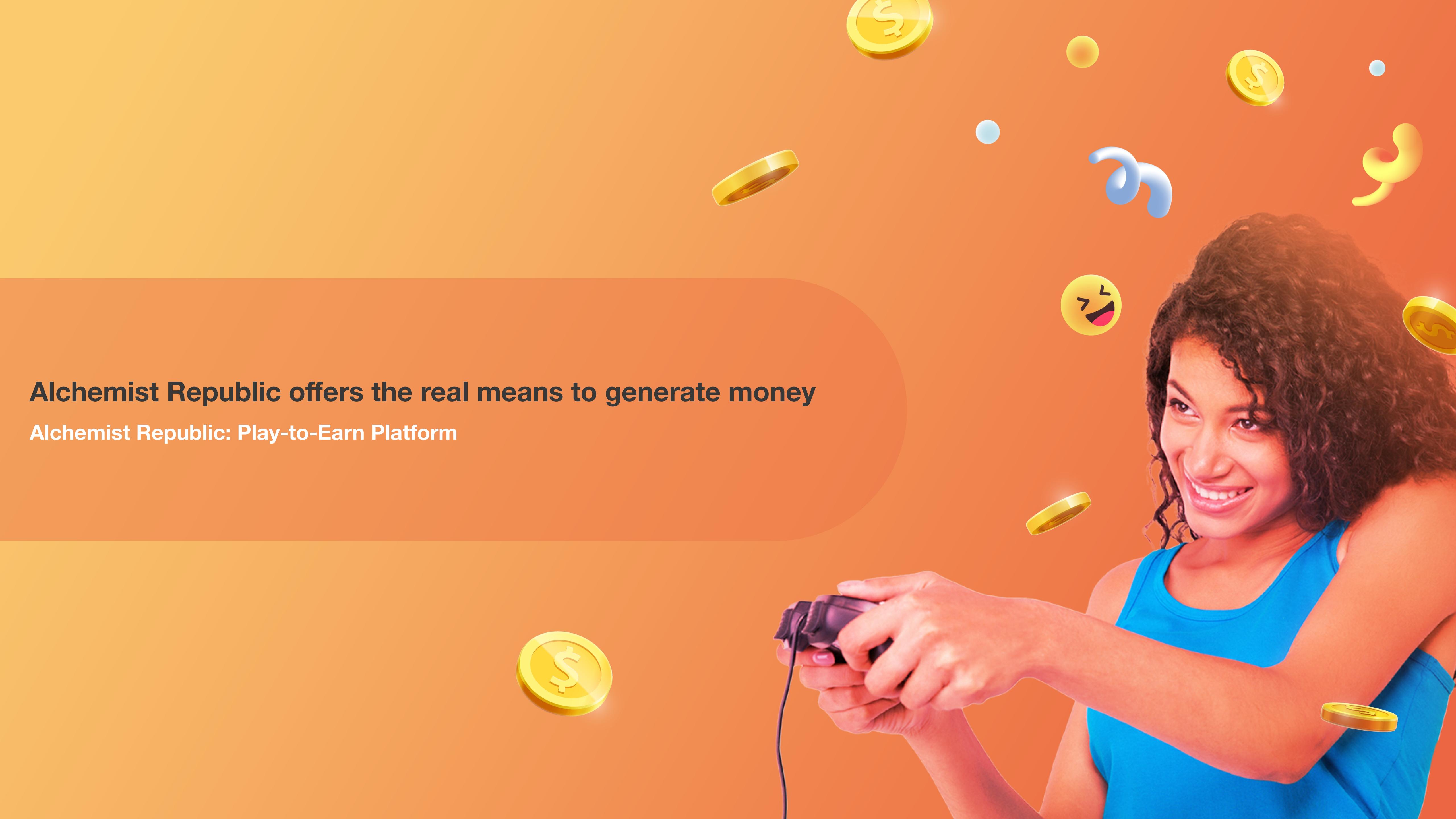
Virtual real estate sales: Approx. \$50 million (Apr.2021)

 THE SANDBOX.

55% of total virtual real estate sold to more than 10,000 owners (Sep.2021)

Total land value : Approx. \$37 million (Mar.2021)

\*source: Coindesk etc news articles



**Alchemist Republic offers the real means to generate money**

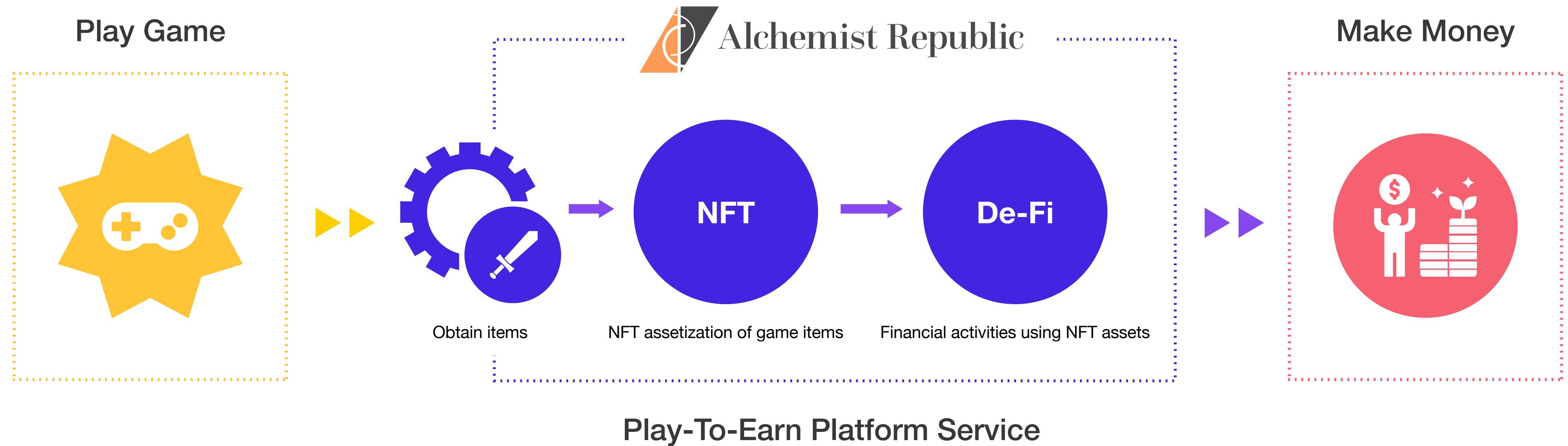
**Alchemist Republic: Play-to-Earn Platform**

# Alchemist Republic offers the real means to generate money

Alchemist Republic: Play-to-Earn Platform

Alchemist Republic is a platform that allows gamers to play games and earn money through financial activities.

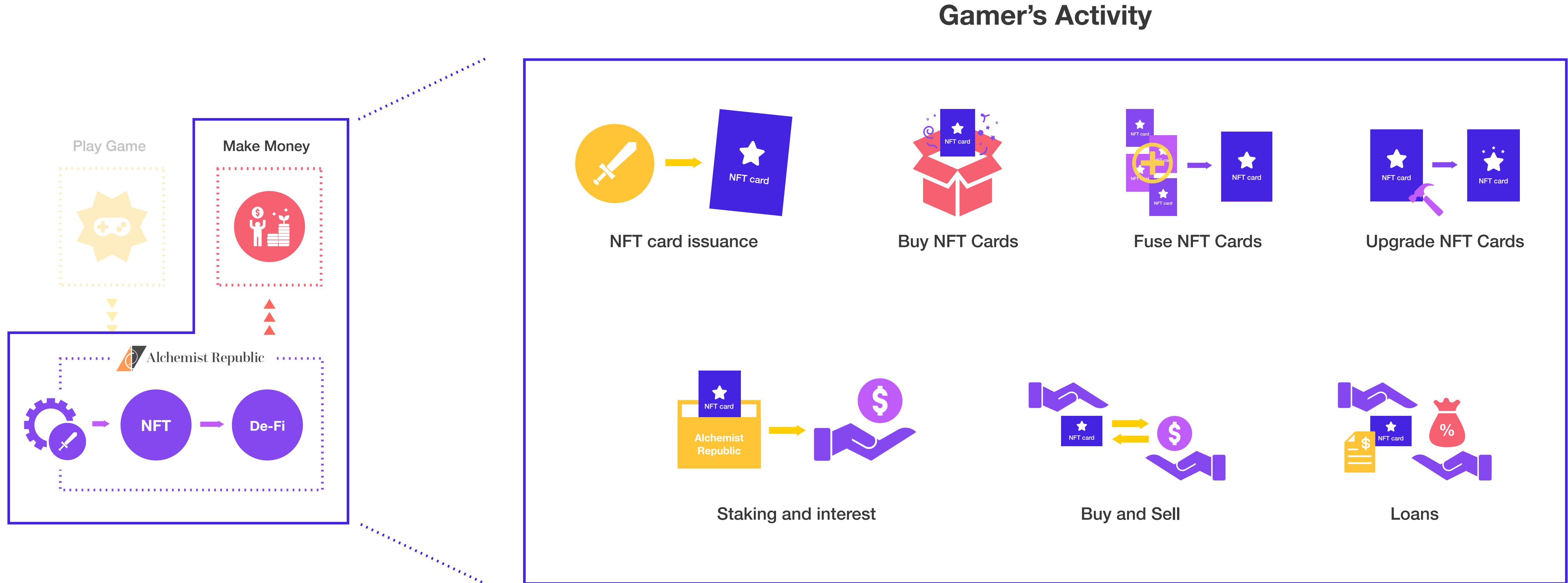
Gamers capitalize on the items they acquired in games with NFT technology. We are a GameFi-based Play-to-Earn platform that offers new ways to generate revenue by utilizing NFT assets and financial services implemented by DeFi.



# Alchemist Republic offer the real means to generate money

Alchemist Republic: Play-to-Earn Platform

Gamers can issue and capitalize on NFTs without difficulty through the Alchemist Republic service, and use these NFT assets to perform various economic activities such as mining for interest, trading, and lending, and taking out collateral loans.



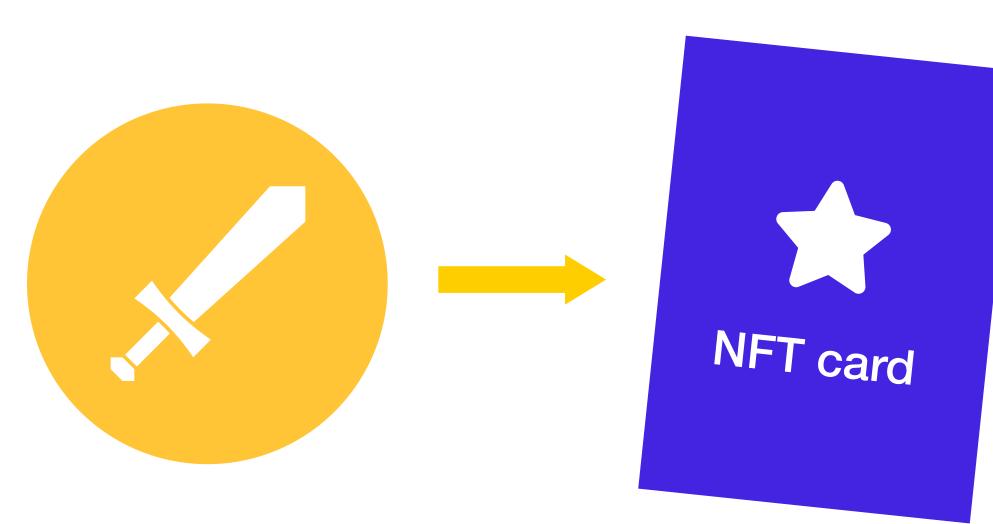
# Alchemist Republic offer the real means to generate money

Alchemist Republic: Play-to-Earn Platform

Gamers can secure a variety of NFT card assets by utilizing Alchemist Republic's features to issue, purchase, and trade NFTs. Furthermore, they can increase the value of these assets through fusion, upgrading, polishing, and loaning functions.

## Gamer Activities - Acquiring NFT Assets

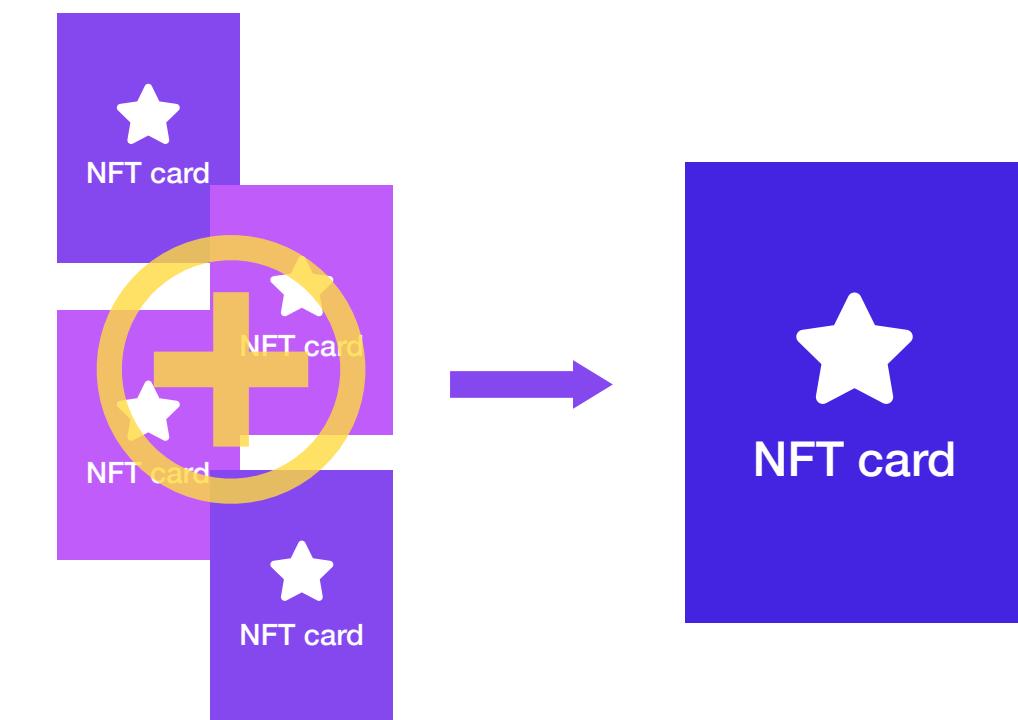
appendix 1: Buy / Fuse screen UI



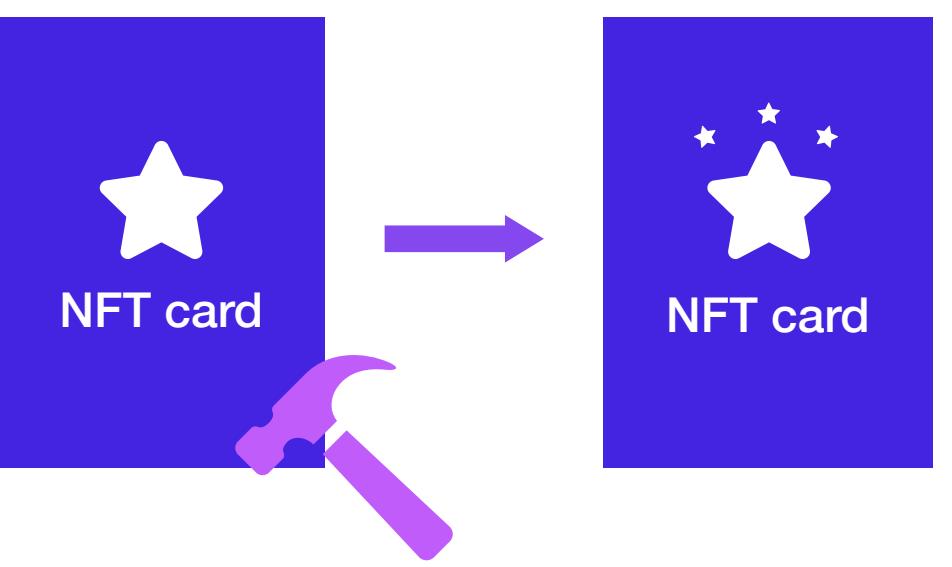
Craft NFT cards



Buy NFT cards



Fuse NFT cards



Upgrade NFT cards

\* NFT transactions and loans will be added in future updates

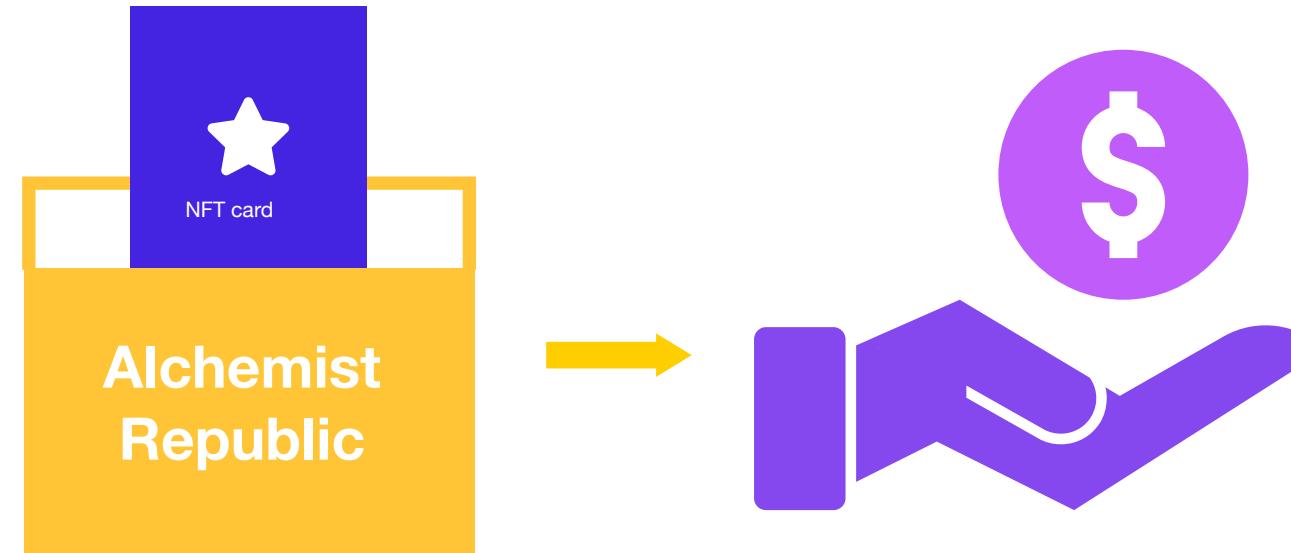
# Alchemist Republic offer the real means to generate money

Alchemist Republic: Play-to-Earn Platform

Gamers can use the NFT cards they have secured to earn profits by utilizing DeFi technology, including buying, selling, lending, taking out loans, and mining for interest through staking assets.

## Gamer Activities - Financial Activities through DeFi

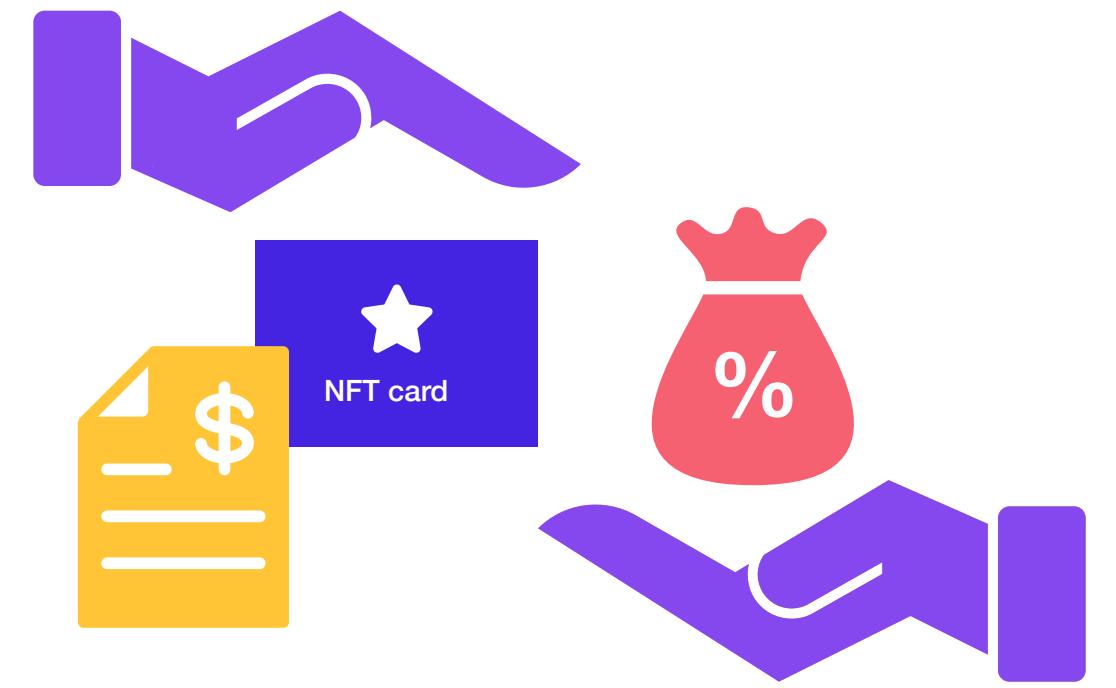
appendix 2: Staking screen UI



Staking and interest



Buy and sell



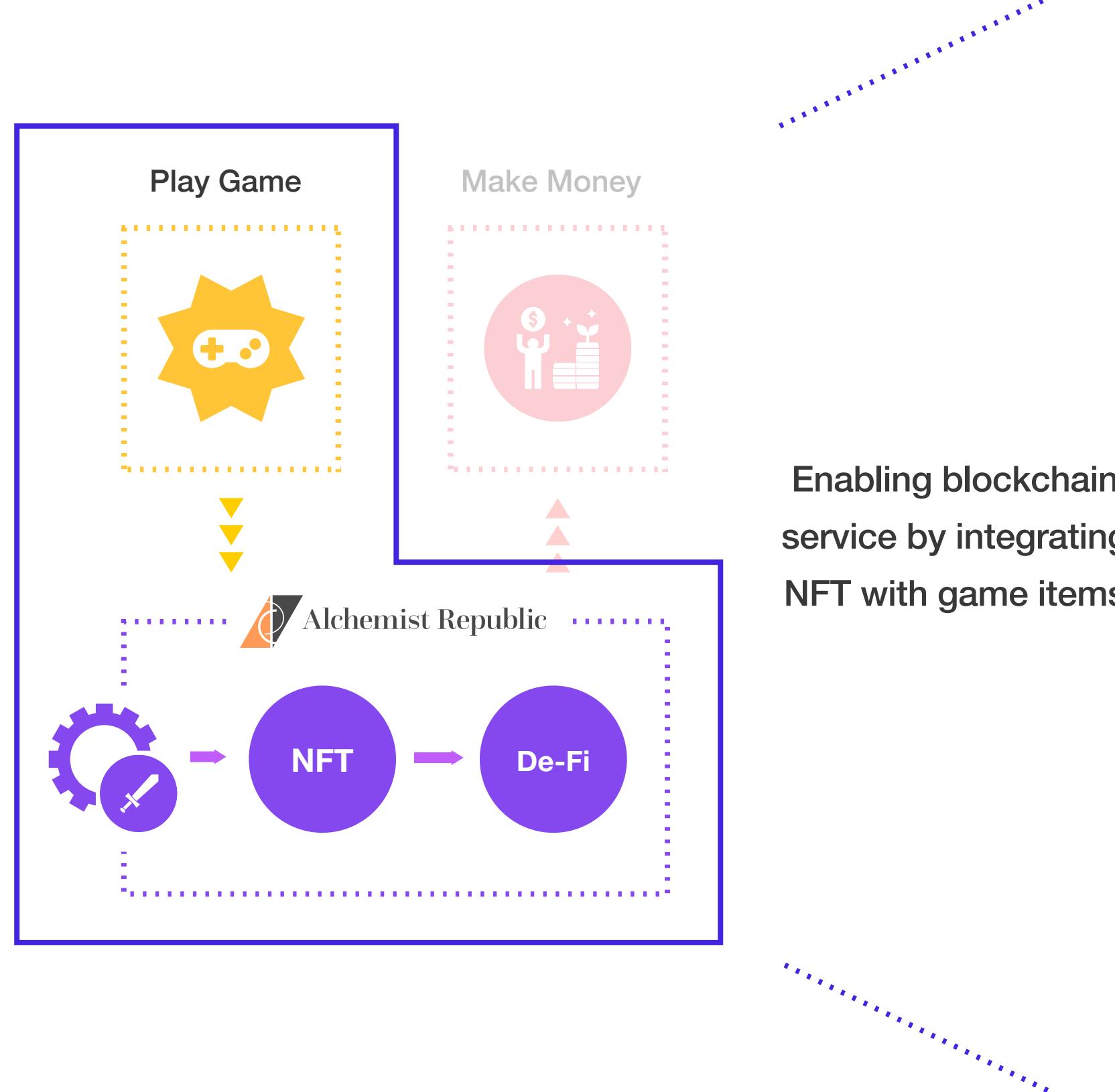
Loans

\* NFT transactions and loans will be added in future updates

# Developers can adopt Play-to-Earn easily through Alchemist Republic

Alchemist Republic: Play-to-Earn Platform

Developers do not require technical knowledge in incorporating NFT and DeFi into their games, nor do they need to worry about complex token economics or balancing game economies as the entire process is conveniently taken care of by Alchemist Republic with minimal data integration.



## Easy adoption of development



# Alchemist Republic's flywheel and organic growth

Alchemist Republic: Play-to-Earn Platform

The Alchemist Republic service aims for sustainable, organic ecosystem growth through the following flywheel effects:

The four core activities of the first flywheel cycle are the basis for early growth:

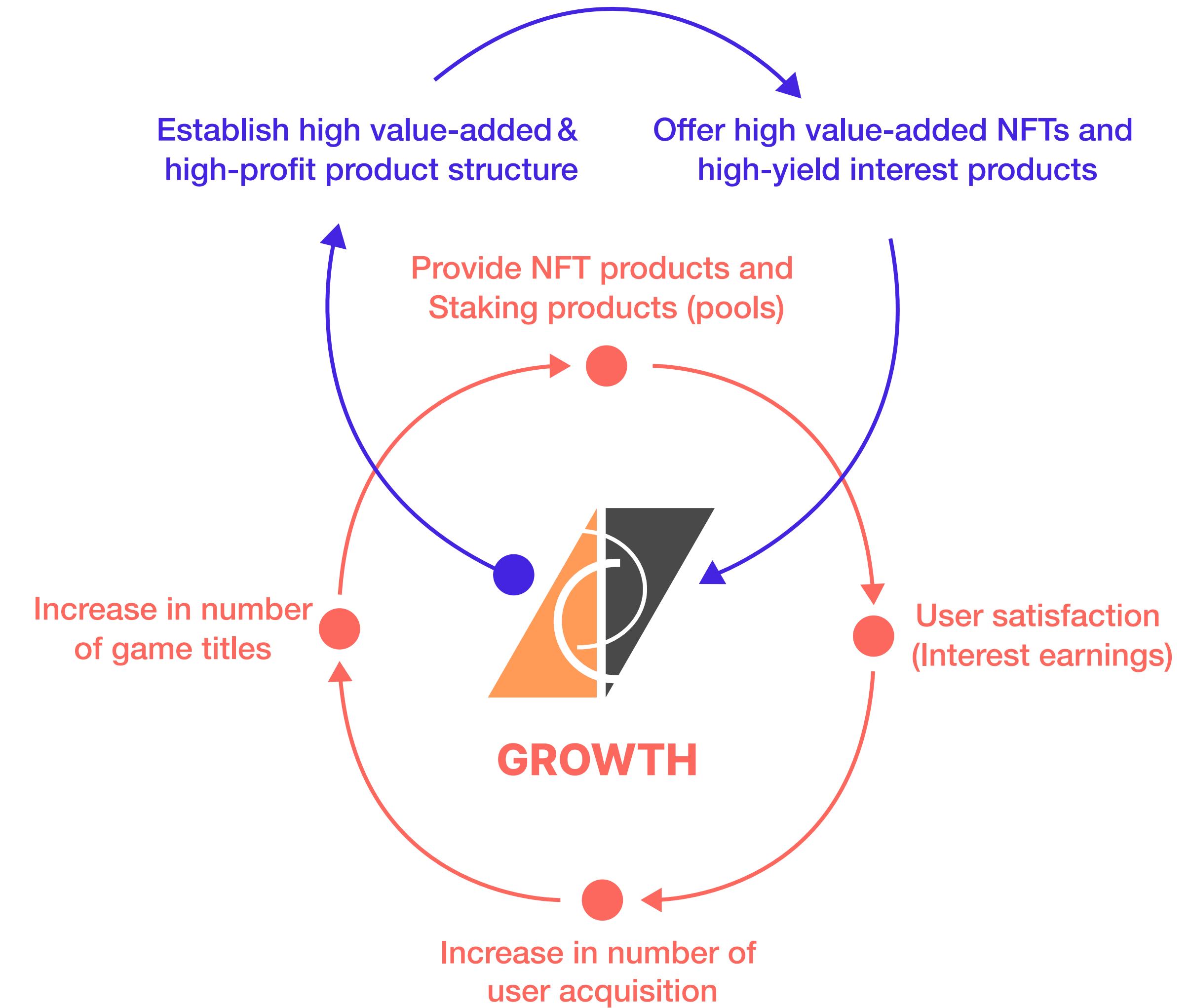
- 1) Providing and expanding on diverse mining pools,
- 2) Increasing earnings (interest) for gamers, 3) Increasing number of buyers,
- 4) Creating a framework for growth by adding new developers (games).

Based on the initial growth, we can offer even higher interest:

- 1) Building a high-yield structure
- 2) Providing a high-yield pool

This leads to the second flywheel cycle that further accelerates and drives the growth of Alchemist Republic by further increasing the interest Earning of gamers.

By continuously reinvesting the fruits of growth into the second flywheel cycle structure by providing high-yield interest products, we intend to establish ourselves as a leader in Play-to-Earn services.





# Alchemist Republic

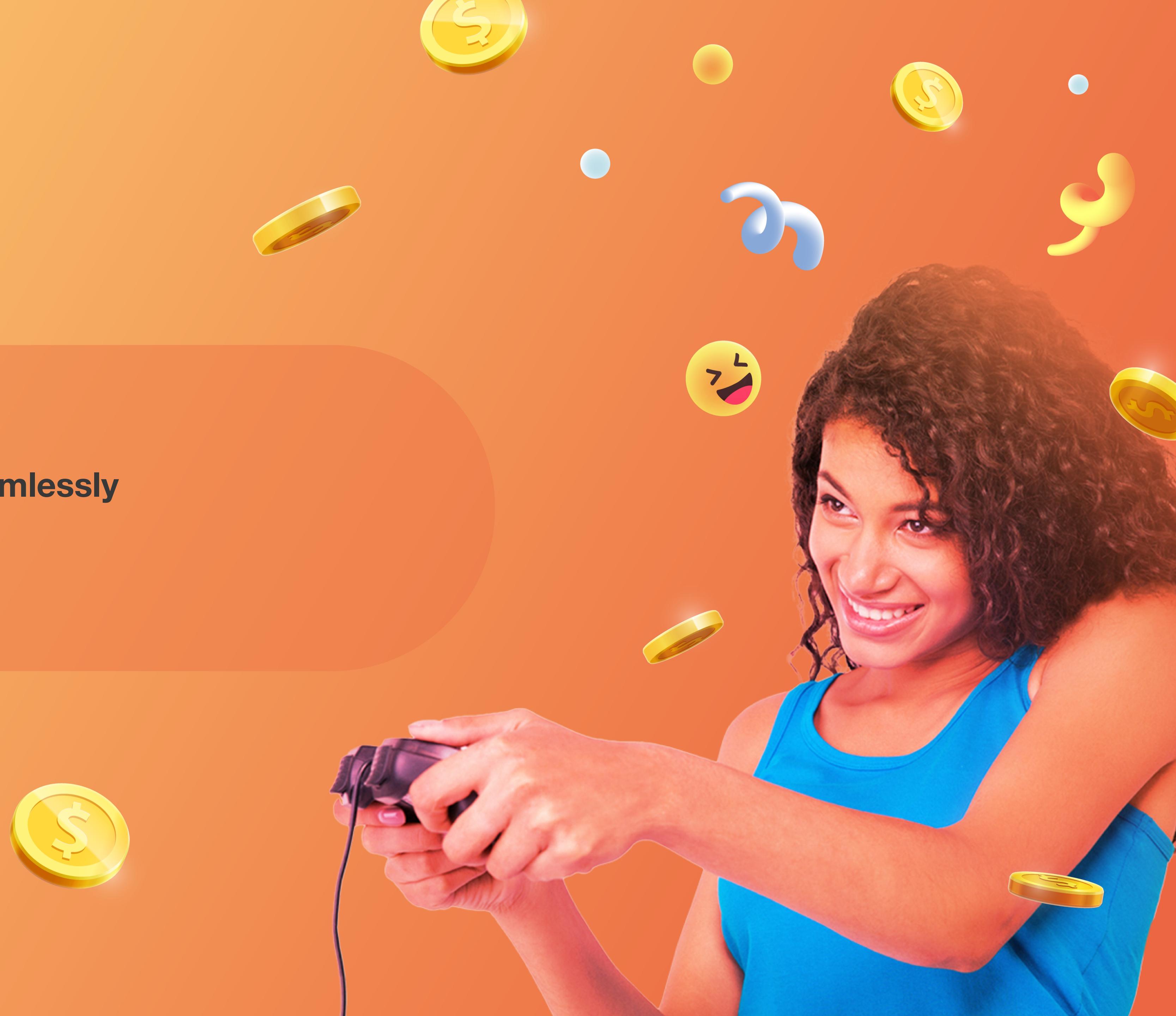
Alchemist Republic is a Play-to-Earn platform company that provides gamers with economic benefits as well as psychological rewards.

Furthermore, we give developers the opportunity to easily apply the **Play-to-Earn** service to their products, which will

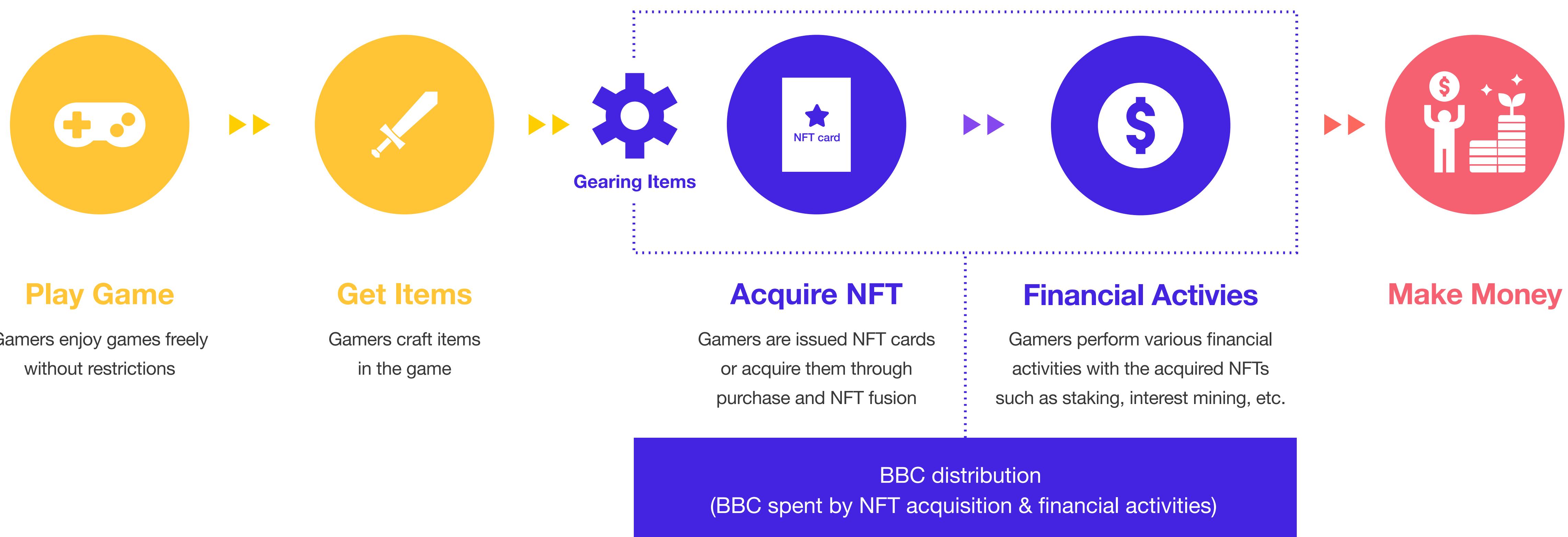
create mutual benefits for both gamers and developers and leads to the continued growth of the gaming market.

# How Alchemist Republic runs so seamlessly

## Business Model and Token Economics



### Service flow of Alchemist Republic

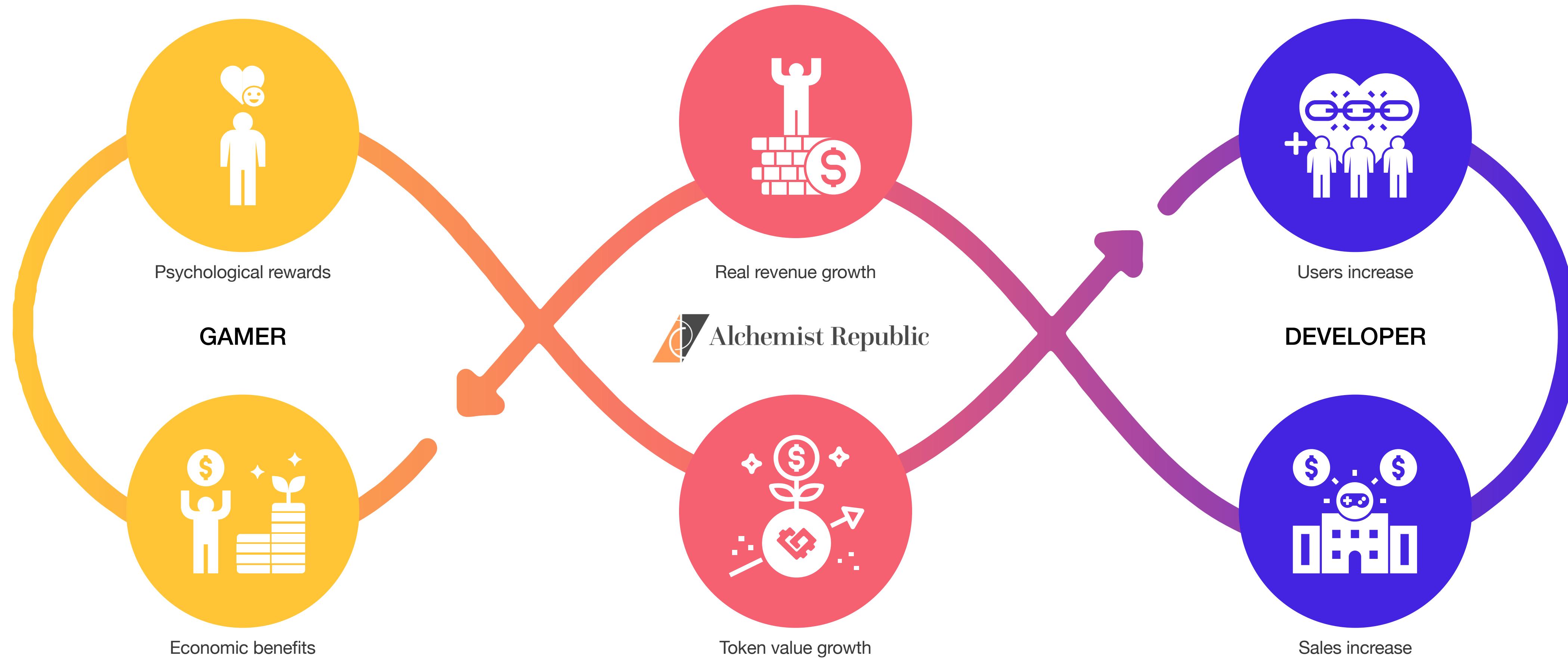


BBC tokens spent on Alchemist Republic for acquiring NFT cards and carrying out economic activities are collected and redistributed in the staking pool, burn pool and developer pool.

# A win-win platform model – how to foster sustainable growth

## Business Model and Token Economics

The Alchemist Republic is a true win-win ecosystem where gamers, developers, and platforms all profit, and the greater the profit of each participant, the higher the mutual benefit. We will achieve continuous growth as a platform model and all participants will grow together.



# Business model – how to make it profitable

## Business Model and Token Economics

Alchemist Republic generates substantial profit through business models including platform entry fees, game revenue share, NFT card sales, DeFi fees, and marketing support for game developers who partner with our Republic platform.

Admission fee



Game revenue sharing



Marketing/Advertising Revenue



NFT card sales

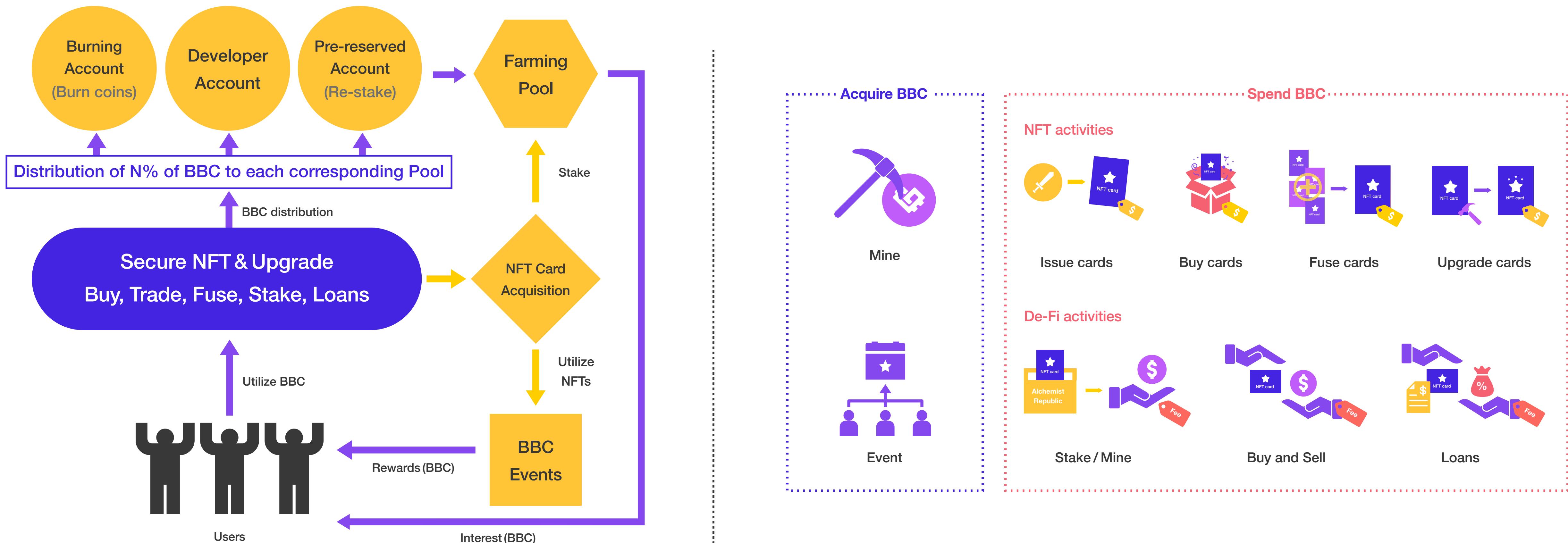


DeFi fees



BBC tokens are circulated as users consume the tokens to acquire NFT cards and re-acquire them through NFT card deposits and interest.

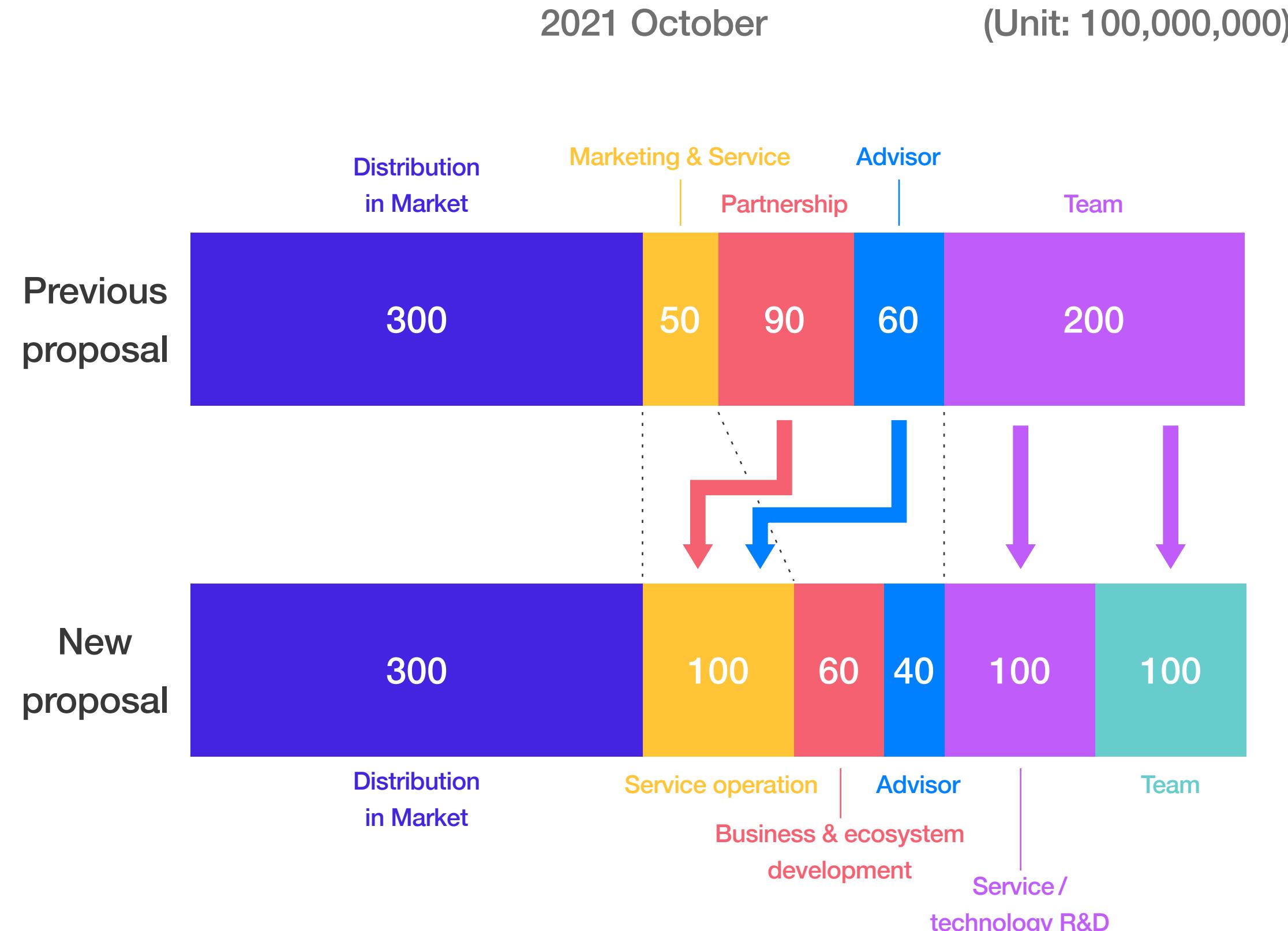
A certain number of the consumed BBC tokens are staked back into the Pre-Reserved Account to preserve the value of the token, while the other portion is burned to increase the value of the token. The stronger the flywheel effect of the Alchemist Republic service is, the more active the BBC token staking and burning will become, ultimately increasing the value of the BBC token and positioning it as a deflationary asset.



\* Major coin (i.e., KLAY) and stable coin (i.e., DAO) will be added to the platform in future updates.

For the global growth and successful operation of the Alchemist Republic platform, the token distribution policy has been reexamined and overhauled.

### Alchemist Republic's current look and beyond



\* Token Distribution Proposal change (2021.10)

- (Previous) Team : 20 billion → (New) Team : 10 billion, Service/ Technology R&D : 1 billion
- (Previous) Partnership : 9 billion → (New) Business/Ecosystem Development : 6 billion
- (Previous) Advisor : 6 billion → (New) Advisor : 4 billion
- (Previous) Marketing& Service: 5 billion → (New) Service Operation : 10 billion

### Its Usage

<b>Business / Ecosystem Development</b>	Game IP acquisition & Collaboration, Game co-publishing De-Fi operation collaboration Legal service. etc.
<b>Service Operation</b>	Pre-reserved pool for game-fi service Marketing for user acquisition & activation
<b>Service / Technology R&amp;D</b>	Blockchain service development / maintenance Related game service development / maintenance New technology R&D
<b>Advisor</b>	Game & tokenomics consulting, BM consulting & planning, game and service planning, Blockchain smart-contract development

\* Total Supply 70 billion (Total distribution change: 2020. 09)

- Conversion from ERC20 tokens to KCT (Klaytn) tokens (converted to Klaytn mainnet)
- 30 billion burned (total supply changed from 100 billion to 70 billion)

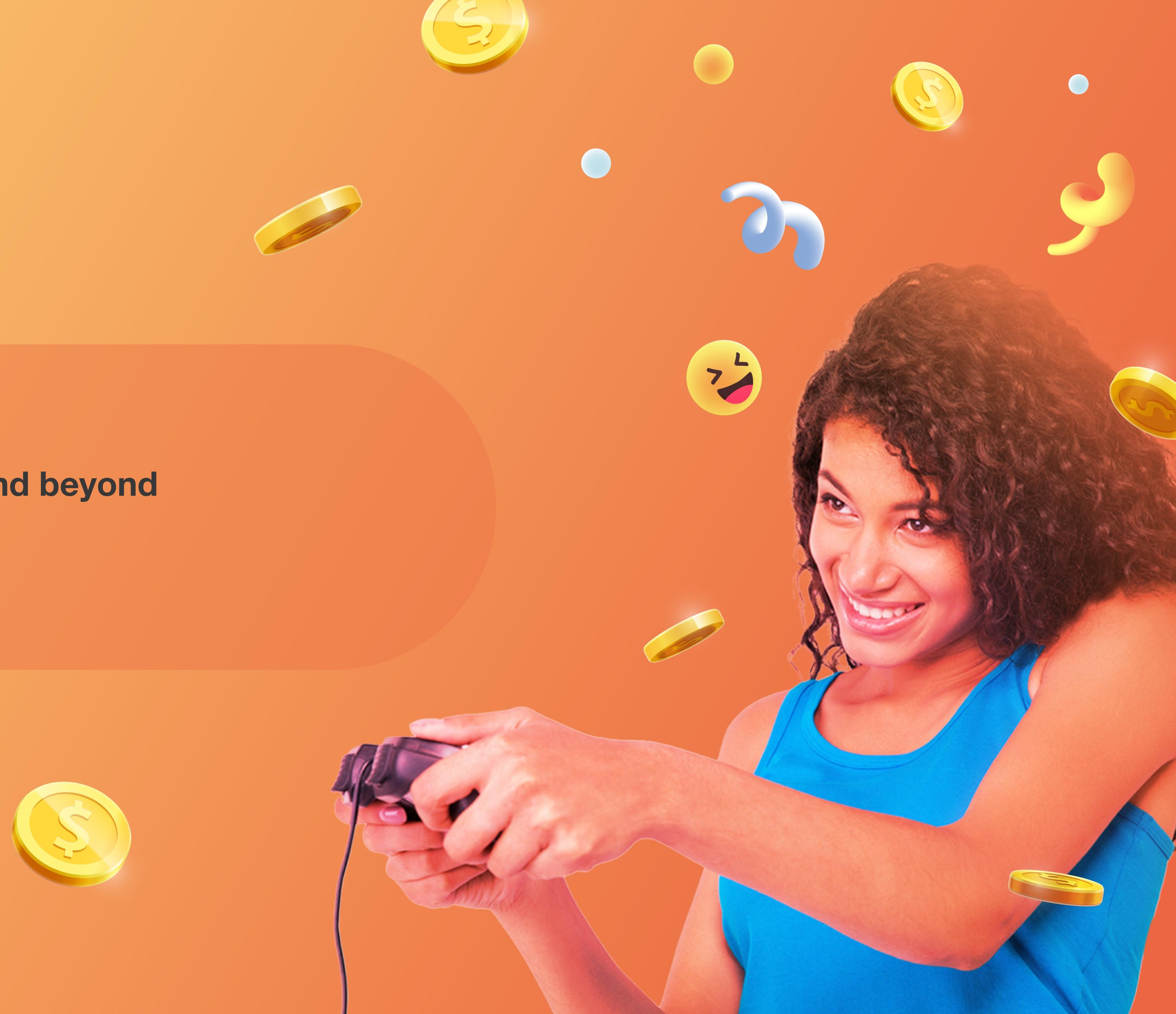
\* Depending on market conditions and service needs, additional tokens may be issued for operation/ R&D/ business and ecosystem development if necessary

\* All tokens have been unlocked two years after Blue Baikal was established in April 2019

\* The current circulating supply is about 32 billion, which is the amount used for sales and marketing.

# **Alchemist Republic's current look and beyond**

## **Service Milestones and Future Plans**

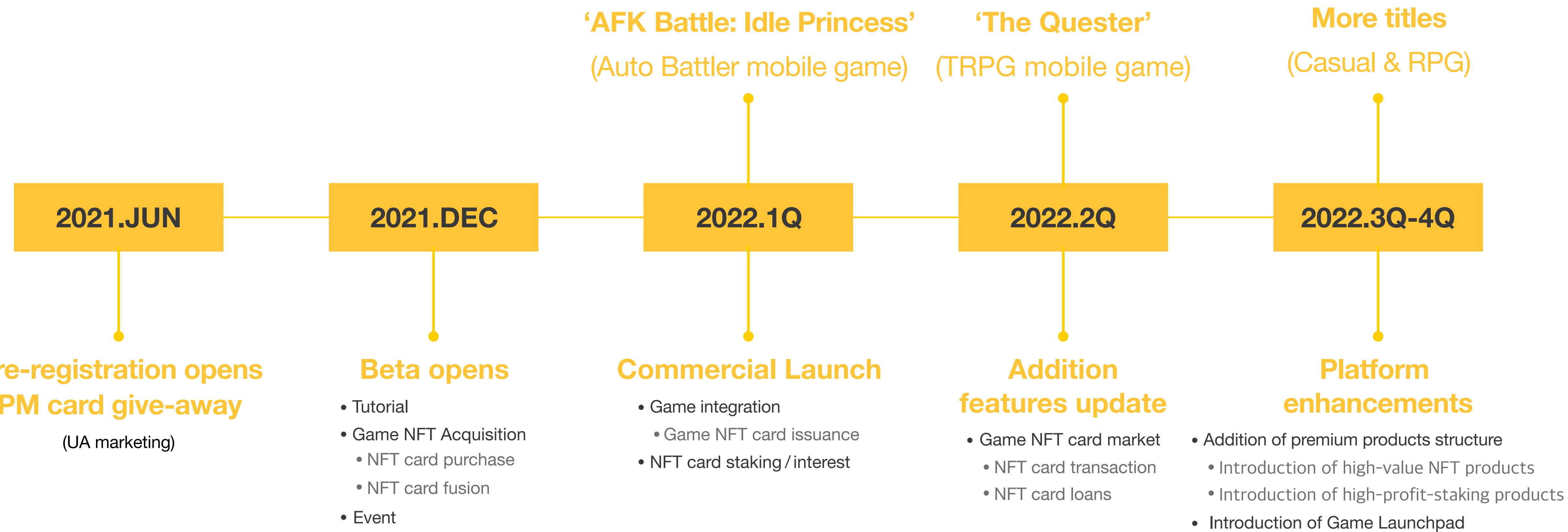


# Alchemist Republic's progress towards its goal

## Service Milestones and Future Plans

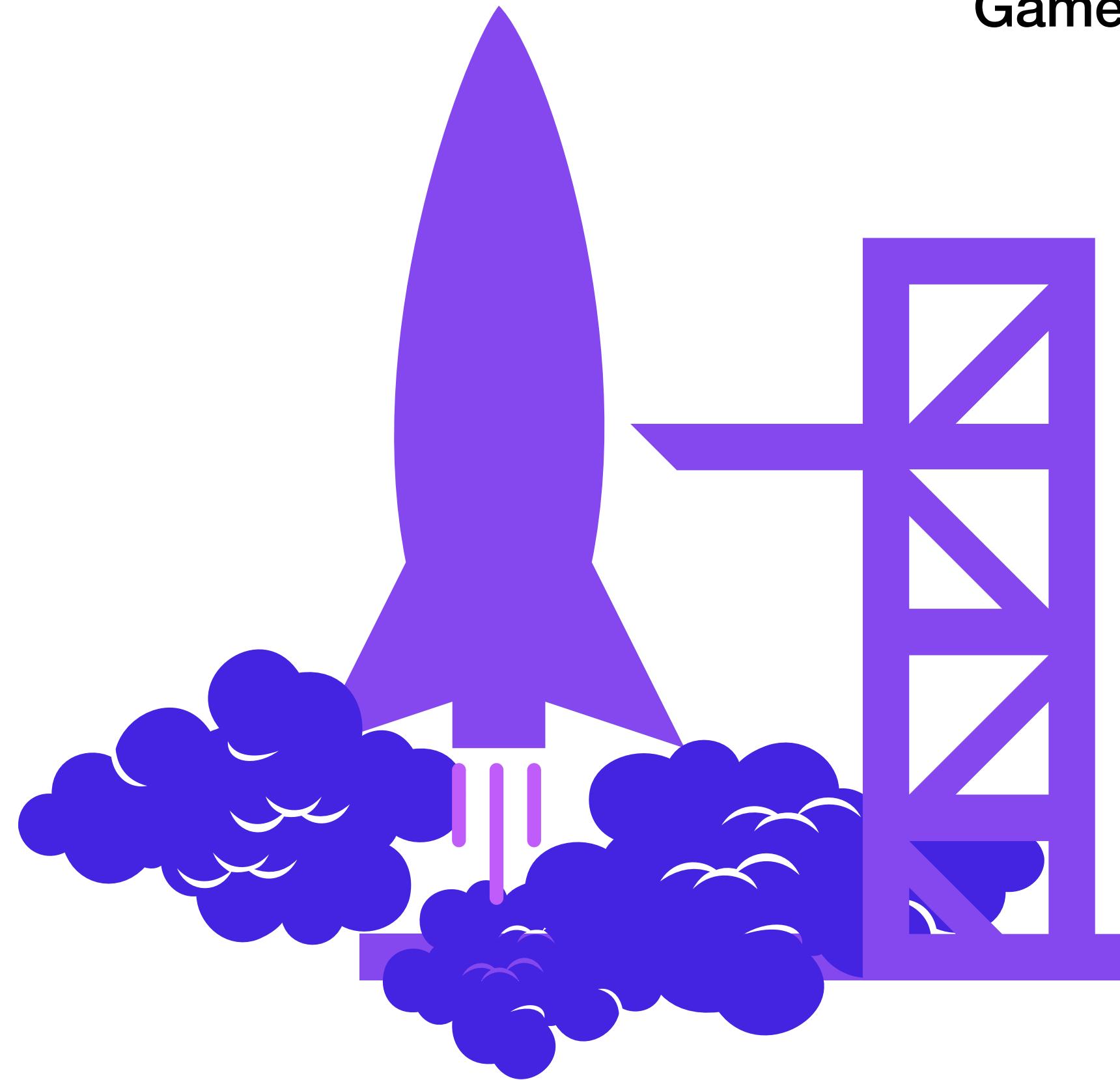
Alchemist Republic will commence its service with a beta phase centered on the initial distribution of a variety of NFT cards.

After that, a GameFi-based Play-to-Earn service will gradually be structured as affiliate games are officially added, and the DeFi services that provide NFT card staking and interest earning will open sequentially. In line with the initial stabilization of the official service, we plan to further advance the platform by providing an array of farming pools and strengthening the selection of affiliate games.



In order to directly aid game developers, Alchemist Republic plans to launch the Game Launch Pad service to secure initial game development funds, and seed capital for a new launch and user acquisition.

### Game Launch Pad Platform



#### Game launching pad

Support for game items pre-sales and  
Distribution tokens creation

- Securing initial development cost
- Securing early investors

#### Marketing and public relations support

- Initial launch marketing
- securing initial user acquisition

Alchemist Republic intends to continuously build on the success of Play-to-Earn by securing original contents through game development and investing in IP to enhance synergy with the platform in the long run.

### Original Game Contents for Alchemist Republic

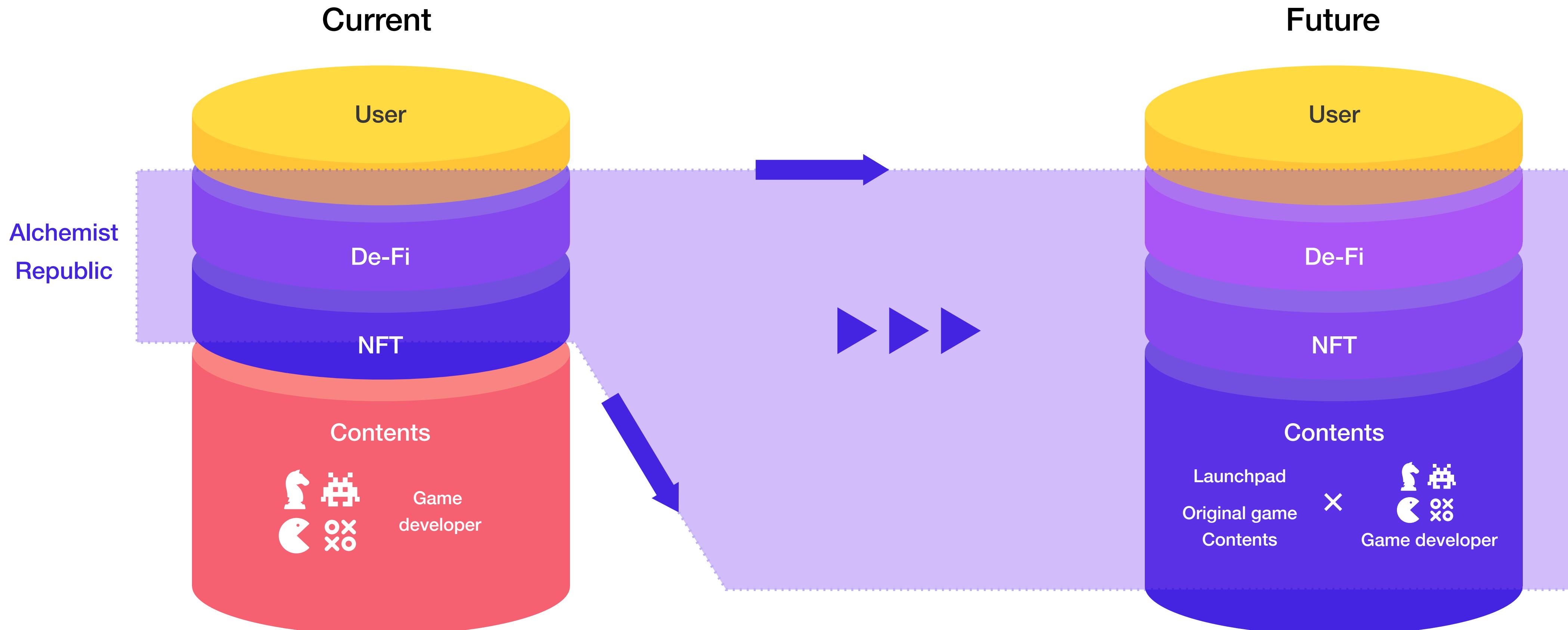


# The future of Alchemist Republic

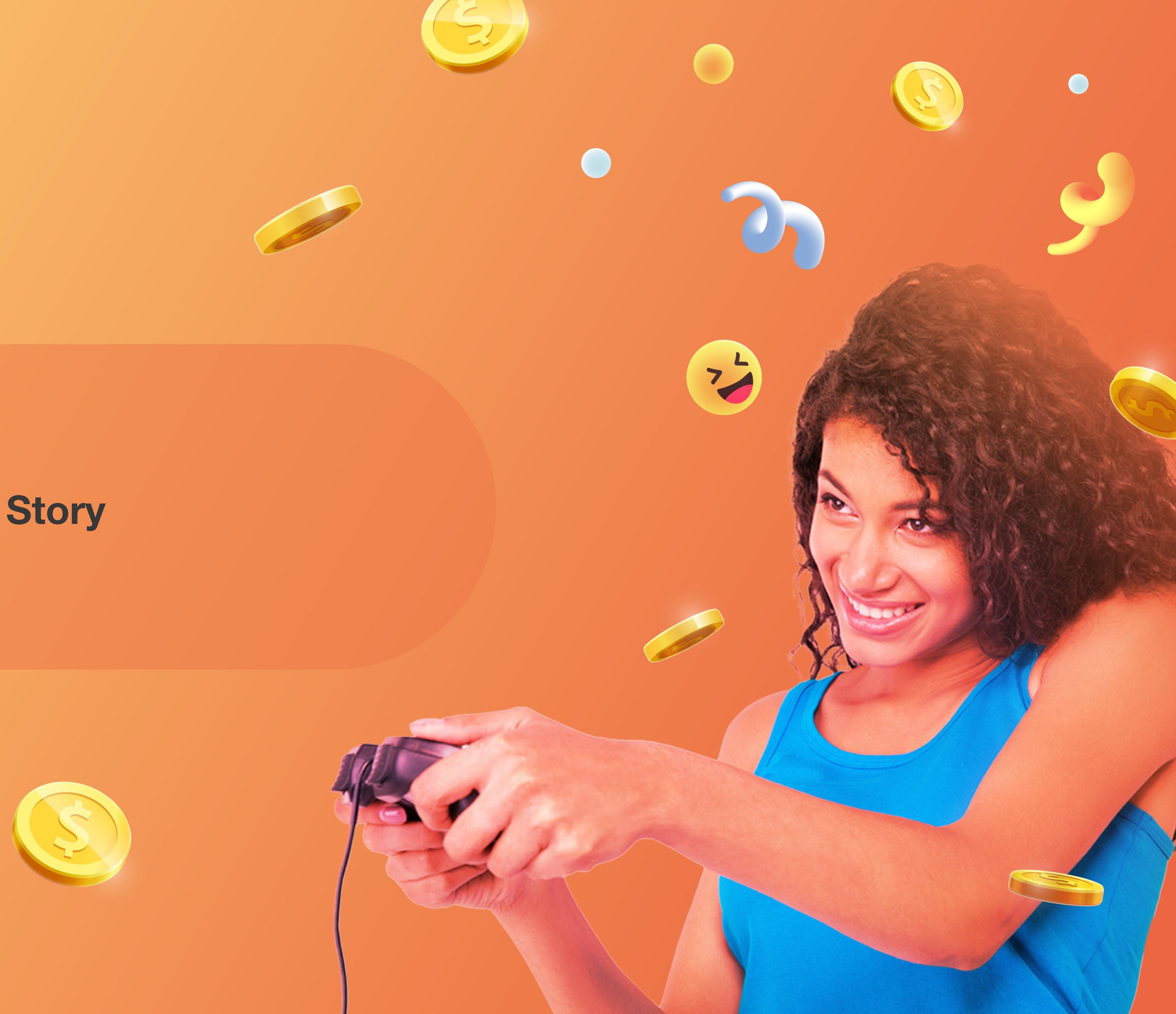
Service Milestones and Future Plans

Alchemist Republic is ultimately trying to build an organic ecosystem that encompasses both the supply chain and gamers themselves to lead the sustainable growth of the game industry by enabling both game producers and consumers to profit.

## Ultimate Gaming Eco-platform



## Blue Baikal Core Team and Our Story



Through blockchain technology, Blue Baikal strives toward a mission and vision to innovate the value chain of the digital content industry in order to maximize the continuous growth and mutual interests of participants in the industry.

### Vision Statement

**Empower the digital content value chain**

— *inspire, influence, invest* —

### Mission Statement

**We build the digital content platform that drives business growth and maximize profits**

# Our Core Team

## Blue Baikal Core Team and Our Story

Blue Baikal's core team is made up of experts with more than 10 years of experience in the game content and IT business, who share mission and vision that embrace the content industry.

**Clark Jang**



**CEO**  
Project Owner

LG Electronics  
Innovation Center New Business PM  
Smart TV Contents Global Strategy/ Business

POSTECH Blockchain Executive Program  
KAIST Information & Media MBA  
KOREA University Business School

**Eric Kim**



**CSO**  
Project Strategy/ Plan

Major Korean game developer  
overseas business, Head, Korea  
NeoCyon, Inc., Team Lead, France  
VisionLink, Inc. IT Analyst, USA  
Fun Dynamics, Corp. Founder, USA  
US District Court of Nebraska,  
System Administrator, USA

KAIST Information & Media MBA  
Univ. of Nebraska, IS&T, USA

**Hyun Min Kim**



**CMO**  
Operations/ Marketing

VERTIGO GAMES AMERICA, PM, BDO, Canada  
OGPLANET, PM, Canada

British Columbia Institute of Technology, CANADA  
Simon Fraser University, SIAT, CANADA

**Ted Joo**



**CTO**  
Blue Baikal Project R&D

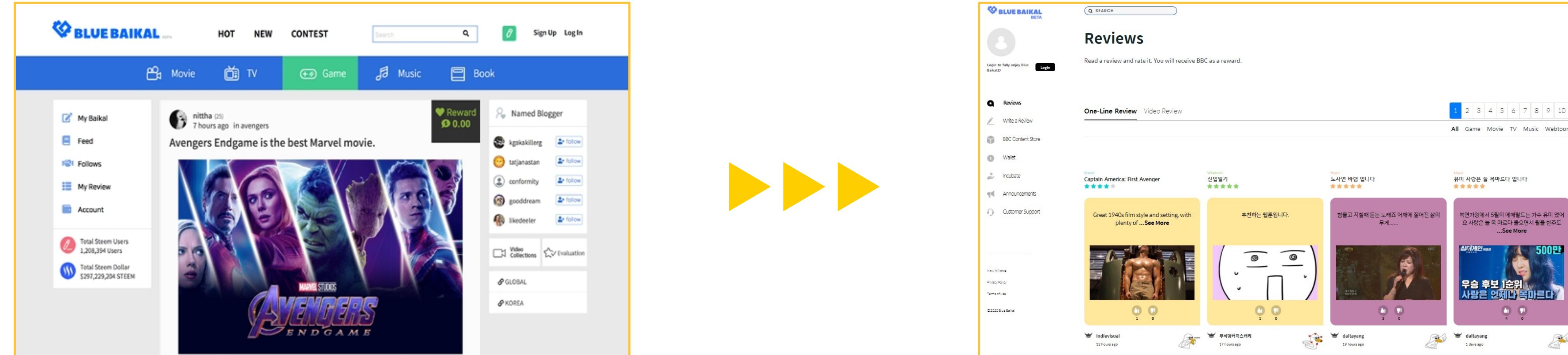
Professor at GIST  
Former Blue House Information Management  
Administrative Officer  
Former CEO at ezTogether

GIST Department of Computer Science

Blue Baikal's vision is the innovation of the value chain in the digital contents industry. In order to achieve the goal of maximizing profit and the growth of the industry a review community was built and tested using various platforms as a base, various marketing collaboration projects relating to contents were carried out, and game content services were procured and launched. Blue Baikal has always strived to use game contents ecosystem as the important base.

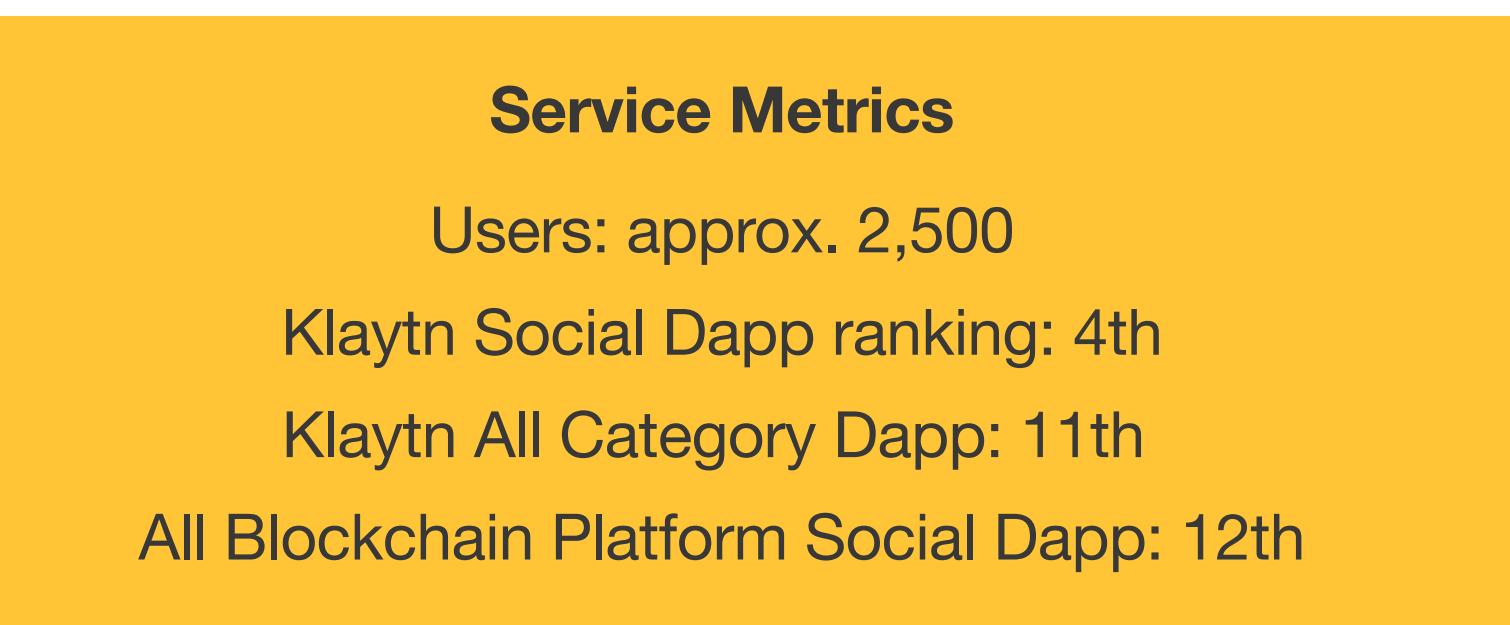


By developing and operating a review-based community (Dapp), we conducted a blockchain Mainnet R&D, entertainment consumer acquisition, and behavior analysis.



◆ STEEM-based entertainment social media service  
Alpha launch (2019.Q2)

◆ Klaytn-based entertainment social media service  
Beta launch (2020.Q4)

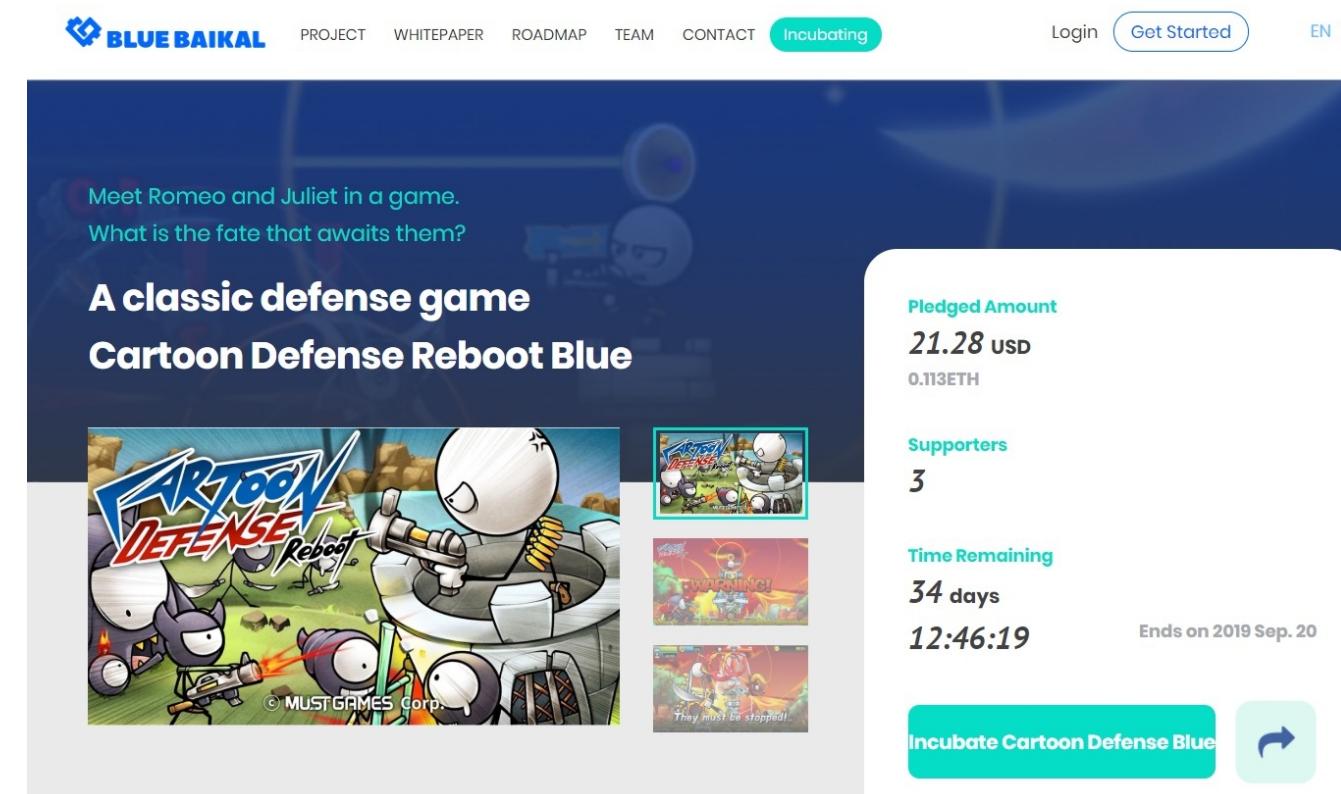


\*Source : State of the Dapps (2021.July)

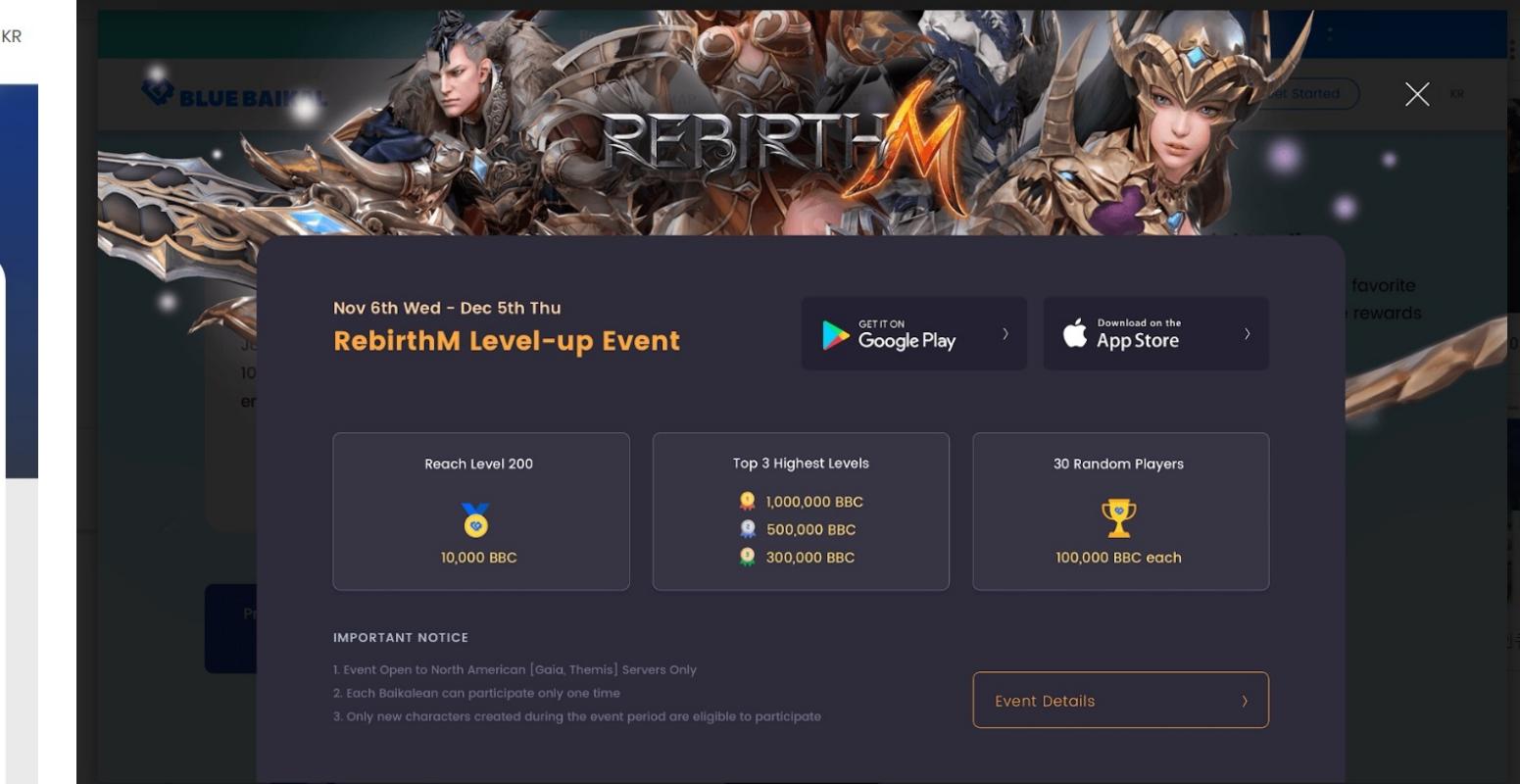
## Footprints and journey

Blue Baikal Core Team and Our Story

Through various game-related marketing collaborations and acceleration activities, we have secured the ability to build-up and stabilize the game content collaboration process and establish partnerships with game developers.



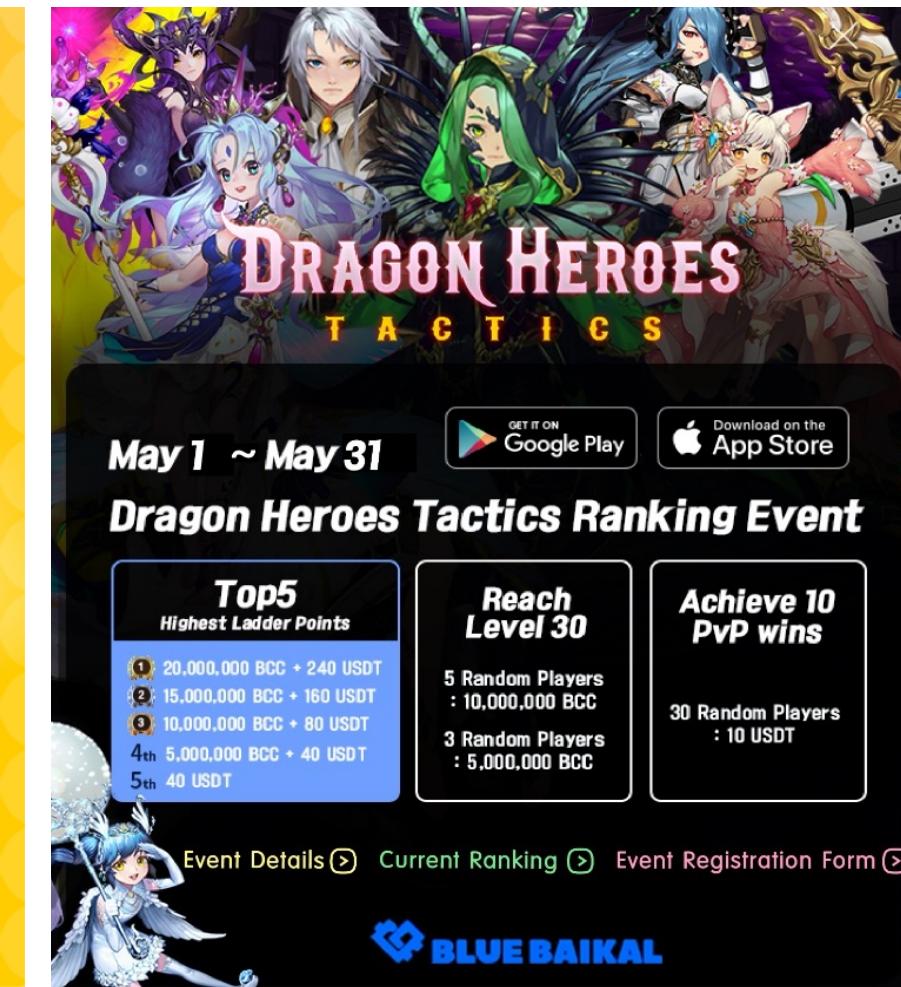
▲ Cartoon Defense (2019.Aug)



▲ Rebirth M (2019. Nov)



▲ AFK Battle : Idle Princess (2021.March)



▲ Dragon Heroes Tactics (2020.May)

◆ Marketing acceleration project (2019. Q3 ~ 2020 Q3)

We are in the process of securing and launching affiliate games for the Alchemist Republic service, and through this, we are progressing with designing an appropriate BM, balancing game economics and token economics and service application, and equipping ourselves with the capabilities to structure various NFT and DeFi products.

### Alchemist Republic 1st affiliate game ‘AFK Battle: Idle Princess’ (2021.Q1)



### Alchemist Republic 2nd affiliate game ‘The Quester’ (TBD)



To Be Added...





Alchemist Republic developed by Blue Baikal is a GameFi-based Play-to-Earn platform that enables both developers and gamers to maximize profits using NFT and DeFi technologies.

Ultimately, Alchemist Republic service strives to evolve into organic gaming eco-platform and contributes to the sustainable growth of the game industry.

# Appendix 1: Buy/Fuse screen UI

The image displays two screenshots of the Alchemist Republic NFT card marketplace interface.

**Left Screenshot (My NFT Card):**

- Header: Alchemist Republic, 마이 페이지, NFT 카드 마켓, NFT 카드 발행, NFT 카드 예치, Buy & Get BBC, 김연금, KOR.
- Section: My NFT Card 13, 게임별, 예치 가능한 카드만 보기.
- Content: A grid of 10 cards from the AFK 배틀: 공주의 귀환 game, including: 공주 10성 해로나 (x2), 공주 10성 히갈리, 공주 10성 아리크사, 공주 10성 오필리아, 공주 10성 사리, 공주 10성 하이리 (x5), 공주 10성 파사, and 공주 10성 비자.
- Buttons: 등급순, 필터보기, 드롭스, 검색하기.

**Right Screenshot (NFT Card Fusion):**

- Header: Alchemist Republic, 마이 페이지, NFT 카드 마켓, NFT 카드 발행, NFT 카드 예치, Buy & Get BBC, 김연금, KOR.
- Section: NFT 카드 합성, NFT 카드 연마, NFT 카드 거래, NFT 카드 대출.
- Text: 다양한 재료로 새로운 연금술을 연마하는 것이야 말로 진정한 연금술사의 미덕 보유한 카드의 힘을 모아 더 강력한 힘을 가진 카드로 재탄생하는 당신만의 연금술로 엄청난 카드의 힘이 시작될 수 있습니다.
- Section: 게임 선택, showing game cards for THE QUESTER and AFK Battle: Idle Princess.
- Section: 합성할 카드 선택, showing two cards selected for fusion: 3 카드 선택하기 and 4 카드 선택하기.
- Large Button: 합성하기 (Fuse).

## Appendix 2: Staking screen UI

The screenshot displays a mobile application interface for managing staking pools. At the top, there are two tabs: '내 예치 목록' (My Staking List) and '예치 가능 목록' (Available Staking List). A message below the tabs states: '연금술사 공화국에서 보유하신 카드와 연맹 아이템을 조합한다면 당신도 BBC 이자율을 채굴할 수 있습니다. 연금술사 공화국은 당신의 풍요로운 일상을 응원합니다.' (If you combine your持有的 cards and alliance items, you can also mine the BBC interest rate. The Alchemist's Republic supports your prosperous life.)

The main content area shows a table of staking pool entries. Each entry includes:

- Pool Name:** AFK 배틀 : 공주의... (Pool 2), 더 캐스터 (Pool 2)
- Staking Details:** 예치 조건 (Staking Conditions), 우대 조건 (Favorable Conditions), and 이자 채굴 (Interest Yield).
- Pool Statistics:** 풀 생성일 (Pool Creation Date), 풀 종료일 (Pool End Date), 풀 규모 (Pool Size), 예치 파워 (Staking Power), and 수익률 (Interest Rate).
- Action Buttons:** A large orange '예치' (Stake) button.

The table has six rows, each representing a different staking pool entry. The background of the entire screen is a light gray, and the bottom half features a solid orange color.

