HOBBY WORLD

White Paper

Abstract

Hobby World is a web3 socialfi platform based on interests and hobbies，which focuses on how real-life interests are reflected and rewarded on the hobbychain.

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<div align="center">Catalogs</div>

2. Preface

Metaverse is a digital world built by virtual reality, augmented reality and other technologies, which is not only a virtual space, but also an ecosystem that contains a variety of activities such as socializing, entertainment, creation and business. In the metaverse, users are easy to create and experience a wide range of contents. By incorporating contemporary blockchain and artificial intelligence technologies, the concept of the metaverse is being further developed to be more equitable, trustworthy, and accessible and enable the products to be intelligent, user-friendly and financial.

HOBBY chain is a Proof of Stake (POS) public chain with equity as proof of ownership and is governed by community voting. In terms of application, it incorporates artificial intelligence technology and provide professional training for chatbot so as to reach human intelligence standards, which reduces the barrier to for new users and makes it more convenient for existing users. The aim of HOBBY chain is to provide users with a high-performance, cost-effective, secure, and reliable blockchain infrastructure that's easily scalable. Users can establish and manage their interest-based communities on HOBBY chain. Besides, HOBBY chain is a dual-token governance model, with HBY serving as the equity token for all ecosystems under it and SHBY serving as the governance token for the public blockchain.

Hobby world project is an aggregation initiative for people with shared interests, and it serves as a metaverse social platform built on the HOBBY chain. Its primary goal is to transcribe various real-world hobbies and socially valuable activities onto the blockchain, while providing incentives and rewards through FHBY points. FHBY is the sole redeemable token on the platform, with a total supply of 21 million. Users can earn and utilize FHBY points through activities such as content creation, communication, and entertainment and are free to explore their interests, interact with like-minded individuals, and relish the boundless possibilities of the metaverse.

This white paper will provide a comprehensive overview of the Hobby World project, covering aspects such as background, vision, objectives, advantages, customer base, value proposition, features, economic model, governance model, development plan, and so on, for the purpose of offering users and partners a deep understanding of the project and providing a guidance and reference for its future prospect. We sincerely invite all users and partners who are interested in and supportive of the metaverse community to join us! While creating the community platform built on the HOBBY chain, let's explore shared

interests in virtual world, enjoy the pleasures of creation, communication, and entertainment so as to gain value and profits from blockchain technology.

3. Project Background

As blockchain technology continues to advance, an increasing number of industries are engaging in blockchain modification to enhance their competitiveness. In 2021, Non-Fungible Token (NFT) technology has gradually become matured, giving rise to numerous projects in areas such as blockchain game and cards. The concept of the metaverse has also been steadily taking shape. However, many of these projects have turned out to be short-lived or encountered significant roadblocks. The primary reason for this is often the lack of substantial social or economic value, with many projects operating primarily on speculative concepts and profit-driven motives. Once the initial hype subsides, NFT and token prices will experience substantial declines, resulting in significant losses for investors and participants. Consequently, new entrants or sources of funding become wary of participation, making it challenging for these projects to sustain themselves.

The mission of the metaverse project is to establish its own public blockchain and build a diversified community culture on this platform. Embracing the concept of "A group of like-minded individuals having fun together and making money as a team", it employs token incentives to transcribe existing real-world activities onto the blockchain. Each real-world activity's entity becomes an NFT node within the metaverse. Thanks to the diversified metaverse community, every interest or field has the potential to become a sub-community that includes soccer communities, square dance communities, basketball communities, gaming communities, photography communities, film-watching communities, running communities, weight loss communities, fitness communities, holistic health communities, music communities, and more. Each community is composed of numerous sub-teams which are typically formed by participating nodes that are close to physical proximity, with leaders taking responsibility for organization and management.

This project employs community-driven governance, where each NFT node possesses voting and advisory rights. For actions that violate community governance, once the system verifies their veracity, appropriate penalties will be imposed, and it might even result in revocation of their community status. To put it simple, the Hobby World project aims to leverage blockchain technology to bring social behaviors and values from the real world onto the blockchain. It encourages people to engage in a variety of enjoyable activities through token rewards and the metaverse community and offers a diverse and self-governing community environment to them. In addition, this project can offer participants increased profits and social opportunities while providing new application scenarios and possibilities for blockchain technology development.

3.1. The Mission of HOBBY

This white paper will explore these topics in greater depth: blockchain technology, the metaverse, AI algorithms, and their development trends, as well as how we play a role in this field. We are confident that the integration of blockchain technology, the metaverse, and AI algorithms represents the future of the digital world, and the HOBBY project will lead the way in this future by offering users increased profits and intelligent human-machine interaction experiences.

The mission of HOBBY project is to establish its public blockchain and create a diverse and vibrant community culture on top of it. We adhere to the philosophy of "A group of like-minded individuals having fun together and making money as a team." Through token incentives, we transcribe various real-life activities onto the blockchain. Each social activity from the real world will become an NFT node within the metaverse, and the metaverse community is diverse, with various interests and academic fields such as soccer, square dancing, basketball, gaming, photography, film-watching, running, weight loss, fitness, holistic health, music, and so on. These communities are composed of numerous sub-teams, typically formed by participating nodes that are close to geographic proximity, with team leaders taking responsibility for organization and management.

3.2. Project Objectives

The vision of the HOBBY project is to establish a metaverse community platform with a wide international reach in the coming years. We have set clear objectives for ourselves:

Our primary goal is to create a vibrant metaverse community with at least 10 million active users by 2025. To achieve this, we will continuously innovate and enhance the user experience, while covering a minimum of 10 different interest areas. We aim to become a leading international blockchain application platform, providing users with a diverse metaverse experience.

By 2030, our vision is to further scale up and build a metaverse community platform with 100 million active users. We plan to cover more than 100 areas of interest and become a globally renowned blockchain application platform. Through continuous innovation and user-oriented development, we aim to deliver value and entertainment to even more users.

HOBBY is an innovative blockchain project that seamlessly integrates the community with the metaverse, offering users a brand new experience and platform. Our goal is to constantly grow and become a global leader in the blockchain platform, creating more value and enjoyment for users.

4. Introduction to HOBBY Chain

HOBBY represents an innovative metaverse that seamlessly blends the core principles of blockchain technology with the concept of equity tokenization, which creates a distinctive digital ecosystem. The platform employs a single-chain, dual-token governance system, offering users a diverse and decentralized blockchain experience. Furthermore, powered by state-of-the-art intent interaction technology, HOBBY allows users to actively engage, create, and explore novel possibilities in the metaverse.

The development of HOBBY was initiated by Hobby Foundation in 2023, founded by a passionate group of blockchain technology enthusiasts in 2022. The foundation's primary mission is to promote the widespread adoption of blockchain technology, delivering increased enjoyment and value to users.

HOBBY chain introduces the innovative VOTE CONSENSUS, employing a progressive consensus mechanism of Stake->Voted->BFT to guarantee network security and reliability. This distinct consensus mechanism establishes a new standard within the blockchain industry, providing users with a safer and more efficient blockchain experience.

NFT characters, as the central figures in the HOBBY project's metaverse, engage in the maintenance and governance of the public blockchain, and contribute to the content creativity in metaverse ecosystem. Genesis NFT characters come with equity token privileges and hold greater voting influence than standard NFT characters. Any NFT character holder possessing 200,000 HBY tokens has the chance to be elected as a mining node for the HOBBY public blockchain, serving as a member of the BFT consensus node committee through a community-wide vote. Participating NFT character members in the voting process are a crucial component of consensus governance and also receive token-based incentives. Both forms of token incentives are in the shape of the public blockchain governance token, SHBY, which is exclusively minted by miners.

All NFTs in the HOBBY metaverse are created by burning SHBY tokens, including character NFTs, art NFTs, in-game item NFTs, accessory NFTs, pet NFTs, and so on. Except for character NFTs, which are non-tradable, all other NFTs can be freely traded.

To maintain the stability of SHBY token prices and inflation rates, the HOBBY project implements a two-way token management system. When token supply in the market becomes scarce and token prices rise too rapidly, it triggers the burning of HBY tokens to mint SHBY tokens to supply the market. Conversely, it triggers the HOBBY safeguard fund pool to automatically repurchase SHBY tokens and burn them to reduce circulating supply. The fund pool's not only safeguards users' interests but also enhances the sustainable development of the HOBBY project.

HOBBY is an innovative blockchain project that integrates community with metaverse,

offering users a brand new experience and platform. We are dedicated to providing a greater sense of delight for users, bringing more social opportunities as well as brand new scenarios and possibilities for blockchain technology.

4.1. HOBBY Project Economic Model

Hobby project's economic model integrates elements of equity financing and stock issuance mechanisms from publicly-traded companies. With the features of blockchain token economics, this project sets up a dual-token and one-point governance model, comprising the HOBBY public chain token, HBY, and SHBY, along with the metaverse points, FHBY. HBY functions as the project's equity token and the governance token for the HOBBY public chain, with an initial total supply of 500 million tokens. SHBY serves as the incentive token for the HOBBY public chain, a proof-of-issuance token for HBY, and the token used to fuel NFTs within the Hobby metaverse ecosystem, with a total supply of 500 million tokens, all mined by miners. FHBY points are redeemable vouchers that are designed to inspire early participants in metaverse content creation, with a total supply of 21 million points.

4.1.1. HBY Tokens

HBY tokens are used as the equity tokens of the project, similar to the shares of a traditional listed company, which represents the concept of digital equity. The initial HBY tokens are allocated and released as follows:

No.	Categories	Proportion	Lock-up Period	Linear Vesting
1	Coeus Labs	30%	6 months	72 months
2	HOBBY Foundation	10%		
3	Fundraising	40%		TGE10%, 24 months
4	Genesis NFT Allocation	10|%		3 months
5	Metaverse Community	10%	Community Governance	

Pledging a specific amount of HBY tokens is a prerequisite for becoming a miner node, followed by the incentive of SHBY tokens as a member of the BFT node committee to maintain the HOBBY chain after being successfully elected through network validation and community voting. Furthermore, token holders can also receive net profit distribution from project operations through equity dividends.

The HOBBY chain will launch a pre-sale activity of Genesis NFTs six months before the main net goes live, with a total of 10,026 units. These NFTs are named Intelligent Energy Entities and come in three categories: Master, Slave, and Common. Users who possess Genesis NFTs will acquire unique metaverse identities, with each Genesis NFT including a specific amount of HBY equity. Specifics are as follows:

- Master NFT: Known as the creator of the Hobby world, with only 1 unit available, Master NFT is Genesis NFT with the most equity and the largest number of votes granted. It also has the first identity within the Hobby metaverse ecosystem, showcasing a unique and unalterable appearance. Its owner is entitled to an additional benefit of 20,000 HBY tokens.

- Slave NFT: Honored as the guardians of the 26 galaxies that make up the Hobby world, with a total of 25 units, Slave NFTs are prominent contributors and core pioneers in promoting interaction between the Hobby world and humans. Like the Master NFT, they also have a unique and unchangeable appearance, along with an identity. Each Slave NFT holder will receive a supplementary benefit of 10,000 HBY tokens.

- Common NFT: Known as dormant Intelligent Energy Entities, with a total of 10,000 units, Common NFTs represent the first residents of the Hobby world, but as they haven't been given a defined form by the system, they exist as Intelligent Energy Entities stored within energy boxes. Humans are required to create NFT avatars as carriers for these entities. Common NFT holders can freely shape their carrier avatars and become certified members of the Hobby metaverse ecosystem. They will also receive a supplementary benefit of 4,973 HBY tokens.

The sales approach and conditions for Genesis NFTs will be announced in the future. After acquiring a Genesis NFT, the attached HBY equity will be gradually released over the course of three months from the start of ownership.

4.1.2. SHBY Tokens

SHBY tokens serve as the governance tokens and act as credential tokens, representing governance and participation rights in the HOBBY chain. The total supply of SHBY tokens amounts to five billion, and these tokens are entirely mined by miners through HBY staking. The use cases of SHBY tokens include NFT minting, participation in on-chain governance, and, in specific scenarios, increasing the supply of HBY equity tokens through token swaps. The mining mechanism for SHBY tokens are as follows:

- The mining period for SHBY spans 10 years, with output halved every two years.
- HBY holders may seek to stake SHBY by pledging HBY.
- SHBY holders have governance rights on the HOBBY chain and can participate in the network's decision-making through voting or proposals. These decisions can include

parameter adjustments, feature upgrades, fee allocations, etc., thus ensuring that the community's voice is fully heard and reflected in the chain's development.

● SHBY holders can mint NFT identities by burning SHBY tokens, which is an essential requirement for entering the HOBBY chain's metaverse world. NFT identities symbolize a user's unique identity ID in the metaverse, ensuring its uniqueness and non-tradeability. The process of minting NFT identities involves users burning a specific quantity of SHBY tokens.

● The cost of minting NFT identities will be adjusted based on market fluctuations. The minting cost is calculated using a modified residual value algorithm to ensure relative fairness for users who appear at different times. Additionally, users have the option to select from various categories and attributes for their NFT identity in terms of personal preferences and styles. They can even opt for personalized facial features or 3D printing customization, allowing them to portray their unique image and identity within the metaverse.

The modified residual value algorithm is outlined as follows:

In addition to the Genesis NFT, the user can independently create the nth NFT identity, with the value of n starting at 10027 and increasing by natural numbers.

Minting costs (Quantity of SHBY tokens burned) = $10026 \times \frac{Remaining \ Qty \ of \ SHBY \ Tokens}{150000000} \times$

$\frac{10026}{10026+n} \times [80\% \times \ (1 + \frac{n-10026}{10026} \times \frac{1}{4})]$

● SHBY token holders can create unique NFT artworks by burning a certain amount of SHBY tokens. These NFT artworks not only support free transfers but can also be freely traded on the official NFT Marketplace.

● The process of minting NFT artworks involves burning SHBY tokens, with the quantity being determined by the size of the NFT in bytes. Holders can choose from different types and attributes of NFT artworks, making them their own one-of-a-kind digital art pieces. These NFT artworks will be traded in the HOBBY ecosystem, making creators and collectors accessible to a brand new digital art world.

The aforementioned settings establish a strong link between SHBY and HBY tokens, ensuring a mutually dependent relationship on value. The mechanism for burning SHBY tokens and the process of repurchasing and burning SHBY tokens help mitigate early-stage inflation. As mining activity decreases and new users continue to join, the rate of token destruction will exceed the rate of production, which will push SHBY into a deflationary phase. To prevent a significant deflation of SHBY tokens, which could result in excessively high token prices and create a high entry barrier for new users, the HBY Foundation will take proactive measures to burn HBY tokens and mint additional SHBY

tokens to supplement the token supply in the market.

This design not only lays the foundation for the robust development of the HOBBY ecosystem, but also provides SHBY token holders with a stable value-added opportunity. As the HOBBY ecosystem continues to develop, we anticipate the increasing significance of SHBY tokens in the market.

4.1.3. FHBY Points

FHBY points serve as the exclusive circulating tokens in the HOBBY metaverse world, with a fixed total supply of 21 million. These points are exclusively earned by NFT identity holders through the completion of tasks. FHBY is designed to enhance the overall user experience, boost their engagement and enable them to express their personalities.

FHBY points represent the rights to access and consume in the HOBBY metaverse world, with their value stemming from the diverse and vibrant content available in the HOBBY metaverse world and the practical applications of NFTs. You'll find information on how to earn and utilize FHBY points below:

- NFT identity holders can earn valuable FHBY points by participating in various games and activities in the HOBBY metaverse world, which include but are not limited to gaming challenges, competitive tournaments, marvelous adventures, and etc. This will not only inspire users to actively participate in the metaverse, but also give NFT status more practical value.
- FHBY points have a wide range of applications, allowing users to obtain various virtual items and services in the HOBBY metaverse world. These include but are not limited to, virtual equipment, convenient transportation, luxury accommodations, entertainment programs, etc., enhancing users' experience of a diverse metaverse life.
- FHBY points also bridge the gap between the virtual and real world. Users can use FHBY for interacting with and converting values in the real world. This may include redeeming valuable hotel membership NFTs, participating in unique physical goods and services swaps, etc. This link between the virtual and the real world brings more excitement and opportunities to users.

Stepping into the metaverse is one of the most exhilarating experiences for HOBBY chain users. To navigate this world, users need to have a unique NFT identity. This metaverse world is brimming with diverse themes and scenes, whether it's the futuristic sci-fi, magical realms, ancient history, or immersive real-life experiences, users can freely choose based on their personal interests and preferences.

In the world of metaverse, users can dive into a diverse range of games,ranging from the puzzle-solving and thrilling races to exciting adventures and the immersive role-playing experiences. These immersive experiences allow users to earn valuable FHBY points and receive great rewards that particularly enhances their digital journey.

Furthermore, metaverse world boasts a diverse range of social and entertainment features. Users are free to express themselves, make connections with like-minded companions, appreciate music, partake in film-watching, and unleash their creativity.These features not only enhance their enjoyment but also amplify their impact.

The circulation of FHBY points will be further facilitated in the metaverse world, which will bring a broader demand for their applications and a richer practical value.

4.1.4. Operating Logic Between Dual Tokens and One Point

HOBBY's economic model is an unprecedented innovation that integrates multiple functions such as equity, governance, and tokens to build a multi-level, interconnected dual-token and one- point system. First, HBY tokens serves as the base tokens, representing not just digital ownership, but also attainable through staking for SHBY tokens. SHBY tokens not only have the function of governance, but are also a mandatory passport NFT for entering metaverse. Only by burning a certain quantity of SHBY tokens can users mint NFTs of all levels.This design creates a strong link between HBY and SHBY in value.

Secondly, SHBY tokens are intricately linked with the FHBY metaverse token through the NFT mechanism. Only users with official NFTs entry to HOBBY's metaverse and can earn FHBY points by completing in-game tasks. This setup encourages SHBY token holders to actively acquire NFTs in order to explore the metaverse.

In addition, in order to maintain the value of SHBY tokens, we have established the SHBY buyback pool and the HBY dividend pool. The buyback pool stabilizes tokens prices by repurchasing destroyed SHBY tokens, which also stimulates an increase in the price of HBY tokens. The surplus funds from the dividend pool are distributed to HBY holders.

Finally, NFT holders also have the opportunity to obtain HBY airdrops. The odds and number of these airdrops are determined by the governance decisions in HOBBY chain, which will further increases the incentives to hold NFTs.

With this innovative dual-token and one-point system, HOBBY has developed a positively incentive economic system that benefits all types of token holders, while ensuring a balanced and sustainable operation of the overall system.

4.2. National Treasury Mechanisms

The economic model of the HOBBY project introduces a range of incentive and regulation mechanisms designed to achieve market equilibrium, price control, fair profit

distribution, and the encouragement of user involvement. Here's how these mechanisms function and the parameters that have been set:

- The Reserve Pool serves as the management account for undistributed funds in the HOBBY project. The initial funds for the reserve pool is exclusively derived from the sales revenue of Genesis NFTs that are marketed in a blind box format, with each unit priced at 2,000U. In its early stages, the reserve pool's revenue depends on the sales of Genesis NFTs and will gradually receive earnings from service fees, advertising revenue, merchandise sales, among other sources. The reserve pool's expenditures primarily cover day-to-day project operations, foundation support, and community development.
- The Buyback Pool functions as the principal stabilizing mechanism within the HOBBY chain. A portion of its funding originates from the Reserve Pool and is allocated based on specific guidelines. The primary objective of the Buyback Pool is to initiate buyback and eliminate procedures when the market price of SHBY falls below a certain threshold. This process effectively reduces the circulating supply of SHBY, thereby increasing its price. Moreover, the Buyback Pool has a positive impact on the price of HBY. The trigger price and the quantity of buybacks will be determined by the governing body of the HOBBY chain. Additionally, if SHBY's destruction and NFT minting lead to deflation and a substantial price increase, the foundation will burn HBY tokens and issue additional SHBY tokens to maintain market balance and ensure the stability of NFT minting costs.
- The Equity pool/Dividend pool is the main revenue mechanism for the HOBBY chain, which is also funded by the surplus of the Reserve Pool. The role of Equity Pool/Dividend Pool is to distribute equity dividends to HBY holders in proportion to their holdings so as to increase the value and attractiveness of HBY. The dividend ratio and frequency will be determined by the governing body of HOBBY chain..

These incentives and regulatory mechanisms have constructed a balanced and sustainable economic ecosystem designed to satisfy the interests of all parties and encourage users to actively participate in the development of the HOBBY metaverse.

5. Analysis of Token Model

The dual-token and one-point system of HOBBY embodies an innovative design that integrates equity, governance, and token functionalities. Compared to traditional single-token models, HOBBY's design exhibits greater systemic, comprehensive, and sustainable features. Considering HBY's issuance and distribution mechanisms, its thoughtfully devised design brings out a range of positive effects:

- In the early stages, HBY has a very limited circulation. This intentional distribution strategy aims to provide the project team with greater control over token prices while also encouraging active community participation. The staking and mining mechanism for HBY significantly contributes to its price appreciation during this initial phase, given

the relatively high demand for staking at that time.

- Regulatory role of the Foundation: The project team, through the established foundation, can use Proxy Ratios to stabilize HBY prices in response to market conditions, facilitating positive feedback regulation. This mechanism is designed to maintain price stability.
- Halving Mechanism and Release Period: The SHBY issuance mechanism incorporates a 2-year halving mechanism, aligned with the 2-year linear release period of HBY private placement shares. This dual benefits will bring out sustained price stimulation.
- Positive Incentive Economic Cycle: HBY, SHBY and FHBY complement each other through their intrinsic design to form a positively incentive economic cycle. These dual-tokens and one-point system play roles in equity, governance and tokens, and are tightly linked through mechanism design. This systematic design improves the model stability and synergy.

Overall, HOBBY's dual-token and one-point system design aims to balance network effects and price stability and construct a relatively comprehensive and sustainable digital economic model, providing participants with multiple incentives and driving ecosystem prosperity.

6. HOBBY Chain Consensus Mechanism

HOBBY chain proposed VOTE CONSENSUS for the first time, using the progressive consensus mechanism of Stake->Voted->BFT.

6.1. National Treasury Mechanisms

6.1.1. VOTE

VOTE CONSENSUS Mechanism. BFT consensus nodes are selected through voting, tasked with block production and validation. The distribution among multiple nodes establishes network decentralization to prevent single points of failure or attacks. The voting process diminishes the authority of traditional POS nodes, creating a more democratic consensus mechanism.

HOBBY Chain Consensus Node Candidates: Officially certified network nodes, pledging 200,000 HBY tokens, verifying through network validation to enter the candidate committee, gaining eligibility for elections, and subsequently moving into the next round of voting by NFT ID holders.

The VOTE mechanism is a dynamically adjusted system based on the total votes and backup votes, setting the number of consensus nodes at 70 or more. Participants holding legally NFT IDs from the metaverse conduct votes for candidate committee nodes, with a full vote of 120. Voting weights for NFT roles are as follows:

Master NFT: 20 votes
Slave NFT: 10 votes
Common NFT: 5 votes
Human NFT: 1 vote

Nodes with full votes will automatically join the BFT consensus committee. If the total number of nodes with full votes is less than 70, the nodes with unfilled votes will fill the remaining slot to reach a total of 70 nodes based on their vote rankings. However, if the total number of nodes with full votes is more than 70, all the full-vote nodes will join the BFT consensus committee, but the unfilled ones will not be selected.

The BFT Consensus Node Committee ensures the Hobby public chain is on the right track and undergoes a change of leadership every 3 months.

6.1.2. Validation and Block Production

Consensus nodes use BFT algorithm for block production and validation, with the same probability of producing blocks. If a consensus node fails or conducts malicious behavior, it will be punished or replaced by other consensus nodes. Consensus nodes receive rewards for block production and validation, as well as the platform dividends. Furthermore, 70% of the block rewards go to the miners, while the remaining 30% will be distributed proportionally to NFT ID holders who have voted for them, with holders sharing the rewards equally. This not only inspires node maintenance of blockchain but also allows NFT holders to reap profits.

6.1.3. Supervisory Node

Supervisory nodes are the ones that oversee network security. These nodes are responsible for detecting and reporting instances of deliberate misconduct in the network, and they are rewarded with HBY tokens provided by the Foundation. In cases of deliberate misconduct, supervisory nodes have the authority to confiscate the deposit and expel the offending node from the network.

HOBBY constructs a more complete and sustainable incentive consensus mechanism by balancing and designing the power, rights and interests of all parties, which not only realizes decentralized governance, but also establishes a positive incentive system to allow different roles to participate and maintain the network.

7. HOBBY Smart Wallet

7.1. Overview of Smart Wallet

Blockchain technology has witnessed 15 years of rapid development, but its associated applications, including wallets, asset trading, transfers, and buying and selling, still pose high entry barriers for the general public. Hobby Wallet aims to address this accessibility issue, enabling the general public to own a blockchain account--just as simple and user-friendly as having a traditional bank account. Most importantly, users can go through the entire process without fear or confusion about using blockchain technology.

Hobby recognizes the different needs or intentions of users by introducing AI technology, and through interaction and combination of various biometric features for specific user and their own biological characteristics, consensus can ultimately help the user to realize the various application intents.

Users can communicate and interact with Hobby Wallet in text through natural language, which is one of the most commonly used and effective ways of communication for humans. Once you have installed Hobby Wallet, you will no longer see the function tabs at the bottom of the screen that used to be found in traditional apps, but an interactive UI interface similar to meeting and greeting old friends. Through natural language text, you can express a variety of intentional needs, for example, if you just want to set up a Hobby "bank" account or a traditional blockchain payee address, request a transfer to a certain address or to a friend who owns an NFT, find out the current price of various tokens, and tally up your earnings for the current month or the current year, Hobby Wallet will understand your intents and efficiently help you fulfill them.

Security is of paramount importance. The Hobby Wallet not only lowers the threshold for using blockchain wallets, but also enhances the security of users when they use blockchain wallet applications. In traditional scenarios, users create a blockchain wallet, but often lose their digital assets due to disclosure of auxiliary words or by clicking on inappropriate links, performing an illegal authorization or even getting hit by a Trojan, resulting in great losses for themselves and their families. This is because blockchain is a decentralized technology and no one can protect you. However, the introduction of AI in the Hobby Wallet signifies a revolutionary breakthrough. Every individual effectively gains an AI assistant to protect their digital assets. Meanwhile, Hobby Wallet will identify various fraudulent and theft activities while maintaining decentralization. Your AI is none other than yourself in the virtual world, which inherently makes it more secure.

Self-learning capability is also one of the core technologies of Hobby Wallet. Through constant interaction and communication with users, Hobby Wallet will learn and memorize the specific habits and characteristics of a particular user to ensure that as time goes on, the wallet becomes more secure and thus it will get to know you better and get closer to

you.

With on-chain identity recovery, users no longer need traditional mnemonics to recover their "banking" identities. Hobby wallet stores the user's "bank" identity in a binary or hexadecimal format on the Hobby blockchain, allowing recovery through the user's own biometric features, password, or even RFID technology, thus greatly improving the usability and versatility of the wallet.

7.2. Using the Hobby Wallet

7.2.1. Hobby Wallet Creation and Import

The Hobby Wallet allows users to either create a brand new Hobby Wallet or import an existing one. To create a new Hobby Wallet, users need to choose a secure password. During the creation process, a mnemonic phrase will be generated or they can bind their own NFTs. These NFTs or traditional mnemonics are crucial for subsequent recovery and backup. If the users already have Hobby Wallets, they can opt to import it by providing the required NFT or biometric information.

7.2.2. Importing Other Assets

Hobby Wallet not only supports Hobby chain assets, but also enables users to import cryptocurrency assets from other blockchains. Users can choose to import the monitored wallet addresses or import assets of other cryptocurrencies by providing the respective auxiliary words or private keys, making it convenient to centralized management of various assets.

7.2.3. Restoring Hobby's Proprietary Wallet or Other Assets

Wallet recovery is primarily the process required when the users replace or damage their mobile phones, computers, or tablets, and the entire Hobby "banking" system needs to be rebuilt. In Hobby Wallet, users can easily restore their wallets. After the user has verified their biometric information and the necessary security code, Hobby Wallet will restore the originally created wallet and its own assets based on the key characteristics recorded on the blockchain. Since Hobby does not retain information about assets hosted third-party chains, users will still need to re-import third-party assets after completing the wallet recovery process.

7.2.4. Transfer Transactions

The use of NFT avatars, rather than traditional hexadecimal wallet addresses, for transferring funds stands as a significant innovation within the Hobby platform. Users can easily select the appropriate NFT avatar or name from the Hobby Wallet's address book, specify the transfer amount, and complete the verification process to swiftly make transfer transaction in no time. The Hobby Wallet keeps a full transaction history so that users can view their transactions at any time.

7.2.5. Asset Management

NFTs play a crucial role in the Hobby ecosystem and Hobby Wallet manages NFTs like a phone contact list. You can check your stored NFTs by opening the NFT any time, or you can manage the assets under the NFT, or perform a transfer with non-owned NFTs. Users can also add NFT assets to their wallet any time, which is similar to managing other cryptocurrencies, and the NFTs in Hobby's wallet are the address book, so users can treat NFTs as bank cards in the eco-system, enabling them to categorize and organize these assets for easy access and transactions.

Mnemonic Management, Hobby Proprietary Assets, External Asset Management

Of course, the Hobby Wallet also allows users to manage mnemonic phrases in the traditional way, which is just as important for recovering Hobby's own assets with traditional methods as it is for importing external assets. Hobby combines blockchain with cloud technology to efficiently and conveniently store the users' mnemonic phrases and associated private key details, ensuring that they can recover their assets once they encounter any problems, without any risks of exposure to the Hobby community or others. Though Hobby allows users to export their mnemonic phrases and private keys, it is not encouraged to do so. Instead, they should be cautious about such sensitive information.

8. HOBBYVERSE

Hobbyverse is a web3 social platform that serves as a hub for users' interests and hobbies. It focuses on rewarding real-life interests and hobbies on the blockchain. Users can create, communicate and entertain in the virtual world. More importantly, they can make friends by participating in various fun activities in this platform. The only circulating points issued in this platform are SHBY, with a total supply of 21 million, which are used to incentivize early users to participate and contribute. Besides, users can participate in the voting governance by voting and distributing 30% of the block rewards.

8.1. NFT Character Identity

NFT characters are the central figures in the metaverse, with users standing as the driving force behind these characters.When users create their unique avatars, the system takes a snapshot to establish their individual identity IDs, cementing their position as legitimate members of the metaverse. These identity IDs function as avatars, serving as their identity markers and proof of ownership in this metaverse. Users can create these avatars through in-platform customization or 3D scanning.

8.2. Core Interests of Metaverse Membership:

① NFT avatar is a standard NFT asset built on HOBBY chain, featuring the characteristics of immutability, non-replicability, traceability and verifiability. Each NFT avatar has a unique ID and meta data that records its creator, attributes, history and other information.

② NFT avatar is the user's identification in the metaverse, and only with a valid NFT avatar, the user can become a full-pledged member of the community and enjoy various rights and benefits. However, without a valid NFT avatar, the user can only join the community as guests but but have no rights and benefits.

③ NFT avatar is the user's proof of interest in Hobby project, it can participate in voting for nodes and obtain HBY token rewards.

④ Users can create their own NFT artworks on the blockchain and list them on the official NFT Marketplace in the platform or other supported trading platforms.

⑤ Users have a chance to get airdrop rewards from the platform every month, which include benefits such as official NFTs, HBY tokens, SHBY tokens, and official latest products. The lower the entropy value of the user's NFT avatar, the higher the chance of airdrop.

⑥ Users can merge their metaverse medals or interest category ticket NFTs to generate new credential NFTs. The synthesis process requires SHBY tokens. The resulting new NFT credential will consolidate all the rights of the NFTs that were synthesized, thus allowing users   to join various activities with a "one-card pass".

⑦ NFT characters are personalized expressions for users in the metaverse community, where they can create one-of-a-kind NFT according to their preferences and styles. They can also change their attire to suit various interest-based communities and scenarios.

⑧ NFT avatars are the aggregate of all user's asset accounts. For asset collections supported by the platform, users simply provide its NFT avatars, and the system will automatically recognize incoming transactions by token type and transfer them to legitimate account accordingly.

8.3. NFT Marketplace

Hobby World's NFT Marketplace, built on the HOBBY chain, is a platform for NFT trading, delivering high-quality NFT artworks to satisfy users' needs of creation, collection, and interaction in the metaverse community. The features and advantages of NFT Marketplace include：

　　• NFT Marketplace supports users to mint their own NFT creations on the blockchain, including NFT images, NFT avatars, NFT art, NFT games, NFT synthesis and other types and forms. SHBY tokens are the only passes for NFT minting. Users are free to set price and sell their NFT creations for revenue.

　　• NFT Marketplace supports users to browse, search, filter and purchase various NFT works in the platform, such as official NFT, user-created NFT, synthesized NFT and so on. Apart from this, users are free to use usdt tokens to pay for their purchases and enjoy a secure and convenient transaction experience. Users can also participate in auctions, bidding for rare and popular NFT creations to enhance the value of their collection.

　　• NFT Marketplace supports users to display, share and exchange their own NFT creations , including NFT images, NFT arts, NFT games,etc. Users can create their personal homepages to display NFT creations and personal information and they can visit other users' personal homepages, view likes and comments, follow their NFT creations and check personal information. Besides, they can join different interest communities to interact with other users with the same hobbies and styles.

8.4. Hobby Community

Hobby Community is structured around different interest categories, and each type of interest forms a separate community. This community employs a membership system, and the membership privileges are separate between different communities. Users can choose multiple community identities and create different community IDs so that they can participate in the activities of the communities they are interested in.

Community IDs are available to all users, including NFT character users and visitors. Activities in various interest-based communities differ, with some being open to all users, while others are exclusive to NFT character users from the metaverse. These Community IDs are unique NFTs minted by users through the burning of SHBY tokens and are designated as entry passes for users to access specific interest-based communities. They are not available for purchase but serve solely as credentials for users to participate in designated hobby communities.

Some users, driven by their individual needs, have created multiple distinct community IDs with various interests. To help them use these community IDs more easily, we adopt NFT synthesis technology to consolidate these multiple IDs into a community ID collection card. This consolidation integrates their functionalities into a single card, facilitating a |"one -card pass" for community activities.

8.5. Leader

Leaders are the main organizers of community activities. Anyone can apply to become a leader and organize people in their local area who share common hobbies or interests, enabling them to engage in various activities. As a leader, upon completing each task, they not only earn their own mission earnings, but also receive a 20% bonus based on their team's performance.

The responsibilities of a leader include:

① Organizing their own team members;

② Accepting tasks assigned by the system;

③ Supervising and motivating team members to accomplish their tasks;

④ Sharing updates about the team performance and interact with other teams;

⑤ Expanding the team scale and providing training to their members;

⑥ Signing up for community gatherings or athletic competitions;

⑦ Applying for activity funds from the system or community;

⑧ Applying for crowdfunding projects and funding quotas for community investment projects once the team have reached a certain size.

8.6. General Users

General users can select and have multiple identities based on their preferences. They can
establish their community IDs on the NFT minting platform by using a certain amount of SHBY tokens and paying associated fees to complete the minting process. Besides, users can purchase accessories through the NFT trading platform. The trading process adheres to the principle of open and fair trading between two parties.

Users' avatars and reputation points are correlated, and the quantity of SHBY tokens they hold is explicitly funded. Additionally, funding for community activities will be issued by the Community Development Fund, and proposals must be voted by HBY token holders.

8.7. Entropy-based Resistance

Everything in the world goes from order to disorder. All NFT characters in the community enter a state of permanent entropy increase from the moment of their creation, and the entropy value will accompany them permanently, with an initial value of 0 and an increase

of 0.001 per second.The entropy value serves as the sole parameter to assess the diligence of NFT characters. A higher entropy value signifies greater laziness, while a lower entropy value indicates greater diligence. To fight against the entropy increase, NFT characters engage in entropy reduction activities to continuously decrease their entropy values, and the values can be negative.

The online duration of NFT characters is the first approach to counteract entropy increase, but only the first two hours are considered to be effective. During the period, NFT characters are in a state of both entropy increase and reduction. Entropy increases at a rate of 0.001 per second, while entropy reduces at a rate of 0.012 per second. What you can see is that as long as NFT characters maintain an online duration of over 2 hours per day(cumulative duration for the day) the entropy value remains constant at 0.

NFT characters can obtain entropy reduction by engaging in meaningful activities initiated by the metaverse, as a way to counteract entropy increase. Entropy reduction contributes to the metaverse as a whole and there are corresponding titles based on magnitude of the entropy value.

Level 1 Lazy Citizen   Entropy value 864 or higher
Level 2 General Citizen   Entropy value 260-863
Level 3 Good Citizen   Entropy value 0-259
Level 4 Outstanding Citizen   Entropy value -100 - 0
Level 5 Knight   Entropy value - 300 -101
Level 6 Baronet   Entropy value - 301 - 800
Level 7 Viscount   Entropy value - 801 - 2000
Level 8 Count   Entropy value - 2001 - 5000.
Level 9 Marquis   Entropy value - 5001 - 10000
Level 10 Duke   Entropy value -10,000 or less

8.8. Benefits and Rewards: Creating and Sharing Values

Hobbyverse provides NFT character users with abundant airdrop rewards every month, including official NFTs, HBY tokens, SHBY tokens, and the latest official products.
Users with higher entropy levels will have a greater chance of receiving airdrops.
You can also composite your NFT avatars to create higher-quality and rarer NFT avatars that will increase their value and appeal.

8.9. Community Cultural Preservation: Freedom of Creation

At Hobby MetaVerse Community, we respect and protect the copyright of your NFT creations.

Only NFTs certified by the platform are considered legally valid. If your NFTs are adopted for building brands, logos, domain names, etc., you will get paid accordingly. You retain the property rights of your NFT and are free to transfer, authorize, license it.

The innovative Hobby MetaVerse Community is designed to help you achieve your great potentials, create and share values in the virtual world, while earning rewards and income.

9. Ecological Construction

The ecological construction of the HOBBYVERSE is the core and impetus of our project, aiming to create a captivating digital space for users, with a diverse range of activities, boundless creativity, and a safe and trustworthy virtual world. In this ecosystem, we are confident that every participant will become a builder and explorer of the metaverse, thus shaping this digital future together. This powerful ecosystem will not only empower users with infinite digital possibilities, but will also bring unrivaled values to the metaverse community. We are not just pursuing technological advances, but also striving to create a digital universe that is full of passion, creativity and social interaction.

9.1. Defi: Decentralized Financial Services

In the Defi sector, we have introduced innovative financial services, including lending, stablecoins, and liquidity mining to meet the diverse financial needs of our users. Our goal is to provide safe and efficient Defi products to help users better manage their digital assets and enjoy high-quality financial services.

9.2. Gamefi: New Model for Game Economy

In terms of Gamefi, we have combined blockchain technology and gaming mechanics to create a brand new model for game economy. We will launch a variety of creative and challenging game products and establish an extensive rewards system to incentivize users to participate in the gaming ecosystem, offering a more interesting and challenging games.

9.3. Investing in DAOs: Community Governance and Development

We've established an investment DAO where community members actively participate in managing and deciding the direction of the ecosystem while adhering to a decentralized philosophy. Through the DAO, we have implemented community governance and created community contribution reward mechanism to encourage users to contribute to ecological construction and sustainable development of the project.

9.4. Social: Decentralized Social Platform

In the social sector, we are committed to building a decentralized social platform that provides users with a safer, more private and freer social experience. We support users in creating profiles, posting contents, building communities and provide diverse reward mechanisms to encourage users participate in the social ecosystem while building valuable social connections.

9.5. Intent Marketplaces: Innovative Business Models

We have a strategy to establish an intent marketplace where users can buy and sell their intentions, which means that users can earn tokens by offering specific services, information, or skills, while also being able to pay tokens for assistance from other users, which will drive the advancement of cutting-edge business models and provide users with more income prospects.

We will create intent-driven virtual assistants that offer personalized advice and assistance based on the user's intent and needs. These virtual assistants will become smart companions for users in the metaverse, helping them to better navigate, interact and receive information.

There are infinite areas of application that users can realize through intent transactions. This may include virtual tour guides, personalized medical consultations, knowledge sharing, virtual educational tutoring, etc. We encourage innovators and entrepreneurs to explore new intent trading applications so as to provide more choices and opportunities for metaverse users.

HOBBY will establish a community rewards program to recognize users who contribute to the community through intent trading. This will encourage users to participate and contribute to the community, while fostering the growth and prosperity of the community.

9.6. Expanding the Metaverse Boundaries: The Multiverse Experience

We are looking to expand the boundaries of the metaverse by creating multiple virtual worlds, each with their own unique themes and rules. These multiverses will allow users to experience different contents and interactions in different virtual environments. For example, one multiverse might focus on gaming while another focuses on socialization and creativity.

We will work to enable interaction across different virtual reality platforms. This means that users of different VR headsets can interact with each other without platform restrictions. This helps break down the barriers of the virtual world and promote wider virtual socialization and collaboration.

We will introduce virtual goods and assets that allow users to buy, trade and own digital items in the metaverse. These items include virtual real estate, digital artwork, virtual transportation, etc. With blockchain technology, these assets will be characterized by uniqueness and scarcity, which will give users more opportunities for investment and creation.

We will encourage users to participate in artistic and cultural activities, allowing them to create virtual art exhibitions, concerts, literary works, etc. This will be a space for digital creation, while providing a platform for artists and creators to showcase their work and interact with audiences.

Thanks to the innovative, diversified, and user-oriented ecosystem construction, we will consistently enhance our products and services to meet the growing needs of our users and create significant values for our ecosystem. By introducing intent trading, HOBBY will provide users with more personalized choices and opportunities and encourage them to participate in community building. This will make the HOBBY ecosystem even more diverse and vibrant, and deliver additional value and enjoyment to our users.

10. Risk Warning and Disclaimer

This statement applies to all participants interested in HBY tokens. Whether participating directly or indirectly, it is deemed to have accepted the provisions contained in this statement. If in doubt, please consult a professional advisor.

The content in this document shall not be construed as constituting any form of investment or prospectus and is not intended to constitute an offer of securities or an invitation to solicit the purchase or sale of securities in any jurisdiction. This document does not provide legal advice or financial advice regarding the acquisition or holding of HBY tokens. It is highly recommended that you seek your own professional legal and