



remi

Market and Competition Memo





1. Executive Summary

Remi is entering a market that is both large and persistently inefficient. Global remittance exceeds **USD 800B** annually, while cross-border money movement more broadly continues to suffer from slow settlement, fragmented liquidity and high end-user cost. At the same time, stablecoins have reached meaningful market scale, but they have not yet produced a compliant, payout-ready, institution-friendly operating layer for regulated cross-border flows.

This creates a clear market opening for infrastructure that can connect:

- originating participants
- regulated liquidity and execution partners
- cross-border routing and settlement logic
- final local payout environments

The initial wedge is deliberately narrow:

- **UAE > Egypt**
- **EU > Morocco**

These corridors are attractive because they combine:

- high annual remittance activity
- recurring user need
- fragmented execution today
- strong demand for faster and more reliable payout delivery

The competitive conclusion is straightforward: most incumbents either own distribution without modern infrastructure efficiency, or own technical rails without complete payout readiness. Remi is designed to sit between those worlds.





2. Market Context

2.1 Global market scale

Cross-border money movement remains one of the largest and most durable transaction categories in financial services. It includes:

- migrant remittance
- business and merchant payments
- freelancer and contractor disbursement
- payroll
- embedded finance and platform payouts

Remittance alone exceeds **USD 800B** annually and it remains economically significant across many emerging-market receive economies.

2.2 Stablecoin shift

Stablecoins have materially changed the settlement landscape by proving that value can move globally with:

- faster settlement
- lower theoretical cost
- better capital velocity

However, stablecoins alone do not solve:

- regulated participant interoperability
- local fiat payout readiness
- corridor liquidity coordination
- institutional comfort around privacy and controls

This is where the infrastructure gap remains open.





2.3 Why the initial corridors matter

UAE > Egypt

- Egypt receives **USD 45B+** annually in remittances
- the UAE > Egypt pilot corridor represents **USD 4B+** in annual transfers
- remittance flows account for roughly **10% of Egypt's GDP**
- Egypt remains one of the largest remittance recipient markets globally

EU > Morocco

- Morocco receives **USD 13B+** annually in remittances
- the EU > Morocco pilot corridor represents **USD 11B+** in annual transfers

The first corridor set was selected not only for size, but because it combines:

- real transaction demand
- execution pain
- payout dependency
- room for infrastructure-led improvement





3. The Core Competitive Question

For Remi, competition is not only about who has the best front-end user experience. The deeper question is:

Who can move money across the corridor with the best combination of cost, speed, payout reliability and operating readiness?

That means the relevant competitive frame includes:

- banks and correspondent-led transfer flows
- exchange houses and agent-driven remittance flows
- digital-first remittance apps
- infrastructure and stablecoin-enabled settlement providers

In practice, users compare outcomes, not architectures. They care about:

- how much they pay
- what the recipient receives
- how long it takes
- whether the money actually arrives without friction

4. Observed Transfer Benchmark

The strongest evidence for Remi's market positioning comes from observed transfers and receipts rather than only generalized market averages. The current benchmark set uses actual receipts and rate snapshots across the primary corridor and a relevant digital benchmark.

4.1 Evidence base

The benchmark set includes:

- bank-to-bank transfer receipt
- two UAE exchange-house receipts
- one digital remittance authorization receipt
- AED/EGP and EUR/EGP mid-market reference snapshots
- a Remi benchmark on a **500 AED** ticket size







4.2 Comparison table

Provider	Principal	Fee	Total Paid	FX Markup	All-in Cost %	Receiving Time
Bank to bank	473.52 AED	25.00 AED	498.52 AED	2.08%	6.99%	48h
Exchange House A	250.00 AED	18.25 AED	268.25 AED	1.85%	8.53%	48h
Exchange House B	250.00 AED	18.25 AED	268.25 AED	1.78%	8.46%	24h
TapTap Send	25.00 EUR	0.00 EUR	25.00 EUR	1.23%	1.23%	~4h
Remi benchmark	500.00 AED	5.51 AED	505.51 AED	0.00%	1.09%	<1 min target





4.3 What this table shows

The observed benchmark leads to three direct conclusions:

A. Traditional providers leave very large pricing room

Compared with the observed bank and exchange-house samples, the current Remi benchmark is materially cheaper:

- vs bank-to-bank: **1.09% vs 6.99%**
- vs exchange house A: **1.09% vs 8.53%**
- vs exchange house B: **1.09% vs 8.46%**

This means Remi does not need to compete only on being the absolute cheapest theoretical option in the market. It already has very significant room versus traditional corridor execution.

B. The strongest digital benchmark is tighter

The most relevant digital benchmark in the set is TapTap Send at **1.23% all-in** versus the Remi benchmark at **1.09%**.

This means the pricing gap against the best digital benchmark is much narrower than the gap against traditional providers.

C. Speed remains a meaningful differentiator

The same benchmark set shows a major time advantage if Remi can deliver its target operating state:

- bank-to-bank: 48h
- exchange house A: 48h
- exchange house B: 24h
- TapTap: ~4h
- Remi target: **under 1 minute**

That is important because the market is not decided by price alone. Remi's advantage is strongest when **price + speed + payout reliability** are considered together.







5. Pricing Headroom and Margin Room

Amer's question around "how much room we have for FX margin and transaction margin" is the right commercial question. The benchmark data allows us to answer it more precisely, but it is important to separate the **launch retail benchmark** from the **broader company model**.

5.1 Current Remi retail benchmark

The benchmark used in the fee analysis is:

- **ticket size:** 500 AED
- **user fee:** USD 1.5
- **fee in AED:** 5.51 AED
- **all-in cost:** 1.09% of total paid
- **FX markup assumed in the benchmark comparison:** 0%

This means the current benchmark is primarily a **transaction-fee-led launch price point**, not an FX-markup-led price point.

5.2 Current transaction cost to Remi

For the first exchange-house execution path, the current commercial assumptions are:

- first 6 months: **USD 0.30 cost per transaction**
- thereafter: **USD 0.50 cost per transaction**

Converted to AED at **3.6725 AED/USD**, that equals:

- **1.10 AED** in the first 6 months
- **1.84 AED** thereafter





5.3 Gross transaction margin on the current retail fee

On the same **500 AED** benchmark ticket:

- user fee collected: **5.51 AED**
- exchange-house execution cost in months 1-6: **1.10 AED**
- exchange-house execution cost after month 6: **1.84 AED**

This implies gross transaction-margin room of:

- **4.41 AED** in months 1-6
- **3.67 AED** thereafter

Expressed as a percentage of total paid:

- **0.87%** gross transaction-margin room in months 1-6
- **0.73%** gross transaction-margin room thereafter

This is before:

- CAC
- retention or incentive spend
- support and operating overhead

5.4 Room for FX margin and transaction pricing

At launch, Remitty is not assumed to charge FX spread in the benchmark comparison. However, this should not be interpreted as a company-wide rule that Remi has zero FX markup everywhere.

The current financial model includes FX margin assumptions in selected revenue streams, particularly:

- **B2B cross-border payouts**
- **Freelancer payouts**

The launch retail benchmark and the broader company model therefore need to be read separately.

For the launch retail flow, the observed benchmark suggests:

- there is **substantial room** versus traditional bank and exchange-house flows
- there is **much tighter room** versus the strongest digital benchmark in the observed set





Relative to the strongest digital benchmark:

- Remi benchmark all-in: **1.09%**
- TapTap benchmark all-in: **1.23%**

That leaves only about **0.14 percentage points** of additional all-in room before losing the cheaper-than-TapTap position on this specific benchmark.

On a **500 AED** ticket, that is roughly:

- **0.71 AED** of total additional room
- equivalent to about **14 bps** of principal

At the same time, the current DDQ language supports a broader commercial interpretation:

- **no FX spread at launch** on the retail benchmark
- **up to approximately USD 0.80 of FX room** relative to competition over time
- **up to approximately USD 4-5 per transaction of fee room** relative to competition over time

The practical implication is:

- launch retail pricing should remain simple and disciplined
- retail profit should not depend on aggressive hidden FX spread
- over time, the company has room to optimize FX and fee capture selectively where the competitive context allows

5.5 Infrastructure-side margin is different from retail-side margin

This matters because the company is not only monetizing a consumer app.

At the infrastructure level, Remi also benefits from:

- exchange-house-originated infrastructure fee after the initial waiver
- settlement float economics
- future participant expansion across additional use cases

So the correct commercial reading is:

- **retail margin room** should stay disciplined to protect corridor competitiveness
- **network margin room** expands as more participant-side revenue layers are added





6. Competitive Landscape

The competitive landscape can be understood in four broad groups.

6.1 Traditional banks and correspondent-led providers

Strengths:

- trust
- scale
- regulated operating history

Weaknesses:

- slower settlement patterns
- layered fee structures
- limited flexibility in payout experience
- poor cost-performance relative to modern rails in many corridors

6.2 Exchange houses and agent-network remittance providers

Strengths:

- local reach
- corridor familiarity
- operational continuity

Weaknesses:

- high explicit fee load in observed samples
- still meaningful FX leakage
- slower modernization of settlement and payout coordination

6.3 Digital-first remittance apps and wallets

Strengths:

- simpler user experience
- digital distribution
- faster transfer experience than traditional providers







Weaknesses:

- still dependent on third-party corridor infrastructure underneath
- tighter price competition means less room for hidden monetization if they want to stay market-leading on cost

6.4 Infrastructure and stablecoin-enabled settlement providers

Strengths:

- better settlement efficiency
- stronger technical rails
- API-led extensibility

Weaknesses:

- may solve settlement without fully solving local payout readiness
- may be less complete across regulated participant workflow and receiving-layer delivery

7. Where Remi Sits in the Landscape

Remi is designed to occupy the layer between:

- consumer or enterprise origination
- regulated execution partners
- settlement logic
- payout environments

This is a distinct position.

7.1 Relative to front-end products

Compared with a pure consumer app, Remi is designed to improve:

- corridor coordination
- liquidity management
- participant interoperability
- operating structure across send and receive layers





7.2 Relative to pure technical rails

Compared with a pure settlement rail, Remi is designed to stay closer to:

- compliant participant integration
- payout readiness
- regulated operating paths
- real corridor activation rather than theoretical protocol capability

7.3 Strategic summary

Remi is neither only a wallet nor only a rail. It is a network operating layer intended to make regulated cross-border money movement easier to execute and easier to scale.

8. Customer Segmentation

8.1 Network operators

These are regulated entities that originate, settle, distribute, or execute cross-border flows, including:

- banks
- exchange houses
- money transfer operators
- regulated fintechs
- digital asset service participants

8.2 Network participants

These are businesses and platforms that plug into the Remi network in order to move money compliantly across supported corridors, including:

- remittance applications
- payroll platforms
- freelancer payout platforms
- merchant and B2B payment flows
- embedded finance environments





8.3 End users through participants

End users may sit behind:

- consumer apps
- business platforms
- regulated distribution partners

This matters because the company can scale through both direct participant adoption and embedded usage.

9. Pre-Funding and Corridor Readiness

The first exchange-house launch path should not be described as a hard minimum pre-funding commitment. That wording overstates the nature of the current arrangement.

It is better understood as an **indicative operational liquidity ramp** tied to corridor activation and expected routing behavior.

The current working assumption is that launch begins with approximately:

- **USD 250,000 daily T-1 routing** at the start of live operations

From there, higher daily routing is expected as:

- onboarding is completed
- integration performance is validated
- more of the partner's existing corridor flow is redirected onto the Remi network

This means the liquidity language should be framed as:

- an **agreed operating ramp**
- based on commercially agreed terms and current onboarding progress
- contingent on successful integration and network performance

This matters because it supports:

- payout reliability
- corridor readiness
- settlement confidence





- the credibility of the under-one-minute target state

It is therefore more accurate to describe this as a **hands-on operational ramp assumption**, not a fixed contractual minimum balance.

10. Key Risks in the Market Landscape

10.1 Large incumbents already own distribution

Mitigant:

- Remi is not trying to displace all incumbents directly
- the model is designed to work with existing regulated participants where possible

10.2 Digital competitors can move quickly on user acquisition

Mitigant:

- Remi's defensibility is expected to come from infrastructure depth, not only front-end distribution speed

10.3 Infrastructure businesses must prove real corridor execution

Mitigant:

- the launch strategy is narrow and corridor-first by design
- the first participant is intended to generate real operating proof

10.4 Retail price leadership has tighter room than traditional-provider displacement

Mitigant:

- Remitty should stay disciplined on price
- network economics should rely increasingly on infrastructure monetization rather than on widening hidden FX spread at the retail layer







11. Conclusion

The market context supports a company like Remi for one primary reason: the gap is no longer at the level of awareness. It is at the level of execution.

The need is clear. The volume is clear. The stablecoin shift is clear. The infrastructure gap is clear.

The strongest new insight from the observed benchmark data is this:

- there is **ample room** to beat traditional providers on cost
- there is **some room**, but much less, to beat the strongest digital benchmark on cost
- therefore Remi's strongest positioning is not cheapness alone, but **cost + speed + payout reliability + operating readiness**

That is the position Remi is built to occupy.





Appendix A. Observed Benchmark Inputs

Mid-market references

- AED > EGP mid-market: **12.94**
- EUR > EGP mid-market: **55.9862**

Provider sample inputs

Bank-to-bank

- total paid: **498.52 AED**
- delivered amount: **6,000 EGP**
- FX rate: **12.67105**

Exchange House A

- principal: **250 AED**
- explicit fee total: **18.25 AED**
- FX rate: **12.70000**

Exchange House B

- principal: **250 AED**
- explicit fee total: **18.25 AED**
- FX rate: **12.710**

TapTap Send

- principal: **25 EUR**
- explicit fee: **0 EUR**
- FX rate: **55.30**

Remi benchmark

- ticket size: **500 AED**
- user fee: **USD 1.5**
- fee in AED: **5.51 AED**
- FX markup assumed in benchmark: **0%**





Appendix B. Margin Room Summary on 500 AED Benchmark

- retail user fee collected: **5.51 AED**
- execution cost months 1-6: **1.10 AED**
- execution cost after month 6: **1.84 AED**
- gross transaction-margin room months 1-6: **4.41 AED**
- gross transaction-margin room after month 6: **3.67 AED**
- additional all-in room vs TapTap before losing cheaper position: **~0.71 AED**

