Pricing & Unit Economics

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Executive Summary

REMI operates a transaction-based revenue model across three primary streams during the first 24 months:

- **Retail – Remittance (UAE → Egypt & EU → Morocco in Year 1)**
- **B2B – Payroll (starting Oct 2026)**
- **B2C – Freelancer Payouts (starting JI an 2027)**
- **B2B – B2B Payments (starting Jan 2027)**

The pricing architecture is built on:

1. A fixed per-transaction fee model at the retail level.
2. Volume-based enterprise pricing for Payroll and B2B flows.
3. A 30% revenue share retained by REMI at the protocol layer.
4. A structural 90% gross margin assumption in the financial model.

The model is designed to:

- Avoid FX-spread opacity.
- Preserve transparent take rates.
- Maintain capital efficiency via partner-based liquidity and regulated stablecoin backing.
- Scale corridor by corridor in defined expansion phases.

Financial model assumptions (first 24 months) indicate:

- Gross margin: 90%
- COGS baseline: 11–13%
- Retail transaction fee: USD 1.5 per transaction
- Retail revenue share retained by REMI: 30%

This structure enables strong operating leverage as user base and transaction density increase.

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1. Pricing Architecture

1.1 Retail – Remittance

Launch Corridor (Year 1): UAE → Egypt; EU → Morocco
Expansion (Year 2): Egypt → UAE, EU → Egypt

Pricing Model

- Flat transaction fee: **USD 1.5 per transaction**
- No FX spread positioning in pricing logic
- Transparent cost structure
- Revenue share retained by REMI: **30%**

Retail Unit Assumptions (Year 1 Baseline)

- Starting users: 3000
- Month-over-month user growth: 80% in Year 1, 1% in Year 2
- Active user ratio: 80%
- Transactions per user: 2.5 per month
- Gross margin target: 90%

Retail monetization scales through:

- User growth
- Increased transaction frequency
- Corridor expansion in Year 2

1.2 B2B – Payroll (Launch: Oct 2026)

Model

- Enterprise-contracted volume
- Pricing structured as per-transaction fee
- Margin profile aligned with overall 60% gross margin target

Economic Rationale

- Recurring employer volume
- Predictable cash flow cycles
- Lower CAC per user relative to retail
- Higher transaction concentration per corporate account

Payroll serves as a volume stabilizer and liquidity depth builder.

1.3 B2C – Freelancer Payouts (Launch: Jan 2027)

Model

- Transaction fee per payout
- Cross-border corridor pricing consistent with retail logic

Strategic Role

- High transaction density
- Frequent payout cycles
- Strong expansion lever into South Asia and Africa in Phase 3

1.4 B2B – B2B Payments (Launch: Jan 2027)

Model

- Volume-based enterprise pricing
- Per-transaction fee logic
- Protocol-layer revenue share retained by REMI

Role in Margin Expansion

- Higher average ticket sizes
- Lower relative servicing cost per USD moved
- Strong EBITDA contribution once activated

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2. Unit Economics

2.1 Revenue Mechanics

From the financial model:

- Revenue growth: 162% MoM from 2nd month of operations, down to 20% by end of Year 1.
- Revenue stabilizes to 1% MoM in Year 2
- Gross Profit Margin: 90%
- Operating Expenses step up in phases
- EBITDA margin expands over time

2.2 Cost Structure

COGS: 11-13% Baseline

Includes:

- Partner settlement costs
- Liquidity costs
- Stablecoin mint/burn infrastructure
- Compliance and processing layers

COGS as % of revenue increases gradually with scaling in early months due to corridor activation and liquidity expansion, but gross margin remains modeled at 11-13%.

2.3 Customer Acquisition Economics (Retail)

Retail assumptions:

- CAC embedded in financial model
- 80% monthly growth Year 1
- ~1% churn in Year 2

Unit leverage improves as:

- Transaction frequency increases
- Payroll and B2B rails activate
- Multi-corridor users increase retention

3. Cash Flow & Capital Efficiency

3.1 Cash Flow Dynamics

From 24-month projection:

- Strong positive EBITDA trajectory
- Operating cash flow positive early

Net cash accumulation increases significantly post B2B activation.

3.2 Capital Efficiency Drivers

- Partner-based licensing model avoids standalone regulatory delay costs
- Liquidity balancing through corridor netting
- Dual-token architecture separates settlement stability from utility incentives

This reduces capital lock-up relative to traditional prefunded correspondent models.

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4. Corridor-Based Margin Expansion

Phase 1 (0–12 Months)

- UAE → Egypt; EU → Morocco
- Focus: Retail remittance
- Target: 50–100k users
- Target volume: USD 50–100M
- Settlement target: <1 minute

Phase 2 (12–24 Months)

- Add: Egypt → UAE, EU → Egypt
- Activate: Payroll, Freelancer, B2B
- Improve transaction density

Phase 3 (24–36 Months)

Send markets: UAE, EU, Saudi Arabia, Kuwait, Qatar

Receive markets: Egypt, Morocco, India, Pakistan, Bangladesh, Nigeria, Kenya

Phase 4 (36–48 Months)

Add send markets:

- EU, UK

Scale: GCC + EU + UK → Egypt + South Asia + Africa

Margin improves via:

- Corridor depth
- Liquidity reuse
- Enterprise concentration

5. Key Performance Indicators

Revenue Metrics

- Revenue per transaction
- Gross margin (target: 90%)
- EBITDA margin progression
- Revenue share retained (30%)

Volume Metrics

- Active users
- Transactions per user
- Enterprise accounts activated
- Cross-corridor penetration

Efficiency Metrics

- COGS %
- Working capital intensity
- Cash conversion cycle

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6. Risks & Mitigation

Pricing Compression Risk

Mitigation:

- Flat transparent fee positioning
- Enterprise contracts for Payroll and B2B
- Corridor diversification

Liquidity Stress Risk

Mitigation:

- Regulated partner banks
- Net settlement architecture
- Stablecoin-backed 1:1 structure

Regulatory Risk

Mitigation:

- Partner licensing model
- Compliance-by-design architecture
- Confidential transaction layer enabling selective auditability

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Conclusion

REMI's pricing and unit economics model is designed for:

- Transparent retail monetization
- Enterprise volume concentration
- High gross margin stability
- Corridor-based scaling
- Capital-efficient liquidity management

The financial model demonstrates early operating leverage, expanding EBITDA margins, and compounding net income as additional rails activate.

This structure supports sustainable long-term infrastructure economics rather than single-corridor remittance arbitrage.