



QAPITA

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NIUM



A Key Challenge: Navigating ESOP Modifications

Qapita's International Valuations team has supported Nium, a global leader in real-time cross-border payments, on the valuation of its employee stock option plan (ESOP) as part of the company's audit and financial reporting process.

The scope of the engagement covered two critical components for Nium's financial statements:

Fair Valuation - Determining the fair value of all ESOPs granted during the fiscal year.

Expense Recognition - Calculating the total equity incentive awards expense to be booked on the company's P&L for the financial year.

A significant complexity arose from the amendment of exercise prices for various ESOPs within the financial year. Such changes required a "modification treatment" under international accounting standards, which alters the valuation methodology and directly impacts the incremental fair value and the final expense to be recognised.

Qapita's team applied sophisticated valuation models to establish the fair value of the grants and meticulously calculated the incremental value resulting from the amended terms, ensuring full compliance and audit-readiness. The team managed the entire process, from initial analysis and management discussions to direct engagement with Nium's auditors, ensuring a seamless and efficient audit.



Dash Victor,
VP of Finance at Nium

Qapita's expertise was crucial in navigating the complexities of our ESOP valuation for our financial audit. Their team handled the modification accounting with precision and worked seamlessly with our auditors, which made the entire process incredibly smooth and efficient.



Evelyn Tay,
Head of International Valuations at Qapita

This engagement with Nium showcases our deep expertise in handling intricate share-based payment valuations, particularly those involving modifications that require careful accounting treatment. We are proud to support a global fintech leader like Nium in ensuring their financial reporting is accurate, compliant, and audit-ready.

The successful collaboration with Nium solidifies Qapita's position as a go-to valuation advisor for late-stage technology companies facing complex equity compensation accounting challenges in preparation for audits and other key financial milestones.