
TRUST PAYMENTS LTD**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

26. Share based payments

The parent company, Trust Payments Holdings Limited, has established a long term incentive plan whereby equity settled share-based awards were granted to certain employees, including key management of the company. Awards granted do not have any performance-based vesting conditions and vest on the sale, asset sale, IPO or winding up of the group ('the exit event'). At 31 December 2021 a number of employees of the company held Ordinary B shares in the parent company in respect of this scheme. Employees enter the scheme at market value at the date of the award and exit based on the enterprise value at an exit event using a defined ratchet on proceeds above defined thresholds.

The long term incentive plan is considered as an equity settled share-based award of the parent company with an appropriate recognition of the share based payment charge in the company, and hence is measured at fair value at the end of each reporting period.

At 31 December 2021 the share based payment expense of £731,344 (2020: £Nil) representing the fair value of the incentive plan has been recognised in administrative expenses.