24. Share-based compensation reserve

Telkom's shareholders approved the Telkom Group share plan at the September 2013 annual general meeting. The scheme covers certain operational and management employees and is aimed at giving shares to Group employees, at a Rnil exercise price at the end of the vesting period. Although the number of shares awarded to employees was communicated at the grant date, the ultimate number of shares that vest may differ based on certain performance conditions being met. Refer to note 29.

	Group		Company	
The movement within the share-based compensation reserve is:	**31 March 2022 Rm**	31 March 2021 Rm	**31 March 2022 Rm**	31 March 2021 Rm
Balance at the beginning of the year	**1 036**	835	**964**	810
Net increase in equity	**202**	201	**164**	154
Employee cost (refer to note 6)	**203**	203	**164**	154
Vesting of shares	**(1)**	(2)	**–**	–
Balance at the end of the year	**1 238**	**1 036**	**1 128**	**964**

25. Non-distributable reserves

	Group		Company	
	31 March 2022 Rm	31 March 2021 Rm	**31 March 2022 Rm**	31 March 2021 Rm
Non-distributable reserves	**968**	1 361	**526**	732
Opening balance	**1 361**	1 642	**732**	989
Movement during the year	**(393)**	(281)	**(206)**	(257)
Increase/(decrease) in foreign currency translation reserve	**4**	(25)	**–**	–
Movement in treasury shares for Telkom and subsidiaries share scheme	**(396)**	(286)	**(204)**	(285)
Vesting of shares under Group share plan	**1**	2	**–**	–
Escrow shares realised for settlement to employees	**–**	12	**–**	12
Revaluation of the sinking fund investment reserve	**–**	1	**–**	1
Insurance service result	**(2)**	15	**(2)**	15

The reserve also represents amounts paid by Telkom to subsidiary, Rossal No 65 (Pty) Ltd, for the acquisition of Telkom's shares to be utilised in terms of the Telkom share plan.

	2022		2021	
Fair value of ordinary shares in Telkom are held as follows:	**Number of shares**	**Rm**	Number of shares	Rm
Treasury shares in Escrow	**23 021 555**	**1 024**	16 056 950	680
Rossal No 65 (Pty) Ltd	**736 309**	**33**	919 749	39
Total	**23 757 864**	**1 057**	**16 976 699**	**719**

All shares will be allocated to employees as part of the share plan.