Notes to the Group annual financial statements continued

for the year ended 31 May 2021

6. Equity

6.1 Share capital

Ordinary shares are classified as equity and the shares are fully paid up.

Shares acquired by Blue Label Telecoms for its own employees' equity compensation benefit scheme, as well as the shares procured by the subsidiaries in terms of this scheme, are accounted for as treasury shares in the Group statement of financial position.

	2021 Number of shares	2020 Number of shares	**2021 R'000**	2020 R'000
Authorised				
Total authorised share capital of ordinary shares (par value of R0.000001 each)	**2 000 000 000**	2 000 000 000	**2**	2
Issued				
Balance at the beginning of the year	**888 738 679**	904 201 466	**1**	1
Shares acquired during the year	**(15 072 808)**	(15 953 437)	*****	*
Shares vested during the year	**1 174 045**	490 650	*****	*
Balance at the end of the year	**874 839 916**	888 738 679	**1**	1

* Less than R1 000.

All issued shares are fully paid up.

The total number of shares in issue including shares held as treasury shares as at 31 May 2021 is 913 655 874 (2020: 913 655 874).

The Company acquired 15 072 808 (2020: 15 953 437) shares at an average price of R3.06 (2020: R2.89) on the JSE in order to grant forfeitable shares to employees and Directors as part of the Group's forfeitable share plan.

The amount paid to acquire these shares was R43 924 483 (2020: R46 351 534) and has been deducted from shareholders' equity. These shares are held as treasury shares, and netted off of share premium.

Refer to note 5.1 for details on the forfeitable shares.