

# terms and definitions:

## Financial terms

**Earnings per share** Profit for the year divided by the average number of shares outstanding.

**Equity ratio** Equity including minority as a percentage of total assets.

**Gross gaming revenue** Revenue for all games and lotteries during the period, excluding stakes for multi-week games pertaining to future periods.

**Net gaming revenue** Gross gaming revenue less paid-out winnings.

**Net revenue per employee** Net revenue from gaming operations, etc., divided by the average number of employees.

**Net sales from gaming operations, etc.** Net gaming revenue less commissions to retailers and other revenue pertaining to gaming operations.

**Operating margin** Operating profit after depreciation and amortisation as a percentage of total revenue.

**Profit (surplus)** The profit is that part of Svenska Spel's revenue that remains after paid-out winnings and deduction of costs for Svenska Spel's administration. A portion of the profit from Penninglotten is paid to cultural projects. The remainder is paid to the public treasury.

## Other terms

**Business partners** Restaurants and bingo halls offering gaming on Vegas VLTs in premises in partnership with Svenska Spel.

**Corporate Social Responsibility (CSR)** A concept that involves companies voluntarily integrating social and environmental consideration in their business operations and in conjunction with their stakeholders. CSR can be divided into several areas: Business ethics responsibility, Environmental responsibility, Social responsibility and Economic responsibility (Source: the European Commission).

**Net gaming market** The total known Swedish gaming market in SEK, based on the total net gaming revenue of gaming companies.

**Net market share** The total known Swedish gaming market in%, based on the total net gaming revenue of gaming companies.

**Player base** A term used in Svenska Spel's gaming survey that refers to the total underlying number of players.

**Playscan™** is a tool on svenskaspel.se designed to proactively prevent problem gaming by identifying players at risk of developing gaming problems in the future. Players who activate Playscan™ are notified of any changes in their gaming behaviour.

**Precautionary principle** The precautionary principle, as expressed in Svenska Spel's mandate, means that, when considering the introduction of new games or entering new markets, Svenska Spel shall take protective measures, observe the limitations and take the precautionary measures otherwise required to prevent, hinder or counteract the risk of negative social consequences for consumers and society.

**Promotion ban** Section 54 of the Swedish Lotteries Act states that those who illegally and in professional activities, or otherwise for acquisitional purposes, intentionally promote in a lottery arranged outside Sweden, and if such promotion pertains to participation from Sweden, may be fined or imprisoned for a maximum of six months.

**Rake** In poker games – both at Casino Cosmopol and at svenskaspel.se – a fee is charged, which is referred to as the rake.

**Responsible gaming tools** Tools – such as Playscan™ – that help customers to maintain control of their gaming.

**Retailers** The retail chains, department stores, grocery stores, petrol stations, etc., that sell Svenska Spel's games and lotteries under agreement.

**Test purchases** Svenska Spel contracts external suppliers to make anonymous customer visits to retailers and business partners to check compliance with the rules related to age limits and identification checks.

