Retail sales prices at the SQDC

The SQDC's retail sales prices are calculated using a predetermined margin (%) for each product category. The dried flowers category also includes a fixed margin (dollars per gram). All products in a given category are treated identically.

The SQDC has also implemented a margin protection (\$) calculation. The protected margin is applied if it is greater than the base calculation.

The retail sale price at the SQDC includes the sales taxes and is rounded up to the nearest tenth.

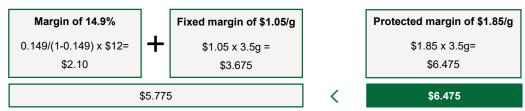
Category	Base calculation		Protected margin calculation
	Margin	Fixed margin/g	Protected margin/g
	%	\$/g	\$/g
Dried flowers (1 to 15 g)	14.9%	1.05	1.85
Dried flowers (28 g)	14.9%	0,90	1,25
Hash (1 g)	25%	-	5.90
Hash (2 g)	25%	-	4.30
Hash (3 g and over)	25%	-	3.50
Kief	25%		-
Ground	25%	~	1.50
Decarb products	25%	-	-
Prerolled	26%	-	2.20
Capsules	30%	-	-
Concentrates	30%	-	
Edibles	30%		7.0
Oils	30%	-	-
Oral sprays	30%	-	-
Infusions	30%	-	-
Cooking ingredients	32%	-	- 1
Beverages	33%		7.0

Concentrates includes infused dried flower products as prerolled, groud etc.

Note: If identical products are sold in more than one format, the highest price per gram will be used to calculate the other format's sales price.

Example for a 3.5g dried flower costing 12\$

1) Margin calculation



Price before taxe : \$12 + \$6.475 = \$18.475

- 2) Add federal and provincial taxes: \$18.475 x (1+(5% + 9.975%)) = \$21.24
- 3) Final sale price is rounded up to the nearest tenth: <u>\$21.30</u>