

Management's Discussion & Analysis of

CYMBRIA CORPORATION

Three months ended March 31, 2019

CYMBRIA[®]

Management's Discussion and Analysis ("MD&A") provides a review of Cymbria Corporation's ("Cymbria") financial results for the three months ended March 31, 2019 and assesses factors that may affect future results. The financial condition and results of operations are analyzed noting the significant factors that impacted the statements of financial position, statements of comprehensive income, statements of changes in equity, and statements of cash flows of Cymbria. As such, this MD&A should be read in conjunction with the audited annual financial statements and notes thereto included in this report. The MD&A and the audited annual financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") to provide information about Cymbria.

The following MD&A is the responsibility of management and is dated May 9, 2019. The Board of Directors carries out its responsibility for the review of this disclosure through its Audit Committee, comprised exclusively of independent directors. The Audit Committee has reviewed and recommended approval of the MD&A by the Board of Directors. The Board of Directors has approved this disclosure.

The unaudited condensed interim financial statements may be included at the back of the MD&A. You can obtain a free copy of the interim or annual Financial Statements by calling 1.866.757.7207, writing to EdgePoint Investment Group Inc., 150 Bloor St. W., Suite 500, Toronto, ON, M5S 2X9, or visiting our website at www.cymbria.com or the SEDAR website at www.sedar.com.

Likewise, shareholders can obtain copies of Cymbria's proxy voting policies and procedures, proxy voting disclosure records, and quarterly portfolio disclosures.

Please refer to Cymbria's Annual Information Form and the 2018 annual Financial Statements for more information which can be found on the SEDAR website at www.sedar.com. For Cymbria's current and historical adjusted net asset values per share, please visit www.cymbria.com.

Caution regarding forward-looking statements

This report may contain forward-looking statements about Cymbria, including its strategy, expected performance and condition. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as "expects," "anticipates," "intends," "plans," "believes," "estimates," or negative versions thereof and similar expressions.

This report may also contain backward-looking statements that are more definitive in nature that include words such as "last year," "before we were born" and "our encyclopaedias say." We like to think we're pretty good at predicting what happened in the past so feel free to take most of these statements as truths.

In addition, any statement that may be made concerning future performance, strategies or prospects, and possible future action, is also a forward-looking statement. Forward-looking statements are based on current expectations and projections about future events and are inherently subject to, among other things, risks, uncertainties, and assumptions about Cymbria and economic factors.

Forward-looking statements are not guarantees of future performance, and actual events and results could differ materially from those expressed or implied in any forward-looking statements made by Cymbria. Any number of important factors could contribute to these differences, including, but not limited to, general economic, political and market factors, interest and foreign exchange rates, global equity and capital markets, business competition, technological change, changes in government regulations, unexpected judicial or regulatory proceedings, and catastrophic events.

We stress that the abovementioned list of important factors is not exhaustive but is super exhausting to read, let's be honest! We encourage you to consider these and other factors carefully before making any investment decisions, and urge you to avoid placing undue reliance on forward-looking statements. Further, you should be aware of the fact that Cymbria has no specific intention of updating any forward-looking statements whether as a result of new information, future events or otherwise, prior to the release of the next MD&A.

Management's Discussion and Analysis

The following presents the views of EdgePoint Investment Group Inc. (the "Manager") concerning significant factors and developments that have affected Cymbria's performance and outlook.

Please read the aforementioned caution regarding forward-looking statements.

Where we refer to the purchase or sale of businesses in this report, we are referring to Cymbria's purchase or sale of shares in a company. We use the term businesses as it more closely aligns with the portfolio management team's view that the investment is in a business and not simply ownership of stock.

Non-IFRS measures

Cymbria prepares and releases audited annual financial statements and unaudited interim financial statements in accordance with IFRS. In this MD&A, as a complement to results provided in accordance with IFRS, Cymbria discloses certain financial measures not recognized under IFRS and that do not have standard meanings prescribed by IFRS (collectively the "non-IFRS measures"). These non-IFRS measures are further described below. Cymbria has presented such non-IFRS measures, because we believe they are relevant measures of the ability to evaluate Cymbria's performance. These non-IFRS measures should not be construed as alternatives to net comprehensive income (loss) determined in accordance with IFRS as indicators of Cymbria's performance.

- Adjusted Net Asset Value ("aNAV") – represents the fair value of the net assets of Cymbria, which differs from IFRS Shareholders' Equity because it does not take into account the deferred income tax liability on the unrealized gain on investments and the deferred tax benefits associated with any realized losses on investments. The calculation of aNAV has not changed since the inception of Cymbria.

Net asset value calculations are different across companies and shareholders of Cymbria should be cautioned that its aNAV may not be comparable to other companies. Cymbria still believes aNAV is an important measure because it is the basis on which the Manager evaluates Cymbria's performance. The difference between aNAV and shareholders' equity is the deferred income tax liability. Deferred income taxes can differ from actual income taxes paid in the future due to fluctuations in investment prices and changes to income tax rates. In addition, \$29.6 million of the \$36.2 million deferred income tax liability relates to Cymbria's investment in EdgePoint. The manager is compensated through the management fee that is based on Cymbria's aNAV calculation, not shareholders' equity. Below is a reconciliation of aNAV to shareholders' equity.

	Mar. 31, 2019 ('000s)	Dec. 31, 2018 ('000s)
aNAV	\$1,147,720	\$1,065,080
Less: Deferred income tax liability	(36,169)	(27,803)
Shareholders' equity	\$1,111,551	\$1,037,277

- Management Expense Ratio ("MER") – represents the total management fees and operating expenses paid by each class of Cymbria, including applicable sales taxes and interest, and excluding corporate income taxes, commissions and other

portfolio transaction costs, as a percentage of the average daily aNAV of Cymbria on an annualized basis.

- Adjusted net asset value per share – represents the aNAV of Cymbria by class divided by the respective number of shares in that class. Below is a reconciliation of adjusted net asset value per share to shareholders' equity per share.

Class A	Mar. 31, 2019	Dec. 31, 2018
Adjusted net asset value per share	\$ 48.89	\$ 45.38
Less: Deferred income tax liability	(1.54)	(1.19)
Shareholders' equity per share	\$ 47.35	\$ 44.19

Class J	Mar. 31, 2019	Dec. 31, 2018
Adjusted net asset value per share	\$ 53.97	\$ 50.06
Less: Deferred income tax liability	(1.70)	(1.31)
Shareholders' equity per share	\$ 52.27	\$ 48.75

Readers are cautioned not to view non-IFRS measures as alternatives to financial measures calculated in accordance with IFRS.

Our business

Cymbria is an investment corporation that trades on the Toronto Stock Exchange. As at March 31, 2019, Cymbria invested in a collection of 45 different business ideas, including a 20.7% ownership stake in EdgePoint Wealth Management Inc. ("EdgePoint").

Measuring our results

We've made meaningful progress toward our goal of building long-term wealth for shareholders. The cumulative return of Cymbria's Class A aNAV since inception is 388.9% and the cumulative return of Cymbria's Class A shareholders' equity since inception is 373.5%.

We measure our investment results using Cymbria's aNAV rather than its stock price or shareholders' equity, as we feel this more closely reflects how our Investment team adds value. For instance, fluctuations in Cymbria's share price are not always consistent with the movements of its aNAV and can change based on numerous factors, some of which are independent of Cymbria's aNAV. Cymbria's shareholders' equity differs from aNAV because of accounting differences primarily related to deferred income taxes. Cymbria's aNAV includes a provision for current corporate income taxes, but excludes a provision for future taxes on unrealized capital gains and losses. Shareholders' equity includes both. Deferred tax does not impact the amount of capital that Cymbria has invested to earn a return. Therefore, when we measure our investment performance, we measure against the full amount of capital that was available to us to invest which is represented by aNAV. We are required to calculate aNAV daily and Cymbria's Class A aNAV is posted daily to our website.

Measuring Cymbria's worth

Cymbria's stock price has swung between a 14.2% discount and a 34.0% premium to aNAV since inception.

The publicly traded portion of Cymbria's portfolio consists of a collection of quality businesses we believe are trading for less than their

true value. We try to buy businesses that can materially grow their cash flows over time and where we're not being asked to pay for that growth today. This should translate into healthy share-price appreciation. To help investors make informed decisions about their investment in Cymbria, we post its aNAV daily to our website. Some have suggested that doing so encourages short-term thinking. We tend to agree. Cymbria's aNAV is different from its worth. The aNAV represents the value of its holdings at today's prices, not tomorrow's worth. Not everyone uses Cymbria's aNAV as a guidepost, nor does posting it ensure that the stock will ever trade at that figure. Cymbria has traded within a wide band and people are free to ignore the guideposts.

Since we have no control over Cymbria's share price and don't know what's in the heads of sellers day-to-day, we also have no way of determining if there will be shareholders willing to sell at material discounts to aNAV (either knowingly or unknowingly). If Cymbria's stock price lags its aNAV, we also believe in buying back shares, as doing so at an attractive discount makes sense for our shareholders. Should these opportunities exist over the next decade, our share repurchases should greatly enhance Cymbria's value for remaining shareholders. This will occur at the expense of those willing to sell to us at a discount. If we're right about the value of the businesses inside Cymbria's portfolio over time, our share repurchases will prove to be one of our better investments. Please see "Non-IFRS measures" for a discussion on aNAV.

Recent developments

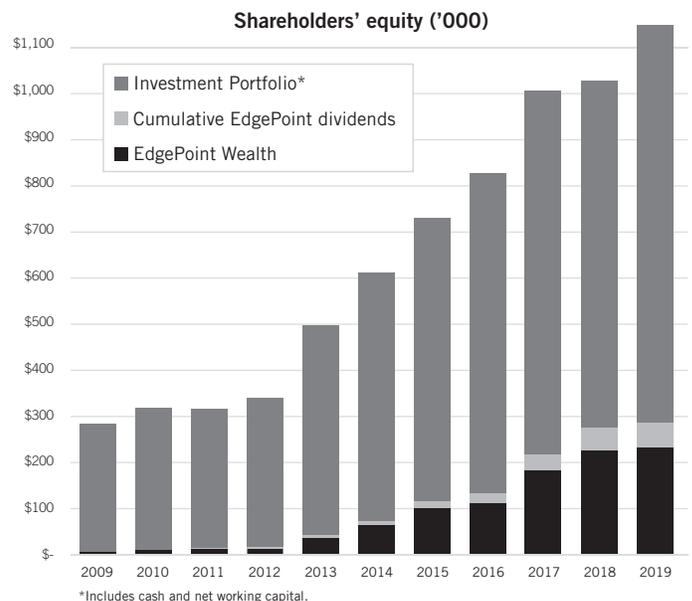
Equity markets rebounded sharply in the first quarter of 2019, reversing most of the losses from the final quarter of 2018. The strong turnaround in U.S. Federal Reserve Board ("Fed") policy was the biggest driver in leading this turnaround. After the December 19, 2018 Fed meeting, market participants were told the Fed would remain on autopilot with regards to its policy direction in 2019, with at least two interest rate increases expected. This expectation sent the equity markets into a tailspin, and within a few weeks, the Fed chairman uncharacteristically changed course, stating the Fed would now be "patient" and could reverse course "significantly" if necessary. This led the market to believe future rate increases were now going to be more data dependent, signaling further Fed policy adjustments would be based on market conditions. This two-tailed story in the equity markets led to the S&P 500 Index's decline of 13.5% in the final quarter of 2018, followed by the S&P 500's gain of 13.7% in the first quarter of 2019.

This recent example of Fed policy unpredictability is why we don't believe in making assumptions or investment decisions on the near-term direction of capital markets or economic indicators. This also serves as a strong reminder that volatility can quickly and dramatically make its way back into the portfolio with virtually no notice.

Our investment approach doesn't attempt to sidestep market declines or predict short-term underperformance of the businesses that make up Cymbria. Instead, we remain true to our disciplined investment approach by focusing on the long-term outlook of the businesses we own. We believe this is the best way we can add value for our shareholders with the aim of delivering superior performance over the long term, albeit with some short-term volatility along the way.

Overall performance

For the three months ended March 31, 2019, Cymbria's shareholders' equity increased 7.2% (March 31, 2018: 3.0%). As at March 31, 2019, Cymbria's shareholders' equity increased to \$1,112 million, compared to \$1,037 million as at December 31, 2018. The increase in shareholders' equity is largely attributable to investment performance, which is discussed in the *Investment performance* section of this report.



Summary of investment portfolio

To protect shareholders' interests and the manager's proprietary investment ideas, we only disclose Cymbria's top 15 positions on a quarterly basis because of the frequency and timing of these quarterly reports. We will disclose Cymbria's full portfolio on an annual basis. Please see Cymbria's 2018 Annual Report for the last published Schedule of Investments.

Top 15 securities	Fair value ('000s)	% of shareholders' equity
EdgePoint Wealth Management Inc.	\$ 224,121	20.2%
Shiseido Co. Ltd.	50,458	4.5%
CSX Corp.	40,457	3.6%
Wells Fargo & Co.	39,694	3.6%
TE Connectivity Ltd.	39,662	3.6%
Flowerserve Corp.	39,239	3.5%
The Middleby Corp.	37,131	3.3%
Echelon Financial Holdings Inc.	33,689	3.0%
Subaru Corp.	32,341	2.9%
Bharti Infratel Ltd.	30,348	2.7%
Berkshire Hathaway Inc., Class A	30,190	2.7%
Affiliated Managers Group Inc.	27,813	2.5%
Swedish Orphan Biovitrum AB	22,894	2.1%
Mitsubishi Electric Corp.	21,293	1.9%
Crown Holdings Inc.	20,813	1.9%
Total	\$ 690,143	62.1

The Summary of Investment Portfolio may change due to ongoing portfolio transactions.

Investment performance

Cymbria's investment performance can be attributed to its investment in a portfolio of securities and EdgePoint.

Portfolio of securities

While we provide these results to fulfill the disclosure requirement of this report, we measure investment success over periods of 10 years or more, and believe it takes considerable skill to consistently add value over the long term. With a long-term view, it would not add a significant amount of value to discuss every business that is owned in the portfolio, including those that have had short-term fluctuations in value. However, in this section we will discuss the investments that we believe would be of interest to shareholders and/or highlight any material changes to the businesses we own, if any.

These are the investments that had the most meaningful positive impact on shareholders' equity during the quarter:

- The Middleby Corp.

The Middleby Corp. is a leading global equipment manufacturer for commercial cooking and food preparation, industrial food processing and premium residential kitchens. Among their over 50 brands, it holds top positions across almost all of its product categories. The company's management also has an excellent track record of improving shareholder value through acquiring and integrating smaller companies into Middleby's infrastructure. In 2018, Middleby continued to strategically add brands and technologies to the portfolio through acquisitions and already in 2019, have announced five new acquisitions. The stock was up 27% during the first quarter and Cymbria's unrealized gain in the business increased by \$7.2 million.

- CSX Corp.

CSX Corp. is a leading supplier of rail-based freight transportation in North America. In an industry with few competitors, CSX specializes in operating in dense urban areas. CSX Corp. shares, along with other rail transport stocks in the market, increased in price during the quarter. The increase in price could mainly be attributed to the market correcting from the dramatic lows experienced in the fourth quarter of 2018. We do not believe that there was anything company-specific that triggered the share price increase. The stock was up 20% during the first quarter and Cymbria's unrealized gain in the business increased by \$6.1 million.

- Flowserve Corp.

Flowserve Corp. is a leading supplier and aftermarket service provider of industrial flow management equipment such as pumps, valves and seals. It services industries such as power, oil, gas and chemical. About half of its business is after-market maintenance, which is higher margin, more stable and is a very attractive aspect of the overall business. The other part of the business, which focuses on plant construction and maintenance, hasn't held up well as oil prices collapsed, which we expected. A new management team that brought in talent and centralized operations, combined with a solid balance sheet and cash flows, lead us to believe that the company is still in a good position to benefit should the oil price rebound. The stock was up 19% during the first quarter and Cymbria's unrealized gain in the business increased by \$5.5 million.

Conversely, the following investment had the most meaningful negative impact on shareholders' equity during the quarter:

- Realogy Holdings Corp.

Realogy Holdings Corp. is a U.S based real estate franchisor providing real estate and relocation services around the globe. Realogy continued to struggle in the first quarter of 2019 on worries about the underlying real estate market as overall industry transaction volumes slowed. Another contributing factor to their underperformance is the business' debt obligations. After discussion with Realogy management they emphasized their focus on buying back some of their stock and paying off debt to strengthen their balance sheet. The stock was down approximately 22% during the quarter and Cymbria's unrealized loss in the business increased by \$3.4 million.

Portfolio turnover

During the quarter ended March 31, 2019, we purchased one new high-yield fixed income security in Cymbria. No new equity stakes were added during the quarter.

We generally sell a stake in a business for one of two reasons. First, if our thesis about the business is deemed no longer valid. Second, there is a constant culling process whereby we continuously strive to upgrade the quality of Cymbria's portfolio with better ideas.

During the quarter we sold our stakes completely in 3 businesses. Below are the most significant sells based on the amount of realized gains and losses:

- Ubiquiti Networks Inc.

We first purchased a stake in Ubiquiti Networks Inc. in June of 2015. At the time of purchase, Ubiquiti had two primary customer audiences – wireless internet service providers who provide internet services in remote areas and IT resellers who provide networking information technology for small-to-medium sized businesses. The business developed strong loyalty from these groups based on low prices from their unique operating model's minimal overhead, an active online support community and continual innovation leading to high quality products. In February of this year, the business was sold due to it reaching full valuation. The holding period return of our stake in the business was 115% and Cymbria realized a gain on sale in the quarter of \$7.3 million.

- Grafton Group plc.

In March of 2019, we sold our stake in Grafton Group PLC, one of the longest-held names in Cymbria. We originally purchased the UK and Ireland based construction material supplier back in 2009, which was considered a dark time for the building industry. The number of homes built in Ireland fell during that time frame from over 90,000 units per year to less than 5,000 units per year. Most investors that looked at Grafton saw a business whose world was imploding. However, we saw a business that we believed could grow its operating margins from close to 1% to 4% through restructuring alone. Our view was that the market wasn't asking us to pay for that growth. Our thesis was put to the test during the first 3 years we owned Grafton as its overall return was flat. Many portfolio managers would have been asked why they continued to hold this perennial loser. Why not instead start fresh with a new idea? Grafton's share price almost tripled from early 2012 to

late 2013. Our initial proprietary view with Grafton started to play out and our patient investors were rewarded for it. From 2009 to 2013 their operating margins expanded from 1.2% to 4.2% and by 2015 they had reached almost 7%.

We continued to own Grafton as we developed new proprietary views on the business. One new proprietary view in Grafton emerged from their various new initiatives that would allow for continued healthy top line growth and margin expansion past 2015. After 2015, due to its smaller size it was held at a much smaller weight in Cymbria at approximately 0.5%. The holding period return of our stake in the business was 55% and Cymbria realized a gain on sale in the quarter of \$3.2 million.

Cymbria had portfolio turnover rates of 3.0% for the three months ended March 31, 2019 and 38.6% for the year ended December 31, 2018. Portfolio turnover rate is calculated based on the lesser of purchases or proceeds of sales of securities during the period divided by the average value of the Portfolio's securities during that time. Cymbria's portfolio turnover rate indicates how frequently we traded our portfolio of investments. A portfolio turnover rate of 100% is equivalent to Cymbria buying and selling all of the securities in its Portfolio once in the course of a year. The higher the portfolio turnover rate in a year, the greater the trading costs payable and chance of taxable capital gains during that year. A high turnover rate isn't necessarily related to Cymbria's performance.

Investment in EdgePoint

Cymbria's original \$509,585 investment in EdgePoint represents a 20.7% ownership share as at March 31, 2019. We have received \$51.9 million in dividends from EdgePoint since inception and its value in Cymbria has increased to \$224.1 million, making EdgePoint the most valuable contributor to Cymbria's investment portfolio.

Strong investment results combined with positive net sales at EdgePoint during the quarter helped assets under management grow from \$23.8 billion to \$27.2 billion as at March 31, 2019. In the five-year period ending December 31, 2018, assets under management increased from \$5.7 billion to \$23.8 billion.

With the assistance of a third-party valuator, Cymbria's stake in EdgePoint was revalued in December 2018 at a range of \$224.1 million to \$245.9 million. For financial statement purposes, EdgePoint is valued at \$224.1 million. The discounted cash flow model used for the valuation has a specific set of assumptions of which the significant ones are outlined in Note 10 to the financial statements. The range noted above changes only the discount rate in the valuation. In reality, the possible results for EdgePoint can vary far outside of this range. To highlight how wide a range could be without going to extremes, please refer to the sensitivity analysis in Note 10 of the financial statements. A change to any one or all of the assumptions can have a material impact on the valuation of EdgePoint as highlighted in Note 10.

We spend a considerable amount of time on the assumptions that go into the base cash flow model to determine the \$224.1 million valuation and believe that this represents fair market value as at March 31, 2019. However, valuing a business like EdgePoint is an imperfect science and depending on actual results there could be considerable variance both positively or negatively from today's value.

Financial review

This section discusses the significant changes in Cymbria's financial performance, financial condition and cash flows for the three months ended March 31, 2019 compared to those for the three months ended March 31, 2018 and as at December 31, 2018.

This section should be read in conjunction with Cymbria's unaudited condensed interim financial statements and corresponding notes thereto.

Financial performance

	Three months ended March 31,	
	2019	2018
	('000s)	('000s)
Income		
Net realized gain on investments	\$ 17,858	\$ 45,546
Change in unrealized gain (loss) on investments	58,929	(9,554)
Dividend and interest income	9,150	3,261
Foreign currency gain (loss) on hedging	1,905	(1,063)
Foreign currency gain (loss), excluding hedging	(62)	3
Total income	\$ 87,780	\$ 38,193
Expenses		
Management fees	\$ 1,786	\$ 1,776
Withholding taxes, HST, and transaction costs	816	879
Other expenses	545	610
Total expenses	\$ 3,147	\$ 3,265
Profit (loss) for the period before taxes	\$ 84,633	\$ 34,928
Income taxes (recovery)	10,359	4,284
Net comprehensive income	\$ 74,274	\$ 30,644

(a) Net realized gain on investments

During the three months ended March 31, 2019, the realized gain on investments of \$17.9 million is largely attributable to gains from the sale of shares of Ubiquiti Networks Inc. of \$7.3 million, WABCO Holdings Inc. of \$5.1 million and Constellation Software Inc. of \$3.7 million. Fluctuations in investment values are not comparable to prior periods due to the different composition of the investment portfolio from period to period. Highlights of the most significant contributors to Cymbria's performance are discussed in the *Investment performance* section.

(b) Change in unrealized gain (loss) on investments

The change in unrealized gain on investments is a \$58.9 million gain for the three months ended March 31, 2019. This is a result of fluctuations in the value of investments during the period. The largest changes in unrealized gain during the period were a gain from Middleby Corp. of \$7.2 million, CSX Corp. of \$6.1 million and Shiseido Co. Ltd. of \$5.8 million. Fluctuations in investment values are not comparable to prior periods due

to the different composition of the investment portfolio from period to period. Highlights of the most significant contributors to Cymbria's performance are discussed in the *Investment performance* section.

(c) Dividend and interest income

Dividend and interest income is earned on the portfolio of public equities and the investment in EdgePoint. An important driver of wealth for Cymbria is the dividend from EdgePoint. During the three months ended March 31, 2019, EdgePoint paid Cymbria a dividend of \$4.3 million. This dividend can be reinvested by Cymbria in its portfolio of securities or used to buy back Cymbria shares. Dividends from investments other than EdgePoint amounted to \$4.5 million for the three months ended March 31, 2019. These investments are not managed with the intent to derive a certain amount of dividend or interest income. Therefore, it is typical that this type of income will fluctuate from period to period.

(d) Foreign currency gain (loss)

Cymbria is valued in Canadian dollars; however, it invests in securities denominated in foreign currencies. The foreign currency gains and losses of these securities are included in net realized and unrealized gain (loss) on investments. In order to reduce the impact of short-term fluctuations, we may employ currency hedging. Specifically, we may hedge all or a portion of our foreign currency exposure depending on our view of a currency's relative value and its associated risks. The Manager monitors and updates the degree of currency hedging based on a variety of economic factors, including the foreign currency's purchasing power parity versus the Canadian dollar.

As at March 31, 2019, Cymbria's most significant foreign currency exposure was the U.S. dollar, which as a percentage of shareholders' equity was approximately 33% and Cymbria hedged 15% of that exposure. Cymbria's investments denominated in Japanese Yen represent approximately 13% of shareholders' equity and Cymbria hedged 9% of that exposure.

Cymbria did not have a hedge in place for its investment securities denominated in the Euro, Indian Rupee, Swedish krona, Swiss Franc, Danish krone, British pound or Chinese renminbi as we did not believe there was material currency risk with the investments. As a result of foreign currency hedging activities during the three months ended March 31, 2019, Cymbria had a \$1.9 million net realized and unrealized gain from hedging activities.

Excluding Cymbria's hedging positions, Cymbria did not have a significant gain or loss due to other fluctuations in foreign currencies during the period.

(e) Expenses and MER

Cymbria believes that the MER continues to be an important metric to evaluate the impact that fees and expenses have on Cymbria's investment performance. For the three months ended March 31, 2019, the annualized MER was 1.10% for Class A shareholders and 0.64% for Class J shareholders, compared to 1.15% and 0.69% for the year ended December 31, 2018 for Class A and Class J shareholders, respectively.

Financial condition

	Mar. 31, 2019	Dec. 31, 2018
	('000s)	('000s)
Assets		
Investments	\$ 1,095,503	\$ 1,051,910
Cash and cash equivalents	55,351	20,325
Other assets	2,569	646
Income tax recovery	1,562	-
Total assets	\$ 1,154,985	\$ 1,072,881
Liabilities		
Foreign exchange forward contracts	\$ 269	\$ 3,769
Income tax payable	-	2,590
Accrued liabilities and other payables	59	502
Credit facility	6,000	-
Deferred share unit plan	937	940
Deferred income tax liability	36,169	27,803
Total liabilities	\$ 43,434	\$ 35,604
Shareholders' equity	\$ 1,111,551	\$ 1,037,277

(a) Investments

Cymbria's investments as at March 31, 2019, primarily consists of a portfolio of equities of \$863.7 million and an investment in EdgePoint of \$224.1 million. The increase of \$43.6 million from December 31, 2018 is primarily a result of an increase in the unrealized value of the portfolio of \$58.9 million offset by realized gains from the sale of investments of \$17.9 million. The Investment performance section of this MD&A discusses the significant changes in these investments. The Schedule of Investment Portfolio included in the Financial Statements discloses all of the investment positions of Cymbria.

(b) Cash and cash equivalents

Cymbria maintains cash and cash equivalents to purchase investments, pay expenses, and occasionally buy back shares. Cymbria does not distribute cash by issuing a dividend. Cash balances are monitored on a daily basis by the Manager, and the increase of \$35.1 million from the end of 2018 is primarily due to the net sale of investments in the portfolio of \$30.9 million and drawing \$6.0 million on the credit facility during the three months ended March 31, 2019. As at March 31, 2019, cash and cash equivalents was comprised entirely of cash held at the bank.

(c) Other assets

Other assets primarily consists of dividends receivable of \$2.2 million, which is a result of dividends that have been declared but not yet received as at the end of the period, and a receivable for investments sold of \$0.4 million, which is a result of investments that were sold but not yet settled as at March 31, 2019.

(d) Income tax recovery and Income taxes payable

The Income tax recovery of \$1.6 million is a result of the required income tax installments for 2019 being more than Cymbria's income tax liability as at March 31, 2019.

(e) Credit facility

During the three months ended March 31, 2019, Cymbria drew \$6.0 million on its credit facility. The proceeds were invested in a higher yielding interest-bearing security.

(f) Deferred share unit plan

Cymbria's deferred share unit plan exists to provide directors the option to receive their compensation in the form of deferred share units. The units are valued using the five-day volume-weighted average stock price of Cymbria prior to the period end. For the three months ended March 31, 2019, Cymbria issued 459 units and the total value of the plan did not materially change.

(g) Deferred income tax liability

The deferred income tax liability represents temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes versus taxation purposes. As at March 31, 2019, Cymbria's deferred income tax liability is presented net and it comprises of a liability on the unrealized appreciation of investments of \$36.4 million offset by an asset on deferred share units of \$0.2 million. Included in the deferred income tax liability is \$29.6 million related to Cymbria's investment in EdgePoint.

(h) Shareholders' equity

Cymbria's shareholders' equity is comprised of common stock, Class A, and Class J shareholders. The Manager owns 100% of the common stock of Cymbria. The number of common shares outstanding on March 31, 2019 and May 9, 2019 were 100. Class A shares are non-redeemable and traded on the Toronto Stock Exchange. As at March 31, 2019 and May 9, 2019, there were 15,523,362 and 15,658,083 shares outstanding, respectively. Class J shares are non-redeemable and were offered through a private placement. Class J shares can be exchanged for an equivalent value of Class A shares on the last business day of each week. As at March 31, 2019 and May 9, 2019, there were 7,204,482 and 7,082,482 shares outstanding, respectively.

Cash flows

For the three months ended March 31, 2019, Cymbria had a net increase in cash and cash equivalents of \$35.0 million. The majority of the net increase in cash and cash equivalents is due to cash generated by operating activities, including the net proceeds from the sale of investments of \$30.9 million. Cymbria also had an increase in cash from financing activities as we drew \$6.0 million on the credit facility during the quarter. Cymbria did not generate a significant amount of cash flows from capital activities.

Shareholder activity

Cymbria refiled its Normal-Course Issuer Bid ("NCIB") for the 12-month period beginning on May 23, 2018 to May 22, 2019. Cymbria will use the NCIB to repurchase shares in the event

that we believe the company is being undervalued by the market and an attractive opportunity exists to enhance the value for its shareholders.

During the three months ended March 31, 2019, Cymbria did not repurchase any shares as they were trading at a premium to aNAV. Since inception, Cymbria has repurchased and cancelled 460,800 Class A shares at an average price of \$12.95 per share and a total cost of \$6.0 million.

On June 27, 2013, Cymbria's shareholders overwhelmingly approved a proposal to amend its constating documents to provide for a Liquidity Realization Opportunity ("LRO") in respect of both Class A and Class J shares. The LRO gives Cymbria the right to repurchase a number of shares from time to time at a very small discount to aNAV where (i) Cymbria's portfolio has experienced growth in the previous fiscal year, (ii) Class A shares are trading at a price less than 97% of aNAV, and (iii) on the Manager's recommendation. When these events occur, shareholders may elect to participate in the LRO and have an opportunity to dispose of shares at a price close to aNAV. This feature was introduced to increase Cymbria's attractiveness as an investment by recognizing that liquidity requirements and investment time horizons vary from investor to investor. We believe that Cymbria's aNAV, which is disclosed daily, is a fair representation of Cymbria's portfolio at current prices. When Class A shares trade at prices not reflective of the aNAV, the LRO provides another venue whereby shareholders may dispose of their shares at a price closer to aNAV. The LRO does not affect Cymbria's ability to continue repurchasing shares through the NCIB. Please see the Management Information Circular dated May 28, 2013 for more information on the LRO. Cymbria did not announce a LRO for the three months ended March 31, 2019 as Cymbria's Class A shares have been trading above 97% of aNAV on average over the year.

Liquidity

Cymbria maintains strong liquidity with cash and cash equivalents and its portfolio of public equities. In addition to financial liabilities that arise from its normal course of investing activities, Cymbria may have a financial liability associated with drawn amounts on the credit facility. As at March 31, 2019, cash and cash equivalents represents 5% of Cymbria's total shareholders' equity. Cymbria's portfolio of securities includes actively traded global stocks that can be readily sold. As at March 31, 2019, the portfolio of public equities that the Manager believes can be readily sold represents 75% of Cymbria's total shareholders' equity. Cymbria drew \$6 million on

Summary of interim results

The financial information summarized below is derived from Cymbria's condensed interim financial statements from the three month periods noted in the table below. In each of the periods, the changes in Total income (loss) and Net income (loss) are primarily a result of the realized and unrealized changes in the fair value of Cymbria's investments. No meaningful correlations can be made by comparing these figures from period to period.

(in '000s except per share amounts)	Three months ended							
	Mar. 31, 2019	Dec. 31, 2018	Sep. 30, 2018	Jun. 30, 2018	Mar. 31, 2018	Dec. 31, 2017	Sep. 30, 2017	Jun. 30, 2017
Total income (loss)	\$ 87,780	\$ (98,145)	\$ 37,402	\$ 57,224	\$ 38,193	\$ 84,854	\$ 22,506	\$ 86,064
Total expenses	\$ 3,147	\$ 3,136	\$ 3,751	\$ 3,485	\$ 3,265	\$ 3,231	\$ 2,609	\$ 3,287
Net income (loss)	\$ 74,274	\$ (86,962)	\$ 30,069	\$ 47,994	\$ 30,644	\$ 71,795	\$ 17,552	\$ 73,065
Net income (loss), per share								
Class A	\$ 3.14	\$ (0.47)	\$ 1.27	\$ 2.03	\$ 1.29	\$ 2.94	\$ 0.71	\$ 3.10
Class J	\$ 3.53	\$ (0.19)	\$ 1.44	\$ 2.27	\$ 1.46	\$ 3.58	\$ 0.89	\$ 3.46

its credit facility during the quarter, however, the Manager does not believe this poses a significant risk to liquidity. There are no other outstanding debt or contractual obligations that would pose a significant risk to liquidity as at March 31, 2019.

Credit facility

On September 22, 2017, Cymbria entered into a credit agreement with a Canadian chartered bank (the "Bank") that matures on September 21, 2022 and can be renewed on an annual basis. During the year, Cymbria renewed the credit agreement for an additional year to mature on September 21, 2023. The credit agreement allows Cymbria to borrow up to \$100 million. Interest is charged on the outstanding balance based on whether the facility is drawn as bankers acceptance or prime loan. For a bankers acceptance loan, interest is charged on the outstanding balance at the bankers acceptance rate plus 80 basis points. For a prime loan, interest is charged on the outstanding balance at the Bank's prime rate. In addition, Cymbria will pay a standby fee on the unused portion of the credit facility equal to 34 basis points if the facility is less than 25% drawn and 26 basis points otherwise. When drawn upon, the credit facility will be secured by a selection of eligible securities in Cymbria's investment portfolio. As at March 31, 2019, the outstanding balance of the credit facility was \$6 million (December 31, 2018 nil). As at the date of this report, Cymbria has complied with all covenants, conditions or other requirements of the credit agreement.

The purpose of the credit facility is to provide Cymbria with increased flexibility to purchase additional investments when we believe an opportunity exists where the potential return is worth the added risk that leverage introduces.

Commitments and contingencies

In the ordinary course of business activities, Cymbria may be contingently liable for litigation and claims arising from investing. Where required, the Manager records adequate provisions in the accounts. The Manager is not aware of any current or pending litigation or claims against Cymbria.

Related parties

Manager and Investment Advisor

Cymbria is managed by EdgePoint Investment Group Inc. (the "Manager"), which is responsible for Cymbria's day-to-day operations and is also the portfolio advisor to Cymbria. The Manager provides investment advisory and portfolio management services, which comprise investment selection, analysis and monitoring, including business travel to corporate head offices, other associated due diligence costs, portfolio construction, risk management and broker analysis, selection and monitoring, and trading expertise, and could also include marketing and promotion of Cymbria. These services are in the normal course of operations and are charged at the rate agreed to by the parties.

As compensation for providing these management services, the Manager receives a monthly management fee based on the daily average aNAV of each class of Cymbria shares, excluding the

value of EdgePoint. For the three months ended March 31, 2019, management fees totaled \$1.8 million, compared to \$1.8 million for the same period in 2018. In addition, the Manager is entitled to be reimbursed by Cymbria for operating expenses associated with its advisory services, excluding salaries to the Manager's principal shareholders. Please see "*Non-IFRS Measures*" for a discussion on aNAV.

Cymbria is responsible for paying its own operating expenses which includes, but is not limited to, taxes (including income, capital, and harmonized sales taxes), accounting, legal fees, audit fees, Board of Directors' fees, custodial and safekeeping fees, portfolio transaction costs, registrar and transfer agency fees, regulatory costs and filing fees, shareholder reporting including the costs of preparing and distributing annual and interim reports, Annual Information Forms, statements and investment communications, interest and bank charges, and all administration expenses incurred by the Manager for its duties as Manager that could include salaries (excluding salaries to the Manager's principal shareholders), overhead and other costs related directly to Cymbria's operations. Except for interest, bank charges, and taxes paid or payable directly by Cymbria, the Manager incurs such expenses on Cymbria's behalf and is then reimbursed by Cymbria for such expenses.

Critical accounting estimates

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized in the period in which the estimates are revised and in any future period affected.

The following discusses the most significant accounting judgments that Cymbria has made in preparing the financial statements:

i. Fair value measurement of derivatives and securities not quoted in an active market

Cymbria holds financial instruments that are not quoted in active markets, including derivatives. The determination of the fair value of these instruments is where Cymbria has made the most significant accounting judgments and estimates in preparing financial statements. See Note 10 of the annual financial statements for more information on the fair value measurement of Cymbria's financial statements.

ii. Deferred tax assets

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable income will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable income, together with future tax planning strategies.

Adoption of new accounting standards

The accounting policies applied by Cymbria in the attached condensed unaudited interim financial statements are the same as those applied by Cymbria in its audited financial statements

for the year ended December 31, 2018, which were prepared in accordance with IFRS. Cymbria has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Financial instruments

In accordance with IFRS 9, *Financial Instruments*, Cymbria has accounted for its financial instruments as follows:

	Classification	Measurement
Financial assets		
Investments	Fair value through profit or loss	Fair value
Foreign exchange forward contracts	Fair value through profit or loss	Fair value
Cash and cash equivalents	Amortized cost	Amortized cost
Receivable for investments sold	Amortized cost	Amortized cost
Dividends receivable	Amortized cost	Amortized cost
Income tax recovery	Amortized cost	Amortized cost
Financial liabilities		
Accrued liabilities	Amortized cost	Amortized cost
Income taxes payable	Amortized cost	Amortized cost
Payable for investments purchased	Amortized cost	Amortized cost
Deferred share unit plan liability	Fair value through profit or loss	Fair value
Deferred income tax liability	Amortized cost	Amortized cost
Credit Facility	Amortized cost	Amortized cost

Future changes in accounting policies

A number of new standards, amendments to standards and interpretations are not yet effective for the three months ended March 31, 2019. The Manager has assessed that none of these will have a significant effect on the financial statements of Cymbria.

Risks

The risks associated with investing in Cymbria remain as disclosed in the Annual Information Form dated March 28, 2019 and filed on SEDAR. Any changes to Cymbria over the period have not affected the overall risks.

Disclosure Controls and Procedures and Internal Controls over Financial Reporting

Cymbria, under the supervision of the Co-Chief Executive Officers and the Chief Financial Officer have designed, or caused to be designed, internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The Co-Chief Executive Officers and the Chief Financial Officer have also designed, or caused to be designed under their supervision, disclosure controls and procedures to provide reasonable assurance that information required to be disclosed by Cymbria in its corporate filings have been recorded, processed, summarized and reported within the time periods specified in securities legislation. In addition, Cymbria's Audit Committee and Board of Directors provide an oversight role with respect to all public financial disclosures by Cymbria, and have reviewed and approved this MD&A and the unaudited condensed interim financial statements as at May 9, 2019.

There were no changes made in the design of internal controls over financial reporting during the three months ended March 31, 2019, that have materially affected, or are reasonably likely to materially affect, Cymbria's internal controls over financial reporting.

A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that its objectives are met. Due to inherent limitations in all such systems, no evaluations of controls can provide absolute assurance that all control issues, if any, within a company have been detected. Accordingly, our internal controls over financial reporting and disclosure controls and procedures are effective in providing reasonable, not absolute, assurance that the objectives of our control systems have been met.

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Geoff MacDonald, CFA
Co-Chief Executive Officer

Diane Rossi
Corporate Secretary

Norman Tang, CPA, CA
Chief Financial Officer

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TORONTO STOCK EXCHANGE LISTING

CYB