Management's Discussion & Analysis of

CYMBRIA CORPORATION

Three months and six months ended June 30, 2021

CYMBRIA®

Management's Discussion and Analysis ("MD&A") provides a review of Cymbria Corporation's ("Cymbria") financial results for the three and six months ended June 30, 2021 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 August 12, 2021. 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 2020 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 encyclopedias 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, natural disasters, epidemic and pandemic outbreaks, public health emergencies, 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. $32.3 million of the deferred income tax liability relates to a deferred liability on Cymbria's investment in EdgePoint Wealth Management Inc. 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.

	Jun. 30, 2021 ('000s)	Dec. 31, 2020 ('000s)
aNAV	$ 1,474,597	$ 1,229,894
Less: Deferred income tax liability	(65,036)	(37,776)
Shareholders' equity	$ 1,409,561	$ 1,192,118

- 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		Jun. 30, 2021		Dec. 31, 2020
Adjusted net asset value per share	$	62.76	$	52.38
Less: Deferred income tax liability		(2.76)		(1.61)
Shareholders' equity per share	$	60.00	$	50.77

Class J		Jun. 30, 2021		Dec. 31, 2020
Adjusted net asset value per share	$	69.82	$	58.16
Less: Deferred income tax liability		(3.08)		(1.78)
Shareholders' equity per share	$	66.74	$	56.38

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 June 30, 2021, Cymbria invested in a collection of 57 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 527.6% and the cumulative return of Cymbria's Class A shareholders' equity since inception is 500.0%.

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% discount and a 34% 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, 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

With increasing vaccination rates and the gradual reopening of many businesses around the world, we believe there continues to be various areas of concern in the market:

- Indices like the S&P 500 Index are trading well above their historical average in terms of price-to-earnings valuation multiples. Historically, it has rarely been more expensive than today to look like the market. We've constructed Cymbria from a bottom-up perspective and do not consider indices when making decisions and, because of this, we look very different than any benchmark.
- We're experiencing a record level of margin debt that the market has never been seen before. The margin is available to primarily mega-capitalization businesses, an area of the market where Cymbria has very little exposure.
- Inflation concerns around "money printing" and increased public sector debt following the COVID-19 pandemic have created strong price movements in commodities and associated equities. Our thesis around the businesses we purchase is largely inflation-neutral. We diversify by business idea and do not invest in one broad idea or theme.

We are still finding plenty of opportunities where we're able to buy businesses at prices that aren't making us pay for their future growth.

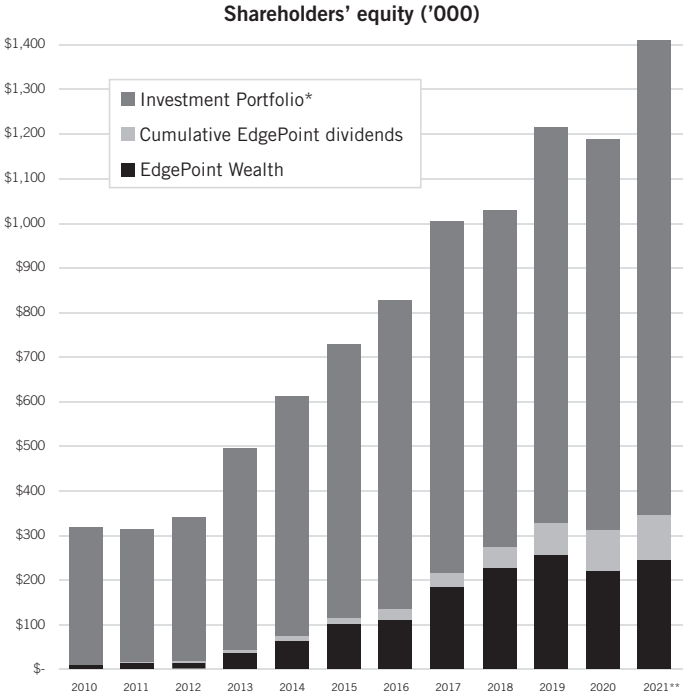
Finding these types of businesses is far from easy. It takes a tremendous amount of research to understand a business and create an idea about it that isn't widely shared by the broader market. We continue to find attractive investment ideas in the following business areas:

- Niche markets that are often overlooked. Businesses in these markets tend to have limited competition and very high switching costs, making them attractive investments. Examples include CSX Corp. and Koninklijke Philips N.V.
- Businesses that reflect "profit warnings" that we consider temporary, readily fixable issues. We believe these issues do not indicate a fundamental flaw in the company's business model. Examples include SAP SE and Restaurant Brands International Inc.
- Event-driven situations, such as spin-offs or transformative mergers. These businesses tend to not correlate with the direction of the wider market, making them even more interesting. Examples include Aon Plc and International Flavors & Fragrances Inc.
- Companies that are tainted by their industry association. For example, a company's stock price is depressed because of a negative perception in the market. Examples include Anthem, Inc. and Berry Global Group Inc.

Our investment approach remains unchanged, and we continue to operate in a narrow emotional band that our investors expect us to. Considering the market environment we are in today, we believe this approach has never been more important.

Overall performance

For the six months ended June 30, 2021, Cymbria's shareholders' equity increased 18.0% (June 30, 2020: 11.7% decrease). Cymbria's shareholders' equity increased to $1,410 million, compared to $1,192 million as at December 31, 2020. The increase in shareholders' equity is largely attributable to investment performance, which is discussed in the Investment performance section of this report.



*Includes cash and net working capital.
**June 30, 2021

Summary of investment portfolio

To help frame the investment performance discussion, below is a summary of the top 15 securities held by Cymbria as a percentage of shareholders' equity. We disclose Cymbria's full portfolio on an annual basis. Please see Cymbria's 2020 Annual Report for the last published Schedule of Investments.

Top 15 securities	Fair value ('000s)
EdgePoint Wealth Management Inc.	$244,341
MDA Ltd.	103,140
AutoCanada Inc.	53,787
Affiliated Managers Group Inc.	50,762
Berry Global Group Inc.	45,172
CSX Corp.	42,913
Mattel Inc.	41,585
Onex Corp.	40,770
Shiseido Co., Ltd.	30,957
Restaurant Brands International Inc.	30,530
International Flavors & Fragrances Inc.	30,385
Fujitsu Ltd.	27,665
Koninklijke Philips NV	27,403
TE Connectivity Ltd.	27,074
Computer Modelling Group Ltd.	26,111

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

Investment performance

Cymbria's collection of businesses can be separated between its portfolio of public securities and its portfolio of private equity, including EdgePoint. As at June 30, 2021, Cymbria's public securities represented approximately 81% of its portfolio and private equity 19%.

Portfolio of public securities

While we provide these comments 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 in public securities that we believe would be of interest to shareholders and/or highlight any material changes (if any) to the businesses we own.

These are the businesses that had the most meaningful positive impact on shareholders' equity during the quarter ended June 30, 2021:

- AutoCanada Inc.

  We first purchased AutoCanada in Cymbria in August of 2018. AutoCanada is one of Canada's largest multi-location automobile dealership groups. We believed the existing set of dealerships were underperforming their true potential and the new management team would significantly improve operating profitability. In addition, the second element of our thesis revolved around AutoCanada taking advantage of a very fragmented market – smaller car dealerships that don't have a natural succession plan. AutoCanada is uniquely positioned to be the natural consolidator in the industry and management has done a great job on executing this. The fundamentals of the business were better than many investors thought, especially as auto steals share from other methods of transportation. We are confident in our thesis and the management team's capital allocation expertise. The stock was up 63% over the quarter and Cymbria's unrealized gain in the business increased by $20.8 million.

- Fujitsu Ltd.

  We first purchased Fujitsu Ltd. in Cymbria in January of 2020. Fujitsu Ltd. engages in the provision of information technology services. The business operates through the following segments: Technology Solutions, Ubiquitous Solutions and Device Solutions. We believe Fujitsu will benefit from a large "digital cliff" in Japan that the Japanese government and Japanese companies will work hard to avoid. Japanese banks, governments and companies have lacked investments in modern IT infrastructure. Due to this, Japanese authorities are pushing companies and government agencies to make IT upgrades. A large amount of this IT demand spend will go through Fujitsu, which is the largest IT company in Japan. We believe a combination of sales growth and margin improvements from the restructuring of their management team will lead to increased profits for the business. The stock was up 30% over the quarter and Cymbria's unrealized gain in the business increased by $5.7 million.

There were no businesses that had a meaningful negative impact on shareholder's equity during the quarter.

Businesses purchased

During the quarter ended June 30, 2021, we purchased four new equity securities. The largest purchase, in terms of significance to the portfolio as at June 30, 2021, was:

- Alibaba Group Holdings, ADR

  Alibaba is a Chinese technology company whose main business is the operation of e-commerce marketplaces that provide a trusted place where Chinese consumers can purchase goods. Online currently comprises 30% of retail sales in China and has been rapidly growing as consumers appreciate the convenience and greater selection available. Alibaba is the dominant player in e-commerce in China and will continue to benefit from China's economic growth, rising domestic consumption, and the continued shift in retail sales from physical stores to online.

  Alibaba makes money from charging merchants commissions on sales and selling ads. When consumers search for a product, merchants purchase ads, so their product appears at the top of the search results. These two fees that Alibaba charges are called the take rate and it is currently about 4% of the gross merchandise value (GMV) that is sold across their marketplaces. This take rate is low compared to other e-commerce marketplaces in other countries, but has been rising. We believe the value of the business conducted across Alibaba's marketplaces will continue to grow in the future and they will also be able to raise their take rates on these sales.

  Alibaba also has dominant market positions in two other high growth businesses in China: cloud and financial services. The Chinese cloud market is about 1/10th the size of the cloud

market in the U.S. and is forecasted to triple over the next five years. Alibaba is the clear leader in cloud in China with market share over 40%. Alibaba's 33%-owned subsidiary ANT Financial has 700 million monthly users in China; and as wealth and personal incomes continue to increase combined with an already high savings rate, we believe ANT will be able to cross-sell more financial service products to this large user base.

Businesses sold

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 three businesses. Below are the most significant sales based on the gross amount of realized gains and losses:

- Pulse Seismic Private Loan

  We originated the Pulse Seismic Private Loan in January of 2019. Cymbria made a loan to Pulse Seismic to fund their purchase of a major Canadian competitor. The management team at Pulse proved to be an astute buyer and benefits from the acquisition accelerated in the last 12 months. Mergers and acquisition activity in the Western Canadian oil patch has increased materially and management has allocated their free cash generation to de-levering their balance sheet. Pulse repaid their loan in June of 2021. The holding period return for the Pulse Seismic Private Loan was 33%.

- Owens Corning

  We first purchased Owens Corning in January of 2021. Owens Corning is a diversified building products manufacturer. The company is experiencing a sharp inflection in its profitability driven by strong demand for its products. Average broker estimates for Owens Corning profitability increased by about 20% since the beginning of the year and their share price has moved higher in tandem with this revision. Given the rapid appreciation in the businesses share price combined with our estimates being closer in-line to consensus, we sold our position as our thesis played out in short order. The holding period return for Owens Corning was 21% and Cymbria realized a gain of $1.7 million on shares of the business sold during the quarter.

Portfolio of private equity

Cymbria has the flexibility to invest in both public and private markets. Below is an update on the largest private equity business in our portfolio as at June 30, 2021, as well as an update on MDA Ltd., which went from private to public during the quarter.

- EdgePoint Wealth Management Inc.

  The most significant private equity business in Cymbria is EdgePoint. Cymbria's original $509,585 investment in EdgePoint represents a 20.7% ownership share as at June 30, 2021. Since inception, we have received $99.8 million in dividends from EdgePoint and its value in Cymbria has increased to $244.3 million, making EdgePoint the most valuable contributor to Cymbria's investment portfolio.

  With the assistance of a third-party valuator, Cymbria's stake in EdgePoint was revalued at the end of June 2021 at a range of $230.3 million to $258.4 million. For financial statement purposes, EdgePoint is valued using the mid-point of the range at $244.3 million, compared to $220.5 million at December 31, 2020.

  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 of the financial statements. The range noted above changes only the discount and terminal value 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.

  In determining the fair value of EdgePoint, we have considered the potential impact of the COVID-19 pandemic in our assumptions; however, we have not assumed a long-term impact of the COVID-19 pandemic. The duration and full economic impact of the COVID-19 pandemic is unknown at this time, and accordingly, there is a degree of uncertainty surrounding the potential impact it may have on the business and/or operations of EdgePoint.

  We spend a considerable amount of time on the assumptions that go into the base cash flow model to determine the valuation range and believe that this represents fair market value as at June 30, 2021. 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.

- MDA Ltd.

  MDA, formerly MacDonald, Dettwiler and Associates, is a Canadian supplier of mission-critical space-based technologies. During the quarter, MDA publicly offered common shares on the Toronto Stock Exchange that began trading on April 7, 2021. Cymbria's ownership of MDA through Neptune LP was converted into common shares with certain share restrictions. Although it is no longer considered a private security, we have a discount applied on our ownership of the common shares to account for certain shareholder restrictions associated with our ownership.

Financial review

This section discusses the significant changes in Cymbria's financial performance, financial condition and cash flows for the three months and six months ended June 30, 2021 compared to those for the three months and six months ended June 30, 2020 and as at December 31, 2020.

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

Financial performance

		Three months ended June 30,		Six months ended June 30,	
		2021 ('000s)	2020 ('000s)	2021 ('000s)	2020 ('000s)
Income					
Net realized gain on investments	$	9,598	(15,113)	28,700	(36,255)
Change in unrealized gain on investments		91,291	115,369	205,035	(130,128)
Dividend and interest income		9,394	7,336	18,482	17,122
Foreign currency gain (loss) on hedging		1,218	573	3,760	(7,848)
Foreign currency gain (loss), excluding hedging		600	(1,162)	(199)	(1,480)
Total income (loss)	$	112,101	107,003	255,778	(158,589)
Expenses					
Management fees	$	2,532	1,716	4,753	3,634
Withholding taxes, HST, and transaction costs		955	770	1,934	1,748
Other expenses		812	453	1,579	953
Total expenses	$	4,299	2,939	8,266	6,335
Profit (loss) for the period before taxes	$	107,802	104,064	247,512	(164,924)
Income taxes (recovery)		12,882	12,740	30,048	(23,801)
Net comprehensive income (loss)	$	94,920	91,324	217,464	(141,123)

(a) Net realized gain on investments

During the three months ended June 30, 2021, the realized gain on investments of $9.6 million is largely attributable to a gain from the sale of shares of Bank of America Corp. of $4.0 million and Owens Corning of $1.7 million. Net realized gain on investments is not comparable to prior periods due to the different transactions from period to period. More details relating to the most significant contributors to Cymbria's performance are discussed in the Investment performance section.

(b) Change in unrealized gain on investments

The unrealized gain on investments increased by $91.3 million for the three months ended June 30, 2021. This is a result of fluctuations in the value of investments during the period. The two largest contributors to the increase during the period were AutoCanada Inc. with a $20.8 million increase and MDA Ltd. with a $18.1 million increase. Fluctuations in investment values are not comparable to prior periods due to the different composition of the investment portfolio from period to period. More details relating to 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, the fixed income investment and the investment in EdgePoint. An important driver of wealth for Cymbria is the dividend from EdgePoint. During the three months ended June 30, 2021, Cymbria received dividends totaling $5.2 million from EdgePoint, an increase of 8% from the same period in 2020. This dividend can be reinvested by Cymbria in its portfolio of securities or used to buy back Cymbria shares. Dividends and interest income from investments other than EdgePoint amounted to $4.2 million. Cymbria's portfolio is not managed with the intent to derive a certain amount of dividend or interest income. Therefore, it is typical that this type of income would fluctuate from period to period.

(d) Foreign currency gain (loss)

Cymbria is valued in Canadian dollars; however, it may invest 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 June 30, 2021, Cymbria's most significant foreign currency exposure was the U.S. dollar, which as a percentage of shareholders' equity was approximately 38% and we hedged approximately 6% of that exposure.

Cymbria did not have a hedge in place for its investment securities denominated in the Japanese yen, euro, British pound or Swiss franc as we did not believe there was material currency risk with these investments. As a result of foreign currency hedging activities during the three months ended June 30, 2021, Cymbria had a $1.2 million net realized and unrealized gain from hedging activities.

(e) Expenses

Cymbria believes that low expenses are an important factor in evaluating our performance. Management fees increased by $0.8 million from 2020 due to the increase in aNAV over the corresponding period, on which the fee is based. Management fees are charged based on the aNAV of Cymbria, excluding the value of EdgePoint. The effective annualized management fees charged for the three months ended June 30, 2021 were 0.82% for Class A shareholders and 0.41% for Class J shareholders.

Financial condition

	Jun. 30, 2021 ('000s)	Dec. 31, 2020 ('000s)
Assets		
Investments	$1,404,456	1,171,060
Cash and cash equivalents	62,765	47,609
Other assets	4,048	1,290
Income tax recovery	14,259	17,047
Total assets	$1,485,528	1,237,006
Liabilities		
Foreign exchange forward contracts	33	40
Accrued liabilities and other payables	3,478	-
Credit facility	6,000	6,000
Deferred share unit plan	1,420	1,072
Deferred income tax liability	65,036	37,776
Total liabilities	$ 75,967	44,888
Shareholders' equity	$1,409,561	1,192,118

(a) Investments

Cymbria's investments as at June 30, 2021, primarily consists of a portfolio of public securities of $1,128.9 million and private equity of $272.3 million, including an investment in EdgePoint of $244.3 million. The increase of $233.4 million from December 31, 2020 is primarily the result of the net increase in the unrealized value of investments of $205.0 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 the most significant businesses that we own.

(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. The increase of $15.1 million from the end of 2020 is primarily due to the net sale of investments of $4.8 million and other cash generated from operating activities of $10.6 million during the quarter. Cash and cash equivalents is comprised entirely of cash held at the bank.

(c) Income tax recovery and Income taxes payable

The Income tax recovery of $15.1 million is a result of past income tax installments being more than Cymbria's income tax liability as at June 30, 2021.

(d) Credit facility

As at June 30, 2021, Cymbria has drawn $6.0 million on its credit facility. The amount is unchanged from December 31, 2020.

(e) 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 six months ended June 30, 2021, Cymbria issued 945 units and the total value of the plan increased by $0.3 million.

(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 June 30, 2021, Cymbria's deferred income tax liability is presented net and it comprises of a liability on the unrealized appreciation of investments of $53.1 million offset by an asset on deferred share units of $0.1 million. Included in the deferred income tax liability is a $32.3 million liability 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 June 30, 2021 and August 12, 2021 were 100. Class A shares are non-redeemable and traded on the Toronto Stock Exchange. As at June 30, 2021 and August 12, 2021, there were 16,315,399 shares outstanding. 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 June 30, 2021 and August 12, 2021, there were 6,453,494 shares outstanding.

Cash flows

For the six months ended June 30, 2021, Cymbria had a net increase in cash and cash equivalents of $15.1 million. The majority of the net decrease in cash and cash equivalents is due to cash generated by operating activities, including the net sale of investments of $4.8 million. Cymbria did not generate a significant amount of cash flows from financing activities.

Shareholder activity

Cymbria refiled its Normal-Course Issuer Bid ("NCIB") for the 12-month period beginning on May 23, 2020 to May 22, 2021. 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 quarter ended June 30, 2021, Cymbria did not repurchase any Class A shares using the NCIB. Since inception, Cymbria has repurchased and cancelled 501,500 Class A shares at an average price of $15.56 per share and a total cost of $7.8 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 June 30, 2021 as Cymbria's Class A shares have been trading above 97% of aNAV on average over the period.

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.

							Three months ended	
	Jun. 30,	Mar. 31,	Dec. 31,	Sep. 30,	Jun. 30,	Mar. 31,	Dec. 31,	Sep. 30,
(in '000s except per share amounts)	2021	2021	2020	2020	2020	2020	2019	2019
Total income (loss)	$ 112,101	$ 143,677	$ 112,949	$ 36,095	$ 107,003	$ (265,592)	$ 39,774	$ 21,298
Total expenses	$ 4,299	$ 3,967	$ 3,415	$ 3,733	$ 2,939	$ 3,396	$ 3,345	$ 3,741
Net income (loss)	$ 94,920	$ 112,544	$ 97,786	$ 29,538	$ 91,324	$ (232,447)	$ 32,790	$ 16,232
Net income (loss), per share								
Class A	$ 4.02	$ 5.17	$ 4.15	$ 1.24	$ 3.87	$ (9.92)	$ 1.38	$ 0.67
Class J	$ 4.54	$ 5.92	$ 4.63	$ 1.42	$ 4.34	$ (10.89)	$ 1.58	$ 0.80

Credit facility

On September 22, 2017, Cymbria entered into a five-year credit agreement with a Canadian chartered bank (the "Bank") that can be renewed on an annual basis. In 2020, Cymbria renewed the credit agreement to mature on September 22, 2025. 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. When drawn upon, the credit facility will be secured by a selection of eligible securities in Cymbria's investment portfolio. As at June 30, 2021 and December 31, 2020, the outstanding balance of the credit facility was $6 million. On July 5, 2021, $3.5 million of the outstanding balance and accrued interest was repaid. 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.

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 June 30, 2021, cash and cash equivalents represents 4.5% of Cymbria's total shareholders' equity. Cymbria's portfolio of securities includes actively traded global stocks that can be readily sold. As at June 30, 2021, the portfolio of public equities that the Manager believes can be readily sold represents 73% of Cymbria's total shareholders' equity. Cymbria has drawn $6 million on its credit facility; 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 June 30, 2021.

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 six months ended June 30, 2021, management fees totaled $4.8 million, compared to $3.6 million for the same period in 2020. 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 interim financial statements for more information on the fair value measurement of Cymbria's financial instruments.

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, 2020, 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 six months ended June 30, 2021. 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 26, 2021 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 August 12, 2021.

There were no changes made in the design of internal controls over financial reporting during the three months ended June 30, 2021, that have materially affected, or are reasonably likely to materially affect, Cymbria's internal controls over financial reporting. Cymbria will continue to monitor and mitigate the risks associated with any potential changes to its control environment in response to COVID-19.

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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Corporate Secretary

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TORONTO STOCK EXCHANGE LISTING

CYB