

Management's Discussion & Analysis of

CYMBRIA CORPORATION

Three months ended March 31, 2021

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, 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 May 13, 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. In addition, \$29.2 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.

	Mar. 31, 2021 (000s)	Dec. 31, 2020 (000s)
aNAV	\$ 1,367,617	\$ 1,229,894
Less: Deferred income tax liability	(52,976)	(37,776)
Shareholders' equity	\$ 1,314,641	\$ 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	Mar. 31, 2021	Dec. 31, 2020
Adjusted net asset value per share	\$ 58.23	\$ 52.38
Less: Deferred income tax liability	(2.26)	(1.61)
Shareholders' equity per share	\$ 55.97	\$ 50.77

Class J	Mar. 31, 2021	Dec. 31, 2020
Adjusted net asset value per share	\$ 64.71	\$ 58.16
Less: Deferred income tax liability	(2.50)	(1.78)
Shareholders' equity per share	\$ 62.21	\$ 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 March 31, 2021, Cymbria invested in a collection of 54 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 482.3% and the cumulative return of Cymbria's Class A shareholders' equity since inception is 459.7%.

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

It was only one year ago when the S&P 500 Index fell nearly 34% in about a month, wiping out three years' worth of gains. In a matter of weeks, everyone's normal behaviours and habits were forced to change. Fortunately, many of these new routines are already proving to be temporary, based on the recent increase in mobility trends in geographies with high vaccination rates.

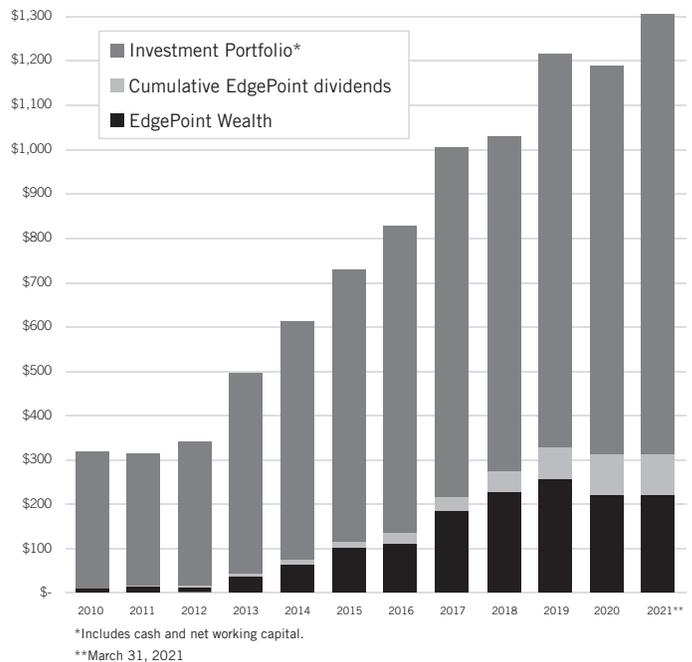
Investors in the stock market also displayed some irrational behaviours as one of the best-performing investment strategies since the market bottom in March of 2020 was simply buying businesses that had the fastest revenue growth, without any concern for any other fundamental or valuation measures. Investors became enamoured of "work-from-home" stocks and rapidly growing industries like electric vehicles, green energy, online gaming and even cannabis. At first blush, this may seem like a sensible investment strategy; any rational business owner would like a business with growing revenues. However, the reality is that growth must be measured in relation to the costs and amount of capital required to achieve that growth. It's not very difficult to build a business that displays revenue growth if you're spending multiples of revenue to support that result. Therefore, a rational business owner would never make decisions based on revenue growth without considering many other important factors, including profitability measures, such as return on capital.

Behaving like a rational business owner was not rewarded in 2020, but we believe it is and will continue to be important over the long term. Fortunately, our investment approach has historically added the most value for investors when it appeared to have missed the mark in the short term. If history is a guide, actions taken during periods when we may look wrong, set the foundation for pleasing long-term returns.

Overall performance

For the three months ended March 31, 2021, Cymbria's shareholders' equity increased 10.3% (March 31, 2020: 19.2% decrease). As at March 31, 2021, Cymbria's shareholders' equity increased to \$1,315 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.

Shareholders' equity ('000)



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.	\$ 220,523
Neptune Acquisition LP (MDA Ltd.)	85,050
Affiliated Managers Group Inc.	50,012
Berry Global Group Inc.	46,241
CSX Corp.	46,000
Mattel Inc.	42,308
Onex Corp.	35,402
International Flavors & Fragrances Inc.	34,076
AutoCanada Inc.	32,957
Restaurant Brands International Inc.	31,241
The Middleby Corp.	29,913
Computer Modelling Group Ltd.	29,381
Shiseido Co., Ltd.	29,150
Bank of America Corp.	28,227
TE Connectivity Ltd.	26,209

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.

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:

- Affiliated Managers Group Inc.

We first purchased AMG in Cymbria in November of 2016. AMG is a global asset management company with equity investments in leading boutique investment management firms. Our belief was that AMG would offer a solution to the dilemma that boutique founders faced. The founders want to surface their equity value while at the same time protecting the integrity of what made the firm great to begin with: investment orientation, approach, culture, entrepreneurial spirit, etc. AMG was created to facilitate the purchase of the founders' equity stakes while at the same time allowing the firm to operate without too much outside influence. Additionally, AMG brought sales resources to the acquired firms. For example, AMG could introduce affiliates to channels of distribution that were previously unopen. Given AMG is in the asset management business, there was uncertainty during COVID-19 but we believed the market was worried on a temporary basis. The business was resilient with high margins. As global equities appreciated significantly following the announcement of several successful COVID-19 vaccines and the expectations of an economic recovery, AMG's share price also recovered. The combination of strong asset growth and relative performance bolstered AMG's profitability and near-term expectations for organic fund growth. The stock was up over 47% over the quarter and Cymbria's unrealized gain in the business increased by \$16.3 million.

- 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 30% over the quarter and Cymbria's unrealized gain in the business increased by \$7.5 million.

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

Businesses purchased

During the quarter ended March 31, 2021, we purchased 8 new equity securities. The largest purchase, in terms of significance to the portfolio as at March 31, 2021, was:

- Optiva Inc.

Optiva is a Canadian provider of business and operations support systems software and services to the telecommunications industry. The core product is billing software. Telecommunications companies need software to track customer usage of voice, data, roaming etc. This is a mission critical revenue-generating business for these companies. There are significant costs to switching and, as a result, high annual retention rates. We owned Optiva in other funds managed by EdgePoint but we became interested in adding Optiva to Cymbria after a recapitalization and management change. The new management team has decided to take their legacy customer base and move them over to the cloud. Optiva is trying to be the first mover in this area and we believe it would enable them to win new customers.

It has an experienced management team with prior experience running software businesses in the private markets. We believe the company is set up in an attractive competitive landscape with an opportunity to take share at the expense of their three largest competitors. We believe there's significant growth optionality by expanding products to existing customers, M&A, the introduction of 5G and internet proliferation. The Manager indirectly controls 29.5% of Optiva shares across various portfolios and has nominated one Director to the Board.

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

- Crown Holdings Inc.

We first purchased Crown Holdings in Cymbria in July of 2018. Crown Holdings is an American company that makes metal beverage and food cans, metal aerosol containers, metal closures and specialty packaging. The main thesis surrounded the beverage can segment. Historically the business has been able to grow its free cash flow per share in the high single digits primarily by volume increases in its beverage cans. We believed the company's growth could be even higher as they would be able to get pricing growth given the supply contracts were renewing. We decided to sell the position as the thesis played out. The valuation approached our assessment of fair value and we no longer had a variant view. The holding period return for Crown Holdings was over 58% and Cymbria realized a gain of \$3.7 million on shares of the business sold during the quarter.

- Seritage Growth Properties

We first purchased Seritage in Cymbria in December 2017. Seritage is a REIT with 156 wholly-owned properties. When we first bought the business, we had an idea that the value of the real estate had a much higher and better use, so instead of being rented out to tenants like Sears, it could be rented out to other tenants at higher prices. A global pandemic was damaging to the retail tenant base. We also believe the outlook for malls may have structurally changed given the pandemic. The company is in a very capital-intensive process of redeveloping malls into mixed use assets, which we think becomes more difficult when the stock price is low, increasing the cost of capital. We exited the position and redeployed to what we believe are better opportunities. The holding period return was -34% and Cymbria realized a loss of \$4.7 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 businesses in our portfolio as at March 31, 2021:

- 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 March 31, 2021. Since inception, we have received \$94.6 million in dividends from EdgePoint and its value in Cymbria has increased to \$220.5 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 in December 2020 at a range of \$202.7 million to \$257.7 million. For financial statement purposes, EdgePoint is valued using the mid-point of the range at \$220.5 million. The valuation at the end of the quarter was unchanged from 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 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.

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 March 31, 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.

- Neptune Acquisition LP (MDA Ltd.)

MDA, formerly MacDonald, Dettwiler and Associates, is a Canadian supplier of mission-critical space-based technologies. The company has a long legacy of success in high-profile space programs such as Canadarm and RADARSAT, and is a leader in a number of space-related technologies that include earth observation, space robotics and satellite subsystems. We purchased the business in April 2020. During the quarter ended March 31, 2021, MDA announced plans to publicly offer common shares on the Toronto Stock Exchange. The deal closed in early April and began trading on April 7, 2021. Cymbria's ownership of MDA through Neptune was converted into common shares with certain share restrictions. As at March 31, Neptune was valued using the anticipated offering price for MDA's initial public offering with a discount applied to account for the shareholder restrictions associated with our ownership of MDA through Neptune. Please refer to Note 10 of the financial statements for assumptions and sensitivities applied in the valuation as at March 31, 2021.

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, 2021 compared to those for the three months ended March 31, 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 March 31,	
	2021	2020
	('000s)	('000s)
Income		
Net realized gain (loss) on investments	\$ 19,102	\$ (21,142)
Change in unrealized gain on investments	113,744	(245,497)
Dividend and interest income	9,088	9,786
Foreign currency gain (loss) on hedging	2,542	(8,421)
Foreign currency gain (loss), excluding hedging	(799)	(318)
Total income (loss)	\$ 143,677	\$ (265,592)
Expenses		
Management fees	\$ 2,221	\$ 1,918
Withholding taxes, HST, and transaction costs	979	978
Other expenses	767	500
Total expenses	\$ 3,967	\$ 3,396
Profit (loss) for the period before taxes	\$ 139,710	\$ (268,988)
Income taxes (recovery)	17,166	(36,541)
Net comprehensive income (loss)	\$ 122,544	\$ (232,447)

(a) *Net realized gain on investments*

During the three months ended March 31, 2021, the realized gain on investments of \$19.1 million is largely attributable to a gain from the sale of shares of Shiseido Co., Ltd. of \$8.4 million and Crown Holdings Inc. of \$3.7 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 (loss) on investments*

The unrealized gain on investments increased by \$113.7 million for the three months ended March 31, 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 Neptune Acquisition LP with a \$45.3 million increase and Affiliated Managers Group Inc. with a \$16.3 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 March 31, 2021, Cymbria received dividends totaling \$5.2 million from EdgePoint, unchanged 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 \$3.9 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 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, 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 10% 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 March 31, 2021,

Cymbria had a \$2.5 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 \$0.3 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 March 31, 2021 were 0.80% for Class A shareholders and 0.40% for Class J shareholders.

Financial condition

	Mar. 31, 2021 (<i>'000s</i>)	Dec. 31, 2020 (<i>'000s</i>)
Assets		
Investments	\$ 1,324,470	\$ 1,171,060
Cash and cash equivalents	34,782	47,609
Other assets	5,271	1,290
Income tax recovery	15,081	17,047
Total assets	\$ 1,379,604	\$ 1,237,006
Liabilities		
Foreign exchange forward contracts	\$ 8	\$ 40
Accrued liabilities and other payables	4,765	-
Credit facility	6,000	6,000
Deferred share unit plan	1,214	1,072
Deferred income tax liability	52,976	37,776
Total liabilities	\$ 64,963	\$ 44,888
Shareholders' equity	\$ 1,314,641	\$ 1,192,118

(a) *Investments*

Cymbria's investments as at March 31, 2021, primarily consists of a portfolio of public securities of \$981.5 million and private equity of \$333.5 million, including an investment in EdgePoint of \$220.1 million. The increase of \$153.4 million from December 31, 2020 is primarily the result of the net purchase of investments of \$16.6 million and a net increase in the unrealized value of investments of \$113.7 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 decrease of \$12.8 million from the end of 2020 is primarily due to the net purchase of investments of \$16.6 million offset by other cash generated from operating activities of \$4.6 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 March 31, 2021.

(d) Credit facility

As at March 31, 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 three months ended March 31, 2021, Cymbria issued 462 units and the total value of the plan increased by \$0.1 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 March 31, 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 \$29.2 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 March 31, 2021 and May 13, 2021 were 100. Class A shares are non-redeemable and traded on the Toronto Stock Exchange. As at March 31, 2021 and May 13, 2021, there were 16,306,769 and 16,315,399 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, 2021 and May 13, 2021, there were 6,461,259 and 6,453,494 shares outstanding, respectively.

Cash flows

For the three months ended March 31, 2021, Cymbria had a net decrease in cash and cash equivalents of \$12.8 million. The majority of the net decrease in cash and cash equivalents is due to

cash generated by operating activities, including the net purchase of investments of \$16.6 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 March 31, 2021, Cymbria repurchased Class A shares using the NCIB. In total, 400 shares were repurchased and cancelled at a weighted average discount to aNAV of 6.0%. 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 March 31, 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.

(in '000s except per share amounts)	Three months ended							
	Mar. 31, 2021	Dec. 31, 2020	Sep. 30, 2020	Jun. 30, 2020	Mar. 31, 2020	Dec. 31, 2019	Sep. 30, 2019	Jun. 30, 2019
Total income (loss)	\$ 143,677	\$ 112,949	\$ 36,095	\$ 107,003	\$ (265,592)	\$ 39,774	\$ 21,298	\$ 55,445
Total expenses	\$ 3,967	\$ 3,415	\$ 3,733	\$ 2,939	\$ 3,396	\$ 3,345	\$ 3,741	\$ 3,446
Net income (loss)	\$ 112,544	\$ 97,786	\$ 29,538	\$ 91,324	\$ (232,447)	\$ 32,790	\$ 16,232	\$ 47,163
Net income (loss), per share								
Class A	\$ 5.17	\$ 4.15	\$ 1.24	\$ 3.87	\$ (9.92)	\$ 1.38	\$ 0.67	\$ 1.98
Class J	\$ 5.92	\$ 4.63	\$ 1.42	\$ 4.34	\$ (10.89)	\$ 1.58	\$ 0.80	\$ 2.29

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 March 31, 2021 and December 31, 2020, the outstanding balance of the credit facility was \$6 million. 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 March 31, 2021, cash and cash equivalents represents 3% 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, 2021, the portfolio of public equities that the Manager believes can be readily sold represents 75% 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 March 31, 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 three months ended March 31, 2021, management fees totaled \$2.2 million, compared to \$1.9 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 three months ended March 31, 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 May 13, 2021.

There were no changes made in the design of internal controls over financial reporting during the three months ended March

31, 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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CYB