

Management's Discussion & Analysis of

CYMBRIA CORPORATION

**Three months and nine months ended
September 30, 2022**

CYMBRIA®

Management's Discussion and Analysis ("MD&A") provides a review of Cymbria Corporation's ("Cymbria") financial results for the three months and nine months ended September 30, 2022 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 (loss), 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 November 10, 2022. 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 2021 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, \$32.0 million of the deferred income tax liability relates to 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.

	Sep. 30, 2022 ('000s)	Dec. 31, 2021 ('000s)
aNAV	\$ 1,290,841	\$ 1,502,646
Less: Deferred income tax liability	(23,121)	(56,976)
Shareholders' equity	\$ 1,267,720	\$ 1,445,670

- 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	Sep. 30, 2022	Dec. 31, 2021
Adjusted net asset value per share	\$ 54.87	\$ 63.92
Less: Deferred income tax liability	(0.99)	(2.42)
Shareholders' equity per share	\$ 53.88	\$ 61.50

Class J	Sep. 30, 2022	Dec. 31, 2021
Adjusted net asset value per share	\$ 61.31	\$ 71.23
Less: Deferred income tax liability	(1.10)	(2.70)
Shareholders' equity per share	\$ 60.21	\$ 68.53

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 September 30, 2022, Cymbria invested in a collection of 56 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 448.7% and the cumulative return of Cymbria's Class A shareholders' equity since inception is 438.8%.

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

In the third quarter of 2022, markets experienced volatility, with major indices such as the S&P 500 Index rising by 13.7% in the first half, only to decline by 16.4% in the second half of the quarter (total returns, in US\$). This volatility was mostly attributed to market speculation around the U.S. Federal Reserve's monetary policy. July's month-over-month Consumer Price Index (CPI) numbers came in flat which some interpreted as a potential turnaround point for inflation. However, August numbers were not as inspiring and were followed by a U.S. Federal Reserve interest rate increase of 0.75% and a hawkish tone, which sent markets into a rapid decline. Virtually no asset class has been spared from fears of a recession, stagflation or continued high inflation.

Cymbria continues to focus on assembling a diversified collection of strong businesses that we believe can withstand short-term uncertainty while delivering pleasing returns over the next five years. These businesses must clear two distinct hurdles: they should be able to grow volume and they should also have pricing power to help combat inflation.

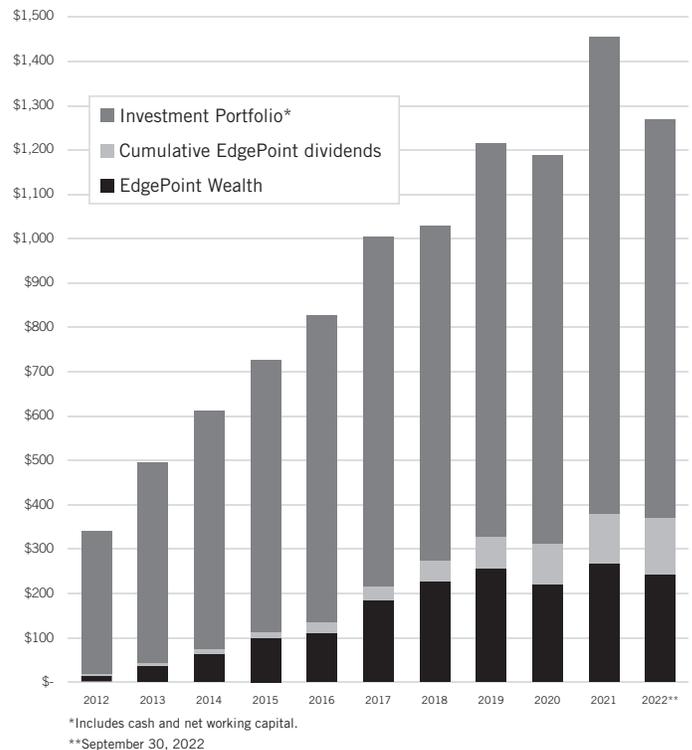
One thing we've learned over time is that when volatility increases, people's line of sight becomes shorter and shorter. On such occasions, it has paid off well for Cymbria to increase our line of sight and extend our views beyond the next six months. Unsurprisingly, that is exactly what our investment team is doing as uncertainty continues to plague the markets. We took advantage of dislocations in the market throughout the quarter to purchase five new businesses in Cymbria while fully exiting our position in five businesses.

Overall performance

For the nine months ended September 30, 2022, Cymbria's shareholders' equity decreased 12.39% to \$1,268 million (September 30,

2021: 17.0% increase). The decrease 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 businesses held by Cymbria as a percentage of shareholders' equity. We disclose Cymbria's full portfolio on an annual basis. Please see Cymbria's 2021 Annual Report for the last published Schedule of Investments.

Top 15 businesses	Fair value ('000s)
EdgePoint Wealth Management Inc.	\$ 241,981
Berry Global Group Inc.	45,047
Mattel Inc.	42,723
Dollar Tree Inc.	41,854
Restaurant Brands International Inc.	40,404
Elevance Health Inc.	38,152
SAP SE	37,541
Private financial technology company	32,909
Willis Towers Watson PLC	28,988
TE Connectivity Ltd.	27,192
Alfa Laval AB	26,733
Computer Modelling Group Ltd.	25,958
PrairieSky Royalty Ltd.	24,835
Apollo Global Management Inc	24,414
AutoCanada Inc.	24,384

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 equities, 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.

The following businesses had the most meaningful positive impact on shareholders' equity during the quarter:

- Restaurant Brands International Inc.

We first purchased Restaurant Brands International (RBI) in April 2020. RBI is a successful fast-food franchisor of popular brands that are expanding globally. They own Tim Hortons, Burger King, Firehouse Subs and Popeyes Louisiana Chicken. RBI is a good example of a company that earns royalties on the growth of franchisees without having to invest capital to drive further growth. RBI is well positioned to see substantial restaurant expansion across all their brands over the next decade. In today's environment, we believe RBI is in a position to gain market share and drive growth. The stock was up 13.8% over the quarter and Cymbria's unrealized gain in the business increased by \$5.4 million.

- Ross Stores Inc.

We first purchased Ross Stores in October 2021. Ross Stores is the number two player in the off-price industry, operating an American chain of discount department stores. Similar to Winners in Canada, Ross Stores sells brand-name merchandise at a discount of 20-60% relative to department stores. Their inventory is constantly changing as they buy excess inventory, end-of-season merchandise and closed/cancelled orders. We believe Ross Stores is a recession resilient business. With their 1,900 stores, we think the business has the ability to double their store base and allow for double-digit growth in earnings per share. Off-price currently comprises 15% of apparel and footwear in the U.S. and is the only channel besides e-commerce that's gaining market share. There is ample opportunity for growth as secularly disadvantaged players comprise 60% of the market. The stock was up 20.0% over the quarter and Cymbria's unrealized loss in the business decreased by \$5.1 million.

The following business had a meaningful negative impact on shareholder's equity during the quarter:

- Berry Global Group Inc.

We first purchased Berry Global Group in Cymbria in August 2019. Berry is the largest global plastics manufacturer. The company reported third-quarter 2022 financial results that were broadly in line with estimates, but volume growth

disappointed. In addition, the company lowered their guidance for the year on free cash flow, following a larger-than-expected increase in working capital. The stock declined 14.8% during the quarter. Cymbria's unrealized gain in the business decreased by \$4.3 million.

Businesses purchased

During the quarter ended September 30, 2022, we purchased five new businesses. Here is the largest of those purchases at the end of the quarter:

- Koninklijke DSM NV

Koninklijke DSM NV (DSM) is a high-quality company that we had a rare opportunity to start purchasing during the past quarter at a very attractive multiple. The opportunity existed because of near-term concerns regarding the European energy crisis, global recession fears and uncertainty surrounding the recently announced merger with Firmenich, the Swiss flavours and fragrances company. Based on our in-depth analysis of their competitive positioning, market share and new products in their pipeline, we were confident that DSM could deliver organic growth at the high end of their 5-7% guidance over the next five years, and at higher incremental margins than they have enjoyed in the past. We also think we are getting some potential blockbusters in the innovation pipeline for free. This includes a product called Bovaer, a feed additive for cows and sheep that reduces the methane emissions from their burps by 30%. DSM will start producing Bovaer on a commercial scale in 2025, and they already have line of sight to filling that capacity given strong customer demand. If companies and countries remain committed to methane reduction goals, Bovaer's revenue potential through the end of this decade and into the next could grow significantly.

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. Here are the three largest sales in terms of total realized gains or losses:

- Grand City Properties SA

We first purchased Grand City Properties in Cymbria in January 2017. Grand City is a real estate company that acquires, develops, invests and manages German and English properties. They provide property management activities along the real estate value chain. We had been reducing our position in Grand City for a while and recently finished selling the business. The proceeds from Grand City were moved into several new businesses, many based in Europe, that we believe provided better risk-reward prospects. Grand City's sale generated a holding-period return of approximately 14.6%, and Cymbria realized a loss of \$1.7 million on shares sold during the quarter.

- The RMR Group Inc.

We first purchased RMR in Cymbria in June 2019. RMR is an alternative asset manager focused on real estate. The company provides management services to four publicly owned real estate

investment trusts and three operating companies related to real estate. We decided to sell our position in the business and allocate the capital to what we consider more-attractive investment ideas. Our investment in RMR resulted in a holding period return of approximately -5.7%, and Cymbria realized a loss of \$5.7 million on shares sold during the quarter.

- Evonik Industries AG

We first purchased Evonik Industries in Cymbria in December 2021. The thesis behind the purchase was that the market was not appreciating Evonik's transition from a commodity chemical manufacturer to a specialty chemical company, along with the strong growth prospects of their clients. An example is Lipid Nano Particles, a producer of bio-based ingredients for large consumer goods companies looking to move away from fossil fuels and membranes used in biogas and hydrogen technologies. Our thesis on Evonik remains the same, but in-depth research and calls with company management were not enough to make us comfortable with their European energy-requirement exposure. In our view, the downside risk from a worsening Russia/Ukraine situation or intensifying energy shortage outweighed the opportunity. We have since sold our position, generating a holding-period return of approximately -32.8%, and Cymbria realized a loss of \$3.9 million on shares 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 September 30, 2022:

- 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 September 30, 2022. Since inception, we have received \$126.8 million in dividends from EdgePoint and its value in Cymbria has increased to \$242.0 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 June 2022 at a range of \$216.8 million to \$266.0 million. For financial statement purposes, EdgePoint is valued using the mid-point of the range at \$242.0 million, a decrease of 8.9% from the end of 2021. The valuation is based on a discounted cash flow model and the largest contributor to the decrease was an increase in the discount rate used in the model.

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.

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 September 30, 2022. However, valuing a business like EdgePoint is an imperfect science and depending on actual results there could be considerable variance positively or negatively from today's value.

Financial review

This section discusses the significant changes in Cymbria's financial performance, financial condition and cash flows for the three months and nine months ended September 30, 2022 compared to those same periods ended September 30, 2021 and as at December 31, 2021.

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

Financial performance

	Three months ended September 30,	
	2022	2021
	('000s)	('000s)
Income		
Net realized gain (loss) on investments	\$ (11,616)	\$ 24,181
Change in unrealized gain on investments	73	(49,223)
Dividend and interest income	8,749	11,212
Foreign currency gain (loss)	(1,006)	170
Total income (loss)	\$ (3,800)	\$ (13,660)
Expenses		
Management fees	\$ 2,302	\$ 2,636
Withholding taxes, HST, and transaction costs	727	1,325
Other expenses	945	800
Total expenses	\$ 3,974	\$ 4,761
Profit (loss) before taxes	\$ (7,774)	\$ (18,421)
Income taxes (recovery)	\$ (2,103)	\$ (3,628)
Net comprehensive income (loss)	\$ (5,671)	\$ (14,793)

	Nine months ended September 30,	
	2022	2021
	('000s)	('000s)
Income		
Net realized gain on investments	\$ 29,179	\$ 52,881
Change in unrealized gain on investments	(251,535)	155,812
Dividend and interest income	29,437	29,694
Foreign currency gain (loss)	(1,601)	3,731
Total income (loss)	\$ (194,520)	\$ 242,118
Expenses		
Management fees	\$ 7,157	\$ 7,389
Withholding taxes, HST, and transaction costs	3,055	3,259
Other expenses	2,895	2,379
Total expenses	\$ 13,107	\$ 13,027
Profit (loss) before taxes	\$ (207,627)	\$ 229,091
Income taxes (recovery)	\$ (29,677)	\$ 26,420
Net comprehensive income (loss)	\$ (177,950)	\$ 202,671

(a) Net realized gain (loss) on investments

During the three months ended September 30, 2022, the realized loss on investments of \$11.6 million is largely attributable to a loss from the sale of shares of Subaru Corp. of \$6.7 million and the RMR Group of \$5.7 million. Net realized gain (loss) on investments is not comparable to prior periods due to the different transactions from period to period. More details relating to some other 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 \$0.1 million for the three months ended September 30, 2022. This is a result of fluctuations in the value of investments during the period. The largest contributor to the increase during the quarter was Restaurant Brands International Inc. with an unrealized gain of \$5.4 million offset by Berry Global Group Inc. with an unrealized loss of \$4.3 million. 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 and the investment in EdgePoint. An important driver of wealth for Cymbria is the dividend from EdgePoint.

During the three months ended September 30, 2022, Cymbria received dividends totaling \$5.2 million from EdgePoint, unchanged from the same period in 2021. 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 \$3.2 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 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 September 30, 2022, Cymbria's most significant foreign currency exposure was the U.S. dollar, which as a percentage of shareholders' equity was approximately 40% and we hedged approximately 10% of that exposure. Cymbria's investments denominated in the Euro represented approximately 8% of shareholders' equity and we hedged approximately 13% of that exposure.

Cymbria did not have a hedge in place for its investment securities denominated in the Japanese yen, Swedish krona,

British pound or Hong Kong dollar as we did not believe there was material currency risk with these investments. Foreign currency fluctuations resulted in a \$1.0 million loss during the quarter.

(e) Expenses

Cymbria believes that low expenses are an important factor in evaluating our performance. Management fees decreased by \$0.3 million from 2021 due to the decrease 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 September 30, 2022 were 0.81% for Class A shareholders and 0.41% for Class J shareholders.

Financial condition

	Sep. 30, 2022	Dec. 31, 2021
	('000s)	('000s)
Assets		
Investments	\$ 1,238,809	\$ 1,417,533
Cash and cash equivalents	70,556	97,423
Other assets	16,794	1,453
Income tax recovery	7,735	-
Total assets	\$ 1,333,894	\$ 1,516,409
Liabilities		
Foreign exchange forward contracts	\$ 3,694	\$ 244
Accrued liabilities and other payables	7,955	97
Income taxes payable	-	9,458
Credit facility	30,050	2,550
Deferred share unit plan	1,353	1,414
Deferred income tax liability	23,122	56,976
Total liabilities	\$ 66,174	\$ 70,739
Shareholders' equity	\$ 1,267,720	\$ 1,445,670

(a) Investments

Cymbria's investments as at September 30, 2022, primarily consists of a portfolio of public securities of \$923.0 million and private equities of \$279.4 million, including an investment in EdgePoint of \$242.0 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 decrease of \$5.5 million from the end of 2021 is primarily due to the net purchase of investments of \$51.2 million offset by drawing \$27.5 million from the credit facility during the year. Cash and cash equivalents is comprised entirely of cash held at the bank.

(c) Income tax recovery

The Income tax recovery of \$7.7 million is a result of income tax installments being more than Cymbria's income tax liability as at September 30, 2022.

(d) Credit facility

In March 2022, Cymbria amended and renewed the credit facility. As part of the amendment, Cymbria drew \$25 million on a fixed term of 7 years. An additional \$5.1 million is drawn on the revolving portion of the facility.

(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 nine months ended September 30, 2022, Cymbria issued 2,447 units and the total value of the plan did not significantly change from the end of 2021.

(f) 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 September 30, 2022, Cymbria's deferred income tax liability is presented net and it comprises of a liability on the unrealized appreciation of investments of \$23.2 million offset by an asset on deferred share units of \$0.1 million.

(g) 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 September 30, 2022 and November 10, 2022 were 100. Class A shares are non-redeemable and traded on the Toronto Stock Exchange. As at September 30, 2022 and November 10, 2022, there were 16,330,789 and 16,344,759 Class A 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 September 30, 2022 and November 10, 2022, there were 6,439,706 and 6,427,206 Class J shares outstanding, respectively.

Cash flows

For the nine months ended September 30, 2022, Cymbria had a net decrease in cash and cash equivalents of \$5.5 million. The majority

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							
	Sep. 30, 2022	Jun. 31, 2022	Mar. 31, 2022	Dec. 30, 2021	Sep. 30, 2021	Jun. 31, 2021	Mar. 31, 2021	Dec. 30, 2020
Total income (loss)	\$ (3,800)	\$ (139,939)	\$ (50,775)	\$ 61,221	\$ (13,660)	\$ 112,101	\$ 143,677	\$ 112,949
Total expenses	\$ 3,974	\$ 5,003	\$ 4,130	\$ 4,095	\$ 4,761	\$ 4,299	\$ 3,967	\$ 3,415
Net income (loss)	\$ (5,671)	\$ (125,200)	\$ (47,073)	\$ 50,902	\$ (14,793)	\$ 94,920	\$ 112,544	\$ 97,786
Net income (loss), per share								
Class A	\$ (0.26)	\$ (5.34)	\$ (2.02)	\$ 2.15	\$ (0.67)	\$ 4.02	\$ 5.17	\$ 4.15
Class J	\$ (0.24)	\$ (5.90)	\$ (2.18)	\$ 2.46	\$ (0.59)	\$ 4.54	\$ 5.92	\$ 4.63

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. The credit agreement allows Cymbria to borrow up to \$100 million. Interest is charged on the outstanding

of the net decrease in cash and cash equivalents is due to cash used in operating activities, including the net purchase of investments of \$51.2 million, offset by cash generated from financing activities of \$27.5 million.

Shareholder activity

Cymbria refiled its Normal-Course Issuer Bid ("NCIB") for the 12-month period beginning on May 25, 2022 to May 24, 2023. 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. No shares were repurchased during the quarter ended September 30, 2022. 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.

Cymbria's Liquidity Realization Opportunity ("LRO") is available for both Class A and Class J shares and 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 September 30, 2022 as Cymbria's Class A shares have been trading above 97% of aNAV on average over the period.

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. On March 10, 2022, Cymbria amended the credit agreement to allow the \$100 million facility to be the aggregate of a renewable

\$75 million revolving commitment that will mature on March 10, 2027 and a \$25 million term loan that will mature on March 10, 2029. Concurrently with drawing the \$25 million term loan, Cymbria entered into an interest rate swap contract that fixes the interest on the term loan at 3.8% per annum until maturity. 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 September 30, 2022, cash and cash equivalents less the outstanding balance on the credit facility represents 3.2% of Cymbria's total shareholders' equity. Cymbria's portfolio of securities includes actively traded global stocks that can be readily sold. As at September 30, 2022, the portfolio of public equities that the Manager believes can be readily sold represents 73% of Cymbria's total shareholders' equity. Cymbria has drawn \$30 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 September 30, 2022.

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 September 30, 2022, management fees totaled \$2.3 million, compared to \$2.6 million for the same period in 2021. 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, 2021, 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		
Foreign exchange forward contracts	Fair value through profit or loss	Fair value
Unrealized gain on swap contracts		
Financial liabilities		
Cash and cash equivalents		
Dividends receivable		
Receivable for investments sold	Amortized cost	Amortized cost
Income tax recovery		
Foreign exchange forward contracts	Fair value through profit or loss	Fair value
Deferred share unit plan liability		
Accrued liabilities		
Payable for investments purchased		
Credit Facility	Amortized cost	Amortized cost
Income taxes payable		
Interest payable on swap contracts		
Deferred income tax liability		

Future changes in accounting policies

A number of new standards, amendments to standards and interpretations are not yet effective for the three months ended September 30, 2022. 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 30, 2022 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 November 10, 2022.

There were no changes made in the design of internal controls over financial reporting during the three months ended September 30, 2022, that have materially affected, or are reasonably likely to materially affect, Cymbria's internal controls over financial reporting.

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

OFFICERS

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Geoff MacDonald, CFA

Co-Chief Executive Officer

Diane Rossi

Corporate Secretary

Norman Tang, CPA, CA

Chief Financial Officer

DIRECTORS

Ugo Bizzarri, CFA

Director and member of the Audit Committee

Reena Carter, CA, CPA, CBV, C.Dir

Director and Chair of the Audit Committee

Patrick Farmer, CFA

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TORONTO STOCK EXCHANGE LISTING

CYB