CYMBRIA CORPORATION

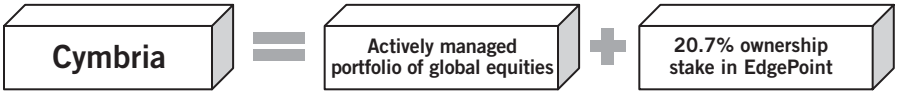
2020
ANNUAL REPORT

CYMBRIA CORPORATION

Note: In this report, "we," "us" and "our" refer to both EdgePoint and Cymbria, related entities with the same operators.

INVESTMENT OBJECTIVE

Cymbria's investment objective is to provide shareholders with long-term capital appreciation primarily through a concentrated portfolio of global equities and an investment in EdgePoint Wealth Management Inc. ("EdgePoint"), which offers mutual funds, institutional and other investments through financial advisors.



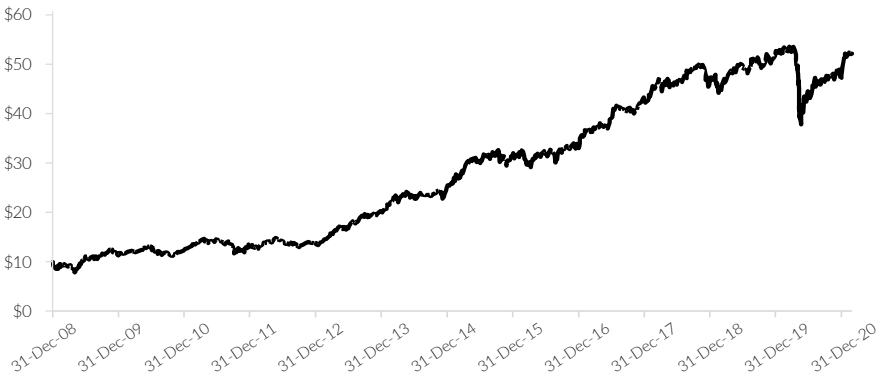
INVESTMENT RESULTS

Cymbria – Class A
Adjusted net asset value ("aNAV")*

	aNAV	Return (C$)	Index (C$)**
Inception:			
November 3, 2008	$9.39†		
2008‡	$9.34	-0.54%†	-0.52%
2009	$12.07	29.28%	10.39%
2010	$13.50	11.82%	5.93%
2011	$13.21	-2.12%	-3.20%
2012	$14.68	11.07%	13.26%
2013	$22.33	52.16%	35.18%
2014	$27.53	23.31%	14.39%
2015	$32.41	17.69%	18.89%
2016	$36.59	12.91%	3.79%
2017	$45.18	23.48%	14.36%
2018	$45.38	0.43%	-0.49%
2019	$53.09	16.98%	21.22%
2020	$52.38	-1.34%	13.87%

Since inception††	
Compounded annual return	**14.59%**
Cumulative return	**423.76%**

Cymbria – Class A aNAV



* Previously NAV, aNAV represents the fair value of net assets of Cymbria, which differs from IFRS shareholders' equity in that it excludes deferred taxes. The calculation of aNAV has not changed since the inception of Cymbria.

** MSCI World Index (net).

† Excludes expenses related to the initial public offering ("IPO"). This provides a better understanding of how Cymbria's underlying investments performed and a more accurate comparison to the MSCI World Index.

‡ November 3, 2008 to December 31, 2008.

†† Includes expenses related to IPO.

Source: Morningstar Direct, Bloomberg LP. Total returns in C$ as at December 31, 2020. Index performance is based on a pre-tax calculation, while Cymbria's aNAV is after tax (but excludes deferred taxes). As a corporation, Cymbria's income and capital gains are taxed within the corporation and reflected in the daily aNAV. Had Cymbria held the same composition of securities as the Index, it would lag the Index in years it posted a positive return (after daily tax accruals) and exceed it in years the Index posted a negative return due to loss carryback provisions in the *Income Tax Act* (Canada).

Cymbria aNAV performance (annualized): YTD: -1.34%, 1 year: -1.34%, 3 year: 5.05%, 5 year: 10.07%, 10 year: 14.52%. since inception: 14.59%.

CYMBRIA CORPORATION

TABLE OF CONTENTS

Cymbria's investment results ..... Inside front cover
About Cymbria 5
Chairman's letter 6
Commentary 8
The Cymbria option 11
EdgePoint – An important driver of wealth 13
Adding value through share buybacks 16
The advantage of having like-minded partners 18
Responsible investing 19
Celebrating EdgePoint culture 20
EdgePoint in numbers 22
Management's discussion & analysis 25
Financial Statements 39
Management's responsibility for financial reporting 40
Independent auditors' report 41
Notes to the Financial Statements 50
Directors and Officers of the company 61
Company creed ..... Inside back cover

Cymbria's Annual Investor Day

Wednesday, May 19, 2021

This year's event will take place virtually via webcast.

Presentation: 1:00 – 2:30 p.m. EST

Live Question & Answer: 2:30 – 3:30 p.m. EST

Agenda

Company overview with Patrick Farmer, Chairman

Investment discussion with co-CEOs Tye Bousada and Geoff MacDonald,

and members of the Investment Team

Live Question & Answer

RSVP by May 5, 2021

1.866.757.7207 or 416.963.9353

rsvp@edgepointwealth.com

Our investment approach

We adhere to a time-tested investment approach practiced by our portfolio managers throughout their investment careers.

We focus on global companies with strong competitive positions, defendable barriers to entry and long-term growth prospects that are run by competent management teams. As long-term investors in businesses, we view a stock as an ownership interest in a company and endeavour to acquire these ownership stakes at prices below our assessment of their true worth.

We believe the best way to buy a quality business at an attractive price is to have an idea about the company that isn't widely shared – what we call a *proprietary insight*. We strive to develop such proprietary insights around businesses we understand. Our holdings generally reflect our views looking out more than five years. We firmly believe that focusing on longer periods enables us to develop proprietary views about companies that aren't reflected in their current stock price.

Our approach is deceptively simple. We buy good, undervalued businesses and hold them until the market fully recognizes their potential. Following this approach requires the ability to think independently, a natural curiosity to search out new ideas and a commitment to thorough research to uncover opportunities the market doesn't fully appreciate.

A concentrated portfolio

We invest with conviction and, as a result, our portfolios are concentrated in our best ideas. This concentration allows individual portfolio holdings to have a meaningful impact on returns when the market recognizes our estimate of their values.

How do we approach risk?

Investment success is often defined exclusively by investment returns. In sharp contrast, when we make an investment we weigh the risk of that investment against its potential return. This is unlike most investors who tend to focus on returns and neglect to consider the risk taken to achieve that performance.

For us, risk is the potential for a permanent loss of capital. Our "old-school" view is summed up in the questions, "How much money can we lose, and what's the probability of that loss?" We focus on company-specific risk factors such as increased competition, management competence, profitability compression and the underlying valuation of a business relative to our assessment of its true worth. Noticeably absent from our definition of risk is the volatility of a company's share price relative to the market, as we don't equate short-term ups and downs with risk.

Measuring our results

Meaningful progress toward our goal of building long-term wealth for shareholders is reflected in Cymbria's since inception Class A aNAV cumulative return of 423.8% (includes IPO-related expenses). The benchmark MSCI World Index returned 282.2% (C$) over the same timeframe. But our performance has not been smooth and there have been a few bumps along the way. We believe that it is during these periods of short-term underperformance that we added the most value for our shareholders. Our willingness to look wrong in the short term in order to be right in the long term has been an important part of delivering on our goal of building wealth for shareholders.

We measure our investment results using Cymbria's aNAV rather than its stock price, as this more closely reflects our Investment team's value add. 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.

Measuring Cymbria's worth

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

Cymbria holds a collection of quality businesses we believe are trading for less than their worth. 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 intelligent 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). Should these opportunities exist in the future, 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.

Chairman's letter



As the world continues to deal with the unprecedented impacts of COVID-19, we hope you and your families are staying healthy and safe. In what was a trying and unpredictable year, forcing many to adapt to new realities, we remained committed to our partners, our goals and our time-tested investment approach.

We have taken preventative actions to ensure the wellbeing of our internal partners and to mitigate any disruption to our business. This includes a successful transition to a remote work structure and the implementation of health and safety measures to safeguard the eventual return to the office.

The speed of the market decline in 2020 due to the unknowns around COVID-19 was unparalleled. In order to help our partners and investors navigate this challenging environment and avoid making decisions based on short-term emotions, we committed to providing open, honest and timely communication at a greater frequency than ever before. We held webinars and numerous video conferences with our advisor partners and members of the Investment team. We also produced investor-friendly videos and print materials, as well as hosted many one-on-one advisor calls.

In times of great uncertainty, time horizons can shrink and cause many investors to make decisions detrimental to their long-term objectives, and 2020 was no different. Amid the uncertainty, investors flocked to businesses poised to thrive in a pandemic-induced lockdown environment, leading to an extremely bifurcated market: (i) in-favour businesses where no price seemed too high for investors, and (ii) out-of-favour businesses that couldn't seem to attract investors at any price.

With so much dislocation in the market, our Investment team found themselves confronted with an abundance of investment opportunities not seen since the financial crisis of 2008-09. As in past periods of volatility and uncertainty, the team continued to live in a narrow emotional band and adhered to the investment approach. They continued focusing on the long term, looking for businesses that could thrive beyond the current challenged environment, but where these opportunities weren't recognized by the market and reflected in the price. Our Investment team was very active, taking advantage of compelling opportunities found during extreme market volatility.

As has been widely reported, the market in 2020 was largely carried by a handful of tech and mega-cap stocks, resulting in some of the highest concentrations in top names across major indices since the Tech/Media/Telecom bubble of 2000. While not investing in the names that everyone wanted to own has led our short-term investment results to lag the MSCI World Index, we believe that sometimes you need to be willing to look wrong in the short term in order to be right in the long term.

The Investment team remains confident that the best way to build long-term wealth for our shareholders is to invest like a rational business owner. We believe as fiercely as ever in our investment approach and have increased our co-investment amount in company-related products by about $30 million in 2020.

Our top advisors and institutional partners also significantly increased their investments with us in 2020, showing a true understanding and confidence in our investment approach. We are grateful for partners like this.

Cymbria's Class A aNAV decreased by 1.34% in 2020, compared to an increase of 13.87% for the benchmark MSCI World Index (C$). Since inception, the Class A aNAV has grown by 14.59% per annum, compared to 11.66% per annum for the index over the same timeframe. While we're certainly pleased with the longer-term performance, the opportunity in today's market is exciting and should allow the Investment team to continue to compound wealth for shareholders.

Let me quickly review Cymbria's contributing drivers of wealth:

- Since inception, Cymbria's primary driver of wealth creation has been our Investment team's stock selection. In 2020, this driver decreased Cymbria's Class A aNAV by 0.2%, but since inception it has increased the Class A aNAV by 10.9% annually.
- In 2020, Cymbria's investment in EdgePoint was revalued 13.3% lower compared to 2019, amid the market correction and uncertainty associated with the global pandemic. However, Cymbria's original investment in EdgePoint of $509,585 is currently valued at $220.5 million.

- Cymbria's pro-rata share of EdgePoint's dividend was $19.9 million in 2020, slightly less than the year prior. Since inception, Cymbria has received $89.5 million in dividends from EdgePoint.
- During 2020, Cymbria was able to repurchase 40,300 Class A shares for a total of $1.8 million. We were active almost daily with our Normal-Course Issuer Bid (NCIB) from mid-July until the end of December. This past year was the first time Cymbria's Class A shares traded at a meaningful discount to aNAV for a prolonged period of time since the middle of 2013.

In 2020, many businesses in our industry reduced staffing levels or furloughed employees during the pandemic. We're pleased to report that we did not lay off or furlough any employees in 2020. In fact, we actually added six members to the EdgePoint team and are now 79 internal partners strong. We consider ourselves fortunate to be able to take advantage of the uncertainty in the marketplace and attract exceptional talent that will continue to raise the bar for all internal partners. Also, unlike many other financially sound businesses in our industry that chose to apply for pandemic-related government support, we did not apply for any government assistance.

We remain committed to our goals and our investment approach, which was established almost 50 years ago, and has resulted in long-term investment outperformance versus the benchmark and peers over various market cycles. Thinking and acting like a rational business owner has proved to be a successful investment approach in the past, and we believe will prove to be a successful approach in the future.

We're pleased with the progress we've made so far and remain focused on the ongoing task of building wealth for our shareholders.

Thank you for your continued trust.

Sincerely,



Patrick Farmer, Chairman

The uncommon common-sense approach to investing

By Tye Bousada and Geoff MacDonald, Co-Chief Executive Officers

Dear fellow shareholders,

We believe investing is most successful when it's most business-like. Our investment approach is built around this foundational belief. Most would agree that approaching investing like a rational business owner is common sense, especially when considering the long-term results this approach has delivered. However, in the stock market, thinking and behaving like a rational business owner is more difficult than it seems. Most stock market participants abandon the idea of investing like a rational business owner when confronted with short-term volatility. Our edge stems from the application of our "uncommon common-sense" investment approach in an environment that is consistently volatile and, by default, often irrational.

Irrational behaviour leads share prices to move more than the underlying value of a business does. If you own shares of a business that trades on the stock market, the reality is that other people set the price of your business on a daily basis. As an owner of the business, you should know what the business is really worth and be able to compare its value to the price that others are setting for it. Knowing the value of the business will help you capitalize on volatility when its share price moves away from what it's really worth.

Last year was an extremely volatile year for the stock market. In early April, near the peak of the crisis, we held our first-ever national conference call for investors to address the volatility we were witnessing. We discussed the importance of adhering to our investment approach and walked through examples of six companies that we still own today. In May, at our annual Cymbria Investor Day, we highlighted the expected resilience of four more businesses, three of which we still own today.

We think a fair way to reinforce the point that stock prices often move more than the value of the underlying businesses would be to provide an update on those 10 businesses discussed last year. Specifically, for each business we will walk through what happened to the share price from the beginning of 2020 to the bottom reached in March 2020, then discuss what actually happened to the revenue of each business in 2020. Finally, we'll update you on what has happened to each business's share price since its low point from last year to today (as at March 1, 2021).

The numbers tell the story

Below are brief comments on the 10 businesses we highlighted at the two events held during the height of the pandemic-induced market volatility in 2020:

Flowserve Corp.

Flowserve's sales only declined 5% in 2020. Impressively, its operating margins were only down 1%. Yet, in the first three months of 2020 the stock dropped by 62%. As at March 1, 2021, the stock has returned 104% from the bottom reached in March 2020, yet it's still down 21% from the beginning of 2020.

Crown Holdings, Inc.

Crown Holdings' sales were effectively flat in 2020. In fact, its adjusted earnings per share was actually up about 16%. In April, we talked about Crown's likely market share gains against other packaging materials. Those gains have continued and look to be strong well into the future. Yet, in the first few months of 2020, the stock had dropped 45%. Today, the stock is up 125% from last year's bottom and up 36% from where it began 2020.

CSX Corp.

CSX's sales were down 11% in 2020. The company did a remarkable job managing costs and actually grew operating margins in the face of the 11% decline in revenue. In addition, we expect a material rebound in the business in 2021 and beyond. During 2020, the stock had dropped by 41% at one point. Today, the stock is up 98% from the dark days of the crisis and up 31% from where it started 2020.

Compagnie Financière Richemont SA

Richemont's sales were only down 4% in 2020. If this performance was converted to any currency other than the Swiss franc that it reports in, the performance would be even more impressive. For this purveyor of ultra-high-end jewellery, 2020 looked like a non-eventful year. Yet, the stock had declined by 39% at one point in the year. It has since recovered 83% and is up 19% from where it began 2020.

Berry Global Group, Inc.

Berry Global's sales were up 24% in 2020. In contrast, the stock initially dropped by 45% during the year. The mispricing didn't last long as the stock has returned 113% from the bottom and is up 21% from where it started 2020.

Shiseido Co., Ltd.

Shiseido saw its stock price drop 33% in 2020, with sales down 19%. As sales are poised to rebound, the stock has also rebounded – up 49% from the bottom in 2020 and up 3% from where it started 2020.

Affiliated Managers Group, Inc.

AMG's revenue was down 10%. That's a big contrast to the 49% decline the stock experienced at the beginning of 2020. It's an even bigger contrast to the 216% return from the bottom price reached in March 2020, and to the 69% return since the beginning of 2020. These large double-digit moves seem to diverge greatly from the single-digit moves in AMG's fundamentals. It really makes one wonder about the emotional fortitude of those who are setting the prices in the stock market.

Univar Solutions Inc.

Another great example is Univar. Its sales dropped by 11%, yet its stock had dropped by 71% at one point in 2020. It has since returned 187% from those lows and is now 16% below where it started 2020.

Manulife Financial Corp.

At Cymbria Investor Day, we highlighted Manulife's resilience. Its revenue was flat in 2020, its earnings were only down 7% and its book value per share was up 8%. Compare those figures to the 53% decline Manulife's stock price experienced in the first quarter of the year. The stock is now up 112% from last year's bottom and up 6% since the beginning of 2020. In February of 2021, we sold our position in the business in Cymbria and redeployed the capital into a more attractive opportunity.

Restaurant Brands International Inc.

And finally, Restaurant Brands saw its sales fall by approximately 10% in 2020. Again, admirable performance in the face of significant restaurant closures all around the world. Yet, the stock dropped 54% at one point in 2020. It is now up 96% from that low, but still down 3% from where it started 2020. We didn't own Restaurant Brands in Cymbria at the beginning of 2020. We purchased it during the selloff, when investors must have been assuming that fast-food restaurants would be experiencing shutdowns for years to come.

The table below provides a summary of the 10 businesses that we just walked through:

Business name	2020 revenue change (%)	2020 maximum decline	Total return (Trough to Mar. 1, 2021)	Total return (Dec. 31, 2019 to Mar. 1, 2021)
Flowserve Corp.	-5.4%	-62.0%	103.8%	-21.2%
Crown Holdings, Inc.	-0.8%	-45.4%	125.2%	35.6%
CSX Corp.	-11.3%	-40.5%	97.5%	30.6%
Compagnie Financière Richemont SA	-4.3%	-39.0%	83.3%	19.1%
Berry Global Group, Inc.	23.7%	-44.6%	112.7%	20.9%
Shiseido Co., Ltd.	-18.6%	-32.5%	48.9%	3.1%
Affiliated Managers Group, Inc.	-9.5%	-49.1%	215.6%	68.8%
Univar Solutions Inc.	-11.0%	-70.9%	187.3%	-16.1%
Manulife Financial Corp.	0.6%	-52.7%	112.0%	5.6%
Restaurant Brands International Inc.	-10.4%	-53.9%	96.3%	-2.5%

Source: FactSet Research Systems Inc. Total returns in local currency. Revenue figures were calendarized to improve comparability. Calendar year 2020 street consensus estimates were used for Compagnie Financière Richemont SA revenue change. Manulife Financial Corp. was sold in February 2021. All other businesses are currently held in Cymbria. Maximum decline is the largest intra-year market drop from peak-to-trough during the calendar year. The trough date (the date when the stock price reached its lowest point of 2020) for all businesses mentioned occurred in March of 2020.

In addition to the table above, we thought you might be interested to see another table outlining the same data with a few more of our highest-weighted businesses in the portfolio. Combined with the businesses mentioned above (excluding Manulife), these businesses make up 36% of the portfolio today.[i]

Business name	2020 revenue change (%)	2020 maximum decline	Total return (Trough to Mar. 1, 2021)	Total return (Dec. 31, 2019 to Mar. 1, 2021)
Subaru Corp.	-9.7%	-40.6%	17.9%	-24.5%
Shionogi & Co., Ltd.	-13.4%	-38.2%	27.3%	-17.2%
TE Connectivity Ltd.	-5.6%	-46.9%	157.8%	43.5%
Fidelity National Info. Services, Inc.	21.5%	-34.7%	37.3%	1.4%
Mattel, Inc.	1.8%	-50.8%	187.4%	53.4%
Mitsubishi Electric Corp.	-7.8%	-30.9%	45.4%	10.6%
The Middleby Corp.	-15.1%	-62.2%	263.2%	45.5%

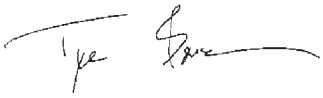
Source: FactSet Research Systems Inc. Total returns in local currency. Revenue figures were calendarized to improve comparability. Maximum decline is the largest intra-year market drop from peak-to-trough during the calendar year. The trough date (the date when the stock price reached its lowest point of 2020) for all businesses mentioned occurred in March and April of 2020.

Four important takeaways

What do we hope that you remember from this discussion?

- First, share prices often move considerably more than the value of the actual underlying businesses.
- Second, you don't set the price of the businesses you own. Other people (i.e., the stock market participants) do, and the vast majority of the time those other people don't truly know the actual value of your business.
- Third, when faced with volatility in a company's share price, it helps to behave like a rational business owner would.
- Fourth, if history is a guide, consistently behaving like a rational business owner (even in the face of extreme market volatility) can deliver pleasing long-term financial rewards. Need some proof? Take note that a $25,000 investment in Cymbria at its inception is worth $130,941 today.[ii] That significant increase represents a compound annual return of 14.59%.

We continue to approach investing in these markets with measured confidence. As always, we value your trust in us and are committed to remaining worthy of that trust by working hard to generate pleasing returns and build your wealth.



Tye Bousada



Geoff MacDonald

Source; all business-related facts and figures: FactSet Research Systems Inc. All return figures mentioned are total returns measured in local currency.

[i] As at February 28, 2021.

[ii] As at December 31, 2020. Cymbria Class A aNAV used in total-return calculations.

The Cymbria option

"Bad companies are destroyed by crises; good companies survive them; great companies are improved by them."
- Andy Grove, former CEO of Intel



Jason Liu
ihaveagreatbusiness@edgepointwealth.com

Cymbria was born from the belief that the structure of an investment vehicle is an important component of long-term results, and a key element of this structure is having access to a permanent pool of capital (i.e., as Cymbria is a publicly listed investment corporation, capital for investment is available to sustain private business interests for an indefinite time horizon). This was true when Cymbria had its initial public offering during the 2008-09 global financial crisis, and was just as true in 2020. The availability of permanent capital gives us the freedom to act differently in challenging economic conditions, which we see as an important competitive advantage. Not only are we able to invest in exceptional businesses when investor capital may be scarce, but our business-owner partners can also take a long-term perspective and reinvest in their businesses despite a slowdown in the economy.

In April 2020, Cymbria invested in MDA Inc., the former MacDonald, Dettwiler and Associates. MDA was founded 52 years ago and 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. These end-markets are seeing accelerating growth as lower costs and improved technology enable new use-cases. With its incredibly talented workforce, MDA is well positioned to benefit from these trends and see pleasing growth over the next decade.

At the end of 2020, Cymbria invested in an industry-leading technology services company that provides mission-critical software to financial institutions in North America. This company provides end-to-end solutions that support the credit application, adjudication, funding and loan management processes. In many instances, the company is replacing paper-based, on-premise systems with a modern cloud-based architecture that improves the quality and efficiency of the underwriting process. Going forward, we expect the following two trends will drive continued market share gains for this company: (i) increasing automation through better usage of software; and (ii) the replacement of legacy on-premise systems with cloud-based alternatives. Most of all, we are excited to be partnering with two exceptional entrepreneurs to support the growth of their business.

Our private investment approach intentionally sets a high bar: we look to partner with competitively advantaged businesses with long runways for growth, operated by exceptional business owners. While it can be tempting to deviate from this approach, the importance of investing this way was never clearer than during the crisis. In 2020, our business-owner partners were faced with many challenging operational decisions with limited near-term visibility:

- Pest control: In the initial wave of pandemic lockdowns, pest control activity was deferred and there was widespread fear that tenants would stop paying rent. Many competitors were laying off technicians and office staff. *Do you follow your competitors and reduce headcount to improve the cash flow of your business?*
- Space-based technologies: A ban on international travel created supplier delays and slowed manufacturing productivity. A major customer declared bankruptcy. With more uncertainty than ever about future growth, *do you reduce your spending on research and development (R&D) meant to support future growth initiatives?*

While we are not out of the crisis yet, we believe that the decisions companies make in tough economic conditions can truly differentiate a company going forward and allow it to emerge stronger on the other side. Cymbria has a permanent pool of capital that can continue to support our businesses through an economic slowdown and we are proud that it has enabled our business-owner partners to take a long-term perspective and make decisions for the next five years, rather than the next 12 months:

- Our pest control business has been able to provide exceptional customer service and safely deliver its services in difficult times. The service quality has opened new doors, allowing the business to materially grow market share and revenue. In periods of slower activity, we invested in training programs for employees and executed on operational improvements like paperless billing that have built the foundation for future growth.
- MDA has continued to invest in R&D to support the next generation of space-related technologies, including Canadarm3 and digital satellite systems. In addition, we have made key infrastructure investments to establish the foundation of a standalone Canadian MDA. A slowdown in the aerospace industry has given us an opportunity to make key hires and strengthen the leadership team. We now have the people and processes in place and are ready to scale.

Much has been written about what makes a great business. Our focus has always been on our business-owner partners who run our businesses everyday. We do not believe they would be great businesses without these outstanding leaders and entrepreneurs.

If you know the owner of a great business who has a similar approach to running a business and is seeking a like-minded partner to build for the future, please send them our way at ihaveagreatbusiness@edgepointwealth.com.

Why would Cymbria be a good choice for your business?

Cymbria may not be the right fit for everyone; however, we believe our collection of attributes provides a unique offering relative to other options you may be considering.

Stability.
Cymbria can act as a permanent home for your company – we're not interested in buying your business and flipping it for a profit 24 months later. As entrepreneurs, Cymbria's founders understand the importance of stability for a company's culture and the benefits it can have for management's ability to plan.

Additional resource.
Cymbria's founders would be happy to act as a resource for your team, if asked. The founders have spent their lives investing in other people's businesses as well as building their own. As such, the Cymbria team can be a great resource if your organization is looking for someone to give feedback on an idea.

Strong network.
We've also built up a strong network of business associates and partners over the years who might prove helpful to you in a multitude of ways.

Source of growth capital.
Cymbria can be a great source of growth capital for your business. We have permanent capital, and have been able to grow that capital at an attractive rate through careful allocation. If your business can earn good returns on the capital it uses, Cymbria will be an eager supplier of that capital.

What does "hands off" really mean?
We have no desire to interfere with your business's day-to-day operations, but would like to have input on profit allocation.

The business

True investment-led wealth management companies had become hard to find, and Cymbria's four founding partners, Tye Bousada, Patrick Farmer, Robert Krembil and Geoff MacDonald hated that the industry had devolved into an asset-gathering, sales and marketing-driven machine at the expense of investors' best interests. Armed with a proven investment approach, they created EdgePoint.

Investment led and employee owned, EdgePoint is also one of Cymbria's primary drivers of wealth, with Cymbria benefiting from both EdgePoint's growth and its share of EdgePoint-distributed dividends.

Investment in EdgePoint

Cymbria's original $509,585 investment in EdgePoint equates to a 20.7% ownership share. It has received $89.5 million in dividends from EdgePoint since inception and the value of its investment in the company has increased to $220.5 million, making EdgePoint the most valuable contributor to Cymbria's investment portfolio. EdgePoint launched on November 17, 2008 with three goals:

1. Achieve investment results at or near the top of our peer group over 10 years.
2. Remain an investment-led organization that has strong relationships with our investment partners.
3. Maintain a company culture that inspires our employees to think and act like owners.

Our progress

Our progress to date against those three goals follows.

1. Achieve investment results at or near the top of our peer group over 10 years.

We believe you can be lucky over shorter periods, but that it takes considerable skill to achieve long-term outperformance. It also takes a willingness to look wrong in the short term in order to be right in the long term.

Investment results since inception

Series A Portfolios	EdgePoint Canadian Portfolio	S&P/TSX Composite Index	EdgePoint Global Portfolio	MSCI World Index†††	EdgePoint Canadian Growth & Income Portfolio	60% S&P/TSX/ 40% ICE BofA Canada Broad Market Index	EdgePoint Global Growth & Income Portfolio	60% MSCI World Index/40% ICE BofA Canada Broad Market Index†††
2020	**-4.7%**	5.6%	**-1.2%**	13.9%	**0.1%**	7.4%	**0.2%**	12.1%
2019	**23.8%**	22.9%	**13.2%**	21.2%	**16.9%**	16.4%	**9.7%**	15.5%
2018	**-16.3%**	-8.9%	**-3.4%**	-0.5%	**-10.4%**	-4.8%	**-1.2%**	0.4%
2017	**9.5%**	9.1%	**16.7%**	14.4%	**8.1%**	6.5%	**12.1%**	9.6%
2016	**23.5%**	21.1%	**13.4%**	3.8%	**18.6%**	13.0%	**11.5%**	3.0%
2015	**-4.3%**	-8.3%	**12.7%**	18.9%	**-2.7%**	-3.6%	**9.0%**	12.7%
2014	**9.4%**	10.6%	**18.7%**	14.4%	**8.4%**	10.1%	**13.9%**	12.3%
2013	**26.3%**	13.0%	**44.5%**	35.2%	**22.2%**	7.1%	**32.4%**	19.3%
2012	**8.9%**	7.2%	**11.1%**	13.3%	**6.6%**	5.9%	**9.0%**	9.5%
2011	**-7.8%**	-8.7%	**-2.7%**	-3.2%	**-4.1%**	-1.4%	**-0.5%**	2.1%
2010	**16.6%**	17.6%	**8.0%**	5.9%	**14.0%**	13.5%	**9.0%**	6.6%
2009	**50.2%**	35.1%	**28.2%**	10.4%	**40.4%**	22.7%	**29.1%**	8.6%
2008†	**4.9%**	2.8%	**10.4%**	7.6%	**1.5%**	3.2%	**4.1%**	6.0%
Since inception††	**10.2%**	9.0%	**13.4%**	12.4%	**9.1%**	7.7%	**11.0%**	9.6%

† November 17, 2008 to December 31, 2008.
†† November 17, 2008.
††† MSCI World Net Total Return Index ("MSCI World Index").

As at December 31, 2020. Total returns in C$. Source, EdgePoint Portfolio returns: Fundata Canada, net of fees. Source, index returns: Morningstar Inc.

These are the benchmark indexes we've chosen for our portfolios:

EdgePoint Global Portfolio: The MSCI World Index is a broad-based, market-capitalization-weighted index comprising equity securities available in developed markets globally. The index was chosen for being a widely used benchmark of the global equity market.

EdgePoint Canadian Portfolio: The S&P/TSX Composite Index is a market-capitalization-weighted index comprising the largest and most widely held stocks traded on the Toronto Stock Exchange. The index was chosen for being a widely used benchmark of the Canadian equity market.

EdgePoint Canadian Growth & Income Portfolio: 60% S&P/TSX Composite Index/40% ICE BofA Canada Broad Market Index. The S&P/TSX Composite Index is a market-capitalization-weighted index comprising the largest and most widely held stocks traded on the Toronto Stock Exchange. The ICE BofA Canada Broad Market Index tracks the performance of publicly traded investment-grade debt denominated in Canadian dollars and issued in the Canadian domestic market. The blended benchmark was chosen because the S&P/TSX Composite Index is a widely used benchmark of the Canadian equity market and the ICE BofA Canada Broad Market Index is representative of fixed-income opportunities consistent with the Portfolio's mandate.

EdgePoint Global Growth & Income Portfolio: 60% MSCI World Index/40% ICE BofA Canada Broad Market Index. The MSCI World Index is a market-capitalization-weighted index comprising equity securities available in developed markets globally. The ICE BofA Canada Broad Market Index tracks the performance of publicly traded investment-grade debt denominated in Canadian dollars and issued in the Canadian domestic market. The blended benchmark was chosen because the MSCI World Index is a widely used benchmark for the global equity market and the ICE BofA Broad Market Index is representative of fixed-income opportunities consistent with the Portfolio's mandate.

Why our performance may differ from our benchmarks: We manage our Portfolios independently of the indexes we use as long-term performance comparisons. Differences including security holdings and geographic/sector allocations may impact comparability and could result in periods when our performance differs materially from the index. Additional factors such as credit quality, issuer type and yield may impact fixed-income comparability.

Standard performance

We're mandated to include annualized returns in the below table because we provide performance by year in the table on the previous page. We don't ignore the regulators; however, if it was up to us we wouldn't bother showing you these numbers.

They can be misleading because what an investment has averaged over a given period rarely matches the actual returns earned by individual investors. Annualized figures are always date sensitive and a few periods of performance in one direction can drastically change outcomes as poor years drop off or good years are added or vice versa.

Series A Portfolios	YTD	1-year	3-year	5-year	10-year	Since inception*
EdgePoint Canadian Portfolio	-4.7%	-4.7%	-0.4%	5.9%	5.9%	10.2%
EdgePoint Canadian Growth & Income Portfolio	0.1%	0.1%	1.6%	6.1%	5.9%	9.1%
EdgePoint Global Portfolio	-1.2%	-1.2%	2.6%	7.4%	11.6%	13.4%
EdgePoint Global Growth & Income Portfolio	0.2%	0.2%	2.8%	6.3%	9.3%	11.0%

* November 17, 2008.
Source: Fundata Canada Inc. Annualized total returns as at December 31, 2020 in C$ compounded annually.

2. Remain an investment-led organization that has strong relationships with our investment partners.

We continue to focus on ensuring we partner with like-minded advisors and offer them the support they need to succeed while helping their clients reach their goals. Upholding our service levels remains paramount, especially during a challenging environment like the one experienced in 2020.

In times of great uncertainty, the average investor's time horizon often shrinks significantly, causing many to make decisions detrimental to their long-term objectives. We understand the gravity of the responsibility with which we've been entrusted, and we made it our mission to provide open, honest and timely communication at greater frequency than ever before. Our goal is to help investors avoid making decisions based on their short-term emotions which could hurt their long-term financial success. As face-to-face meetings were no longer an option, our team was quick to adapt to new methods of communication:

- We held over 7,600 virtual meetings and calls with our external partners
- Conducted 4 large scale webinars with our Investment team
- Produced 4 investment-related videos to help investors understand our approach and important investment concepts (these videos had over 5,700 unique views)
- Our Investment team spoke directly to over 750 advisor partners throughout the year
- Approximately 8,000 hours were invested talking to our external partners
- 400 advisor partners who meaningfully added to their EdgePoint holdings in 2020 received a card from us as a sign of recognition. We believe these advisors did an outstanding job coaching their clients to take the path less traveled, ultimately doing right by them.

We were pleased to see that many of our advisors and institutional partners understand our approach and the opportunity present to add long-term value. They continued investing in our portfolios although it felt uncomfortable. It's these partners who realize that in order to win in the long term, you have to be willing to look wrong in the short term.

Approximately 83% of our retail assets are held by either a segment of advisors which we've identified as having shown true alignment or by another group of advisors who exhibited like-minded behavior during 2020 (defined as a low redemption rate and/or positive net sales). We think this is encouraging and we'll focus our efforts and coverage on this group of individuals going forward.

At the end of 2020, EdgePoint had 5,450 advisor partnerships, with the top 20% of our advisors continuing to represent approximately 81% (or $15.3 billion of EdgePoint's retail AUM), with an average of $14 million per advisor.

The top 20% of our institutional clients now represent 97% of our institutional AUM (approximately $6.3 billion), with an average of $284 million per client.

We believe our industry should talk less about how much it has collected from investors and more about how much it has made for them. Here are our most recent stats:

$9,470,000,000* – How much we've made for our investors

$112,500,000† – How much we've saved investors through lower fees.

To see your fee savings as an EdgePoint investor in real time, check out our MER savings counter on our homepage at www.edgepointwealth.com.

We also believe in eating our own cooking by maintaining a significant personal investment in our products. As at December 31, 2020, our internal partners held $352 million in company-related products. Having "skin in the game" fosters accountability and creates alignment with our investment partners. While co-investment can't promise results, it does help to ensure investors' well-being moves in lockstep with their managers'.

* Includes since inception total returns from all investments managed by EdgePoint, net of fees and taxes charged directly to the respective Portfolios. Excludes fees and taxes paid directly by investors.

† Source: Strategic Insight, Morningstar Direct. Category average MERs of actively managed series F funds in the following categories: Global Equity Category, Canadian Equity and Canadian Focused Equity Category, Global Equity Balanced, Global Neutral Balanced and Global Fixed Income Balanced Category, Canadian Equity Balanced, Canadian Neutral Balanced and Canadian Fixed Income Balanced Category Series F is available to investors in fee-based/advisory fee arrangement and excludes trailing commissions. EdgePoint Portfolio MERs as at December 31, 2020. Annual savings calculated using an average of monthly assets under management for Series A and A non-HST for years 2009 to 2017 and series F and F non-HST for years 2018 to 2020. Due to the shift in assets towards fee based, we believe comparisons using Series F and F non-HST MERs starting in 2018 is more relevant. Strategic Insight used for category averages from year 2009 to 2017. Morningstar Direct used from year 2018 and onward. Fee savings are an approximation.

3. Maintain a company culture that inspires our employees to think and act like owners.

Believing that culture begins with a business's owners, we offer employees the opportunity to buy a stake in EdgePoint Wealth. To truly align our interests, we believe employees should purchase their shares rather than be given stock or options. This increases the commitment to our company and eliminates any sense of entitlement. There's an important difference between the risk of losing one's hard-earned savings and forgoing a satisfactory capital gain. It's just common sense that employees with a large stake in the success of a business are motivated to meet – and even exceed – the expectations of their individual role. This is another area that sets us apart from the majority of companies in our industry. All of EdgePoint's employees are EdgePoint owners.

New employees in 2020

Sydney Campbell, Relationship Management

Jeremy Lougheed, Relationship Management

Nicholas Andreoli, Relationship Management

Honglei Wang, Investment Communications

Lee Matheson, Investments

Jinhyung Kwon, Investments

EdgePoint's contributions to Cymbria

Cymbria's wealth drivers	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Security selection	-0.21%	12.06%	-4.50%	13.45%	10.48%	11.09%	17.36%	45.49%	9.55%	-3.36%
EdgePoint valuation	-2.72%	2.85%	3.60%	8.82%	1.45%	5.76%	5.17%	6.04%	0.96%	0.85%
EdgePoint dividend	1.59%	2.07%	1.33%	1.21%	0.98%	0.84%	0.78%	0.63%	0.56%	0.39%
Change in Cymbria's Class A aNAV	-1.34%	16.98%	0.43%	23.48%	12.91%	17.69%	23.31%	52.16%	11.07%	-2.12%

Security selection includes Cymbria's income (excluding EdgePoint dividends) and expenses. The change in Cymbria's Class A aNAV includes an accrual for current income taxes and excludes the impact of potential deferred taxes on the Portfolio's unrealized gains. Calculations are for Cymbria's Class A aNAV.

Adding value through share buybacks

By Norman Tang, Chief Financial Officer

Cymbria has three main drivers of wealth creation. Most of this Annual Report is dedicated to the primary driver of wealth, which is Cymbria's investment in a selection of public and private businesses. In previous years, I wrote about the second driver of wealth, which is Cymbria's investment in EdgePoint Wealth Management Inc. This time, I've chosen to focus on Cymbria's third driver of wealth, which is the company's ability to repurchase its shares if an attractive opportunity presented itself.

2020 was the first time Cymbria's Class A shares traded at a meaningful discount to adjusted net asset value (aNAV) for a prolonged period since the middle of 2013. "Meaningful" is a subjective term but I would describe it as greater than 5%. In 2020, we considered this opportunity to repurchase our shares at a discount even more attractive than usual, as the volatility triggered by the COVID-19 pandemic caused a short-term decline in the share prices of most businesses in Cymbria's portfolio. In other words, these were the exact conditions when you should expect us to be active in repurchasing our shares through our Normal-Course Issuer Bid (NCIB).

> A Normal-Course Issuer Bid (NCIB) is a stock buyback program that allows public companies to repurchase their own shares in order to cancel them.

We were active with our NCIB almost daily from mid-July until the end of December, excluding internal blackout periods. During the year, we purchased and cancelled 40,300 Class A Shares for a total of $1.82 million. A completely rational response to that would be "wait, Cymbria has a total aNAV of about $1.2 billion and that's all you repurchased?" Yes, but it wasn't for a lack of trying. When compared to other public companies and their buyback efforts, the challenges that Cymbria faces with repurchasing shares through NCIB are a combination of liquidity, a large bid/ask spread for the stock and, most importantly, its great shareholder base. We believe the main reason it wasn't easy to repurchase shares is that Cymbria's shareholders are long-term investors who understand the value of what they own.

The reason that liquidity presents a challenge for repurchasing shares is easy to understand. The average daily volume of Class A shares traded is about 8,000 shares. At a share price of roughly $45 to $50, that equates to a daily value traded of about $360,000 to $400,000.[i] In comparison, the average daily volume of TD Bank shares, for example, is over six million, or about $420 million in daily value traded.[ii] There just aren't that many shares of Cymbria available to purchase on a daily basis. We were willing to repurchase multiples of our daily volumes, even without having set aside specific cash for NCIB repurchases. But even if we could reach 100% of the daily volume, it would still take a month of trading to repurchase a mere 1% of the outstanding shares.

> A bid-ask spread is the amount by which the ask price (seller) exceeds the bid price (buyer) for shares of a publicly traded company.

What makes liquidity a bit more difficult is that the rules for NCIB trading effectively do not allow us to be anywhere near 100% of the volume (not that we would necessarily want to be). There are many restrictions in place, but the biggest one is that we are not allowed to uptick the market, meaning our maximum bid can only be as high as the last traded price. As I write this, the current bid-ask spread on Cymbria Class A shares is about 52 cents.[iii] In other words, the highest bid is $0.52/share below the lowest asking price for Class A Shares (or about 1% of the market price). Again, if we compare that to TD Bank, the current bid/ask spread is $0.01/share, or about 0.01% of the share price.[iv] Not being able to uptick the market is far less of an issue for most public companies because there are ready sellers within a few pennies of the last traded price. In Cymbria's case, since we can't bid higher than the last traded price under the NCIB rules, we must wait until a seller agrees to our bid, which currently could be $0.52/share lower than they want to sell for.

Combine that with fewer sellers in the market and we can go days without any NCIB purchases. There were some days when we reached almost 20% of volume, but on most days we were under 10% or even unfilled.

We also have some internal guidelines for NCIB purchases. Since we don't want to move the market with our repurchases, we aim not to be much more than 20% of volume under normal circumstances. Also, the repurchases must be accretive to the remaining shareholders, so there is a minimum discount to aNAV that we look for, which varies depending on market conditions.

If seeing that we were only able to repurchase a little under $2 million worth of shares this year is disappointing to you, we share your disappointment. We wanted to and tried to repurchase more. The challenges we encountered are in some ways a testament to the quality of shareholders that Cymbria has. As mentioned, I believe Cymbria is thinly traded because most of its shareholders are either long-term investors or they at least know what their shares are worth and are generally not willing to sell them at large discounts to aNAV. Unless one of these two things changes, it will likely continue to be difficult to repurchase large quantities of Cymbria shares under the NCIB, but rest assured that we will try whenever we see a meaningful discount to aNAV.

When repurchasing shares, it's not only the volume that matters, but also the price. The last time we had a chance to repurchase Cymbria shares, in 2013, we bought them at an average price of $14.69 and we were able to buyback 143,900 shares. Once again, this doesn't seem like a lot of shares being repurchased, but the price we bought them at is at a 72% discount to today's price.[v] The value created from those buybacks was material, even though we were only able to buy a limited number of shares. Our goal is to look back on 2020's share repurchases and say the same thing.

Since inception, Cymbria has repurchased and cancelled 501,100 shares at an average purchase price of $15.54 per share.

[i]Source: FactSet Research Systems Inc. Average daily trading volume as at February 3, 2021. In the fourth quarter of 2020, Cymbria shares traded in a range of $44 to $52.50. For simplicity purposes, we used a range of $45 to $50 in our example. Daily value traded was calculated by multiplying the average daily trading volume by the share price at the low end of the range, and also the share price at the high end of the range for the fourth quarter of 2020.

[ii]Source: FactSet Research Systems Inc. Average daily trading volume as at February 3, 2021. Daily traded value was calculated using a share price of $70 and an average daily volume of about six million shares.

[iii]Source: FactSet Research Systems Inc. Spread amounts are in C$ as at February 8, 2021.

[iv]Source: FactSet Research Systems Inc. Spread amounts are in C$ as at February 8, 2021.

[v]As at February 8, 2021.

The advantage of having like-minded partners

By Frank Mullen, Portfolio Manager

In 2018, we launched the EdgePoint Variable Income Portfolio with the goal of helping clients earn a pleasing risk-adjusted return by investing in select fixed income securities. The environment of low interest rates made it increasingly difficult to generate a pleasing return in the fixed income space, and we believed that a flexible portfolio of predominantly corporate bonds, grounded in the EdgePoint investment approach, could add value.

The quick selloff in capital markets during March of 2020 drove corporate bond yields higher. Bonds that started the year with yields below 6% rose to more than 10% in a few short weeks, and we found ourselves swimming in opportunity. Having a client base that understands your investment approach is a strong asset and allows an Investment team like ours to play offence through volatile yet opportunistic times.

Our message regarding the incredible value we were finding resonated with clients, and 2020 saw material inflows into the Portfolio as a result. We also put our money where our mouth is. EdgePoint employees strongly believe in the long-term opportunities embedded in the Portfolio and we significantly increased our stake in it throughout 2020. Investors who invested in the Portfolio from March to July saw double-digit returns, while those who were invested at the beginning of 2020 realized a return of 4.90% for the year, still beating the largest ETFs that track the U.S. high-yield bond market.[i]

The structure of the EdgePoint Variable Income Portfolio is unique. The Portfolio offers a quarterly redemption, no management fee and only charges a performance fee. This means we aren't compensated unless our investors are making money. This structure has allowed us to attract investors with a similar long-term mindset, which paid off in 2020. While markets have returned to a more normal operating environment, we are still finding unique opportunities and continue to have confidence that the portfolio is a viable way to complement other fixed income investments at a time when value is hard to find in more traditional asset classes.

Investment Results (Series PF) – Total returns net of fees in C$

As at February 28, 2021	Since Inception*	1-year return	2020	2019	2018**
EdgePoint Variable Income Portfolio	6.04%	10.40%	4.90%	7.60%	1.15%

*March 16, 2018
**Partial year return from March 16, 2018 to December 31, 2018.

EdgePoint Variable Income Portfolio is only available by offering memorandum and as such, eligible investors must qualify before investing. Please see the Offering Memorandum ("OM") for more details on EdgePoint Variable Income Portfolio.

[i]The iShares US High Yield Bond Index ETF (XHY) had a total return in C$ of 2.65% in calendar year 2020. The iShares US High Yield Bond Index ETF is a market-capitalization-weighted ETF that provides exposure to a broad range of U.S. high yield, non-investment grade corporate bonds. As at December 31, 2020, 74.9% of the EdgePoint Variable Income Portfolio was invested in high-yield corporate bonds. We manage our Portfolios independently of any index that we use for long-term performance comparisons. Factors such as security holdings, geographic/sector allocations, credit quality, issuer type and yield may impact comparability.

Responsible investing at EdgePoint

What does "ESG" (Environmental, Social, Governance) mean to you? We ask because we find ESG means something different to each person we talk to. Some think the E is the most important. Even within the E itself, there are things that seem more important to some people than to others. Meanwhile, others may focus on the S or on the G. All tend to believe that the E, S and G are important, but may weigh these elements differently in their investment decision-making process (even though they might not admit it). At the same time, many just see it as a box-checking exercise.

Investment firms now need to pay rating agencies to rate companies based on E, S and G. Somehow that rating from a third party tells them something about their businesses that they didn't already know? Somehow these ratings from third parties are now dictating where that investment firm should invest? Somehow different ESG rating agencies have different ratings on the same securities? If that's not odd enough, somehow these ratings seem to be more about what the company has done in the past than about what the company will be doing tomorrow.

Just like we believe the ratings on bonds from Moody's or S&P are useless information to anyone who knows how to analyze credit risk, the ESG ratings we see today have little value for those who already have a well-defined view of what ESG means to them.

When we think of ESG, **we think about how a company is making the world a better place.** Making the world a better place means the future, not the past. The companies that are going to do the best for the world are those that are making improvements to the state of the world.

Throughout our due diligence process, we look for any issues that pose material long-term risks to our potential investment (e.g., exploitation of workers, management character, environmental contagion, unsafe working conditions, excessive remuneration, allocation of capital, conflicts of interest, etc.). There were many times we decided not to invest in a business due to issues that would be defined today as "ESG issues".

We use this information to shape our investment decisions and hold the businesses we own accountable for upholding their corporate ESG principles. We also encourage management teams to enhance their procedures and policies as required. We believe that this ongoing engagement with company leadership is an effective way to maintain and improve corporate responsibility in the businesses we own. After all, improving corporate responsibility is good business.

We do the corporate box-ticking today that's more officially required and we've certainly improved on our ability to document the process and engagement that we've always had on ESG matters. For example, these recent developments highlight our continuing commitment to this matter:

- In 2019, we implemented an ESG monitoring tool offered by RepRisk. RepRisk is a data science company specializing in ESG and business conduct research. ESG-related news on each company we invest in is actively collected by RepRisk and sent to the Investment team for their ongoing due diligence of businesses in the Portfolios, and also prior to making an investment.
- In January 2020, we became signatories of the United Nations-supported Principles for Responsible Investment (PRI). The PRI lays out a series of principles with the goal of setting a global standard for responsible investing. As signatories, we're committing to review ESG issues in our investment analysis and publicly reporting on our progress.
- In 2020, we started incorporating ESG monitoring as part of our quarterly governance and oversight committee meetings.

Little Things

Sometimes it's the little things that make the world a better place. These are examples of initiatives put in place since the acquisition of our pest control business in Cymbria:

- Launched a new service to treat for bed bugs using a biopesticide which is more environmentally friendly than conventional pesticides
- Provided pro-bono disinfecting services to a local food bank during the hardest months of the pandemic and supported local food banks across Ontario with a monetary donation
- Implemented electronic service reports and billing to save paper and courier footprints
- Installed GPS units in the vehicle fleet to optimize vehicle usage reducing gas consumption and vehicle idle times

We also always defend our investors' interests. This includes voting proxies to reflect our views on management compensation and board composition, as well as ensuring responsible capital allocation.

We've found that we've been engaging more each year and believe this growth will continue. Again, we believe this because it's good business for a company to make the world a better place. It's not good business to pollute more. It's not good business to ignore the benefits of a diverse workforce or diverse leadership.

It's important to highlight the simple fact that sustainability is interlinked with financial results. We see this evidence in the businesses we own, and in the ones we avoid. A company's efforts to increase their positive impact environmentally, socially and economically are undeniably positive for the owners of the business – and for the world.

VIRTUALLY UNCHANGED

While we couldn't predict the full effects of COVID-19, we understood the importance of being ready for any disruptions to our business. Thanks to our robust business continuity plan, we were able to seamlessly transition to working from home. Here are some of the ways each department continued supporting our partners remotely in 2020.

Investments

The most valuable asset we have is the application of our investment approach. Just like in past periods of volatility, we stuck to our approach, continued focusing on the long term and took advantage of the abundant investment opportunities we were seeing. To support our partners, we made ourselves available for meetings and webinars throughout the year.



Trading

Whether we were in the office or at home, we traded on markets around the world, while providing market colour and timely information to our Investment team.



Investment communications

Investment communications continued its mission of providing tools to support advisors, the Investment team and relationship managers. Videos, podcasts, website updates and slides, we took a multimedia approach to conveying EdgePoint's message.



Technology

Meeting technology requirements has never been more important. We ensured a smooth transition to working from home and staying connected so we could continue supporting our partners virtually.



While a lot of things had to change this year, our unwavering commitment...

Despite the social-distancing restrictions, our culture remained strong.

17
"zoom at noons"

20 partners getting together over lunch to catch up and stay connected.

17
"did you know" E-mails

Entertaining, yet informative, CEO Patrick Farmer's bi-weekly E-mails updated us on everything EdgePoint (both the business and the people).

38
"show and tells"

Online gatherings to show colleagues what kept us inspired over the year with the hope of inspiring others.

Relationship managers

EdgePoint's first point of contact for 5,450 advisors representing 278,795 investors, we kept everyone informed on the Portfolios and the investment approach. There were over 7,600 meaningful contacts between relationship managers and advisor partners. Our institutional relationship managers communicated continuously with our institutional partners globally.



Operations

Operations ensured continued accessibility and responsiveness, seamless service to callers and promptly facilitated partner requests. We answered over 6,700 phone calls and produced over 300 reports for our partners.



Compliance & Trade operations

Compliance works hard to protect our clients to ensure their interests come first. We continued to ensure consistent disclosure and adherence to the rules.



Trade operations continued supporting trade processes, data management and portfolio management functions, reducing operational risk for investors.



Finance

In a year that wasn't by the numbers, Finance continued to manage financial statements, reporting and kept the lights on by paying the bills. We worked with every department, wherever they happened to be.



...to our partners and to a high level of service stayed the same.

EDGEPOINT IN NUMBERS

A YEAR IN REVIEW

Long-term investors

20,800[i]

Investors across Canada that have invested in an EdgePoint Portfolio for 10 years or more.

9.21%[ii]

Average EdgePoint investor 10-year return

We believe this is a testament to the value our advisor partners provided to our investors. Congratulations on achieving the most difficult feat in investing - taking a long-term view.

Investors served

We work hard every day to be worthy of the trust each and every one of these investors place in us.

2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
750	*16,782*	*27,460*	*44,192*	*52,326*	*68,907*	*88,634*	*124,770*	*150,488*	*218,000*	*311,305*	*333,374*	*278,795*

Advisors partnerships

Our goal is to partner with like-minded individuals rather than try to be all things to all people in an industry with over 95,000[iii] financial advisors.

2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
101	*945*	*1,539*	*1,913*	*2,289*	*2,196*	*2,543*	*3,286*	*3,478*	*4,541*	*5,495*	*5,809*	*5,450*

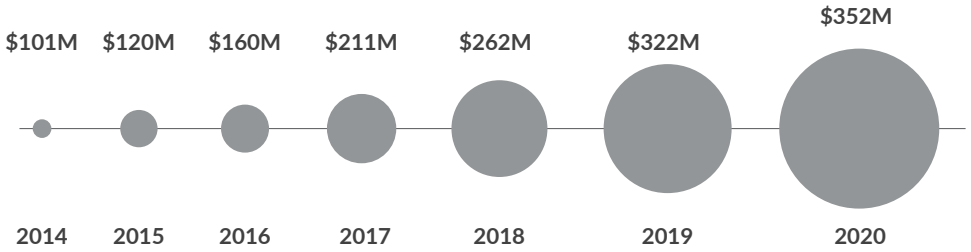
Certain advisor segments have been excluded from these values. Only segments that we deem as having a continued business relationship with us are included. Values dating back to 2013 were adjusted to reflect this change.

Fee savings[iv]

$112.5M

Start with our simple product lineup (fewer transactions between funds), no deferred sales charge purchase option (less administration) and no costly marketing department or advertising. Add a bunch of other little things and it all amounts to a big break for our investors.

Co-investment[v]



At EdgePoint, our internal partners are collectively one of our largest investors in EdgePoint Portfolios.

[i] As at December 31, 2020.

[ii] Source: Average EdgePoint investor returns: CIBC Mellon. Average EdgePoint investor returns are the average money-weighted returns (net of fees) across accounts in EdgePoint Global Portfolio, EdgePoint Global Growth & Income Portfolio, EdgePoint Canadian Portfolio and EdgePoint Canadian Growth and Income Portfolio from December 31, 2010 to December 31, 2020. Please refer to the Funds' standardized performance on page 14. Money-weighted returns represent the investor's personal rate of return taking into account their decisions regarding the timing and magnitude of portfolio cash flows. Average EdgePoint investor 10-year return excludes investor account transfers and switches.

[iii] Source: Strategic Insight. As at October 25, 2018.

[iv] Source: Strategic Insight, Morningstar Direct. Category average MERs of actively managed series F funds in the following categories: Global Equity Category, Canadian Equity and Canadian Focused Equity Category, Canadian Equity Balanced, Canadian Neutral Balanced and Canadian Fixed Income Balanced, Global Equity Balanced, Global Fixed Income Balanced, and Global Neutral Balanced. Series F is available to investors in fee-based/advisory fee arrangement and excludes trailing commissions. EdgePoint Portfolio MERs as at December 31, 2020. Annual savings calculated using an average of monthly assets under management for Series A and A non-HST or years 2009 to 2017 and series F and F non-HST for years 2018 to 2020. Due to the shift in assets towards fee based, we believe comparing using Series F and F non-HST MERs starting in 2018 is more relevant. Strategic Insight used for category averages from years 2009 to 2017. Morningstar Direct used from year 2018 and onward. Fee savings are an approximation.

[v] Co-investment numbers include investments in EdgePoint Portfolios as at December 31 of each year noted. Figures from 2019 onwards include investments by the EdgePoint Wealth Management house account in EdgePoint Portfolios (excluded in previous years).

Online

8 podcasts

To keep our investors well informed and provide easier access to insights, the Investment team recorded commentary podcasts in an easily downloadable format. Available on Apple and Spotify.

51 Inside Edge posts

The weekly posts share some of the most interesting charts and articles read by our Investment team.

Produced 4 videos to help investors understand our approach and important investment concepts. These videos were watched over 5,700 times.

- Worth your while – knowing the value of what you own
- Bumpy road to long term outperformance
- Short-term declines
- Embracing the unknown

Merch

2020 EdgePoint swag collection



12 items for sale at our EdgePoint online store. All profits go towards lowering investors' fees.

Communicating with our advisor partners

With the many uncertainties that 2020 brought, we knew how important it was to provide open and honest communication at a greater frequency than before. As face-to-face meetings were no longer an option, our team was quick to adapt to new methods of communication:

We held *7,638 virtual meetings* with advisor partners

Our Investment team spoke directly to *752 advisor partners* throughout the year

8,000 hours were invested talking to our advisor partners

We conducted **4** large-scale webinars

400 advisor partners added meaningfully to their EdgePoint holdings through 2020 and were recognized with a card from our team



Thank you for your continued trust and partnership over the course of 2020

Employee partnerships

We are 79 partners strong. In 2020, we hired 6 new partners. The average tenure of an EdgePointer is 6 years.



INVESTORS MAKE DECISIONS ABOUT POINT B BASED ON HOW COMFORTABLE THEY FEEL AT POINT A.

IF HISTORY IS A GUIDE, SHORT-TERM COMFORT ISN'T A GOOD THING WHEN INVESTING.

Point B
Retirement
Child's education
Another goal

Where are they now?

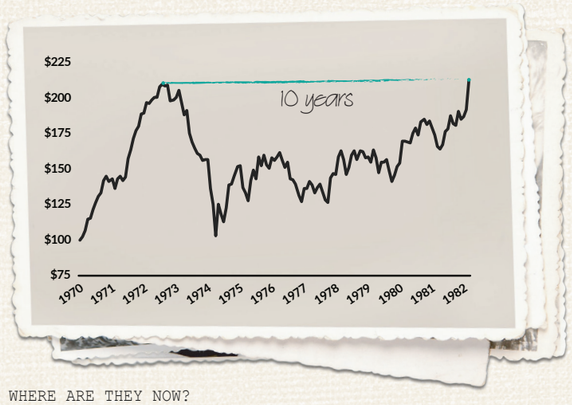
Seeking short-term comfort often means following the crowd and investing with consensus. Over the past 50 years, history is littered with examples of times when consensus thinking led investors to chase short-term performance only to experience permanent loss of capital. Here is a page from the "lessons on investing yearbook" showing how popular investing trends ended and why what seems obvious isn't always right.

The Nifty 50s
1970s

POPULAR GROUP: Student council

VOTED MOST LIKELY TO SUCCEED BECAUSE:
They were the popular kids, seen as guaranteed winners. They were regarded as "buy and hold" businesses and it didn't matter what you paid for them.

Nifty 50
Growth of US$100 (market-capitalization weighted)
Jun. 30, 1970 to Aug. 31, 1982



WHERE ARE THEY NOW?
They got too popular and people paid too much to join the club. If you followed the crowd, you lost more than half your money in less than two years, and it took over 10 years to make it back.

The oil crisis
1970s to 1980s

POPULAR GROUP: Geology club

VOTED MOST LIKELY TO SUCCEED BECAUSE:
Everyone seemed convinced that there was a shortage of oil in the world leading to sky-high oil prices.

West Texas Intermediate barrel price (US$)
Mar. 31, 1977 to Mar. 31, 1997

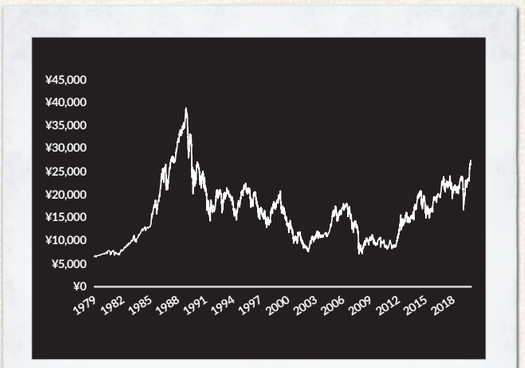
WHERE ARE THEY NOW?
Oil prices dropped by 74% from their 1980 peak and stayed well below the peak for a long time.

The Japanese bubble
1980s

POPULAR GROUP: East Asian studies

VOTED MOST LIKELY TO SUCCEED BECAUSE:
It was believed that the Japanese way would be the way of the future. The speculation sent Japanese companies soaring throughout the 80s.

Nikkei 225 Index
Dec. 31, 1979 to Dec. 31, 2020



WHERE ARE THEY NOW?
The bubble burst. It's 30 years later and the Nikkei 225 Index is still worth about 30% less than what people paid at the peak.

Dot.com bubble
Late 1990s to early 2000s

POPULAR GROUP: Computer science club

VOTED MOST LIKELY TO SUCCEED BECAUSE:
The keepers to the digital kingdom ruled. Dot-com companies were market darlings and money rushed into them.



WHERE ARE THEY NOW?
At the start of the 2000s, the market realized they were overvalued and the panic selling resulted in many people losing their savings.

ALTHOUGH LOOKING DIFFERENT MIGHT HAVE BEEN TOUGH, FOLLOWING THE POPULAR CROWDS WOULD HAVE BEEN WORSE. TO GET TO YOUR POINT B AND BE RIGHT IN THE LONG TERM, SOMETIMES YOU NEED TO BE WILLING TO LOOK WRONG IN THE SHORT TERM.

Source, Nifty 50: Empirical Research Partners, LLC. In US$. The Nifty 50 return is market-capitalization weighted. The Nifty 50 were a collection of 50 companies regarded as solid "buy-and-hold" equities. The recovery period for the Nifty 50 was January 1973 to August 1982. Source, oil: FactSet Research Systems Inc. In US$. Oil decline period was March 1980 to March 1986. West Texas Intermediate (WTI) is a type of crude oil predominantly from Texas whose price is used as the benchmark for the New York Mercantile Exchange's oil futures contract. Source, Nikkei: Bloomberg LP. Price return in Japanese yen. The Nikkei 225 Index is a price-weighted average of 225 top-rated Japanese companies listed in the First Section of the Tokyo Stock Exchange. The post-peak period is December 29, 1989 to December 31, 2020. Source, Nasdaq: Bloomberg LP. In US$. The Nasdaq Composite Index is a market capitalization-weighted index of common stocks and other similar securities that are exclusively listed in the U.S. on the Nasdaq Stock Market. Commissions, trailing commissions, management fees and expenses may all be associated with Cymbria Corp. Please read the Annual Information Form before investing. Copies are available at www.cymbria.com. Unless otherwise indicated, rates of return for periods greater than one year are historical annual compound total returns net of fees including changes in share value and reinvestment of all dividends, and do not take into account any sales, redemption, distribution or optional charges, or income taxes payable by any securityholder, which would have reduced returns. Its value is not guaranteed, its value changes frequently and past performance may not be repeated. This is not an offer to purchase. This document is not intended to provide legal, accounting, tax or specific investment advice. Information contained in this document was obtained from sources believed to be reliable; however, EdgePoint does not assume any responsibility for losses, whether direct, special or consequential, that arise out of the use of this information. Portfolio holdings are subject to change. Cymbria is managed by EdgePoint Investment Group Inc., a related party of EdgePoint Wealth Management Inc. EdgePoint® is a registered trademark of EdgePoint Investment Group Inc.

If making money in the stock market was easy, the world would be rich.



And it isn't rich for a reason.

Management's Discussion & Analysis of

CYMBRIA CORPORATION

Year ended December 31, 2020

CYMBRIA®

Management's Discussion and Analysis ("MD&A") provides a review of Cymbria Corporation's ("Cymbria") financial results for the year ended December 31, 2020 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 March 11, 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 annual 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, 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

	Dec. 31, 2020 ('000s)	Dec. 31, 2019 ('000s)
aNAV	$1,229,894	$1,247,265
Less: Deferred income tax liability	(37,776)	(39,529)
Shareholders' equity	$1,192,118	$1,207,736

- 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	Dec. 31, 2020	Dec. 31, 2019
Adjusted net asset value per share	$ 52.38	$ 53.09
Less: Deferred income tax liability	(1.61)	(1.69)
Shareholders' equity per share	$ 50.77	$ 51.40

Class J	Dec. 31, 2020	Dec. 31, 2019
Adjusted net asset value per share	$ 58.16	$ 58.75
Less: Deferred income tax liability	(1.78)	(1.86)
Shareholders' equity per share	$ 56.38	$ 56.89

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. At the end of 2020, Cymbria invested in a collection of 50 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 423.8% and the cumulative return of Cymbria's Class A shareholders' equity since inception is 407.7%.

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 intelligent 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

During one of the most uncertain investment environments in a generation, market bifurcation remained at an extreme throughout 2020. The market was predominantly driven by a small group of businesses (obvious growers) where there was almost no price too high that investors were willing to pay.

In periods of uncertainty, investors flock to what is certain. When a global pandemic hit, it's not a surprise that investors crowded to a group of businesses that were very likely going to grow in the short term. The relative valuation of obvious growers versus the rest of the market has rarely been higher on a historical basis. Although we believe many of these stocks are great businesses, they may not necessarily be great investments. The inescapable reality of investing is that the price you pay ultimately determines your future return.

We think valuation is important and having a proprietary insight into a business is the key to compounding wealth. Therefore, we chose not to own any of these businesses.

From an investment standpoint, our team hadn't seen as many exciting investment opportunities since 2008. We continued to live in a narrow emotional band and looked for businesses that could thrive despite the pandemic, but where that view wasn't widely recognized by the market.

For the most part, the businesses in Cymbria performed well, especially considering the implications of COVID-19. On aggregate, the financial results of these businesses reported since the first impact of the virus have outperformed our expectations. Their strong position is affirmed in that, in many cases, improvements have been made to operations and cost structures that will likely endure after the pandemic.

Our investment approach is the cornerstone of what we do and it's proven to be successful over many decades. In order to beat the market over the long term, you have to look different than the market. Said another way, you must be willing to look wrong in the short term, in order to be right in the long term.

Outlook

Historically, our investment approach tends to underperform in markets where investors crowd into a small group of companies. This typically happens during periods of euphoria or fear in the market. We think investors are placing too much emphasis on short-term certainty and ignoring high-quality companies whose next three or six months might be uncertain, but whose next three to five years are highly predictable.

The highly uncertain outlook driven by the pandemic has caused the most certain names to be the most expensive. However, there are many compelling businesses under the radar that are not in line with today's market narrative. Here are a few of these businesses that you own in Cymbria:

- Middleby is a global leader in the foodservice equipment industry. The stock sold off sharply this past year because investors were concerned about the slowdown in the restaurant sector. While there is a short-term impact to the business, Middleby has been gaining market share as their smaller competitors struggle to survive. If you take a longer-term view, restaurants will have to change the way they do business. Think about touchless delivery of pizzas, dark kitchens (kitchen-only concepts that process and produce orders for delivery) and connected kitchens (a form of smart kitchen that can be controlled remotely) – all the equipment is sold by Middleby.
- Philips is the leading provider in the health care equipment and technology space. In the short term, investors are worried about hospital budgets and the negative impact on elective surgeries. But the long-term secular growth drivers are still intact. Every year, an aging population will result in increased demand for all of Philips' product offerings. The pandemic has highlighted the stress that can be put on the medical system. There are not enough nurses and medical workers to meet the demographic trends, which should increase Philips' addressable market.
- O'Reilly Auto Parts is a leading provider of aftermarket auto parts. In the short term, the pandemic resulted in less driving, meaning less need for vehicle repairs and parts. However, in the long term, driving has the potential to steal market share from other forms of transportation (public transit, flights or even ridesharing) and O'Reilly has a long runway to expand their footprint.

Our investment approach has added the most value for investors when it looked the most wrong in the short term. If history is a guide, actions taken during these difficult and unpopular periods sow the seeds for satisfying long-term returns.

COVID-19 pandemic

The speed of the market decline in the spring of 2020 due to the unknowns around COVID-19 was unparalleled. Similar to the market, Cymbria experienced a significant drawdown but most of the businesses we own have recovered from the lows during the year. As in past periods of volatility and uncertainty, we continued to live in a narrow emotional band and adhered to our investment approach. We were very active, taking advantage of compelling opportunities amid extreme market volatility. We continued focusing on the long-term by looking for businesses that could thrive beyond the current challenged environment, but where these opportunities weren't recognized by the market and reflected in the price. Although there still may be uncertainty about the future impact of the

pandemic on our businesses in the short term, we believe Cymbria is well positioned today to deliver pleasing long-term investment performance.

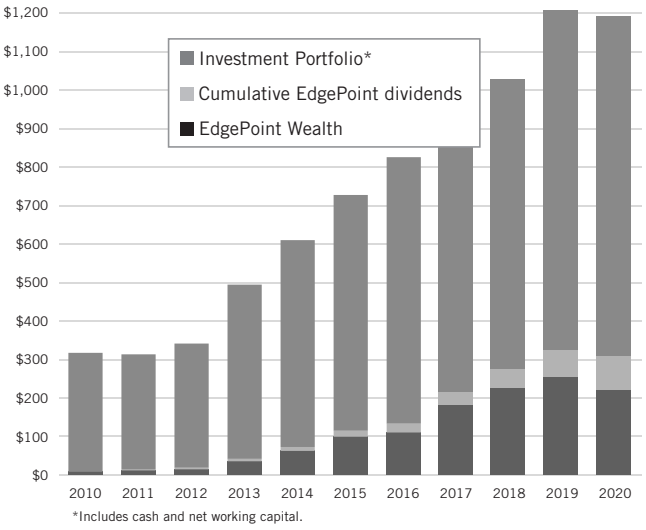
Cymbria's fixed pool of capital and no significant liabilities meant that there were no liquidity concerns with our operations, even during the most volatile periods of the pandemic.

The pandemic also forced many organizations to rethink their workflow with many adopting significant health & safety measures and requiring employees to work remotely from home. We have taken preventative actions to ensure the wellbeing of EdgePoint's internal partners and to mitigate any disruption to our business. This includes a successful transition to a remote work structure and the implementation of health and safety measures to safeguard the eventual return to the office. The COVID-19 pandemic did not impact our financial reporting environment, nor did it significantly affect any judgment and measurement uncertainty with the portfolio.

Overall performance

For the year ended December 31, 2020, Cymbria's shareholders' equity decreased 1.3% to $1,191 million (December 31, 2019: increased 16.4% to $1,208 million). 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 public securities held by Cymbria as a percentage of shareholders' equity. This summary excludes Cymbria's privately owned businesses. A full list of the investment portfolio can be found in the *Schedule of Investment Portfolio* in the audited financial statements.

Business	Fair value ('000s)
Shiseido Co., Ltd.	$ 45,045
Berry Global Group, Inc.	40,857
CSX Corp.	40,339
Mattel, Inc.	40,000
Affiliated Managers Group Inc.	39,653
Flowserve Corp.	34,509
Onex Corp.	33,092
Bank of America Corp.	28,910
The Middleby Corp.	28,885
Kubota Corp.	25,883
TE Connectivity Ltd.	25,848
Restaurant Brands International Inc.	25,617
Fujitsu Ltd.	25,430
AutoCanada Inc.	25,429
Computer Modelling Group Ltd.	24,936

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 year:

- AutoCanada Inc.

  AutoCanada is one of Canada's largest multi-location automobile dealership groups. When we bought the business in August 2018, there were two elements to our thesis:

  We believed the core operations (the existing set of dealerships) were underperforming their true potential and the new management team (that came into place in 2018) would significantly improve the operating profitability and steer the business towards used car service and parts. This side of the business accounts for over 50% of the company's profit. So far, management has done a great job executing on this task over the last year.

  The second element of our thesis revolved around AutoCanada taking advantage of a very fragmented market. There is a very large number of "mom & pop" car dealerships that don't have a natural succession plan. We believe AutoCanada can be a

natural consolidator of competitors. This is a process that they've already started while improving the balance sheet, in order to take advantage of opportunities in the market.

In addition, management has a view that bricks-and-mortar-style car dealerships can be complemented by having an online experience to buy cars. We believe this presents an interesting opportunity for the future of the business.

The stock was up 90.6% during the year and Cymbria's unrealized gain in the business increased by $12.1 million.

- Berry Global Group, Inc.

  Berry Global is a packaging company. We first purchased the business in Cymbria in August 2019. It makes products such as food packaging, the plastic liners on diapers, components of surgical masks and protective medical clothing. The company has a remarkable track record of growth. Berry proved the resiliency of its business model in fiscal 2020, achieving record earnings results and exceeding all operating profit targets. Berry's food packaging and health/hygiene products outperformed expectations, given the favourable demand backdrop for these products. Organic volume growth reached mid-single digits in the fourth quarter of the year, a record high for the company since becoming a public company. These strong operating results have allowed Berry to deliver faster than anticipated and the company will be in a position to return capital to shareholders by the second half of calendar year 2021.

  The stock was up 18.3% during the year and Cymbria's unrealized gain in the business increased by $8.0 million.

- CSX Corp.

  CSX. is the fifth-largest freight railroad in North America, operating primarily on the U.S. eastern seaboard. We first purchased the company in January 2017 following the announcement of a new CEO who would be implementing "precision railroading." This is an operating model that runs trains on a fixed schedule, meaning fewer stops, a decrease in number of times that freight is handled and improved overall train velocity. Despite unprecedent volume declines due to the pandemic, CSX remained cash flow positive during all points of the downturn. Management responded to the pandemic by further reducing operating costs. A large portion of these costs are expected to be permanently removed, which will provide strong operating leverage as volumes return. Volumes have seen significant improvement since the April trough and evidence of strong near-term operating leverage is beginning to take hold. In the third quarter of 2020, volumes were 3% ahead of run-rate March 1st, 2020 volumes (pre-pandemic), while total active locomotives were down 8%. In turn, year-over-year operating profitability was nearly unchanged. We believe CSX is in a favourable position to drive structural volume growth to its rail network.

  The stock was up 25.4% during the year and Cymbria's unrealized gain in the business increased by $4.0 million.

The following businesses had the most meaningful negative impact on shareholders' equity during the year:

- Wells Fargo & Co.

  We first purchased Wells Fargo in Cymbria in November 2009. We believed the company was undervalued following the 2008-09 Financial Crisis and it had the potential to grow faster than the economy, cut expenses and use their excess capital for stock buybacks and dividends. Several regulatory issues occurred during our holding period and the bank became subject to consent orders while also being hindered by an unprecedented U.S. Federal Reserve cap on its balance sheet growth. A new CEO was brought in who had spent over half of his career working for Jamie Dimon, a leader we admire. We believed he would be able to reignite the business, accelerate earnings growth with share buybacks and add significant shareholder value by growing the business once they were no longer subjected to government restrictions owing to previous violations.

  Despite overcoming several regulatory hurdles, politicians and regulators continued making Wells Fargo an example for previous violations and maintained the US$1.95 trillion asset cap, the maximum amount the bank could manage. After pleading with the regulators to let them participate in the small business lending program to help businesses during the COVID-19 pandemic, the regulators temporarily and narrowly lifted this restriction. We concluded that regulators were not going to permanently lift the asset cap any time soon (other than exceptional events like COVID-19). In addition, their high-cost structure relative to revenue was a headwind during the COVID-19 downturn, as their competitors were able to weather the storm better. We exited the position and Cymbria realized a loss of $11.0 million during the year.

- Air Canada

  We initially purchased Air Canada in Cymbria in May 2019 after the company brought its loyalty program, Aeroplan, back in-house. Our view was that Air Canada was transitioning from a decade-long period of investing in the company to reaping the benefits of those investments. We believed that this change would result in improved income without additional significant costs. Our internal projections showed that it could generate about 50% of its market value between 2019 and 2021 in income after expenses. Management indicated that this money would be returned to shareholders in the form of share repurchases.

  While Air Canada looked objectively attractive based on this 2019-2021 forecast, we believed Air Canada was also an appealing business based on how we expected it to perform in a downturn. The business had materially improved its costs and overall finances. We believed Air Canada could withstand events like the previous SARS pandemic and 2008-09 Financial Crisis with minimal long-term effect. However, COVID-19 materially worsened Air Canada's outlook and the near-term impacts on its business were harsher than any scenario we ever envisioned. As an example, Air Canada announced that it would reduce its capacity by 85% to 90% in the second quarter of 2020. A similar decrease in revenue could be assumed for the third quarter. This was far worse than the annual 15% decline in revenues

Air Canada experienced during SARS and the 2008-09 Financial Crisis. Our initial assumption of its finances not being materially impaired following a downturn would likely be incorrect. This also meant a very high probability that our assumptions about income and capital return wouldn't materialize, invalidating our original idea in Air Canada. We sold Air Canada at a loss and redeployed this capital into other ideas in which we had stronger conviction.

The holding period return was -66.4% and Cymbria realized a loss of $10.4 million when the business was sold during the year.

- Flowserve Corp.

  Flowserve is a leading supplier and aftermarket service provider of industrial flow management equipment, such as pumps, valves and seals. We first purchased the business in Cymbria in December 2014. Flowserve services industries such as power, oil, gas and chemical. About half of its business is after-market maintenance, which is higher margin, more stable and is a very attractive aspect of the overall business. The other part of the business, which focuses on plant construction, hasn't held up well as oil prices collapsed. Flowserve's management team brought in talent and centralized operations. This, combined with a solid balance sheet and cash flows, leads us to believe that the company is still in a good position to benefit should the oil price rebound. A significant part of Flowserve's profit comes from servicing existing customers, with 30% to 35% based on replacing existing parts. With the largest number of Quick Response Centers in the industry, it is well-positioned to continue to grow this side of its business.

  We have confidence in the management team to not let a crisis "go to waste." They have introduced over US$100 million in cost savings and continue slashing expenses, so they are positioned to come out stronger on the other side.

  During the year the stock was down 26.0% and Cymbria had an unrealized loss of $11.2 million.

Businesses purchased

During the year, we purchased stakes in 23 new businesses. Two of the largest purchases, in terms of significance to Cymbria as at December 31, 2020, were:

- Onex Corp.

  Onex is one of the best private equity firms in North America. Over more than 30 years, it has had an excellent track record of wealth creation. We classify Onex as a non-obvious survivor. It isn't the type of business that the average investor feels safe and comfortable owning during periods of volatility. General perception of Onex is that they are a private equity firm and private equity by its nature operates with a lot of leverage, making it more fragile. Another observation investors make about Onex has to do with the privatization of WestJet. Airlines have been disproportionately impacted by COVID-19.

  Our view is very different. There is a big difference between the companies Onex invests in and Onex the parent company. Onex the parent company has no debt, which means it will essentially survive any environment. All the individual investments are non-recourse, in other words, not correlated to any other investment. Not only does it not have any debt, but it also entered the downturn with over $2 billion in cash. We didn't have a differentiated view regarding the concerns people had about the airline, but we noted that WestJet made up just 3% or 4% of Onex's entire portfolio. Even if WestJet has no value, it represents at most 3% or 4% of a long-term impact.

- Bank of America Corp.

  The Bank of America thesis was, in part, born out of our Wells Fargo holding. In 2016, Wells Fargo was embroiled in a fake accounts scandal. We had assumed that this scandal would be put behind them over the span of 12 to 18 months. This assumption proved incorrect. The COVID-19 crisis amplified the negative consequences of Wells Fargo's political issues, and we exited the position. Wells Fargo was not unique among banks in seeing its share price decline during the pandemic. Fears surrounding the economy caused all banks share prices to sell off, and gave us the opportunity to use the majority of the proceeds from our Wells Fargo sale to purchase Bank of America.

  Our Bank of America thesis focused on its strength relative to its competitors during the recent crisis. By having a stronger credit profile and an overcapitalized balance sheet due to attracting more deposits, it could mitigate credit risk and has the raw material to grow following the downturn. Additionally, Bank of America shifted from acquiring varying businesses to becoming a strong operator of them. This diversified business model protects it against interest rates staying lower for longer, something we believe wasn't factored into its share price.

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 year we sold our stakes completely in 17 businesses. Below are the most significant businesses sold based on the gross amount of realized gains and losses:

- Berkshire Hathaway Inc.

  We first purchased Berkshire Hathaway in November 2015. We have been through a couple of phases with Berkshire over the last eight months. The first phase occurred earlier in 2020 and was one of outperformance as the market sold off and Berkshire was seen as a safe haven. During this time, we reduced materially our Berkshire position and redeployed the proceeds into other names that we thought were being unfairly impacted during the downturn. The second phase was during the summer of 2020 where we decided to reallocate the remaining ownership into ideas that we believe had better prospects coming out of the pandemic. We still believe in Warren Buffett and see Berkshire as having a great business model. We just saw better ideas elsewhere after considering the future prospects of Berkshire.

Our holding period return for Class A shares was 23.5% and 48.6% for Class B shares and Cymbria realized a total gain of $6.8 million during the year.

- Realogy Holdings Corp.

  Realogy is an American real estate and relocation services company. We first purchased the business in Cymbria in May 2014, at which point it was the largest real estate broker in the U.S. with a 20% market share. It owned several real estate brands, such as Century 21, Coldwell Banker and Sotheby's. Realogy had two main sources of income: royalties (real estate agents operating under a Realogy brand) and brokerage (directly employing agents).

  Our thesis focused on real estate transactions keeping pace with population growth and inflation, along with a return to historical averages of real estate transactions compared to total population as the country recovered from the 2008-2009 Financial Crisis. We believed that Realogy could grow by double-digits each year based on this.

  Although we predicted both traditional competitors and possible disruption from other sources, we didn't foresee another competitor with both a willingness to lose money for several years and well-financed backers. Compass, funded by Japan's SoftBank, began gathering top agents by offering them 100% of the commission. This meant that Compass earned no money but created relationships with the best performers. Compass started to adjust the commission split, but when COVID-19 struck, we believed that the industry's business model may have changed and decided to sell the remaining position as we did not think buyers or sellers would be interested in traditional home sales involving open houses and visits.

  Our holding period return was -74.7% and Cymbria realized a loss of $20.4 million during the year.

- Wells Fargo & Co.

  Please refer to comments above on Wells Fargo.

- Swedish Orphan Biovitrum AB (SOBI)

  SOBI is an international biopharmaceutical company dedicated to treatments in the areas of hematology, immunology and specialty care, based in Sweden. We first purchased the business in March 2017. When we purchased SOBI, the big opportunity was their drug in hemophilia treatment – patients who lack the ability to make blood clots and can bleed from very small internal injuries. We exited our position in the business as we believe the valuation was reached.

  The holding period return of the business was 35.8% and Cymbria realized a gain of $6.8 million during the year.

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 December 31, 2020:

- 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 December 31, 2020. Since inception, we have received $89.5 million in dividends from EdgePoint and its value in Cymbria has increased to between $202.7 million and $257.7 million, making EdgePoint the most valuable contributor to Cymbria's investment portfolio.

  Negative market volatility caused by fear over the economic impact of the COVID-19 pandemic led assets under management to fall from $28.9 billion as at December 31, 2019 to $26.8 billion as at December 31, 2020.

  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, representing a 13.3% decrease from its value as at December 31, 2019. The discounted cash flow model used for the valuation has a specific set of assumptions of which the significant ones are outlined in Note 11 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 11 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 11.

  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 December 31, 2020. 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 Inc.)

  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. While revenues declined this year because of the COVID-19 pandemic, MDA's technologies are mission-critical and continued to generate

earnings through a challenging economic environment. We are starting to see accelerating growth in their key end-markets as lower costs and improved technology enable new use-cases. MDA is well positioned to benefit from these trends and we expect to see pleasing growth over the next decade.

Financial review

This section discusses the significant changes in Cymbria's financial performance, financial condition and cash flows for the fiscal year ended December 31, 2020 compared to those for the years ended December 31, 2019 and 2018.

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

Financial performance

	Year ended December 31,		
	2020 ('000s)	**2019 ('000s)**	**2018 ('000s)**
Income			
Net realized gain (loss) on investments	$ (37,006)	$ 69,142	$ 124,909
Change in net unrealized gain on investments	(10,973)	82,581	(113,663)
Dividend and interest income	47,081	48,647	27,711
Foreign currency gain (loss) on hedging	(4,086)	4,111	(4,542)
Foreign currency gain (loss), excluding hedging	(4,561)	(184)	259
Total income (loss)	$ (9,545)	$ 204,297	$ $34,674
Expenses			
Management fees	$ 7,529	$ 7,793	$ 7,387
Withholding taxes, HST, and transaction costs	3,561	3,282	3,470
Other expenses	2,393	2,604	2,600
Total expenses	$ 13,483	$ 13,679	$ 13,457
Profit for the period before taxes	$ (23,028)	$ 190,618	$ 21,217
Income taxes	(9,229)	20,159	(528)
Net comprehensive income (loss)	$ (13,799)	$ 170,459	$ 21,745

(a) Net realized gain (loss) on investments

During the year ended December 31, 2020, the realized loss on investments of $37.0 million is largely attributable to a loss from the sale of shares of Realogy Holdings Inc. of $20.4 million, Wells Fargo & Co. of $11.0 million and Air Canada of $10.4 million. Realized losses were offset by gains from the sale of Berkshire Hathaway Inc. of $6.8 million and Swedish Orphan Biovitrum AB of $6.8 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 net unrealized gain on investments

The unrealized gain on investments decreased by $11.0 million for the year ended December 31, 2020. This is a result of fluctuations in the value of investments during the period. The two largest contributors to the decrease during the period were EdgePoint Wealth Management Inc. with a $33.9 million decrease and Flowserve Corp. with a $11.2 million decrease. These decreases to net unrealized gains were offset by increases in certain securities, including AutoCanada Inc. with a $12.1 million increase and Mattel Inc. with a $9.1 million increase. Fluctuations in investment values are not comparable to prior periods due to the different composition of the investment portfolio from period to period. More details relating to the most significant contributors to Cymbria's performance are discussed in the *Investment performance* section.

(c) Dividend and interest income

Dividend and interest income is earned on the portfolio of public equities, the fixed income investment and the investment in EdgePoint. An important driver of wealth for Cymbria is the dividend from EdgePoint. During the year ended December 31, 2020, Cymbria received dividends totaling $19.9 million from EdgePoint, representing a 10% decrease compared to 2019. This dividend can be reinvested by Cymbria in its portfolio of securities or used to buy back Cymbria shares. Dividends from investments other than EdgePoint amounted to $26.3 million for the year ended December 31, 2020. 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 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 December 31, 2019, Cymbria's most significant foreign currency exposure was the U.S. dollar, which as a percentage of shareholders' equity was approximately 38% and Cymbria hedged approximately 10% of that exposure. Cymbria's investments denominated in the Japanese Yen represent approximately 14% of shareholders' equity and Cymbria hedged approximately 9% of that exposure.

Cymbria did not have a hedge in place for its investment securities denominated in the euro, Indian rupee, 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 year ended December 31, 2020, Cymbria had a $4.1 million net realized and unrealized loss from hedging activities.

(e) Expenses

Cymbria believes that low expenses are an important factor in evaluating our performance. Management fees decreased by $0.3 million from 2019 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 management fees charged for the year ended December 31, 2020 were 0.80% for Class A shareholders and 0.40% for Class J shareholders.

Financial condition

	Dec. 31, 2020 ('000s)	Dec. 31, 2019 ('000s)	Dec. 31, 2018 ('000s)
Assets			
Investments	$1,171,060	$1,162,227	$1,051,910
Cash and cash equivalents	47,609	85,283	20,325
Other assets	1,290	825	646
Income tax recovery	17,047	7,016	–
Total assets	$1,237,006	$1,255,351	$1,072,881
Liabilities			
Foreign exchange forward contracts	$ 40	$ 59	$ 3,769
Income tax payable	–	–	2,590
Accrued liabilities and other payables	–	1,009	502
Credit facility	6,000	6,000	–
Deferred share unit plan	1,072	1,018	940
Deferred income tax liability	37,776	39,529	27,803
Total liabilities	$ 44,888	$ 47,615	$ 35,604
Shareholders' equity	$1,191,118	$1,207,736	$1,037,277

(a) Investments

Cymbria's investments as at December 31, 2020, primarily consists of a portfolio of public securities of $874.5 million and private equity of $288.1 million, including an investment in EdgePoint of $220.1 million. The increase of $8.8 million from December 31, 2019 is primarily the result of the net purchase of investments of $62.2 million and a net decrease in the value of investments of $52.1 million. The *Investment performance* section of this MD&A discusses the significant changes in these investments. The *Schedule of Investment Portfolio* included in the Financial Statements discloses all of the investment positions of Cymbria.

(b) Cash and cash equivalents

Cymbria maintains cash and cash equivalents to purchase investments, pay expenses, and occasionally buy back shares. Cymbria does not distribute cash by issuing a dividend. Cash balances are monitored on a daily basis by the Manager. The decrease of $37.7 million from the end of 2019 is primarily due to the net purchase of investments of $62.2 million offset by other cash generated from operating activities of $30.9 million during the year ended December 31, 2020. 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 $17.0 million is a result of the required income tax installments for 2020 being more than Cymbria's income tax liability as at December 31, 2020.

(d) Credit facility

As at December 31, 2020, Cymbria has drawn $6.0 million on its credit facility. The amount is unchanged from December 31, 2019.

(f) Deferred share unit plan

Cymbria's deferred share unit plan exists to provide directors the option to receive their compensation in the form of deferred share units. The units are valued using the five-day volume- weighted average stock price of Cymbria prior to the period end. For the year ended December 31, 2020, Cymbria issued 2,243 units and the total value of the plan increased by approximately $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 December 31, 2020, Cymbria's deferred income tax liability is presented net and it is comprised of a liability on the unrealized gain of investments of $38.0 million offset by an asset on deferred share units of $0.2 million. Included in the deferred income tax liability is $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 December 31, 2020 and March 11, 2021 were 100. Class A shares are non-redeemable and traded on the Toronto Stock Exchange. As at December 31, 2020 and March 11, 2021, there were 15,820,746 and 16,287,190 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 December 31, 2020 and March 11, 2021, there were 6,899,137 and 6,478,877 shares outstanding, respectively.

Cash flows

For the year ended December 31, 2020, Cymbria had a net decrease in cash and cash equivalents of $37.7 million. The majority of the net decrease in cash and cash equivalents is due to cash generated from operating activities, including the net purchase of investments of $62.2 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 25, 2020 to May 24, 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 year ended December 31, 2020, Cymbria repurchased Class A shares using the NCIB. In total, 40,300 shares were repurchased and cancelled at a weighted average discount to aNAV of 6.1%. Since inception, Cymbria has repurchased and cancelled 501,100 Class A shares at an average price of $15.54 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 an LRO for the year ended December 31, 2020, as Cymbria's Class A shares have been trading above 97% of aNAV on average over the year.

Fourth quarter results

The following table shows Cymbria's fourth quarter financial performance for the three months ended December 31, 2020 and 2019.

	Three months ended Dec. 31, 2020 ('000s)	2019 ('000s)
Income		
Net realized gain (loss) on investments	$ (11,537)	$ 16,292
Change in unrealized gain on investments	102,732	12,246
Dividend and interest income	21,378	9,358
Foreign currency gain on hedging	2,651	1,925
Foreign currency loss excluding hedging	(2,275)	(47)
Total income	$ 112,949	$ 39,774
Expenses		
Management fees	$ 2,021	$ 2,056
Withholding taxes, HST, and transaction costs	770	648
Other expenses	624	641
Total expenses	$ 3,415	$ 3,345
Profit for the period before taxes	$ 109,534	$ 36,429
Income taxes	11,748	3,639
Net comprehensive income	$ 97,786	$ 32,790

During the quarter ended December 31, 2020, Cymbria had net comprehensive income of $97.8 million that was driven by a net realized and unrealized gain on investments totaling $91.2 million. The investments that had the most significant contribution to the change in unrealized gain during the quarter were Affiliated Managers Group, Mattel Inc. and Flowserve Corp. Investments with significant contributions for the year ended December 31, 2020 are discussed in the in the *Investment performance* section.

Summary of interim results

The financial information summarized below is derived from Cymbria's condensed interim financial statements from the three month periods ended December 31, September 30, June 30, and March 31, 2020, and the same periods from 2019. In each of the periods, the changes in Total income (loss) and Net income (loss) are primarily a result of the realized and unrealized changes in the fair value of Cymbria's investments. No meaningful correlations can be made by comparing these figures from period to period.

					Three months ended			
(in '000s except per share amounts)	**Dec. 31, 2020**	**Sep. 30, 2020**	**Jun. 30, 2020**	**Mar. 31, 2020**	**Dec. 31, 2019**	**Sep. 30, 2019**	**Jun. 30, 2019**	**Mar. 31, 2019**
Total income (loss)	$ 112,949	$ 36,095	$ 107,003	$ (265,592)	$ 39,774	$ 21,298	$ 55,445	$ 87,780
Total expenses	$ 3,415	$ 3,733	$ 2,939	$ 3,396	$ 3,345	$ 3,741	$ 3,446	$ 3,147
Net income (loss)	$ 97,786	$ 29,538	$ 91,324	$ (232,447)	$ 32,790	$ 16,232	$ 47,163	$ 74,274
Net income (loss), per share								
Class A	$ 4.15	$ 1.24	$ 3.87	$ (9.92)	$ 1.38	$ 0.67	$ 1.98	$ 3.14
Class J	$ 4.63	$ 1.42	$ 4.34	$ (10.89)	$ 1.58	$ 0.80	$ 2.29	$ 3.53

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. Cymbria renewed the credit agreement during the year 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 December 31, 2020 and 2019, 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 has a financial liability associated with drawn amounts on the credit facility. As at December 31, 2020, cash and cash equivalents represents 6.2% of Cymbria's total shareholders' equity. Cymbria's portfolio of securities includes actively traded global stocks that can be readily sold. As at December 31, 2020, 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 December 31, 2020.

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 year ended December 31, 2020, management fees totaled $7.5 million, compared to $7.8 million for the same period in 2019. 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 11 of the annual 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 audited financial statements are the same as those applied by Cymbria in its financial statements for the year ended December 31, 2019, which were prepared in accordance with IFRS. Cymbria has not early adopted any 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
Interest receivable	Amortized cost	Amortized cost
Dividends receivable	Amortized cost	Amortized cost
Income tax recovery	Amortized cost	Amortized cost
Financial liabilities		
Income taxes payable	Amortized cost	Amortized cost
Payable for investments purchased	Amortized cost	Amortized cost
Credit facility	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

Future changes in accounting policies

A number of new standards, amendments to standards and interpretations are not yet effective for the year ended December 31, 2020. 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 its Co-Chief Executive Officers and Chief Financial Officer, is responsible for establishing and maintaining Cymbria's Disclosure Controls and Procedures ("DC&P") and Internal Controls over Financial Reporting ("ICFR") (as defined in National Instrument 52-109).

Consistent with NI 52-109, Cymbria's Co-Chief Executive Officers and Chief Financial Officer have reviewed the design of Cymbria's DC&P and ICFR and have concluded that as at December 31, 2020:

- Cymbria's DC&P provides reasonable assurance that (i) material information relating to Cymbria has been made known to them, particularly during the financial year ended December 31, 2020 and (ii) information required to be disclosed by Cymbria in its annual filings, interim filings or other reports filed or submitted by it under securities legislation has been recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- Cymbria's ICFR provides reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with International Financial Reporting Standards.

Cymbria's Co-Chief Executive Officers and Chief Financial Officer have evaluated the effectiveness of Cymbria's DC&P as at December 31, 2020 and have concluded that Cymbria's DC&P were effective as of that date. Cymbria will continue to monitor and mitigate the risks associated with any potential changes to its control environment in response to COVID-19.

Cymbria's Co-Chief Executive Officers and Chief Financial Officer have also evaluated the effectiveness of Cymbria's ICFR as at December 31, 2020, using the Internal Control-Integrated Framework.

Financial Statements of

CYMBRIA CORPORATION

Years ended December 31, 2020 and 2019

CYMBRIA®

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying Financial Statements have been prepared by the Manager, EdgePoint Investment Group Inc., on behalf of Cymbria Corporation ("Cymbria"). Management is responsible for the information and representations contained in these Financial Statements.

Management has maintained appropriate processes to ensure that relevant and reliable financial information is produced. The Financial Statements have been prepared in accordance with International Financial Reporting Standards and include certain amounts based on estimates and assumptions. The significant accounting policies that management believes are appropriate for Cymbria are described in Note 3 to the Financial Statements.

KPMG LLP, Cymbria's external auditor, has audited the Financial Statements in accordance with Canadian generally accepted auditing standards to enable them to express to shareholders their opinion on the Financial Statements. Their report, as auditors, is set forth herein.

The Board of Directors is responsible for reviewing and approving Cymbria's Financial Statements, overseeing management's performance of its financial reporting responsibilities and engaging the independent auditors. The Board of Directors is composed of three members who are independent of management. For all share classes of Cymbria, the Financial Statements have been reviewed and approved by the Board of Directors.



Patrick Farmer
Chairman
March 11, 2021



Norman Tang
Chief Financial Officer
March 11, 2021

Independent Auditors' Report

To the Shareholders of Cymbria Corporation

Opinion

We have audited the financial statements of Cymbria Corporation (the Entity), which comprise:

- the statements of financial position as at December 31, 2020 and 2019
- the statements of comprehensive income (loss) for the years then ended
- the statements of changes in equity for the years then ended
- the statements of cash flows for the years then ended
- and notes to the financial statements, including a summary of significant accounting policies

(hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2020 and 2019, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the ***"Auditors' Responsibilities for the Audit of the Financial Statements"*** section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2020. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matter described below to be the key audit matter to be communicated in our auditors' report.

Evaluation of the fair value of investment in EdgePoint Wealth Management Inc. ("EdgePoint")

Description of the matter

We draw attention to Note 3(a), Note 4 and Note 11(a) to the financial statements. The Entity records its investment in EdgePoint at fair value. The fair value is $220,523 thousand. Fair value is determined using the Discounted Cash Flow ("DCF") method. Under the DCF method, EdgePoint's fair value is estimated using the net present value of expected future cash flows. The cash flows include significant assumptions over the market growth rate, redemption rate, and portfolio management cost. The projected cash flows, together with the terminal value of the business at the end of the forecast period, are discounted to the valuation date using an appropriate rate.

The Entity engages a third-party valuator to assist in the valuation of EdgePoint.

Why the matter is a key audit matter

We identified the evaluation of the fair value of investment in EdgePoint as a key audit matter. This matter represented an area of significant risk of misstatement given the magnitude of the Entity's investment in EdgePoint and the high degree of estimation uncertainty in determining the fair value. Significant auditor judgement and specialized skills and knowledge were required in evaluating the results of our procedures due to the sensitivity of the fair value to minor changes in certain assumptions.

How the matter was addressed in the audit

The primary procedures we performed to address this key audit matter included the following:

To evaluate the appropriateness of the significant assumptions we:

- Compared estimated annual market growth rate to external industry reports
- Compared the estimated portfolio management costs and redemption rate to historical results taking into account changes in conditions and events affecting EdgePoint.

We involved valuations professionals with specialized skills and knowledge, who assisted in evaluating the appropriateness of the discount rate and terminal multiple used to estimate terminal value. The valuations professionals independently obtained the inputs into the discount rate from publicly available market data and considered EdgePoint's specific risk factors in the determination of the discount rate. In addition, the valuations professionals compared the terminal multiple used to estimate terminal value to multiples of comparable public companies.

Other Information

Management is responsible for the other information. Other information comprises:

- the information included in Management's Discussion and Analysis filed with the relevant Canadian Securities Commissions
- the information, other than the financial statements and the auditors' report thereon, included in the "Annual Report"

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.

We obtained the information included in Management's Discussion and Analysis and the Annual Report filed with the relevant Canadian Securities Commissions as at the date of this auditors' report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditors' report.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRS), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

  The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

- Provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- Determine, from the matters communicated with those charged with governance, those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our auditors' report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Chartered Professional Accountants, Licensed Public Accountants
The engagement partner on the audit resulting in this auditors' report is Peter Hayes
Toronto, Canada
March 11, 2021

Statements of Financial Position
(in '000s except per share amounts and number of shares)
As at December 31, 2020 and 2019

	2020	2019
Assets		
Investments	$ 950,164	$ 905,555
EdgePoint Wealth Management Inc.	220,523	254,431
Foreign exchange forward contracts (Note 13)	373	2,241
Total financial assets at fair value through profit or loss* (Note 11)	1,171,060	1,162,227
Cash and cash equivalents	47,609	85,283
Receivable for investments sold	328	63
Dividends receivable	947	659
Interest receivable	15	103
Income tax recovery (Note 10)	17,047	7,016
Total Assets	$ 1,237,006	$ 1,255,351
Liabilities		
Payable for investments purchased	$ –	$ 1,009
Foreign exchange forward contracts (Note 13)	40	59
Credit facility (Note 9)	6,000	6,000
Total current liabilities	6,040	7,068
Deferred share unit plan liability (Note 7)	1,072	1,018
Deferred income tax liability (Note 10)	37,776	39,529
Total Liabilities	$ 44,888	$ 47,615
Shareholders' equity		
Share capital (Note 5)	$ 219,656	$ 220,034
Retained earnings (Note 6)	972,462	987,702
Total Shareholders' Equity	$ 1,192,118	$ 1,207,736
Shareholders' equity		
Common stock	$ –	$ –
Class A	803,179	806,682
Class J	388,939	401,054
Number of shares outstanding (Note 5)		
Class A	15,820,746	15,694,001
Class J	6,899,137	7,049,982
Total shareholder's equity per share		
Class A	$ 50.77	$ 51.40
Class J	$ 56.38	$ 56.89

*Cost of investments is reflected in the *Schedule of Investment Portfolio*.

Certain comparative figures have been reclassified to conform with the current year's presentation.
The accompanying notes are an integral part of these annual Financial Statements.

ON BEHALF OF THE BOARD:

Reena Carter, Director

James MacDonald, Director

Statements of Comprehensive Income (Loss)
(in '000s except per share amounts)
Years ended December 31, 2020 and 2019

	2020	2019
Income		
Dividends from EdgePoint Wealth Management Inc.	$ 19,873	$ 22,016
Dividends	26,256	25,293
Interest for distribution purposes	952	1,338
Foreign currency gain (loss) on cash and other net assets	(4,561)	(184)
Other net changes in fair value of financial assets and financial liabilities at fair value through profit or loss:		
Net realized gain (loss) on investments	(37,006)	69,142
Net realized gain (loss) on foreign exchange forward contracts	(2,058)	(1,840)
Change in unrealized gain on investments	(10,973)	82,581
Change in unrealized gain on foreign exchange forward contracts	(2,028)	5,951
Total Income	$ (9,545)	$ 204,297
Expenses (Note 8)		
Management fees (Note 8)	$ 7,529	$ 7,793
Net withholding tax	1,591	1,664
Harmonized Sales Tax	1,240	1,275
Operating expenses	1,040	1,105
Investment research and portfolio maintenance	870	1,012
Transaction costs	730	343
Interest expense (Note 9)	483	487
Total Expenses	$ 13,483	$ 13,679
Profit (loss) for the year before taxes	$ (23,028)	$ 190,618
Income taxes (recovery) (Note 10)		
Current	$ (7,476)	$ 8,433
Deferred	(1,753)	11,726
Total Income Taxes	$ (9,229)	$ 20,159
Net income (loss)	$ (13,799)	$ 170,459
Net income (loss), by class		
Class A	$ (9,848)	$ 111,628
Class J	$ (3,951)	$ 58,831
Net income (loss), per share		
Class A	$ (0.62)	$ 7.15
Class J	$ (0.57)	$ 8.25

The accompanying notes are an integral part of these annual Financial Statements.

	2020	2019
Class A:		
Shareholders' equity, beginning of the year	$ 806,682	$ 682,289
Net income (loss), by class	(9,848)	111,628
Capital transactions:		
Class J to Class A share exchanges	1,568	2,399
Cumulative surplus on Class J to Class A share exchanges	(59)	(84)
Shares repurchased and cancelled	(378)	–
Surplus	5,214	10,450
	(3,053)	124,393
Shareholders' equity, end of the year	$ 803,179	$ 806,682
Class J:		
Shareholders' equity, beginning of the year	$ 401,054	$ 354,988
Net income (loss), by class	(3,951)	58,831
Capital transactions:		
Class J to Class A share exchanges	(1,509)	(2,315)
Surplus	(6,655)	(10,450)
	(12,115)	46,066
Shareholders' equity, end of the year	$ 388,939	$ 401,054

The accompanying notes are an integral part of these annual Financial Statements.

	2020	2019
Cash Flow from Operating Activities		
Net income (loss)	$ (13,799)	$ 170,459
Adjustments for:		
Foreign currency loss on cash and other net assets	4,561	184
Net realized (gain) loss on investments	37,006	(69,142)
Net realized loss on foreign exchange forward contracts	2,058	1,840
Change in unrealized gain on investments and EdgePoint Wealth Management Inc.	10,973	(82,581)
Change in unrealized gain on foreign exchange forward contracts	2,028	(5,951)
(Increase) decrease in dividends receivable	(288)	(232)
(Increase) decrease in interest receivable	88	–
Increase (decrease) in accrued liabilities and other payables	(9,977)	(9,603)
Increase (decrease) in deferred income tax liability	(1,753)	11,726
Purchase of investments	(457,173)	(257,213)
Proceeds from sales of investments	394,982	299,655
Net Cash Generated (Used) by Operating Activities	$ (31,294)	$ 59,142
Cash Flows from Financing Activities		
Purchase and cancellation of Class A shares	$ (1,819)	$ –
Issuance of credit facility, net of repayments	–	6,000
Net Cash Generated (Used) by Financing Activities	$ (1,819)	$ 6,000
Net increase (decrease) in cash and cash equivalents	$ (33,113)	$ 65,142
Foreign currency gain (loss) on cash and other net assets	(4,561)	(184)
Cash and cash equivalents, beginning of year	85,283	20,325
Cash and cash equivalents, end of the year	$ 47,609	$ 85,283
Cash and cash equivalents comprise:		
Cash at bank	$ 47,609	$ 85,283
	$ 47,609	$ 85,283
Interest received, net of withholding tax	$ 1,040	$ 1,338
Dividends received, net of withholding tax	$ 45,841	$ 45,413
Interest paid	$ (547)	$ (443)
Income taxes paid	$ (2,555)	$ (18,039)

The accompanying notes are an integral part of these annual Financial Statements.

Number of shares/units	Security	Average cost	Fair value
	Public equity		
512,041	Shiseido Co., Ltd.	$ 22,143	$ 45,045
571,236	Berry Global Group Inc.	31,146	40,857
349,211	CSX Corp.	25,132	40,339
1,800,836	Mattel Inc.	31,023	40,000
306,309	Affiliated Managers Group Inc.	46,371	39,653
735,702	Flowserve Corp.	41,868	34,509
452,948	Onex Corp.	28,467	33,092
749,314	Bank of America Corp.	24,323	28,910
176,019	The Middleby Corp.	25,819	28,885
932,743	Kubota Corp.	18,111	25,883
167,724	TE Connectivity Ltd.	14,330	25,848
329,135	Restaurant Brands International Inc.	21,766	25,617
138,400	Fujitsu Ltd.	18,500	25,430
1,077,040	AutoCanada Inc.	11,195	25,429
5,109,808	Computer Modelling Group Ltd.	26,744	24,936
932,634	Subaru Corp.	38,938	23,713
204,751	Cie Financiere Richemont SA	21,498	23,575
127,641	Fidelity National Information Services Inc.	18,732	22,984
327,964	Shionogi & Company Ltd.	23,253	22,783
72,591	Aon PLC	19,154	19,522
1,011,914	Mitsubishi Electric Corp.	20,174	19,423
1,130,780	Osisko Gold Royalties Ltd.	13,690	18,239
134,462	PriceSmart Inc.	13,050	15,591
69,236	Motorola Solutions Inc.	13,950	14,987
108,015	International Flavors & Fragrances Inc.	17,228	14,965
218,521	Koninklijke Philips NV	13,861	14,877
570,637	Univar Solutions Inc.	15,065	13,808
275,853	RMR Group Inc.	14,457	13,561
23,108	O'Reilly Automotive Inc.	11,778	13,312
1,319,087	PrairieSky Royalty Ltd.	33,988	13,310
245,083	Brookfield Asset Management Inc.	10,784	12,896
552,442	Manulife Financial Corp.	11,465	12,513
25,268	Fairfax Financial Holdings Ltd.	10,347	10,962
116,252	DCC PLC	11,078	10,478
312,481	Vienna Insurance Group AG	9,635	10,107
182,606	Aramark	7,930	8,944
69,164	Crown Holdings Inc.	4,707	8,821
269,138	Grand City Properties SA	7,072	8,772
1,584,795	Indus Towers Ltd.	9,025	6,347
20,889	Kuehne + Nagel International AG	4,133	6,031
37,363	AMETEK Inc.	4,106	5,752
189,876	EchoStar Corp., class A	10,424	5,122
10,300	SK Kaken Co., Ltd.	6,524	4,927
103,936	DISH Network Corp.	4,181	4,279
191,966	Seritage Growth Properties REIT, class A	9,445	3,587
2,700,887	CES Energy Solutions Corp.	9,717	3,458
2,358,660	Pulse Seismic Inc.	1,893	2,264
409,502	Cie Financiere Richemont SA, warrants due 2023/11/22	94	135
		808,314	874,478

Number of shares/units	Security	Average cost	Fair value
	Private equity		
279,585	EdgePoint Wealth Management Inc.	509	220,523
40,500,000	Neptune Acquisition LP (MDA Inc.)	39,662	39,662
	Private financial technology company	26,622	26,622
	Private pest control company	1,333	1,333
		68,126	288,140
	Total equities	$ 876,440	$ 1,162,618
Face Value ($'000)	**Fixed Income**		
6,000,000	Pulse Seismic Inc., subordinated private loan, 10%, due 2023/12/31	6,000	6,415
	Total Fixed Income	$ 6,000	$ 6,415
	Foreign exchange forward contracts (Note 13)		333
	Options (Note 14)	2,140	1,654
	Adjustment for transaction costs	(804)	
Total financial assets and liabilities at fair value through profit or loss		$ 883,776	$ 1,171,020

1. The Corporation:

Cymbria Corporation ("Cymbria") is an investment company incorporated on September 4, 2008, under the laws of the Province of Ontario. It commenced operations and was listed on the Toronto Stock Exchange on November 4, 2008. EdgePoint Investment Group Inc. (the "Manager") provides senior management to Cymbria and is also its Investment Advisor.

The registered office of Cymbria is located at 150 Bloor St. W., Suite 500, Toronto, Ontario, M5S 2X9, Canada.

The investment objective of Cymbria is to provide long-term capital appreciation through a concentrated portfolio of global companies and an investment in EdgePoint Wealth Management Inc. ("EdgePoint"), which offers mutual funds, institutional and other investments through financial advisors. The portfolio management team looks for global companies that it believes have strong competitive positions, long-term growth prospects and are run by competent management teams. The portfolio management team endeavours to acquire ownership stakes in these companies at prices below its assessment of each company's true value.

2. Basis of preparation:

(a) Statement of compliance:

The financial statements of Cymbria have been prepared in compliance with International Financial Reporting Standards ("IFRS").

The financial statements were authorized for issue by the Board of Directors on March 11, 2021.

(b) Basis of measurement:

The financial statements have been prepared on a historical cost basis except for investments and derivatives, which are measured at fair value.

(c) Functional and presentation currency:

These financial statements are presented in Canadian dollars, which is Cymbria's functional currency.

3. Significant accounting policies:

The accounting policies set out below have been applied consistently to all periods presented in these financial statements. Cymbria's accounting policies for measuring the fair value of its investments and derivatives are identical to those used in measuring and publishing its adjusted net asset value.

(a) Financial instruments:

Financial instruments include financial assets and liabilities such as debt and equity securities, derivatives, cash and other receivables and payables. Cymbria classifies and measures financial instruments in accordance with IFRS 9, Financial Instruments. Upon initial recognition, financial assets and financial liabilities are classified as fair value through profit or loss ("FVTPL"), fair value through other comprehensive income or amortized cost based on the Manager's assessment of the business model within which the financial asset is managed and the financial asset's contractual cash flow characteristics.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and marketable securities) are based on quoted market prices at the close of trading on the reporting date. Cymbria uses the last traded market price for both financial assets and financial liabilities where the last traded price falls within that day's bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager determines the point within the bid-ask spread that is most representative of fair value based on the specific facts and circumstances. Cymbria's policy is to recognize transfers into and out of the fair value hierarchy levels as of the date of the event or change in circumstances giving rise to the transfer.

The fair value of financial assets and liabilities that are not traded in an active market, including derivative instruments, is determined using valuation techniques. Valuation techniques also include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and others commonly used by market participants and which make the maximum use of observable inputs. Should the value of the financial asset or liability, in the opinion of the Manager, be inaccurate, unreliable or not readily available, the fair value is estimated on the basis of the most recently reported information of a similar financial asset or liability.

Upon initial recognition, financial instruments classified as FVTPL are initially recognized on the trade date at fair value. Other financial assets and other financial liabilities are recognized on the date on which they are originated at fair value. All financial assets and liabilities are recognized in the *Statements of Financial Position* when Cymbria becomes a party to the contractual requirements of the instrument. Financial instruments are derecognized when the right to receive the cash flows from the instrument has expired or Cymbria has transferred substantially all risk and rewards of ownership.

Financial instruments classified as FVTPL at each reporting period are subsequently measured at fair value with changes in fair value recognized in the *Statements of Comprehensive Income (Loss)* in the period in which they occur. The cost of investments is

3. Significant accounting policies (continued):

based on the weighted average cost of investments and excludes commissions and other portfolio transaction costs, which are separately reported in the *Statements of Comprehensive Income (Loss)*. Realized gains and losses on disposition, including foreign exchange gains or losses on such investments, are determined based on the cost of investments. Gains and losses arising from changes in the fair value of the investments are included in the *Statements of Comprehensive Income (Loss)* for the period in which they arise. Cymbria's investments and derivative financial assets and liabilities are classified as FVTPL.

Financial assets at amortized cost are recognized initially on the date on which they are originated at fair value plus any directly attributable transaction costs. Subsequent measurement of financial assets at amortized cost is at amortized cost using the effective interest method, less any impairment losses. Cymbria classifies cash and cash equivalents, receivable for investments sold and dividends receivable as financial assets at amortized cost.

Other financial liabilities at amortized cost are initially measured on the date on which they are originated at fair value, net of transaction costs, and are subsequently measured at amortized cost using the effective interest method. Cymbria's financial liabilities at amortized cost are comprised of payables for investments purchased, income taxes payable and accrued liabilities. Due to the short-term nature of these financial liabilities, their carrying values approximate fair values. Cymbria derecognizes a financial liability when its contractual obligations are discharged, cancelled or expire.

Transaction costs included in the initial carrying amount of financial instruments at FVTPL are expensed as incurred.

Financial assets and financial liabilities are offset and the net amount presented in the *Statements of Financial Position* only when Cymbria has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

(b) Shareholders' equity:

Cymbria classifies financial instruments issued as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments. Cymbria's common shares, Class A shares, and Class J shares do not contain a redemption feature, are therefore not puttable, and are classified as equity under IAS 32, Financial Instruments.

(c) Foreign currency:

Cymbria's functional and presentation currency is the Canadian dollar. Foreign-denominated investments and other foreign-denominated assets and liabilities are translated into Canadian dollars using the exchange rates prevailing on each valuation date. Purchases and sales of investments, as well as income and expense transactions denominated in foreign currencies, are translated using exchange rates prevailing on the date of the transaction. Foreign exchange gains and losses relating to cash and other financial assets and liabilities are presented as 'Foreign exchange gain (loss) on cash and other net assets' and those relating to derivatives are presented within 'Net realized gain (loss) on foreign exchange forward contracts' and 'Change in unrealized gain (loss) on foreign exchange forward contracts' in the *Statements of Comprehensive Income (Loss)*.

(d) Income recognition:

Interest income for distribution purposes from investments in fixed income and short-term investments represents the coupon interest received by Cymbria accounted for on an accrual basis. Cymbria does not use the effective interest method to amortize premiums paid or discounts received on the purchase of fixed income securities. Dividend income is recognized on the date that the right to receive payment is established, which for quoted equity securities is usually the ex-dividend date. Portfolio transactions are recorded on the trade date. Realized gains and losses arising from the sale of investments are determined on the average cost basis of the respective investments.

(e) Deferred share unit plan:

On October 28, 2009, Cymbria approved a Deferred Share Unit ("DSU") plan for its directors. The plan is described in Note 7. DSUs granted to eligible directors are considered compensation costs in respect of past performance and are recognized in operating expenses. Compensation costs are measured based on the fair market value, as defined in the plan, of Cymbria's Class A shares on the date DSUs are granted. DSUs earn additional DSUs related to dividends that would otherwise have been paid if Class A shares had been issued on the grant date. DSUs are accounted for as a financial liability with changes in their fair value recognized in operating expenses.

(f) Income taxes:

Income taxes expense comprises current and deferred income taxes. Current income tax and deferred income tax are recognized in profit or loss, except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

3. Significant accounting policies (continued):

Current income tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred income tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred income tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Deferred tax liabilities are generally recognized for all taxable temporary differences.

Cymbria currently incurs withholding taxes imposed by certain countries on investment income and capital gains. Such income and gains are recorded on a gross basis and the related withholding taxes are shown as a separate expense in the *Statements of Comprehensive Income (Loss)*.

(g) Net income (loss), per share:

Net income, per share in the *Statements of Comprehensive Income (Loss)* represents the net income (loss) for each class for the period divided by the average shares outstanding for each class for the period.

(h) New standards and interpretations not yet adopted:

A number of new standards, amendments to standards and interpretations are not yet effective for the period ended December 31, 2020, and have not been applied in preparing these financial statements. None of these will have a significant effect on the financial statements of Cymbria.

4. Critical accounting estimates and judgments:

The preparation of financial statements requires management to use judgment in applying its accounting policies and to make estimates and assumptions about the future. Actual results may differ from these 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 COVID-19 pandemic has cast additional uncertainty on the assumptions used by management in making its judgments and estimates. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 pandemic is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company in future periods. Given that the full extent of the impact that COVID-19 will have on the global economy and the Company's business is uncertain and not predictable at this time, there is a higher level of uncertainty with respect to management's judgments and estimates.

The following discusses the most significant accounting judgments that the Manager 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 the area with the most significant accounting judgments and estimates Cymbria has made in preparing financial statements. See Note 11 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.

5. Share capital:

Cymbria has authorized an unlimited number of Class A non-voting, non-redeemable shares, an unlimited number of Class J non-voting, non-redeemable shares and an unlimited number of common shares. Share capital consists of the following

December 31, 2020	Number of shares		Amount ('000s)
Common shares outstanding, December 31, 2020	100		–*
Class A shares issued:			
Shares outstanding, January 1, 2020	15,694,001	$	149,534
Class A shares issued in exchange for Class J shares	167,045		1,568
Class A shares repurchased, for cancellation	(40,300)		(378)
Contributed Surplus			(59)
Class A shares outstanding, December 31, 2020	15,820,746	$	150,665
Class J shares issued:			
Shares outstanding, January 1, 2020	7,049,982	$	70,500
Class J shares exchanged for Class A shares	(150,845)		(1,509)
Class J shares outstanding, December 31, 2020	6,899,137	$	68,991
Total		$	219,656

*Amount of common shares outstanding is $100.

December 31, 2019	Number of shares		Amount ('000s)
Common shares outstanding, December 31, 2019	100		–*
Class A shares issued:			
Shares outstanding, January 1, 2019	15,438,357	$	147,219
Class A shares issued in exchange for Class J shares	255,644		2,399
Contributed Surplus			(84)
Class A shares outstanding, December 31, 2019	15,694,001	$	149,534
Class J shares issued:			
Shares outstanding, January 1, 2019	7,281,482	$	72,815
Class J shares exchanged for Class A shares	(231,500)		(2,315)
Class J shares outstanding, December 31, 2019	7,049,982	$	70,500
Total		$	220,034

*Amount of common shares outstanding is $100.

6. Retained earnings:

The changes in retained earnings for the years ended December 31, 2020 and 2019 are as follows:

		December 31, 2020 ('000s)		December 31, 2019 ('000s)
Opening retained earnings	$	987,702	$	817,243
Net income (loss)		(13,799)		170,459
Class A shares repurchased for cancellation		(1,441)		–
Closing retained earnings	$	972,462	$	987,702

7. Deferred share unit plan:

Cymbria's Deferred Share Unit ("DSU") plan gives directors the option to receive all of their Cymbria-related compensation in the form of DSUs. The number of DSUs awarded is based on the fair market value, as defined by the plan, of Class A shares on the award date. DSUs earn additional DSUs related to dividends that would otherwise have been paid if Class A shares had been issued on the grant date. The number of DSUs issued in regard to dividends is based on the fair market value of Class A shares, as defined in the plan, on the date dividends are paid. Upon redemption of DSUs, participants can elect to receive either a cash payment equal to the fair market value, as defined in the plan, of DSUs credited to the participant's account, or the equivalent number of Class A shares purchased in the open market on the participant's behalf. The plan is considered unfunded and participants' rights are no greater than those of an unsecured Cymbria creditor.

The following table summarizes DSU activity for the years ended December 31, 2020 and 2019:

December 31, 2020	Units		Amount ('000s)
Opening Deferred Share Units, January 1, 2020	18,223	$	1,018
Granted during 2020 (Fair value on grant date)	2,243		103
Cumulative fair value adjustments during the year			(49)
Balance, December 31, 2020	20,466	$	1,072

December 31, 2019	Units		Amount ('000s)
Opening Deferred Share Units, January 1, 2019	16,379	$	940
Granted during 2019 (Fair value on grant date)	1,844		103
Cumulative fair value adjustments during the year			(25)
Balance, December 31, 2019	18,223	$	1,018

7. Deferred share unit plan (continued):

A maximum of 1,000,000 DSUs may be awarded under the plan, with the maximum value of DSUs awarded to participants within any one-year period not to exceed $100,000 per participant.

8. Related party transactions:

i. Management fees:

The Manager charges a monthly management fee at an annual rate of 1% of the daily average net asset value of Class A shares, excluding EdgePoint's value. During the year ended December 31, 2020, the effective management fee charged on Class A shares was approximately 0.80% per annum.

The Manager charges Class J shareholders a monthly management fee at an annual rate of 0.5% of the daily average net asset value of Class J shares, excluding EdgePoint's value. During the year ended December 31, 2020, the effective management fee charged on Class J shares was approximately 0.40% per annum.

The total management fee for the year ended December 31, 2020 amounted to $7.5 million (December 31, 2019: $7.8 million), with nil in outstanding accrued fees due to the Manager at December 31, 2020 and 2019.

ii. Operating expenses

Cymbria is also responsible for various expenses relating to its operations. These expenses may include, but are not limited to: taxes (including income, capital and harmonized sales taxes), accounting, legal and audit fees, Board of Directors' fees and expenses, custodial fees, transaction costs, registrar and transfer agency fees, regulatory costs, shareholder reporting, investment advisor expenses incurred in connection with its duties as Investment Advisor and all administration expenses incurred by the Manager for its duties as Manager, excluding any salaries to the Manager's principal shareholders, and all general operating expenses that could include allocated salaries, overhead and other costs directly related to Cymbria's operations and incurred by the Manager. For the year ended December 31, 2020, allocated expenses totaled $0.2 million (December 31, 2019: $0.2 million). Except for interest, bank charges, withholding tax, and transaction costs paid or payable directly by Cymbria, the Manager incurs such expenses on Cymbria's behalf and is then reimbursed by Cymbria for such expenses. Cymbria's common operating expenses are allocated to classes based on the average daily net asset value of each class.

9. Credit facility:

On September 22, 2017, Cymbria entered into a credit agreement with a Canadian chartered bank (the "Bank") that can be renewed on an annual basis. This agreement was renewed during the year ended December 31, 2020 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. For a bankers acceptance loan, interest is charged on the outstanding balance at the bankers acceptance rate plus 80 basis points or 100 basis points, depending on the utilization of the facility. For a prime loan, interest is charged on the outstanding balance at the Bank's prime rate. In addition, Cymbria will pay a standby fee on the unused portion of the credit facility equal to 34 basis points if the facility is less than 25% drawn and 26 basis points otherwise. When drawn upon, the credit facility will be secured by a selection of eligible securities in Cymbria's investment portfolio. As at December 31, 2020 and 2019, the outstanding balance of the credit facility was $6.0 million. For the year ended December 31, 2020, Cymbria accrued $0.5 million in interest and standby fees on the credit facility (December 31, 2019: $0.5 million), which have been subsequently paid. As at the date of this report, Cymbria has complied with all covenants, conditions or other requirements of the credit agreement.

10. Income taxes:

Cymbria, as a public corporation, is subject to income taxes on its net investment income and net realized gain on investments at rates of approximately 26.50% and 13.25%, respectively. Taxable dividends from taxable Canadian corporations, as defined by the Income Tax Act (Canada), are excluded from taxable income. The effective income tax rates for deferred income taxes are approximately 26.50% on investment income and 13.25% on net realized gains.

At the end of the most recent taxation year December 31, 2020, Cymbria had capital losses of nil (December 31, 2019: nil) and non-capital losses for tax purposes of nil (December 31, 2019: nil).

The total provision for income taxes in the *Statements of Comprehensive Income (Loss)* is at a rate less than the combined federal and provincial statutory rate for the following reasons:

		December 31, 2020 ('000s)		December 31, 2019 ('000s)
Profit (loss) for the year before taxes	$	(23,028)	$	190,618
Tax at the combined statutory rate: 26.50% (2019: 26.50%)	$	(6,102)	$	50,514
Increase (decrease) in provision due to:				
Capital gains taxed at 50%	$	6,899	$	(20,624)
Non-taxable Canadian dividends		(9,583)		(8,479)
Foreign withholding taxes		–		(1,223)
Other		(443)		(29)
Income taxes	$	(9,229)	$	20,159

10. Income taxes (continued):

The components of Cymbria's deferred income tax liability are as follows:

	December 31, 2020 ('000s)	December 31, 2019 ('000s)
Deferred share units	$ 284	$ 270
Net unrealized gain of investments	(38,060)	(39,799)
Deferred income tax liability	$ (37,776)	$ (39,529)

A loss realized by Cymbria on a disposition of capital property will be a suspended loss when Cymbria acquires a substituted property identical or the same as the property sold within 30 days before and 30 days after the sale, and Cymbria owns the substituted property 30 days after the original disposition. If a loss is suspended, Cymbria cannot deduct the loss from its capital gains until the substituted property is sold and is not reacquired within 30 days before and after the sale. As of the most recent taxation year of December 31, 2020, Cymbria had suspended losses of $1.9 million (December 31, 2019: $1.1 million).

11. Fair value measurement:

Cymbria's investments and derivative financial instruments are carried at fair value. In the opinion of the Manager, the fair values of financial instruments, other than investments and derivative financial instruments, approximate their carrying values given their short-term nature.

IFRS establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurement). The three levels of the fair value hierarchy are as follows:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that Cymbria can access at the measurement date;
- Level 2 – Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., as derived from prices); and
- Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If inputs of different levels are used to measure an asset's or liability's fair value, the classification within the hierarchy is based on the lowest level input that is significant to the fair value measurement.

Changes in valuation methods may result in transfers into, or out of, an investment's assigned level.

The following table categorizes financial instruments measured at fair value at the reporting date by the level in the fair value hierarchy into which the fair value measurement is included. The amounts are based on the values recognized in the *Statement of Financial Position*.

December 31, 2020 ('000s)	Level 1	Level 2	Level 3	Total
Equities	$ 874,478	$ –	$ 288,140	$ 1,162,618
Fixed income	–	–	6,415	6,415
Options	–	1,654	–	1,654
Foreign exchange forward contracts	–	373	–	373
Foreign exchange forward contracts	–	(40)	–	(40)
Total	$ 874,478	$ 1,987	$ 294,555	$ 1,171,020

December 31, 2019 ('000s)	Level 1	Level 2	Level 3	Total
Equities	$ 896,523	$ –	$ 255,764	$1,152,287
Fixed income	–	–	6,000	6,000
Options	–	1,699	–	1,699
Foreign exchange forward contracts	–	2,241	–	2,241
Foreign exchange forward contracts	–	(59)	–	(59)
Total	$ 896,523	$ 3,881	$ 261,764	$1,162,168

For the year ended December 31, 2020, the net change in value for financial instruments classified as FVTPL is a $52.1 million loss (December 31, 2019: $155.8 million gain).

The following tables reconcile Cymbria's Level 3 fair value measurements for the years ended December 31, 2020 and 2019.

December 31, 2020 ('000s)	Equities	Fixed Income
Balance at beginning of period	$ 255,764	$ 6,000
Investment purchases during the period	66,285	–
Change in unrealized gain (loss) on value of investments	(33,909)	415
Balance at end of period	$ 288,140	$ 6,415

December 31, 2019 ('000s)	Equities	Fixed Income
Balance at beginning of period	$ 224,121	$ –
Investment purchases during the period	1,333	6,000
Change in unrealized gain (loss) on value of investments	30,310	–
Balance at end of period	$ 255,764	$ 6,000

11. Fair value measurement (continued):

During the years ended December 31, 2020 and 2019, there were no transfers between levels.

(a) Equities

Cymbria's equity positions are classified as Level 1 when the security is actively traded and a reliable price is observable. When certain of Cymbria's equities do not trade frequently, current observable prices may not be available. In such cases, fair value is determined using observable market data and the fair value is classified as Level 2, unless the determination of fair value requires significant unobservable data, in which case the measurement is classified as Level 3.

As at December 31, 2020, Cymbria had four Level 3 equity investments; EdgePoint, Neptune Acquisition LP, a private financial services company and a private pest control company.

EdgePoint is a private company not traded on any public exchange and is considered a Level 3 asset because there is no market in which a share price can be readily observed. The Manager engages a third-party valuator to assist in the valuation of EdgePoint. EdgePoint's value is determined using the Discounted Cash Flow ("DCF") method. Under the DCF method, EdgePoint's fair value is estimated using the net present value of expected future cash flows. The cash flows include significant assumptions over the market growth rate, redemption rate, and portfolio management cost. The projected cash flows, together with the terminal value of the business at the end of the forecast period, are discounted to the valuation date using an appropriate rate. The Manager determines the most appropriate valuation methodologies to use, which are subject to change. On a quarterly basis or as frequently as necessary, the Manager reviews the significant assumptions, including EdgePoint's results and business prospects, for significant changes since the most recent valuation. If there are material changes, the Manager may engage the third-party valuator to assist in the re-valuation of EdgePoint and the amount recorded in the financial statements will be updated.

The following table sets out information about significant unobservable inputs used at December 31, 2020 and 2019, in measuring EdgePoint.

EdgePoint Wealth Management Inc.

Fair value at December 31, 2020: $220.5 million

Unobservable Input	Input used	Range of reasonable alternatives	Sensitivity to changes in significant unobservable inputs
Annual market growth	6%	5%–7%	($8.5M)–$9.0M
Redemption rate	16%	13%–19%	$26.9M–($22.5M)
Discount rate	10.8%	10%–11.5%	$14.5M–($12.5M)
Portfolio management cost	0.15%	0.1%–0.2%	$19.5M–($19.5M)
Terminal value	7x	6x–8x	($11.3M)–$8.0M

EdgePoint Wealth Management Inc.

Fair value at December 31, 2019: $254.4 million

Unobservable Input	Input used	Range of reasonable alternatives	Sensitivity to changes in significant unobservable inputs
Annual market growth	5%	4%–6%	($9.9M)–$11.1M
Redemption rate	13.5%	10%–18%	$41.0M–($37.7M)
Discount rate	11.5%	10%–13%	$34.8M–($25.6M)
Portfolio management cost	0.15%	0.1%–0.2%	$22.4M–($21.8M)
Terminal value	7x	6x–8x	($10.7M)-$11.3M

Significant unobservable inputs are developed as follows:

(i) Annual market growth: represents the future weighted average investment returns of the funds managed by EdgePoint. EdgePoint's management fee revenue is calculated as a percentage of assets under management ("AUM"), therefore higher investment returns of the funds will increase EdgePoint's expected annual cash flow. The range of 5%-7% was developed based on a weighted average of the index returns of the funds' benchmarks over a range of prior periods.

(ii) Redemption rate: represents the weighted average of units redeemed by unitholders of the mutual funds managed by EdgePoint as a percentage of AUM. A higher redemption rate will decrease EdgePoint's AUM and will therefore lower the annual cash flow. The range of 13%–19% is an average over the term of the model and is based on a combination of EdgePoint's historical redemption rate and the long-term redemption rate of the industry.

(iii) Discount rate: is the annual percentage used to determine the present value of EdgePoint's future cash flows. The discount rate factors in not only the time value of money, but also the risk or uncertainty of those future cash flows. A higher discount rate would indicate a greater uncertainty of future cash flows and therefore determine a lower net present value for EdgePoint. The range of 10%–11.5% was determined based on a combination of EdgePoint's assumed weighted-average cost of capital, the risk-free rate, market risk factors and other adjustments.

(iv) Portfolio management cost: represents the fees paid to the Manager by EdgePoint for providing investment advisory services. Due to the Manager and EdgePoint being related parties, fees negotiated between the two parties are considered substantially below market value. For the purposes of valuing EdgePoint, it is assumed that a reasonable market value for services provided is paid to the Manager. A higher rate would increase the fees paid to the Manager and

11. Fair value measurement (continued):

therefore decrease the annual cash flow. The input is presented as a percentage of AUM. The range of 0.1%–0.2% was determined based on sub-advisory fees of comparable investment managers.

(v) Terminal value: represents the value of all future cash flows beyond the cash flows forecast in the model. It is presented as a multiple of cash flow. For the purposes of valuing EdgePoint, the terminal value is applied to the forecast earnings before taxes, interest and depreciation in the tenth and final year of the model and discounted to present value. The range of terminal value multiples of 6x-8x was determined using an average of comparable companies.

Although the Manager believes that its estimates of fair value for EdgePoint are appropriate, the use of different assumptions could lead to different measurements of fair value. For the fair value measurement of EdgePoint, changing a combination of the significant assumptions noted above to reasonably possible alternative assumptions would increase or decrease the value of EdgePoint. Taking a pessimistic view by changing the annual market rate to 5%, redemption rate to 19%, discount rate to 11.5%, portfolio management cost to 0.2%, and terminal value to 6x would result in a decrease in the value of EdgePoint by $61.4 million. Conversely, taking an optimistic view by changing the annual market rate to 7%, redemption rate to 13%, discount rate to 9.5%, portfolio management cost to 0.1%, and terminal value to 8x would result in an increase in the value of EdgePoint by $87.0 million.

During the year ended December 31, 2020, Cymbria purchased a Level 3 asset in Neptune Acquisition LP, which owns MDA Inc. The limited partnership is valued quarterly and externally audited on an annual basis. As at December 31, 2020, the fair value of the limited partnership was determined using the cost of acquiring the securities during the year ended December 31, 2020 and the Manager determined there was no cause to adjust this valuation. The use of a different valuation methodology would not lead to a significantly different fair value.

Cymbria's other Level 3 assets are a private financial technology company and a private pest control company. Both are not traded on any public exchange and are considered a Level 3 asset because there is no market in which their value can be readily observed. The fair value of both companies was determined using the cost of acquiring securities of the companies and evaluated for impairment in the interim. The use of a different valuation methodology would not lead to a significantly different fair value.

In determining the fair value of these Level 3 assets, 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, operations, and/or financial condition of these Level 3 assets.

(b) Fixed income

Fixed income is comprised of corporate bonds that are valued using models with inputs including interest rate curves, credit spreads and volatilities. The inputs relating to Cymbria's fixed income securities are not observable and therefore have been classified as Level 3.

As at December 31, 2020 and 2019, Cymbria had one Level 3 fixed income investment in Pulse Seismic Inc. The value of the bond was determined using a discounted cash flow model. The unobservable input is the discount rate, however changing this input by 1% would not significantly impact its value to Cymbria.

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, operations, and/or financial condition of the borrower.

(c) Derivative assets and liabilities

Derivative assets and liabilities consists of foreign exchange forward contracts and equity call option contracts. Foreign exchange forward contracts are valued primarily on the contract notional amount, the difference between the contract rate and the forward market rate for the same currency and interest rates. Contracts for which counterparty credit spreads are observable and reliable, or for which the credit related inputs are determined not to be significant to fair value, are classified as Level 2. Equity options are valued primarily on the number of contracts, the difference between the strike price and the forward market rate for the underlying equity/index, interest rate, dividends and volatility of the underlying equity/index. Counterparty credit risk is managed through the use of collateral and a Credit Support Annex, when available.

12. Financial instrument risk:

In the normal course of business, Cymbria is exposed to a variety of financial risks: market risk (comprising market price risk, foreign currency risk and interest rate risk), counterparty credit risk and liquidity risk. The value of investments in Cymbria's portfolio can fluctuate daily as a result of changes in interest rates, market and economic conditions, and factors specific to individual securities within Cymbria. The level of risk depends on Cymbria's investment objectives and the type of securities in which it invests.

Risk management

Cymbria's overall risk management program seeks to maximize the returns derived for the level of risk to which Cymbria is exposed and seeks to minimize potential adverse effects on Cymbria's financial performance. All investments result in the risk of loss of capital. The portfolio management team takes a conservative approach to risk management by applying in- depth, thorough research to each investment idea in order to understand the risks of the individual business and weighs this against its return potential.

12. Financial instrument risk (continued):

Risk is further managed by investing in a diversified portfolio of companies. The portfolio management team believes that investing in businesses with competitive advantages is a more effective approach to diversification than focusing on traditional sector allocations. The portfolio management team takes a common-sense approach to risk by assessing how much money can be lost and the probability of losing it. While this approach may seem overly simplistic, it provides vital clarity about the true investment risks.

The Manager employs a governance structure that oversees Cymbria's investment activities and monitors compliance with Cymbria's stated investment strategy, internal guidelines and securities regulations. The Investment Governance and Oversight Committee of the Manager conducts quarterly reviews to monitor portfolio activity for compliance with applicable rules.

Risk factors

(a) Market risk:

Cymbria's investments are subject to market risk, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The following includes sensitivity analyses that show how shareholders' equity would have been affected by a reasonably possible change in the relevant risk variable at each reporting date. In practice, the actual results may differ and the differences could be material.

(i) Market price risk

Market price risk arises primarily from uncertainties about the future market prices of instruments held. Market price fluctuations may be caused by factors specific to an individual investment, or factors affecting all securities traded in a market or industry sector. All investments present a risk of loss of capital. The maximum risk resulting from financial instruments is equivalent to their fair value. Cymbria's most significant exposure to market price risk arises from its investment in equity securities.

If equity prices for these securities had increased or decreased on their respective stock exchanges by 5% as at December 31, 2020, with all other variables held constant, Cymbria's shareholders' equity would have increased or decreased, respectively, by approximately $43.7 million or 3.7% of total shareholders' equity or 523.0% of net income or loss (December 31, 2019: $57.6 million or 4.8% of total shareholders' equity or 33.8% of net income). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

(ii) Foreign currency risk

Foreign currency risk arises from financial instruments denominated in a currency other than the Canadian dollar, which is Cymbria's functional currency. Cymbria is exposed to the risk that the value of securities denominated in other currencies will fluctuate due to changes in exchange rates. When the Investment Advisor deems it appropriate, Cymbria will enter into foreign exchange forward contracts to reduce its foreign currency exposure.

The following tables indicate the currencies (excluding the Canadian dollar) to which Cymbria's financial instruments had significant exposure. Period-end figures are in Canadian dollars and include the notional amount of forward exchange contracts, if any:

December 31, 2020
($'000s)

Currency	Investments	Cash and cash equivalents	Foreign exchange forward contracts	Total
U.S. dollar	444,235	34,694	(34,806)	444,123
Japanese yen	167,204	–	(14,640)	152,564
Euro	35,410	–	–	35,410
Swiss franc	29,741	–	–	29,741
British pound	10,478	–	–	10,478
Indian rupee	6,347	119	–	6,466
	693,415	34,813	(49,446)	678,782

December 31, 2019
($'000s)

Currency	Investments	Cash and cash equivalents	Foreign exchange forward contracts	Total
U.S. dollar	483,735	(60)	(64,398)	419,277
Japanese yen	181,322	–	(17,932)	163,390
Euro	31,387	–	–	31,387
Swedish krona	27,530	33	–	27,563
Indian rupee	23,178	–	–	23,178
Swiss franc	19,010	–	–	19,010
Danish krone	11,205	–	–	11,205
	777,367	(27)	(82,330)	695,010

As at December 31, 2020, if the Canadian dollar had strengthened or weakened by 5% relative to all foreign currencies with all other variables held constant, Cymbria's shareholders' equity would have decreased or increased, respectively, by approximately $33.9 million or 2.8% of total shareholders' equity or 231.4% of net income (loss) (December 31, 2019: $30.6 million or 2.9% of total shareholders' equity or 20.6% of net income).

12. Financial instrument risk (continued):

In practice, actual results may differ from this sensitivity analysis and the difference could be material.

(iii) Interest rate risk

Interest rate risk is the risk that the fair value, or future cash flows of financial instruments, will fluctuate as a result of changes in market interest rates. The majority of Cymbria's financial assets are equity shares, which are not interest bearing. Cymbria has a credit facility in place but the amount that has been drawn on is not considered significant enough to pose a significant interest rate risk to Cymbria. Aside from the credit facility, Cymbria's financial liabilities are primarily short-term in nature and generally not interest bearing and its exposure to interest rate risk is considered insignificant.

(b) Credit risk:

Credit risk is the risk that the counterparty to a financial instrument will fail to honour an obligation or commitment that it has entered into with Cymbria.

Cymbria's main exposure to credit risk is its trading of listed securities. It minimizes the concentration of credit risk by trading with a large number of brokers and counterparties on recognized and reputable exchanges. The risk of default is considered minimal as all transactions are settled and paid for upon delivery using approved brokers.

Cymbria may enter into foreign exchange contracts to buy and sell currencies for the purpose of settling foreign securities transactions. These are short-term spot settlements carried out with counterparties with a credit rating of at least "A." The exposure to credit risk on these contracts is considered minimal as there are few contracts outstanding at any one time and the transactions are settled and paid for upon delivery.

(c) Liquidity risk:

Liquidity risk is the risk that Cymbria will encounter difficulty in meeting obligations associated with financial liabilities.

Aside from financial liabilities that arise from its normal investing activities, Cymbria has no other significant financial liabilities. As Cymbria's shares are non-redeemable, they do not represent a liquidity risk.

Cymbria may invest in derivatives, fixed income securities and unlisted equity investments that are not traded in an active market. As a result, Cymbria may not be able to quickly liquidate its investments in these instruments at amounts, which approximate their fair values, or be able to respond to specific events such as deterioration in the creditworthiness of any particular issuer. In accordance with Cymbria's policy, the Manager monitors Cymbria's liquidity position on a daily basis.

Cymbria may invest in illiquid assets, but maintains the majority of its assets in liquid investments traded in an active market that can be readily sold. As at December 31, 2020, illiquid securities represent approximately 24.7% of Cymbria's shareholders' equity (December 31, 2019: 21.7%).

Cymbria also has the ability to borrow up to 25% of its shareholders' equity to invest in securities for the purpose of enhancing returns. As at December 31, 2020, this borrowing represented 0.5% of shareholders' equity (December 31, 2019: 0.5%).

The tables below categorizes Cymbria's financial liabilities into relevant maturity groupings based on the remaining period to the contractual maturity date. The amount in the tables are the contractual undiscounted cash flows.

December 31, 2020	On demand ($'000s)	< 3 months ($'000s)	> 3 months ($'000s)	Total ($'000s)
Credit facility	–	–	6,000	6,000
Foreign exchange forward contracts	–	17	23	40
Deferred share unit plan liability	–	–	1,072	1,072
Deferred income tax liability	–	–	37,776	37,776

December 31, 2019	On demand ($'000s)	< 3 months ($'000s)	> 3 months ($'000s)	Total ($'000s)
Payable for investments purchased	1,009	–	–	1,009
Credit facility	–	–	6,000	6,000
Foreign exchange forward contracts	–	59	–	59
Deferred share unit plan liability	–	–	1,018	1,018
Deferred income tax liability	–	–	39,529	39,529

13. Foreign exchange forward contracts:

December 31, 2020				
Settlement date	Currency to be delivered ('000s)	Currency to be received ('000s)	Contract price	Fair value ('000s)
March 2, 2021	5,250 USD	6,957 CAD	1.3251	$ 275
March 9, 2021	1,500 USD	1,948 CAD	1.2989	39
April 5, 2021	4,800 USD	6,133 CAD	1.2778	25
April 15, 2021	6,000 USD	7,643 CAD	1.2738	8
April 22, 2021	2,300 USD	2,953 CAD	1.2838	26
				$ 373
March 16, 2021	1,175,000 JPY	14,478 CAD	0.0123	$ (17)
April 14, 2021	7,500 USD	9,521 CAD	1.2695	(23)
				$ (40)
Total number of contracts:	8		Net fair value	$ 333

14. Options:

December 31, 2020					
Call options	Expiry date	Strike price	Number of contracts	Average cost ('000s)	Fair value ('000s)
EURO STOXX 50 Index	June 16, 2023	3,816	3,386,136	$ 1,070	$ 1,570
EURO STOXX Banks Index	February 17, 2023	142	941,864	356	27
EURO STOXX Banks Index	March 17, 2023	142	941,864	358	28
EURO STOXX Banks Index	April 21, 2023	142	941,864	356	29
				$ 2,140	$ 1,654

15. Offsetting financial assets and financial liabilities:

In the normal course of business, Cymbria may enter into various netting arrangements or other similar agreements that do not meet the criteria for offsetting in the *Statements of Financial Position* but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or termination of the contracts. Cymbria has not offset any financial assets and financial liabilities in the *Statements of Financial Position*. The disclosures set out in the tables below include financial assets and financial liabilities that are subject to an enforceable master netting or similar agreement that covers similar financial instruments.

The ISDA and similar master netting agreements do not meet the criteria for offsetting in the Statements of Financial Position. This is because they create a right of set-off of recognized amounts that is enforceable only following an event of default, insolvency or bankruptcy of Cymbria or the counterparties. In addition, Cymbria and its counterparties do not intend to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

The collateral provided in respect of the below transactions is subject to the standard industry terms of ISDA's *Credit Support Annex*. This means that cash given as collateral can be pledged or sold during the term of the transaction but have to be returned on maturity of the transaction. The terms also give each counterparty the right to terminate the related transactions on the counterparty's failure to post collateral. Cash collateral pledged by Cymbria is included in Cash and cash equivalents on the *Statements of Financial Position*.

December 31, 2020 ($'000s)					
Type of financial instrument	Gross amounts of recognized financial assets and liabilities	Net amounts presented in the statement of financial position	Related amounts not offset in the statement of financial position: Financial instruments	Related amounts not offset in the statement of financial position: Cash collateral pledged	Net Amount
Foreign exchange forward contracts – assets	373	373	(7)	–	366
Foreign exchange forward contracts – liabilities	(40)	(40)	7	16	(17)

December 31, 2019 ($'000s)					
Type of financial instrument	Gross amounts of recognized financial assets and liabilities	Net amounts presented in the statement of financial position	Related amounts not offset in the statement of financial position: Financial instruments	Related amounts not offset in the statement of financial position: Cash collateral pledged	Net Amount
Foreign exchange forward contracts – assets	2,241	2,241	(59)	1,160	2,182
Foreign exchange forward contracts – liabilities	(59)	(59)	59	–	–

16. Interests in subsidiaries, associates, and unconsolidated structured entities:

Cymbria may invest in a subsidiary, associate or unconsolidated structured entity as part of its investment strategy.

In determining whether Cymbria has control or significant influence over an investment, Cymbria assesses voting rights, the exposure to variable returns, and its ability to use the voting rights to affect the amount of the returns. In instances where Cymbria has control over an investment, Cymbria qualifies as an investment entity under IFRS 10 – Consolidated Financial statements, and therefore accounts for investments it controls at fair value through profit and loss. Cymbria's primary purpose is defined by its investment objectives and uses the investment strategies available to it as defined in Cymbria's prospectus to meet those objectives. Cymbria also measures and evaluates the performance of any investment on a fair value basis. Investments over which Cymbria has control or significant influence are categorized as subsidiaries and associates, respectively.

Cymbria's investments are susceptible to market price risk arising from uncertainty about future values of those investments. The maximum exposure to loss from interests in investments is equal to the total fair value of the investment at any given point in time. The fair value of investments is included in the *Statements of Financial Position*.

As at December 31, 2020 and 2019, Cymbria had material investments in the following subsidiaries, associates and unconsolidated structured entities:

December 31, 2020	Place of Business	Type	Ownership %
EdgePoint Wealth Management Inc.	Canada	Associate	20.7%

December 31, 2019	Place of Business	Type	Ownership %
Echelon Financial Holdings Inc.	Canada	Associate	20.2%
EdgePoint Wealth Management Inc.	Canada	Associate	20.7%

OFFICERS

Tye Bousada, CFA
Co-Chief Executive Officer

Geoff MacDonald, CFA
Co-Chief Executive Officer

Diane Rossi
Corporate Secretary

Norman Tang, CPA, CA
Chief Financial Officer

DIRECTORS

Ugo Bizzarri, CFA
Director

Reena Carter, CA, CPA, CBV, C.Dir
Director and Chair of the Audit Committee

Patrick Farmer, CFA
Chairman

James MacDonald
Director and member of the Audit Committee

Richard Whiting
Director and member of the Audit Committee

AUDITOR

KPMG LLP
333 Bay St., Suite 4600
Bay Adelaide Centre
Toronto, ON M5H 2S5

CUSTODIAN

CIBC Mellon Trust Company
1 York St., Suite 900
Toronto, ON M5J 0B6

MANAGER AND INVESTMENT ADVISOR

EdgePoint Investment Group Inc.
150 Bloor St. W., Suite 500
Toronto, ON M5S 2X9

LEGAL COUNSEL

Stikeman Elliott LLP
5300 Commerce Crt. W.
199 Bay St.
Toronto, ON M5L 1B9

REGISTRAR AND TRANSFER AGENT

Computershare Investor Services Inc.
100 University Ave., 8th floor
Toronto, ON M5J 2Y1

TORONTO STOCK EXCHANGE LISTING

CYB

OUR CREED

We've put in place a foundation of commitments that governs our company. Our commitments, as well as the belief from which each one was born, are listed here.

1. **We will put our investment partners first in all business decisions.**

   We believe that investors and their advisors should be treated as our investment partners. When faced with a decision, we'll be guided by the belief that what matters is our investment partners and what's important to them.

2. **We will consistently adhere to our investment approach.**

   We believe in our deceptively simple investment approach: Buy good, undervalued businesses and hold them until the market recognizes their full potential. We believe this requires an ability to think independently and a commitment to embrace the thorough research required to uncover opportunities that the market doesn't fully appreciate.

3. **We will partner with financial advisors.**

   We believe that investors should seek out professional financial advice. A skilled and principled financial advisor can offer effective advice in helping reach financial goals. We hope advisors will recommend our investment products, but understand that they may not. We believe that's their value to their clients: independent objective advice.

4. **We will focus on delivering superior service to our investment partners.**

   We believe in the importance of highly responsive service, especially when you've entrusted us with your investments.

5. **We will invest in our investment products alongside our investment partners.**

   We believe that our employees should invest their personal wealth in our company's products. We believe that a personal commitment to products by employees fosters a strong sense of accountability and ensures that employees' interests are aligned with our investors'.

6. **We will use investment results and not asset growth as our benchmark for achievement.**

   We believe in the importance of being an investment-led organization as opposed to sales and marketing driven. We believe the difference between these two types of organizations is material. A sales- and marketing-led company spends more time and money gathering assets than it does investing the money it's already gathered. An investment-led organization focuses the majority of its efforts on building wealth.

7. **We will build a distinct culture where our employees think and act like owners.**

   We believe that employees who think and act like owners make better long-term decisions. We believe long-term thinking from our employees will enhance the long-term wealth of our investment partners.

8. **We will communicate with our investment partners regularly and honestly.**

   We believe informed investors and advisors make better decisions. We believe the ingredients of success in the wealth management business are investment results and reputation. We believe that the bond between both is setting expectations through open and honest communication.

9. **We will endeavour to keep "it" simple.**

   We believe achieving superior investment results isn't easy. However, there are aspects of the investment management industry that have become unnecessarily complex. We will endeavour to keep our offerings, our company and our interactions with our partners as simple as we can.

This time is different

And I refuse to believe that

Thinking like a rational business owner is the best way to invest

I realize this may be a shock but

Long-term compounding is more important than good short-term performance

Is a lie and

Investing with the crowd is the safest approach

So, in 30 years, I will tell my children that

Treating the stock market like a casino

Is a better way to invest than

Treating each investment as though it's meant to feed, shelter and clothe your family

I tell you this

Entry price dictates returns

But this isn't true

Valuations no longer matter

Experts tell us

There's too much career risk in looking different

It's clear that many believe

There is no edge in long-term thinking

No longer can it be said that

A good financial advisor is important

It will be evident that

I can do this without help

It's foolish to presume that

To make money in the long term, sometimes you have to look wrong in the short term

Now read this from the bottom up.

Cymbria Corp.

150 Bloor Street West, Suite 500,
Toronto, Ontario M5S 2X9
Phone: 416.963.9353 or 1.866.757.7207
Website: www.cymbria.com
Email: info@cymbria.com

Cymbria is managed by EdgePoint Investment Group Inc., a related party of EdgePoint Wealth Management Inc. EdgePoint® is a registered trademark of EdgePoint Investment Group Inc.