

URBANA CORPORATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the year ended December 31, 2023

This Management's Discussion and Analysis ("MD&A") supplements, but does not form part of, the audited financial statements of Urbana Corporation ("Urbana" or the "Corporation") and notes thereto for the year ended December 31, 2023 (the "Annual Audited Financial Statements"). Consequently, the following discussion and analysis of the financial condition and results of operations should be read in conjunction with the Annual Audited Financial Statements, both of which have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All amounts shown in this MD&A, unless otherwise specified, are presented in Canadian dollars and all references to "millions" within this MD&A will be described as "M" hereafter. Unless specifically referred to a particular class of shares, all references to "Shares" or "per Share" refer collectively to the Corporation's common shares (the "Common Shares") and the Corporation's non-voting Class A shares (the "Class A Shares"). This MD&A is current as of March 18, 2024. The Corporation's Audit Committee reviewed this document, and prior to its release, the Corporation's Board of Directors approved it, based on the Audit Committee's recommendation.

You can obtain information relating to the Corporation, including the Corporation's most recent annual information form and Annual Audited Financial Statements, at no cost, by calling Urbana collect at (416) 595-9106, by writing to us at: 150 King Street West, Suite 1702, Toronto, Ontario M5H 1J9 or by visiting our website at www.urbanacorp.com or the SEDAR+ website at www.sedarplus.ca.

REPORTING REGIME

Urbana is subject to National Instrument 51-102 ("NI 51-102") *Continuous Disclosure Obligations*. For accounting purposes, Urbana is treated as an investment entity under IFRS.

NON-IFRS MEASURES

The Corporation prepares audited annual financial statements and unaudited condensed interim financial statements in accordance with IFRS. This MD&A complements the Corporation's IFRS results with the following financial measures which are not recognized under IFRS and which do not have a standard meaning prescribed by IFRS: "net assets per Share", "total return of net assets per Share" and "compound annual growth rate of net assets per Share since inception".

Net assets per Share

The three financial measures used to calculate "net assets per Share", namely assets, liabilities and number of shares outstanding, are individually recognized under IFRS, but "net assets per Share" is not. The calculation of net assets per Share as at December 31, 2023 and 2022 is presented in the following table:

	December 31, 2023	December 31, 2022
Assets (\$)	450,645,044	367,126,050
LESS Liabilities (\$)	76,073,772	57,523,862
EQUALS Net Assets (\$)	374,571,272	309,602,188
DIVIDED BY Number of Shares Outstanding	41,395,100	41,395,100
EQUALS Net assets per Share (\$)	9.05	7.48

Total return of net assets per Share

The total return of net assets per Share over a given period refers to the increase or decrease of Urbana’s net assets per Share (determined as described above) over a specified time period, expressed as a percentage of Urbana’s net assets per Share at the beginning of the time period, assuming that each dividend paid by the Corporation during the period was reinvested at a price equal to the net assets per Share at the relevant time.

The Common Shares and the Class A Shares participate equally in dividends and upon liquidation, dissolution or winding-up of Urbana. Therefore, they are treated the same for purposes of the net assets per Share calculation.

Compound annual growth rate of net assets per Share since inception

Compound annual growth rate (“CAGR”) of net assets per Share since inception is the compound annual growth rate of Urbana’s net assets per Share from October 1, 2002, when Caldwell Investment Management Ltd. (“CIM” or the “Manager”), the investment manager of Urbana, started managing Urbana’s investment portfolio, to the end of the period in question.

We calculate CAGR of net assets per Share since inception by dividing Urbana’s net assets per Share at the end of the period in question by its net assets per Share at inception (i.e. October 1, 2002), raising the result to the power of the quotient obtained by dividing one by the number of years representing the period length, and then subtracting one.

The Corporation provides the non-IFRS measures described above because it believes each measure can provide information that may assist shareholders to better understand the Corporation’s performance and to facilitate a comparison of the results of ongoing operations. No measure that is calculated in accordance with IFRS is directly comparable to or provides investors with this net assets per Share information. As a result, except as set forth in the above table, no quantitative reconciliation from “net assets per Share” to an IFRS measure is provided in this MD&A.

Non-IFRS measures should not be construed as alternatives to net comprehensive income (loss) determined in accordance with IFRS as indicators of the Corporation’s performance. CAGR of net assets per Share since inception describes the historical rate at which Urbana’s net assets per Share would have increased at a steady rate. This single historical rate is only an illustration and does not represent the actual annual growth rate of Urbana’s net assets per Share in any given year. The growth rate of Urbana’s net assets per Share in any given year since 2002 may have been higher or lower than the CAGR of net assets per Share since inception due to market volatility and other factors.

STRATEGY AND RISK FACTORS

Urbana's strategy is to seek out, and invest in, private investment opportunities for capital appreciation and invest in publicly traded securities to provide growth, income and liquidity. Urbana has the scope to invest in any sector in any geographic region. There were no material changes to Urbana's investment style in 2023 that affected the overall level of risk associated with an investment in the Corporation. Some of the risk factors associated with investing in Urbana are described in Urbana's most recent annual information form, which is available on the Corporation's website at www.urbanacorp.com and under the Corporation's profile on the SEDAR+ website at www.sedarplus.ca. Risks and uncertainties that may materially affect Urbana's future performance include private entity investing risk, market fluctuations, currency risk and macroeconomic risk.

OVERALL PERFORMANCE AND DISCUSSION OF OPERATIONS

The first quarter of 2023 ("Q1") performance was mixed for Urbana as its Canadian energy holdings weakened and its U.S. financial holdings gained, in the aftermath of the collapse of Silicon Valley Bank. Urbana's net assets per Share increased from \$7.48 to \$7.50 in Q1, including a dividend of eleven cents (\$0.11) per Share¹ paid in January 2023, resulting in a 1.7% total return of net assets per Share.

In the second quarter of 2023 ("Q2") Urbana's total return of net assets per Share declined by 0.7% as its net assets per Share decreased from \$7.50 to \$7.45. Larger high tech companies led the market and broadly based companies fared poorly despite some strength in broader markets at the end of Q2.

The third quarter of 2023 ("Q3") was very positive for Urbana as its private holdings in Blue Ocean, Integrated Grain Growers Co-operative Inc. ("IGPC") and Evolve ETFs added significant unrealized gains to our portfolio. During this quarter, Urbana's net assets per Share increased from \$7.45 to \$8.80, resulting in an 18.1% total return of net assets per Share.

The final quarter of 2023 ("Q4") witnessed an improvement in equity markets, which may have been triggered in whole or in part by the Federal Reserve Board indicating they were near the end of their interest rate increases. Urbana's publicly traded holdings outperformed its private investments in Q4 with gains in its U.S. financials more than offsetting declines in its Canadian energy holdings. However, in Q4 several of Urbana's private holdings were written-down. In Q4, Urbana's after-tax net assets per Share increased from \$8.80 to \$9.05 or 2.8%, which is less than the Dow Jones Industrial Average Total Return Index (in Canadian Dollars) ("DJIA Index") of 10.3% and the S&P/TSX Composite Total Return Index ("S&P/TSX Index") of 8.1%.

By comparison, however, for the year ended December 31, 2023, Urbana's after-tax net assets per Share increased from \$7.48 to \$9.05 or 22.7%, including a dividend of eleven cents (\$0.11) per Share¹ paid in January 2023. This return was significantly greater than the DJIA Index of 13.5% and the S&P/TSX Index of 11.8% for the year.

¹ The Common Shares and the Class A Shares participate equally in dividends.

On balance, 2023 ended up being a good year for the financial performance of Urbana, driven in part by the overall equity markets.

Looking into 2024, the Corporation is encouraged as it sees the potential of IGPC's liquidity initiative and Blue Ocean's increasing overnight market participation.

Urbana's long-term performance, represented by its CAGR of net assets per Share since inception on October 1, 2002 to December 31, 2023, was 15.0%. This compares favorably with the CAGR of the S&P/TSX Index of 8.9% and the CAGR of the DJIA Index of 9.5%, for the same period.² The Corporation's long-term goal is to strive for and maintain long-term performance that exceeds the returns of the S&P/TSX Index and the DJIA Index.

In 2023, dividend income amounted to \$12.5M, up \$8.4M from \$4.1M in 2022. The increase in 2023 primarily relates to \$7.3M in dividends from IGPC. Distributions from IGPC in 2022 were much lower and represented a return of capital. In 2023, interest income amounted to \$490,143, a slight decrease from \$503,526 in 2022. The decrease in 2023 is primarily related to the IGPC debenture, which was redeemed early on March 31, 2023.

Urbana realized a net gain of \$1.8M from the sale of investments in 2023 (2022 - \$8.7M). The 2023 gain stemmed primarily from the disposition of Caldwell Canadian Value Momentum Fund ("CCVMF") (\$1.7M). The 2022 gain resulted primarily from the partial dispositions of the Corporation's Canadian energy holdings and CCVMF.

Urbana recorded \$75.8M in unrealized gains in 2023 (2022 - \$19.2M), with \$62.6M of gains related to private equity investments and \$13.2M of gains stemming from its public holdings. The best performers during 2023 were Blue Ocean (\$42.6M), IGPC (\$15.8M), Evolve ETFs (\$10.0M), KKR & Co. (\$9.3M) and Cboe Global Markets (\$7.2M). Partially offsetting these unrealized gains were unrealized losses in Tamarack Valley Energy (\$5.6M), Whitecap Resources (\$4.7M), Highview Financial Group (\$4.1M) and Radar Capital (\$3.0M). The 2022 unrealized gain related primarily to private equity investments (\$38.6M) with offsetting losses in public holdings (\$19.4M).

During 2023, Urbana recorded net income before income taxes of \$77.4M (2022 - \$21.5M) primarily due to \$75.8M in unrealized gains on investments. Investment management fees in 2023 were \$8.6M, an \$805,000 increase over \$7.8M in 2022, due to increased average assets under management. Interest expense in 2023 amounted to \$2.7M, up from \$1.3M in 2022 due to higher average borrowings and borrowing rates in 2023. Transaction costs, which typically relate to purchases under the normal course issuer bid ("NCIB"), were not incurred in 2023 (2022 - \$54,132), since no shares were purchased under the NCIB in 2023. Transaction costs in respect of all trades, excluding NCIB trades, are absorbed by CIM. Professional fees, comprised of audit fees and legal costs, were \$296,639 in 2023, up slightly from \$290,365 in 2022, primarily due to increased audit fees in 2023. Administrative expenses in 2023 were \$1.5M, down from \$1.6M in 2022 due primarily to reduced marketing expenses in 2023. Foreign withholding tax expense in 2023 was \$395,235, up from \$362,947 in 2022, due to an increase in foreign dividend income in

² The CAGR of the indexes is calculated in the same way as the CAGR of net assets per Share since inception.

2023. A current income tax recovery in 2023 of \$156,500 stems from the carryback of capital losses to recover taxes paid in 2022. A deferred income tax expense of \$7.6M has been recorded in 2023, up from \$2.0M in 2022, primarily due to increased unrealized gains in 2023.

During 2023 and to-date, Urbana did not purchase any Class A Shares under its NCIB. Since May 2010, Urbana has purchased and cancelled a total of 46,131,220 Class A Shares under its normal course issuer bid programs and has returned \$122.1M to shareholders in the form of NCIB purchases and dividends. The number of Class A Shares now outstanding is 31,395,100.

Selected Annual Information

The following table shows selected annual information about Urbana for the three most recently completed fiscal years of the Corporation:

	2023 (\$)	2022 (\$)	2021 (\$)
Total revenue	90,513,490	32,520,838	77,398,109
Profit from continuing operations attributable to owners of the parent:			
Total	69,522,569	18,917,077	59,994,254
Per Share	1.68	0.45	1.37
Diluted per Share	1.68	0.45	1.37
Profit attributable to owners of the parent:			
Total	69,522,569	18,917,077	59,994,254
Per Share	1.68	0.45	1.37
Diluted per Share	1.68	0.45	1.37
Total assets	450,645,044	367,126,050	348,099,367
Total non-current financial liabilities	31,996,000	24,374,000	22,331,000
Cash dividends declared per Share:			
Common Shares	0.11	0.10	0.09
Class A Shares	0.11	0.10	0.09

Revenue and profit levels in 2023, 2022 and 2021 were determined primarily by the unrealized and realized gains on the Corporation's investment portfolio. Variations among the years relate to the investment decisions made, market price fluctuations of securities held in Urbana's investment portfolio and changes in foreign exchange rates. There have been no changes in accounting policies during the years 2021 to 2023 that had any impact on the financial performance of the Corporation during these years (see also below under the heading "*Changes in Accounting Policies*"). There have been no discontinued operations during the years 2021 to 2023. Total assets increased during 2022 and 2023 due to increased market values of the investment portfolio. Non-current financial liabilities, namely deferred income tax liability, increased during 2022 and 2023 as a result of unrealized gains recorded in those years. Dividends amounted to \$0.09 per Share in January 2021 and increased to \$0.10 per Share in January 2022 due to improved results in 2021. A dividend of \$0.11 per Share was paid in January 2023, an increase of 10.0% over 2022, also due to improved results in 2022. In all instances, Common Shares and the Class A Shares

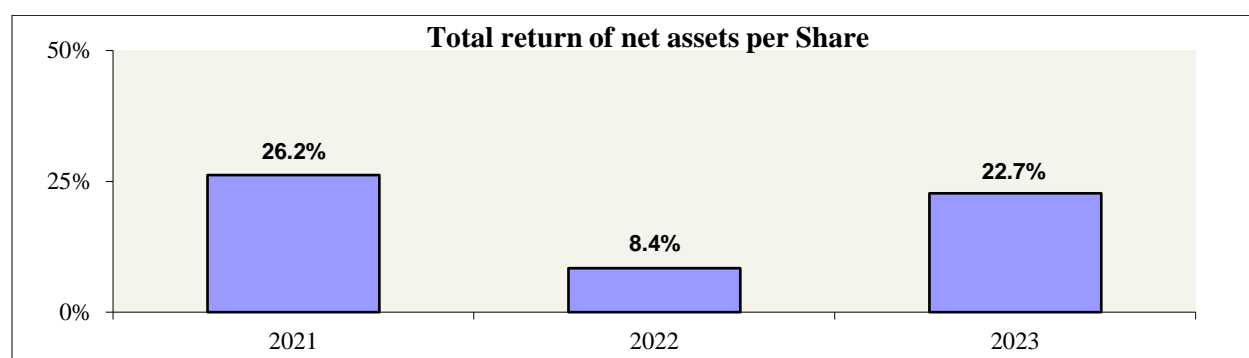
participated equally in dividends. For each of the years 2021 to 2023, the financial data has been prepared in accordance with IFRS and the Canadian Dollar has been the presentation currency.

Past Performance

The performance information presented in this section shows how Urbana has performed in the past and does not necessarily indicate how it will perform in the future.

Year-by-Year Performance

The following bar chart shows the net assets per Share performance of Urbana's Shares for the financial periods indicated. The bar chart shows, in percentage terms, how much an investment made on the first day of each financial period would have grown or decreased by the last day of each financial period based on the net assets per Share of Urbana, assuming that each dividend paid during the period was reinvested.



Summary of Investment Portfolio as at December 31, 2023

The following data is extracted from Urbana's Annual Audited Financial Statements:

Number of securities	Description	Cost (\$)	Fair value (\$)	% of Portfolio Fair Value
Private equity investments				
13,490,878	CNSX Markets Inc.	8,228,349	80,945,268	18.2%
1,327,620	Miami International Holdings Inc.	12,257,268	17,943,647	4.0%
800,000	Caldwell Financial Ltd.	1,826,650	3,544,000	0.8%
2,350,000	Radar Capital Inc. Class A Common	50	-	-%
16,755,081	Radar Capital Inc. Class B Common	11,561,006	1,687,237	0.4%
1,544,236	Evolve Funds Group Inc. ("Evolve") Class B Preferred	1,579,085	6,964,504	1.6%
3,000,000	Evolve Funds Group Inc. Class C Preferred	1,754,350	13,530,000	3.0%
771,638	Evolve Funds Group Inc. Class D Preferred	771,638	771,638	0.2%
1,195,246	EFG Management Holdings Inc. ("EFG") Class A Common (i)	3,597,690	5,390,559	1.2%
498,041	EFG Management Holdings Inc. Class E Common (i)	1,462,549	2,246,165	0.5%
15,259,886	Highview Financial Holdings Inc.	11,546,243	15,717,682	3.6%
5	Integrated Grain Processors Co-operative Inc. Membership Shares	500	500	-%
1,972,366	Integrated Grain Processors Co-operative Inc. Class E Preferred	3,251,961	24,851,812	5.6%
4,538,460	Four Lakes Capital Fund Limited Partnership	4,999,998	8,602,261	1.9%
465,381	Vive Crop Protection Inc. Class A2 Preferred	314,132	186,152	-%
975,337	Vive Crop Protection Inc. Class B1 Preferred	284,613	390,135	0.1%

6,500,000	Vive Crop Protection Inc. Class B3 Preferred	3,250,000	3,250,000	0.7%
2,492,279	Vive Crop Protection Inc. Class C1 Preferred	1,629,452	1,629,452	0.4%
768,062	Vive Crop Protection Inc. Class C2 Preferred	557,920	557,920	0.1%
27,428	Kognitiv Corporation Class A-2 Preferred	353,000	30,380	-%
2,000,000	Kognitiv Corporation Class B-1 Preferred	3,000,000	3,000,000	0.7%
122,222	Kognitiv Corporation	2,404,596	80,581	-%
8,000,000	Kognitiv Corporation Warrants (ii)	-	-	-%
480,000	Lyceum CME Inc. Class B Preferred	2,400,000	2,400,000	0.5%
6,047,895	FundThrough Inc. Class A-3 Preferred	6,250,000	8,950,885	2.0%
1,570,680	FundThrough Inc. Class A-4 Preferred	2,999,999	2,999,999	0.7%
208,290	Varo Money, Inc.	2,565,000	1,101,351	0.3%
7,292,930	Tetra Trust Company	4,850,759	4,011,111	0.9%
5,622	Blue Ocean Technologies, LLC / Urbana International Inc. ("UII") (iii)	10,479,725	53,996,503	12.2%
Public equity investments				
502,073	Caldwell-Lazard CorePlus Infrastructure Fund	5,020,850	5,069,884	1.1%
110,000	Cboe Global Markets, Inc.	3,637,004	25,899,414	5.8%
100,000	Intercontinental Exchange Group Inc.	4,153,846	16,934,780	3.8%
125,000	Citigroup Inc.	6,360,121	8,478,598	1.9%
350,000	Bank of America Corp.	4,882,387	15,539,042	3.5%
250,000	Morgan Stanley	6,933,526	30,739,862	6.9%
1,600,000	Real Matters Inc.	6,352,346	10,080,000	2.3%
3,772,200	Tamarack Valley Energy Ltd.	10,108,791	11,580,654	2.6%
200,000	KKR & Co. Inc. Class A	7,516,623	21,849,202	4.9%
2,500,000	Whitecap Resources Inc.	8,776,111	22,175,000	5.0%
10,000	Alibaba Group Holding Ltd. Sponsored ADR	1,217,738	1,022,047	0.2%
445,000	Crescent Point Energy Corp.	4,500,682	4,089,550	0.9%
Private debt investments				
3,000,000	Highview Financial Holdings Inc. (iv)	3,000,000	3,000,000	0.7%
2,000,000	Highview Financial Holdings Inc. (v)	2,000,000	2,000,000	0.5%
1,000,000	Kognitiv Corporation (vi)	1,000,000	1,000,000	0.2%
Cash		341,426	341,421	0.1%
		179,977,984	444,579,196	100.0%

(i) EFG is a holding company formed for the sole purpose of holding shares of Evolve. EFG owns a controlling interest in Evolve and is controlled by the management of Evolve.

(ii) The Kognitiv Corporation ("Kognitiv") warrants were issued to Urbana in connection with Urbana's purchase of Class B-1 preferred shares of Kognitiv. The entire purchase price was allocated to the preferred shares since it was determined that the warrants had no value at the time. Each warrant entitles Urbana to purchase one Class B-1 preferred share of Kognitiv at \$1.50 per share on or before November 30, 2028.

(iii) UII, a wholly-owned subsidiary of Urbana, formed for the sole purpose of investing in Blue Ocean Technologies, LLC ("Blue Ocean"), holds 5,621.5 units of Blue Ocean.

(iv) Unsecured convertible promissory note initially maturing on June 30, 2023 has been extended to June 30, 2024 with interest continuing at 8% per annum payable quarterly. This promissory note was issued in connection with a \$3 million revolving line of credit and is convertible (in whole or in part) into common shares on the maturity date at \$1.07 per common share.

(v) Secured promissory note initially maturing on December 31, 2023 has been extended to June 30, 2024 with interest continuing at 8% per annum payable on maturity.

(vi) Secured subordinated convertible note initially maturing on July 31, 2023 has been extended to July 31, 2024 with interest continuing at 12% per annum payable monthly. In lieu of a monthly cash interest payment, Kognitiv makes a payment-in-kind by capitalizing the interest payable on each monthly interest payment date.

In addition to the investments listed above, Urbana holds 44 mining claims in Urban Township, Quebec. No mining expenditures were incurred in 2023 or 2022. See below under the heading "*Mining Claims*" for more information.

The above summary of the investment portfolio may change due to ongoing portfolio transactions. Weekly and quarterly updates are available at Urbana's website at www.urbanacorp.com.

Demand Loan Facility

Pursuant to a loan facility agreement between Urbana and a major Canadian chartered bank (the “Bank”) dated July 2, 2021, the Bank provides a demand loan facility to Urbana, which allows Urbana to borrow up to \$50M. Interest is charged on the outstanding balance of the loan facility at the Bank’s prime rate plus 0.25%, calculated on a daily basis and paid monthly. The loan facility is secured by a general charge on Urbana’s assets. Loan proceeds may be used to make additional investments and/or for general corporate purposes. As at December 31, 2023, the outstanding balance of the loan was \$42.7M. The minimum and maximum amounts borrowed during 2023 were \$32.0M and \$42.7M respectively. As at the date of this MD&A, the Corporation has complied with all covenants, conditions and other requirements of the loan facility.

Normal Course Issuer Bid

On August 31, 2022, the Toronto Stock Exchange (the “TSX”) accepted a notice of intention to conduct a normal course issuer bid from Urbana to purchase up to 3,139,548 of its own Class A Shares (the “2022 NCIB”), representing 10% of the public float, pursuant to TSX rules. Purchases under the 2022 NCIB were permitted starting on September 7, 2022 and terminated on September 6, 2023. Urbana purchased and cancelled 290,000 Class A Shares pursuant to the 2022 NCIB at an average purchase price of \$3.95 per Class A Share.

On August 31, 2023, the TSX accepted a notice of intention to conduct a normal course issuer bid (the “Notice”) from Urbana to purchase up to 3,107,298 of its own Class A Shares (the “2023 NCIB”), representing 10% of the public float, pursuant to TSX rules. Purchases under the 2023 NCIB were permitted starting on September 7, 2023, and will terminate on the earlier of September 6, 2024, the date Urbana completes its purchases pursuant to the notice of intention to conduct a normal course issuer bid filed with the TSX, and the date of notice by Urbana of termination of the 2023 NCIB. The Class A Shares purchased under the 2023 NCIB must be cancelled. As at December 31, 2023, Urbana had not purchased any Class A Shares pursuant to the 2023 NCIB. Shareholders may obtain a copy of the Notice, free of charge, by contacting Urbana.

Mining Claims

Urbana has owned mineral claims in Urban Township, Quebec for a number of years. Management monitors the exploration activity in the area on an ongoing basis and may carry out exploration work on its mineral claims if and when it is deemed suitable. Urbana has received several enquiries from companies operating in the area but has not yet decided on a partner for further development. Urbana holds 44 claims in the area totaling 1,154.4 hectares (2,852.7 acres). A report, which summarizes both the exploration work and results to date has been completed and is expected to assist Urbana in determining next steps.

Urbana has incurred mining expenditures totaling \$1.1M, all of which relate to periods prior to 2019. These expenditures were recorded in the financial statements of the Corporation as a loss in computing “net realized gain on sale and disposal of investments”, in accordance with IFRS 6 “*Exploration for and Evaluation of Mineral Resources*”. Management has elected to expense exploration and evaluation costs related to the mineral claims, as the property holds no known mineral reserves or mineral resources. Although the property has several interesting gold occurrences, there has been no mineral resource nor mineral reserve proven up at this time. The property is therefore still

highly speculative. If any mineral resource or mineral reserve is proven up in the future, and the determination has been made to move into the development phase, then future expenditures on development will be capitalized and tested for impairment. The amount of exploration expenditures has not been material for Urbana and is expected to continue to be immaterial for the near-term.

Dividend Policy and Dividend Declared

Currently the Corporation has a dividend policy that it intends to pay a cash dividend to the shareholders as soon as practical after the end of each year. The amount of the dividend to be paid is determined each year by the Board, taking into consideration certain factors that the Board deems relevant, including the performance of the Corporation's investments, the economic and market conditions, and the financial situation of the Corporation.

On January 31, 2023, the Corporation paid a cash dividend of \$0.11 per Share on the issued and outstanding Common Shares and Class A Shares as at January 17, 2023. Pursuant to subsection 89(14) of the *Income Tax Act* (Canada) (the "ITA") each dividend paid by Urbana qualifies as and is designated an eligible dividend for Canadian income tax purposes, as defined in subsection 89(1) of the ITA.

Outstanding Share Data

As at March 18, 2024, the Corporation has 10,000,000 Common Shares and 31,395,100 Class A Shares outstanding.

RELATED PARTY DISCLOSURES

Caldwell Financial Ltd. ("CFL"), a company under common management with Urbana, is the parent company of Caldwell Securities Ltd. ("CSL") and of CIM, which is the investment manager of Urbana. Urbana pays CIM investment management fees for investment management services that CIM provides to Urbana (see below under the heading "*Management Fees*"). As at December 31, 2023 Urbana had a 20% ownership interest in CFL.

CSL, an affiliate of CIM and a registered broker and investment dealer, handles Urbana's portfolio transactions. The total amount of commission fees paid to CSL by Urbana during the years ended December 31, 2023 and 2022 were \$Nil and \$54,116 respectively. Commissions paid relate solely to NCIB trades.

Pursuant to an administrative services agreement between Urbana and CSL dated March 1, 2019 and as amended on April 1, 2021 and January 1, 2023, during 2023, Urbana paid CSL a monthly fee of \$37,403 (HST inclusive) for administrative services, including investor relations services, information technology services, professional corporate office services, and office and conference room access for Urbana's staff, directors and officers. On January 1, 2024, the administrative services agreement was amended to increase the monthly fee by \$1,887 (HST inclusive) due to the increased costs of all services performed by CSL on behalf of Urbana. This fee increase was approved by the independent directors.

In 2023 Urbana paid total fees of \$257 to CSL for their services in respect of arranging for the transfer of private equity securities to Urbana by way of a “share transfer platform” that CSL manages on behalf of IGPC.

As at December 31, 2023 Urbana owned 50% of the voting class A common shares and 68.49% of the voting class B common shares of Radar Capital Inc. (“RCI”), a private capital company. As a result, Urbana owns a total of 65.51% of the voting common shares of RCI with each class A and class B common share entitled to one vote.

In August 2023, Urbana redeemed 84,012 units of Caldwell Growth Opportunities Fund (“CGO”) for \$524,279. As a result, as at December 31, 2023 Urbana no longer had an ownership interest in CGO, which is a private equity pool managed by CIM. Urbana did not pay a management fee on this investment (see below under the heading “*Management Fees*”).

In 2023, Urbana redeemed 715,599 units of Caldwell Canadian Value Momentum Fund (“CCVMF”) for \$15.4M. As a result, as at December 31, 2023 Urbana no longer had an ownership interest in CCVMF, which is a mutual fund managed by CIM. Urbana paid a 0.50% per annum management fee on this investment pursuant to an agreement dated July 30, 2020 between Urbana and CIM, instead of the 2.0% per annum management fee paid to CIM (see below under the heading “*Management Fees*”).

In June 2023, Urbana purchased 500,000 units of the newly created Caldwell-Lazard CorePlus Infrastructure Fund (“CLCIF”) for \$5.0M. In August 2023, Urbana received a distribution of \$20,850 that was reinvested in 2,073 units of CLCIF. As at December 31, 2023 Urbana had a 52.85% ownership interest in CLCIF, which is a mutual fund managed by CIM. Urbana pays a 0.95% per annum management fee on this investment pursuant to an agreement dated June 28, 2023 between Urbana and CIM, a reduction from the 2.0% per annum management fee paid to CIM (see below under the heading “*Management Fees*”).

In September 2023, Urbana purchased 10,000 common shares of CNSX Markets Inc. (“CNSX”), the operator of the Canadian Securities Exchange, for \$60,000. As at December 31, 2023 Urbana owned 50.03% of the common shares of CNSX. Pursuant to an order by the Ontario Securities Commission dated May 12, 2023, Urbana is prohibited from nominating more than 50% of the directors of the CNSX and therefore it is not considered a subsidiary of Urbana for accounting purposes.

As at December 31, 2023, Urbana had a 73.42% ownership interest in Highview Financial Holdings Inc. (“HFHI”). Pursuant to the HFHI amended and restated shareholders’ agreement effective as of December 30, 2020, Urbana is not entitled to elect a majority of the board of directors of HFHI and therefore it is not considered a subsidiary of Urbana for accounting purposes. As at December 31, 2023, Urbana held a \$3M convertible promissory note and a \$2M non-convertible promissory note from HFHI. The initial maturity dates of these notes have been extended from June 30, 2023 and December 31, 2023, respectively, to June 30, 2024.

As at December 31, 2023, Urbana had a 35.45% ownership interest in Blue Ocean through Urbana International Inc. (“UII”), its wholly-owned subsidiary. UII was formed for the sole purpose of

investing in Blue Ocean. As at December 31, 2023 Urbana had a receivable of \$116,313 from UII in respect of operating expenses incurred by UII.

As at December 31, 2023, there were no fees payable to related parties, other than a management fee of \$841,954 payable to CIM.

During 2023, Urbana, as lender, increased its loan to one director of the Corporation, George D. Elliott. Prior to 2023, Urbana issued loans to three directors of the Corporation, Charles A. V. Pennock, George D. Elliott and Michael B. C. Gundy and to one officer of the Corporation, Sylvia V. Stinson. The loan agreement for each of these loans provides for a revolving credit facility of up to \$100,000 for each such person, which they may use for the sole purpose of purchasing shares of the Corporation, at the discretion of the borrower. Interest is charged at the interest rate used by the Canada Revenue Agency to calculate taxable benefits for employees and shareholders from interest-free and low-interest loans. The securities of Urbana purchased by each director or officer with funds advanced under each revolving credit facility are held in a broker's account as security for the loan. As at December 31, 2023, the total outstanding principal amount of such loans is \$322,888, being \$92,005, \$97,321, \$72,452 and \$61,110 in respect of Messrs. Elliott, Gundy and Pennock and Ms. Stinson, respectively. As at December 31, 2023, Messrs. Elliott, Gundy and Pennock, and Ms. Stinson have purchased, respectively, 22,500 Common Shares, 29,900 Common Shares, 6,000 Common Shares and 20,000 Class A Shares, and 3,000 Common Shares and 15,000 Class A Shares of the Corporation with funds borrowed under each respective credit facility.

MANAGEMENT FEES

Pursuant to an investment management and advisory agreement dated December 6, 2019 and as amended on April 1, 2021, CIM is entitled to an investment management fee equal to 2.0% per annum of the market value of Urbana's investment portfolio, and, with the exception of NCIB purchases, CIM pays a fee to CSL to cover all charges for brokerage, trade execution and other necessary investment-related services rendered directly or indirectly for the benefit of Urbana by CSL. In 2023, CIM earned \$8.6M of investment management fees from Urbana. The investment management fees are accrued daily and paid monthly in arrears. As at December 31, 2023 there was an investment management fee of \$841,954 payable to CIM.

SUMMARY OF QUARTERLY RESULTS

The table below shows the key operating results of the Corporation for each of the eight most recently completed quarters:

	4 th Quarter 2023 (\$)	3 rd Quarter 2023 (\$)	2 nd Quarter 2023 (\$)	1 st Quarter 2023 (\$)
Realized gain	551,625	491,185	490,119	245,406
Change in unrealized gain (loss)	6,492,814	64,169,598	(1,984,785)	7,108,020
Dividend income	7,234,765	2,120,086	1,934,650	1,169,864
Interest income	147,721	129,710	101,689	111,023
Total expenses	3,744,892	3,365,496	3,080,838	2,938,960
Net income (loss) before income taxes	10,682,033	63,545,083	(2,539,165)	5,695,353
Net income (loss) before income taxes per Share	0.26	1.54	(0.06)	0.14
Net assets per Share (beginning of period)	8.80	7.45	7.50	7.48
Net assets per Share (end of period)	9.05	8.80	7.45	7.50

	4 th Quarter 2022 (\$)	3 rd Quarter 2022 (\$)	2 nd Quarter 2022 (\$)	1 st Quarter 2022 (\$)
Realized gain	308,360	7,914	7,637,705	763,754
Change in unrealized gain (loss)	20,041,119	2,747,296	(39,683,841)	36,119,008
Dividend income	1,000,042	1,190,559	936,473	948,923
Interest income	114,991	110,276	144,816	133,443
Total expenses	3,110,899	2,764,272	2,644,888	2,521,385
Net income (loss) before income taxes	18,353,613	1,291,773	(33,609,735)	35,443,743
Net income (loss) before income taxes per Share	0.44	0.03	(0.80)	0.83
Net assets per Share (beginning of period)	7.07	7.02	7.68	7.00
Net assets per Share (end of period)	7.48	7.07	7.02	7.68

The variations shown in the table above relate to the timing of investment decisions and do not reflect any general trends or seasonality.

FOURTH QUARTER

Realized gains of \$551,625 were generated in Q4 compared to \$491,185 in Q3. This quarter over quarter variation does not reflect any type of pattern or seasonality. Rather, variations relate to the timing of investment decisions. Similarly, variations between Q4 in 2023 and Q4 in 2022 also relate to the timing of investment decisions, which are influenced by market movements, cash flow requirements and expectations regarding the economy, the political landscape and considerations related to the specific investments held. See above under the heading “*Overall Performance and Discussion of Operations*” for additional Q4 information.

LIQUIDITY AND CAPITAL RESOURCES

The Corporation has no significant financial or contractual obligations other than a demand loan facility with a major Canadian bank (see above under the heading “*Demand Loan Facility*”). The Corporation currently holds approximately 38% of its assets, with a fair value of approximately \$186.6M, in cash and marketable securities. It has the liquidity to readily meet all of its operating expense requirements and its obligations under the loan facility.

In 2023, the Corporation did not conduct any additional financing activities. As at the date of this MD&A, the Corporation does not have any capital expenditure commitments.

Currently, holdings of readily marketable securities generate dividend income and can be disposed of with relative ease. If in the future the composition of the Corporation’s portfolio becomes weighted significantly more toward private investments, which may not produce income and cannot be readily sold, the Corporation may need to rely on its loan facility or issue securities to help meet its liquidity needs. There is no immediate need to rely on these liquidity sources.

OFF-BALANCE SHEET ARRANGEMENTS

The Corporation has no off-balance sheet arrangements.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the Corporation’s financial statements in accordance with IFRS requires management to make estimates and exercise judgments that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial

statements and revenues and expenses for the period. Actual results could differ from those 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 Urbana has made in preparing the financial statements:

Fair value measurement of private investments

Urbana holds private investments that are not quoted in active markets and for which there may or may not be recent comparable transactions. In determining the fair value of these investments, Urbana has made significant accounting judgments and estimates. See Notes 1 and 2 of the Annual Audited Financial Statements for more information on the fair value measurement techniques and types of unobservable inputs employed by the Corporation in its valuation of private investments.

Changes in Accounting Policies

There have been no changes in accounting policies during 2023 that affect the Corporation.

DISCLOSURE CONTROLS AND PROCEDURES (“DC&P”) AND INTERNAL CONTROL OVER FINANCIAL REPORTING (“ICFR”)

Urbana’s management (“Management”), under the supervision of its chief executive officer (“CEO”) and chief financial officer (“CFO”), is responsible for establishing and maintaining the Corporation’s DC&P and ICFR (as defined in National Instrument 52-109 – *Certification of Disclosure in Issuers’ Annual and Interim Filings*).

Consistent with NI 52-109, the Corporation’s CEO and CFO have reviewed the design of the Corporation’s DC&P and ICFR and have concluded that as at December 31, 2023, (A) the Corporation’s DC&P provide reasonable assurance that (i) material information relating to the Corporation has been made known to them, particularly during the financial year ended December 31, 2023 and (ii) information required to be disclosed by the Corporation 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 (B) the Corporation’s ICFR provides reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

The Corporation’s CEO and CFO have evaluated the effectiveness of the Corporation’s DC&P as at December 31, 2023 and have concluded that the Corporation’s DC&P were effective as of that date.

The Corporation’s CEO and CFO have also evaluated the effectiveness of the Corporation’s ICFR as at December 31, 2023, using the Internal Control-Integrated Framework 2013 issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), and have concluded that the Corporation’s ICFR was effective as at that date.

There have been no changes in the Corporation’s ICFR that occurred during the year beginning January 1, 2023 and ending on December 31, 2023 that have materially affected, or are reasonably likely to materially affect, the Corporation’s ICFR. All control systems contain inherent limitations, no matter how well designed. As a result, Management acknowledges that the

Corporation's ICFR will not prevent or detect all misstatements due to error or fraud. In addition, Management's evaluation of controls can provide only reasonable, not absolute, assurance that all control issues that may result in material misstatements, if any, have been detected.

FORWARD-LOOKING STATEMENTS

Certain information contained in this MD&A constitutes forward-looking information within the meaning of applicable Canadian securities laws, which is information relating to possible events, business, operations, financial performance, condition or results of operations of the Corporation, that are based on assumptions about future economic conditions and courses of action and which are inherently uncertain. All information other than statements of historical fact may be forward-looking information. Forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "schedule", "may", "will", "project", "predict", "potential", "target", "intend", "could", "might", "should", "believe", and similar words (including negative or grammatical variations) or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved" or the negative connotation or grammatical variation thereof. Forward-looking information in this MD&A includes, but is not limited to, statements with respect to: the Corporation's investment approach, objectives and strategy, including its focus on specific sectors, both in its public holdings and private sector holdings; the ability to achieve and maintain long-term performance; the structuring of its investments and its plans to manage its investments; the Corporation's outlook for the equity markets; the timing for the disposition of investments and the performance of such investments, including the outcome of IGPC's liquidation initiative and Blue Ocean's ability to increase overnight market participation; the Corporation's financial performance; the Corporation's ability to manage relevant conflicts of interest; the Corporation's plans regarding future dividends; the Corporation's funding sources for any capital expenditure commitments; the Corporation's ability to meet its liquidity and debt needs and potential courses of action to address any future liquidity needs; any purchases under the Corporation's normal course issuer bid; statements related to future development or prospects of Urbana's mineral claims, including Urbana determining the next steps with respect to such mineral claims based on the report received by Urbana; and its expectations regarding the performance of its investments and certain sectors.

Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information. The Corporation believes that the expectations reflected in the forward-looking information are reasonable but no assurance can be given that these expectations will prove to be correct. Some of the risks and other factors which could cause results to differ materially from those expressed in forward-looking information contained in this MD&A include, but are not limited to: the nature of the Corporation's investments; fluctuations in the value of investments; the available opportunities and competition for its investments; the availability of good values in many major companies and the Corporation's ability to realize on such values; the concentration of its investments in certain industries and sectors; the Corporation's dependence on its management team; risks affecting the Corporation's investments; factors affecting and fluctuations in markets; private entity investing; limited liquidity of certain assets; global political and economic conditions, including the impact of war or civil insurrection; any impact of the COVID-19 pandemic; investments by the Corporation in private issuers which have illiquid securities; management of the growth of the Corporation; exchange rate fluctuations; and other risks and factors referenced in this MD&A including under "Strategy and Risk Factors".

Although the Corporation has attempted to identify important factors that could cause actual events or results to differ materially from those described in forward-looking information, there may be other factors that cause events or results to differ from those intended, anticipated or estimated. Readers are cautioned that the foregoing list of risks and factors is not exhaustive. Forward-looking information and statements serve to provide information about management's current expectations and plans and to allow investors and others to get a better understanding of the Corporation's operating environment. The forward-looking information contained in this MD&A is provided as at the date of this MD&A, based upon the opinions and estimates of management and information available to management as at the date of this MD&A, and the Corporation undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities laws. Readers are cautioned not to place undue reliance on forward-looking information contained in this MD&A.