SMART EMPLOYEE BENEFITS INC

www.seb-inc.com

Management Discussion and Analysis

For the year ended November 30, 2014

Contents

Management Discussion and Analysis of Financial Statements

This Management Discussion and Analysis ("MD&A") of Smart Employee Benefits Inc. (the "Company" or "SEB") covers the annual financial statement and events during and subsequent to the year ended November 30, 2014 up to the date of this report April 2, 2015. This MD&A should be read in conjunction with the audited consolidated financial statements and accompanying notes for the years ended November 30, 2014 and 2013. All financial information is prepared in accordance with International Financial Reporting Standards ("IFRS"). All dollar amounts are in Canadian dollars unless otherwise indicated.

SEB documents and securities filings can be viewed on the SEDAR website (www.sedar.com) and additional information on the Company can be obtained via the Company's website at www.SEB-inc.com

The Company is a reporting issuer in Ontario, Alberta and British Columbia, and is listed on the TSX-V under the symbol SEB.

Forward Looking Statements, Risks and Uncertainties

Certain statements in this MD&A may constitute "forward-looking" statements that involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of SEB, or the industry, to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements. When used in this MD&A, such statements use words such as "may", "will", "expect", "believe", "plan" or other similar terminology. These statements are not guarantees of future performance and are subject to numerous risks and uncertainties.

The risks and uncertainties include: the ability to achieve profitability and manage growth; reliance on and retention of competent staff; competition; performance obligations and client satisfaction; general state of the economy; possible acquisitions; possible future litigation; insurance limits; legislative and regulatory changes; revenue and cash flow volatility; operating risks; protection of intellectual property; valuation mandates; and restrictions on growth. Given these risks and others described elsewhere in this document, investors should not place undue reliance on forward-looking statements as a prediction of actual results.

These statements reflect management's current expectations regarding future events and operating performance and speak only as of the date of this MD&A, and, except in compliance with applicable law, SEB assumes no obligations to update or revise them to reflect new events or circumstances. Additionally, SEB undertakes no obligation to comment on analyses, expectations or statements made by third parties in respect of SEB, its financial or operating results, or its securities.

Company Overview

Smart Employee Benefits Inc., through its global infrastructure, is uniquely positioned to offer a full suite of technology-enabled services and solutions to its geographically diverse clientele. Through two divisions, both public and private organizations are able to leverage project and consulting expertise, proprietary software offerings, group benefit administration and claims adjudication, auxiliary health services and information technology training and licensing.

The Technology Division had served corporate and government clients through two inter-related segments (three subsequent to year end):

- Logitek and Inforica – Development, implementation, integration and hosting of software solutions for big data environments, retail supply chain, PCI compliant transaction processing, and energy management, amongst others;
- SOMOS – Leaders in the provision of information technology solutions in central Canada. Services include: business, project, portfolio and IT consulting, and licensing and training for Marval™ and Prince2™; and
- Subsequent to year end: Paradigm – Premier supplier of the most trusted consulting professionals in Western Canada, offering both IT and businesses consulting services, with a renowned reputation for continuous professional development.

The Health and Wellness Division focuses on software-enabled services in the Personal Health Sector and delivers its offerings to corporate and government clientele through four inter-related segments:

- SES Benefits – Utilizing its leading-edge proprietary benefit adjudication and administration software, SES is able to provide cost-effective, and flexible group plan design and administration, and fast, accurate secure claims adjudication to all types of customers;
- Banyan – Leveraging leading-edge proprietary disability management software, both national and global employers and insurers are offered full spectrum solutions in disability and workers compensation claims management;
- Meschino Health and Adeeva – Web-based individual health management platform, offering personalized assessments and education, in addition to being a producer of high quality products and formulations directed towards promoting health; and
- Consulting – Offering risk management solutions through health-related data analysis and consulting services including benefit program design, workers compensation and disability management audits, actuarial consulting, and strategies for wellness and mental health in the workplace.

Company Achievements

Since inception, SEB has implemented the following:

- Market Leading Technology – through acquisition and development, the Company has created mission critical, leading edge technology solutions which provide a significant competitive advantage in several key industry sectors, in particular employee group benefit solutions and health claims processing.
- Experienced Management and Board – SEB has recruited a very experienced Board of Directors and management team with a proven track record building and managing companies utilizing both organic and acquisition growth strategies. The team has extensive industry experience and business relationships.
- Business Model – implemented a Software as a Service (SAAS) business model resulting in a recession resistant, annuity based revenue stream.

- Pipeline of Acquisitions Candidates – created a strong pipeline of acquisition/investment candidates in a fragmented industry in which SEB is well positioned to be a consolidator.
- Public Company- became a TSX-V publicly listed company with more than 60% of shares held by insiders. This is an excellent vehicle on which to drive an acquisition based growth strategy.
- New Capital – sourced over $12.4 million of new capital which has allowed the Company to execute its growth plan.
- Acquisitions – To date, SEB has closed nine acquisitions. Two in previous years, five during fiscal 2014, and two subsequent to the year end. The projected financial result is a solid base of sustainable annual revenue in excess of $60 million. In addition, the Company has established a physical presence in both Central and Western Canada.

Company Developments During and Subsequent to Fiscal Year Ending November 30, 2014

Operating Results for the Year

Fiscal 2014 has been a busy year for the Board and Management of SEB. Significant acquisitions, associated financings, partnership formations and restructuring have been completed laying the foundation for the Company's strategic vision of modernizing the healthcare industry via technology.

For the year ending November 30, 2014, SEB recorded a loss of $7,089,198 which included interest of $546,815 and non-cash items of $3,104,712 including stock-based compensation cost of $975,043, accretion of non-cash interest of $793,987 related to SEB's convertible financings, amortization of $1,032,420, depreciation of $228,454, and income tax recovery of $257,930.

Acquisitions

During 2014, SEB expanded its Technology Division through the acquisitions of 50% of the Inforica Group of Companies, and 100% of both APS—Antian Professional Services Inc. and Stroma Service Consulting Inc. Subsequent to the year end, the Division expanded further with the acquisition of the Paradigm Group.

The Inforica Group of Companies are focused on delivering technical services and solutions to both private and public organizations. In addition, they oversee an outsourced technology development and support team in India, have significant business relations in the UAE and well established software vendor relations. During 2014, SEB leveraged these resources, business connections and vendor relations, resulting in a lower cost infrastructure and increased revenue for the entire SEB group of companies.

APS—Antian Professional Services Inc. is a communication and personnel provider with significant vendor credentials within Canadian Military Organizations. During 2014, they generated revenue for SEB by leveraging their clearances and coordinating a number of high profile events for the Veterans Affairs. These vendor relationships will be leveraged on a go forward by other companies under the SEB umbrella.

Stroma Service Consulting Inc. provides software consulting and training services, as well as licensing and installation of software. Clientele includes various health ministries and government departments. Stroma's security clearances and valuable references will play a key role in bringing SEB's broader suite of services into the government sector.

The Paradigm Group provide management consulting, change management, and application and IT services to corporate and government clients throughout the Prairie Provinces. Their unique specialty practices and strong client relationships include healthcare, government, technology integrators, insurance and utilities. The SEB Group gives Paradigm the opportunity to incorporate advanced software and solutions that will deliver significant added value for the majority of Paradigm's client base.

The Health and Wellness Division also expanded through acquisitions. During the year, SEB acquired Adeeva Nutritionals Canada and the wellness assets and business of Dr. James Meschino, in addition to 50% of the Banyan Group. Subsequent to year end, SEB’s acquisition of SEB Benefits and HR Consulting was completed.

Adeeva is a producer of high quality natural products and formulations directed towards promoting overall health. Adeeva’s intangible assets and the wellness assets of Dr. James Meschino include a technical “Wellness Assessment” and an extensive library of published material and on-line videos. As wellness is a very important element of most benefit solutions today, this acquisition forms an integral part of SEB’s strategy to offer unique, highly automated health solutions to its clients.

Banyan operates as a full spectrum Disability Management (DM) TPA provider serving employers and disability insurers. Its offerings include claims management, field rehabilitation services and a full range of specialized assessments/interventions to support its holistic approach to DM. Banyan is also a provider of Disability Benefit Technology solutions and is well established across Canada and extends into the United States, Australia & New Zealand.

Subsequent to SEB’s fiscal 2014 year-end, the acquisition of 50% of SEB Benefits and HR Consulting was completed. This company operates as a consulting company providing innovative services and solutions for corporate and government clients in the areas of group and individual health benefits, retirement plans and human resources. These services complement the suite of services currently offered by the Health and Wellness Division.

Below is a timeline of acquisitions:

- December 2, 2013—SEB acquired 50% of Inforica Inc. through its wholly owned subsidiary Logitek Technology Inc.
- March 1, 2014—SEB’s wholly owned subsidiary, SOMOS Consulting Group Ltd., acquired 100% APS - Antian Professional Services Inc.
- March 14, 2014—SEB acquired Adeeva Nutritionals Canada Inc. and the wellness assets and business of Dr. James Meschino.
- June 11, 2014—SEB acquired 100% of Stroma Service Consulting Inc. through its wholly owned subsidiary SOMOS Consulting Group Ltd.
- Nov 3, 2014—SEB acquired 50% of Banyan Work Health Solutions Inc., BITS Licensing Inc. and Banyan IT Solutions Inc.
- Dec 31, 2014--SEB acquired 100% of the Paradigm Group of Companies in escrow, through its wholly owned subsidiary SOMOS Consulting Group. The deal was released from escrow on March 9, 2015.
- February 11, 2015—SEB closed its 50% investment in SEB Benefits and HR Consulting Inc.

Financings

The above noted acquisitions, the continued development of SEB's technology platform, and Company's operating costs during the startup phase were funded through a mixture of returns from existing business, and equity and debt financing. Below is a timeline of financing activities:

- February 12, 2014—SEB closed a $2,000,000 convertible note financing with a term of two years paying 8% interest
- February 28, 2014 – A convertible note payable of $400,000 was converted into common shares at a conversion rate of $.45
- March 1, 2014 – as part of the consideration for APS—Antian Professional Services the Company issued a convertible note in the amount of $324,482 paying interest at 3%
- March 14, 2014 – as part of the consideration for Adeeva Nutritionals and the wellness assets and business of Dr. James Meschino, SEB issued $525,000 of SEB shares
- June 11, 2014—as part of the consideration for Stroma Service Consulting Inc. convertible promissory notes were issued in the amount of $250,000 paying interest at 3%. In addition, $562,500 of SEB shares and 1,000,000 warrants were issued
- October 29, 2014—SEB closed a $1,000,000 equity financing. The equity units were issued at $.50 per unit. Each unit consists of one share and one warrant exercisable for a period of 36 months
- November 3, 2014—As part of the acquisition of its equity interest in the Banyan Group, the Company issued 2,000,000 shares and 1,000,000 warrants of SEB
- Nov 6, 2014—The Company closed a $2,000,000 equity financing. The equity units were issued at $.50 and consist of one SEB common share and one warrant exercisable for a period of 36 months
- December 1, 2013 – November 30, 2014—during the fiscal year 5,091,388 warrants were exercised at prices ranging from $.30 to $.50 with an average price of $.36. Proceeds to the Company were $1,683,550. As well, 183,250 options were exercised for proceeds of $62,638
- March 10, 2015 – The Company closed new credit facilities with a Schedule A bank in the amount of $8,775,000

Restructuring

During 2014, changes were made to the Board composition, corporate structure and operations. These changes reflect SEB's responsiveness to its current environment, and facilitate its ability to remain competitive.

A new Independent Board member, Mr. Joseph Iannicelli, was added to the existing Board of Directors. His 25 years' experience within the Canadian life and insurance sector, in particular his knowledge of the group benefits industry and business contacts will complement the Board skill set, and be extremely valuable as SEB moves from the start up to full delivery mode.

Throughout 2014, operating changes were made to each of the entities to streamline operations, reduce costs, and leverage synergies between the companies. Subsequent to year end, three of the companies (SOMOS Consulting Group Ltd., SOMOS Information Technologies and Adelante Management) were amalgamated to reduce overhead costs. Additional corporate amalgamations are planned for 2015, once transition of vendor status, credentials and contracts can be assured.

Further operational streamlining was concluded just subsequent to year end on December 19, 2014. The Company's wholly owned subsidiary Logitek Technology Ltd. sold its EDI business including all existing IP and support infrastructure in Canada. The gross proceeds of the sale ($2,150,000) will be reflected in the Q1, 2015 financial statements.

Partnerships

Integral to continued success in the technology market is the ability to work with and partner with other organizations where there are synergistic opportunities. In 2014, two partnership agreements were signed. These are described below:

- September 11, 2014—SEB executed a Technology Partnership Agreement with SecureKey Technologies Inc. ("SecureKey"), the identity and authentication solutions provider that links consumer ID to trusted devices. SecureKey's high-performance and strong dynamic authentication platform will be integrated into SEB's group benefits and health claims processing solutions.
- October 14, 2014—SEB executed a Technology Partnership Agreement with Sapphire Digital Health Solutions Inc. Sapphire's first-to-market, unique health record system dramatically improves the quality, relevance and timeliness of essential health information. This technology solution will be implemented in SEB's health benefit solutions, including benefits administration and adjudication, health and wellness, and disability management.

Company Business Model and Strategy

SEB has been focused on delivering a full suite of technology and health solutions to its clientele which complement the Company's leading edge health claims adjudication platform. There are two primary target markets in Canada – employee group benefits which exceed $35.0 billion annually and government funded benefits (federal and provincial) which are in excess of $25.0 billion. SEB's technology platform can easily adapt to managing the end-to-end business processes in both environments. These markets are in excess of $60.0 billion in Canada, with the employee group benefit portion growing over 80% in the past decade. Through acquisitions, SEB intends to acquire additional client relationships and vendor status to support a complementary organic growth environment with both employers and government.

SEB's growth strategy has been acquisitions driven. In the Health and Wellness Division, acquisitions target third party administrators, as well as broker and consultant organizations that provide solutions and services to employers. The objective is to secure the client relationships and transition many of the front and back-office business processes to the SEB technology platform over time. In the Technology Division, SEB is focused on companies which have established vendor relationships, security clearances and project references that are required to bid on government contracts, in addition to, technology providers with operations and/or products which are specific to Health Care processing/operations and/or products which are related and/or complementary to Health Care processing, such as energy management, re-insurance, etc.

The growth plan for 2015 calls for SEB to continue to execute its acquisition program and at the same time launch organic growth initiatives.

Summary of Objectives and Strategies

SEB's immediate objective is to reach sustainable profitability through acquisitions, which will quickly establish a critical mass of business and client relationships from which to launch organic growth initiatives. Organic growth initiatives include both the transitioning of health-care clients to the SEB technology environment and the winning of new business through the RFP process. Acquisitions bring the synergistic opportunities for cross selling, in addition to cost savings on infrastructure and references necessary for successful responses to RFPs.

Financial Overview

Quarterly Balance sheet

	Nov 30, 2014	*Aug 31, 2014*	*May 31, 2014*	*Feb 28, 2014*	*Nov 30, 2013*	*Aug 31, 2013*	*May 31, 2013*	*Feb 28, 2013*
Cash	$ 403,096	$ 180,862	$ 1,737,535	$ 707,687	$ 257,608	$ 685,766	$ 881,060	$ 873,856
Accounts receivable	5,092,777	5,373,033	3,820,419	3,405,557	2,551,968	2,032,056	2,113,595	630,772
Inventory	95,825	118,928	108,862	-	-	-	-	-
Prepaids and deposits	464,910	705,378	664,472	79,511	82,188	149,115	188,336	80,110
Total Current Assets	**6,056,608**	**6,378,201**	**6,331,288**	**4,192,755**	**2,891,764**	**2,866,937**	**3,182,991**	**1,584,738**
Advances to acquisition target	-	-	-	-	749,892	745,000	500,000	75,000
Long term deposits	275,352	158,474	-	-	-	-	-	-
Investments in associates	3,300,892	-	-	-	-	-	-	-
Equipment	623,489	837,646	653,356	550,654	472,343	462,422	473,536	393,428
Software	1,990,169	2,731,939	2,821,971	2,862,007	1,740,584	2,485,000	2,547,500	2,610,000
Intellectual property	92,583	250,000	250,000	-	-	-	-	-
Customer relationships	2,013,808	1,433,659	1,026,964	1,029,017	1,094,167	1,583,415	1,671,952	665,462
Trade names	1,235,369	1,225,100	961,000	662,900	704,800	-	-	-
Goodwill	3,283,157	1,980,489	1,612,190	1,325,310	1,147,793	-	-	-
Total Assets	**$ 18,871,427**	**$ 14,995,508**	**$ 13,656,769**	**$ 10,622,643**	**$ 8,801,343**	**$ 8,142,774**	**$ 8,375,979**	**$ 5,328,628**
Bank loan	$ 1,482,208	$ 1,555,784	$ 878,193	$ 722,836	$ 846,819	$ 969,802	$ 548,790	$ 282,110
Accounts payable and accruals	4,504,779	2,893,603	2,912,639	2,023,736	1,896,195	1,209,013	1,415,792	715,867
Deferred revenue	721,520	933,237	729,671	243,495	356,289	569,565	687,925	207,477
Current portion of equipment leases	35,260	77,205	67,152	67,830	96,659	14,491	41,522	44,153
Current portion of equipment loans	32,625	38,000	43,375	56,583	73,708	17,125	64,583	81,500
Current portion of convertible debt	678,928	-	-	-	-	-	-	-
Current portion of royalty liabilities	93,962	-	-	-	-	-	-	-
Government remittances	775,091	755,087	765,655	752,660	20,186	-	-	-
Short term notes	7,099	677,769	5,100	135,537	5,100	5,100	5,100	5,100
Total Current Liabilities	**8,331,472**	**6,930,685**	**5,401,785**	**4,002,677**	**3,294,956**	**2,785,096**	**2,763,712**	**1,336,207**
Equipment leases	8,998	48,362	14,038	38,273	36,546	48,870	31,712	18,844
Royalty liabilities	759,055	248,613	248,613	-	-	-	-	-
Contingent liability	378,500	-	-	-	-	-	-	-
Equipment loans	-	-	-	-	-	73,708	43,375	56,583
Convertible debt	4,009,624	4,457,270	4,151,397	3,868,038	2,628,045	2,334,815	1,702,556	728,683
Deferred income taxes	865,027	571,214	571,214	571,214	571,214	-	-	-
Preferred shares issued by subsidiary	350,000	350,000	350,000	350,000	-	-	-	-
Total Long Term Liabilities	**6,371,204**	**5,675,459**	**5,335,262**	**4,827,525**	**3,235,805**	**2,457,393**	**1,777,643**	**804,110**
Share capital	15,093,131	11,085,786	10,454,437	8,538,149	7,878,625	7,113,837	7,046,557	6,111,557
Share issue costs	(612,978)	(504,580)	(504,580)	(504,580)	(504,580)	(306,012)	(306,012)	(306,012)
Contributed surplus	926,216	1,011,348	930,546	779,501	724,486	977,599	871,598	525,776
Warrants	3,693,108	3,029,971	2,699,971	2,699,971	2,552,739	2,732,504	2,678,781	2,366,906
Options	1,255,222	692,548	586,477	311,397	311,397	447,099	436,259	101,168
Deficit	(15,499,981)	(12,653,725)	(10,968,052)	(9,785,035)	(8,692,085)	(8,064,742)	(6,892,559)	(5,611,084)
Total Shareholders' Equity	**4,854,718**	**2,661,348**	**3,198,799**	**2,039,403**	**2,270,582**	**2,900,285**	**3,834,624**	**3,188,311**
Non-controlling interest in subsidiaries	**(685,967)**	**(271,984)**	**(279,077)**	**(246,962)**	**-**	**-**	**-**	**-**
Total Liabilities and Shareholders' Equity	**$ 18,871,427**	**$ 14,995,508**	**$ 13,656,769**	**$ 10,622,643**	**$ 8,801,343**	**$ 8,142,774**	**$ 8,375,979**	**$ 5,328,628**

Balance Sheet Analysis and Discussion

Accounts receivable
Accounts receivable increased $2,540,809 during the fiscal year. The increase in receivables is attributable to the consolidation of businesses acquired during the year including Inforica ($287,878), Adeeva ($66,083), Antian ($144,960) and Stroma ($1,288,116).

Inventory
The inventory increase of $95,825 over prior year is solely a result of the Adeeva acquisition.

Prepaids and deposits
The decrease of $240,468 since last quarter's published results is primarily attributable to a reallocation of the corporate office's rent deposit from current to non-current assets.

Advances to acquisition target
This amount decreased by $749,892 since November 30, 2014. $500,000 of this amount was used as consideration to acquire an equity interest in Inforica on December 2, 2013.

Long term deposits
The long term deposit amount contains the deposit for the corporate premises located in Mississauga ON. This amount was previously recorded in current assets.

Investment in associates
The amount of $3,300,892 represents the Company's 50% equity investment in the Banyan Group acquired on November 3, 2014. The amount can be broken down between initial considerations of $2,894,200, contingency performance liability of $378,500 and the current year's equity pick up of $28,192. The details of the investment in this associated company are noted below.

The purchase price to acquire 50% of the equity interest in Banyan was $3.0 million, consisting of $2.0 million of cash and $1.0 million of SEB shares. A portion of this purchase price was performance based. $1.575 million of the cash portion was paid at closing, while the remaining $425,000 of cash is payable over 4 years, based on Banyan achieving certain earnings performance criteria post-closing. Of the $1.0 million of SEB share consideration, $750,000 of the shares was released at closing, subject to a contractual escrow over 36 months, while the release of the remaining $250,000 of shares are subject to Banyan achieving the same performance criteria post-closing that is applicable to the cash consideration. The $1.0 million of SEB share consideration consisted of 2,000,000 SEB shares. If the performance criteria are not achieved by the expiry of the escrow period, all or part of the 500,000 SEB shares subject to the performance escrow will be cancelled, as will be all or part of the $425,000 of performance cash payments.

Additionally, 1,000,000 share purchase warrants were issued as retention warrants to key Banyan employees. The retention warrants have an exercise price of $0.50 per share and a term of 48 months, with one-third of the warrants vesting at the end of each year for the first 36 months.

Equipment
The category of "Equipment" is comprised of the depreciated value of furniture, computer hardware and computer hardware under capital lease. This amount increased over prior year by $151,146 due to the inclusion of equipment of the acquired subsidiaries.

Software, Intellectual property, Customer relationships, Trade names and Goodwill

Prior to fiscal 2014, SEB had acquired control of two companies, Logitek and SOMOS. During the year, the Company acquired interests in five others, four of which it controls. The difference between the purchase price of these companies, and the tangible assets has been attributed to intangible assets such as software, intellectual property, customer relations, trade names and goodwill. Where material, an external valuator was used to determine the allocation of value to these intangible assets. The details of the controlled companies acquired during the year are noted below:

Inforica Group of Companies

On December 2, 2013 SEB acquired 50% of Inforica Inc. through a share subscription made by SEB's wholly owned subsidiary, Logitek Technology Ltd. for consideration of $500,000.

The Inforica Group is a Mississauga, Ontario based Company that has been in operation for over a decade. Sales have historically fluctuated between $2.5 million and $5.0 million annually. The company has a history of profitability. The key features of Inforica include:

1. Management oversight of an India outsourcing office (approximately 45 employees) with significant ability to scale and provide various services including software development and support, business process outsourcing, call center & telemarketing services, conducting business both locally in India, the Middle East and North America. India resources are also brought to Canada to work on select projects where skill sets are difficult to source in Canada.

2. Management oversight of a Dubai (tax-free zone Company) operations with extensive business relationships in the area. There are significant opportunities for providing technology to TPAs, Insurers, and hospitals. OMAN Insurance is the largest installation of SEB adjudication software (an early version of the software). There are many potential applications of SEB's software platform in the UAE and surrounding Middle East Region. The governments in that region mandate health benefits for all employees. Inforica has strong relationships with senior executives who are primarily responsible for many Insurer and TPA clients in the area.

3. Software Vendor Partnerships that include value-added reseller ("VAR"), independent software vendor ("ISV"), and Systems Integrator partnerships that have been put in place and developed for the past decade. SEB Group companies can leverage these software vendor partnerships to gain access to expertise, early software release programs, partner support channels and software licenses at discounted prices for partners, to be able to deliver competitive solutions to their customers. Following is a list of the key partnerships:

    3.1. Microsoft: Inforica has a strong partnership with Microsoft that has grown over the past few years and covers the following Microsoft Gold & Silver Competencies – Business Intelligence, Customer Relationship Management, Application Development, Office 365 and Data Platform. Inforica also has an ISV Royalty agreement in place with Microsoft.

    3.2. Interactive Intelligence: a Global provider of contact center automation, unified communications, and business process automation software and services for mid-size to large organizations.

    3.3. TimeXtender: a Global provider of metadata driven and agile Data Warehousing and ETL (extract, transform and load) software dedicated to the Microsoft SQL (structured query language) platform.

    3.4. PNMSoft: provides Business Process Management Software solutions to businesses and organizations worldwide.

4. Client Relationships are extensive. Inforica has many very strong client relationships.

5. Energy Management Software and Business Process Solutions that help companies measure, analyze, manage and save on their energy consumption and costs. This comes with key client relationships, and is a strong strategic fit with Logitek's supply chain platform. The value of Inforica Energy is primarily a very profitable software and business process services arm with an excellent client list. Inforica's software-as-a-service Energy Information Management solution runs on the Microsoft Azure Cloud and integrates seamlessly with multiple Sub-metering and Building Systems using a gateway developed by Inforica. The business process services are transaction based and are delivered in a cost effective, smart-sourced, onshore-offshore model using resources in Canada and India. This flexible infrastructure can easily be adapted to handle healthcare transactions. Capability within this infrastructure creates very cost effective solutions for supporting SEB healthcare clients.

6. References for RFP submissions. References are critical to winning new business both with governments and in the corporate sector. Inforica Group have many key references which allows SEB, SOMOS and Logitek to qualify for more bidding categories on federal and provincial government opportunities. SEB's healthcare solutions have significant application within both provincial and federal governments where references are required to bid on the projects.

7. Expanding Logitek capabilities. Inforica adds significant depth and expertise to Logitek and provides Logitek the ability to scale and take on new projects without adding to the fixed cost structure. This allows Logitek to enhance services to its existing client base and to provide cost effective new services.

Adeeva Nutritionals Canada Inc. ("Adeeva") and the Wellness assets and business of Dr. James Meschino Health and Wellness.

On March 14, 2014, SEB acquired Adeeva Nutritionals Canada Inc. ("Adeeva") and the Wellness assets and business of Dr. James Meschino Health and Wellness.

SEB issued $525,000 of SEB shares at a price of $0.51 per share to acquire all of the debt and issued and outstanding shares of Adeeva. The transaction resulted in the issuance of 1,027,418 shares of SEB in consideration for all of the acquired debt and shares of Adeeva. No fractional shares were issued to holders of the debt and shares of Adeeva sold to SEB. In addition, the holders of the debt acquired by Adeeva have been issued a royalty agreement whereby they can earn, in the aggregate, up to $1,000,000 (based on the future revenues of Adeeva only). The SEB shares issued pursuant to this transaction are subject to contractual escrow releases of one third per annum over 36 months. The price of the SEB shares was determined by the weighted average trading price for the ten trading days prior to closing.

The "Wellness Assets" owned by Adeeva and Dr. James Meschino were subsequently transitioned to a new Company, Meschino Health & Wellness Corporation ("MH&WC") focused specifically in providing "Wellness Solutions" to employee group benefits clients. SEB owns 75% of MH&WC. Dr. Meschino retains 20%, and the other 5% has been allocated to existing key employees. Both companies operate as subsidiaries within SEB's Health and Wellness Division.

Dr. Meschino's Wellness Assessment combined with over 30 years of research, published material, on-line videos and other wellness content are readily accessible and available online, and are delivered within a fully automated environment which is unique in the industry. Dr. Meschino will lead the Health and Wellness Division's in the provision of Wellness Solutions as a key element of SES Benefits group health benefit solutions. Dr. Meschino and Adeeva's fully automated environment complements SEB's integrated health benefits processing environment. Like Dr. Meschino's wellness environment, SEB's fully integrated ‘administration-adjudication-payment processing-reporting’ platform for managing group benefit environments is also unique. The SEB platform provides the most flexible and automated administration, adjudication and reporting systems in the industry. Dr. Meschino’s Wellness Solutions environment integrates seamlessly into the SEB platform. Wellness is a very important element of most benefit solutions today, capturing a significant percentage of benefit plan dollars within most group benefit plans. The acquisition of the Wellness Assets of Adeeva and Dr. James Meschino form an integral part of the SEB strategy of offering unique, highly automated group benefit solutions to its clients.

Adeeva is a producer of high quality natural health products and formulations directed towards promoting overall health, slowing the biological processes of aging, combating degenerative diseases and providing adjunctive nutritional support in the case of specific health conditions.

Antian Professional Services Inc.
On March 18, 2014, SEB’s wholly owned subsidiary, SOMOS Consulting Group Ltd., closed the acquisition of APS - Antian Professional Services Inc. (“Antian”).

The total value of the Antian transaction was $682,183 subject to final working capital adjustments post-closing. Per the terms of the share purchase agreement, Antian shareholders received cash of $357,701 and a Vendor Take Back Promissory Note (“VTB”) in the principal amount of $324,482 paying interest at an annualized rate of 3% with quarterly principal repayments over a 5-year period. The VTB is convertible into SEB shares at any time at a value of $0.75 per SEB share during the term of the VTB.

Antian is a turnkey communication and personnel service provider with more than 30 years’ experience with the private and public sectors. Antian offers personnel placement, administrative and professional services, marketing and communications, exhibits, conferences & events, promotional items and web design, ebusiness, web hosting and other technical services. Antian has held a Supply Arrangement for Event Management Services, as well as, an NMSO for Exhibit Management Services for numerous years.

Its clients have included the Canadian Armed Forces and Department of National Defense, Via Rail, CMHC, NRCan, PWGSC, CIDA and other Government organizations.

Stroma Service Consulting Inc.
On June 11, 2014 the Company, through SOMOS Consulting Group Ltd., acquired 100% of Stroma Service Consulting Inc. (“Stroma”), a Company providing consulting services to various clients including the Government of Ontario for $650,000 in cash; $250,000 in promissory notes paying interest at an annualized rate of 3% with annual principal repayments over a 3 year period and convertible into shares of SEB at $0.50, $0.60 and $0.70 per common share of SEB in years one, two and three, respectively; and the issuance of 1,125,000 shares of SEB. In connection with the transaction, 700,000 SEB share purchase warrants were granted to Mark Sherry, who is continuing in his role as President of Stroma, and 300,000 warrants, in the aggregate, were granted to other employees of Stroma. The warrants have a four year term and are exercisable at $0.50, $0.55, $0.60 and $0.70 per common share of SEB in years one, two, three and four of the term, respectively.

Stroma provides software, consulting, and training services as an IT Service Management Company. Stroma’s client base is in both Canada and the US. Significant clients include various Canadian health ministries along with other government departments. Stroma has completed a number of successful healthcare projects, has relevant security clearances, many valuable corporate and government project references and key vendor arrangements with both corporate and government clients.

Stroma’s deep experience with Information Technology Infrastructure Library (“ITIL”) and Stroma’s stellar references add to SEB’s growing Canadian presence, particularly in Ottawa and Toronto. This acquisition is in line with the Company’s focus on deepening client relationships in government and healthcare. Stroma has a history of profitability and brings unique expertise that adds to the suite of solutions and services that enhance SEB's healthcare and SOMOS technology offerings to corporate and government sectors. Stroma client references significantly enhance the SEB group's ability to respond to business opportunities.

Bank loan

The bank loan increased by $635,389 over prior year primarily due to the consolidation of Stroma, which had a revolving credit facility of $600,000.

Accounts payable and accruals

Accounts payable and accruals increased over the previous year by $2,608,584 due to the consolidation of companies acquired during the year. As mentioned above, these companies include Inforica ($560,902), Adeeva ($306,408), Antian ($76,181) and Stroma ($618,702).

Deferred revenue

Deferred revenue is the amount of licensing fees paid in advance of services being rendered. This amount increased over prior year by $365,231, due to both the acquisition of Stroma and growth within Logitek. The Q4 liability decreased over Q3 by $211,717 as those services were provided.

Government remittances

The liability for government remittances increased over prior year by $754,905. This amount represents part of the liabilities acquired with one of the acquisitions. Since the acquisition, the remittances have been made in compliance with agreed payment schedules.

Short term notes

Short term notes decreased by $670,670 since the third quarter, 2014. Of this $525,000 was converted to equity through the $2,000,000 equity private placement in October, 2014.

Royalty liability

Liabilities associated with royalty payments increased by $759,055 over prior year. $194,017 is for royalty liability derived from Inforica's energy segment revenue and tied to the preference shares, and the remainder is potential payments to the former debtors of Adeeva based on a discounted cash flow model as determined by a third party valuator.

Contingency Liability

The full amount of this liability pertains to the Banyan performance payment.

Equipment leases and loans

Both equipment leases and loans have decreased over prior quarter and year, representing payments on formerly existing leases/loans. No new equipment leases or loans were entered into during the quarter.

Convertible debt

Convertible debt increased by $1,381,579 over prior year end primarily due a $2,000,000 convertible note offering in Q1, 2014.

Deferred income taxes

The increase of $293,813 over prior year is a reflection of timing differences associated with the amortization of intangible assets acquired during the purchase of companies during the year.

Preferred shares issued by subsidiary

Inforica converted existing debt to preference shares with a royalty component. The holders of the preference shares can request they be retracted on October 18, 2018 for the face value of $350,000.

Quarterly Income statement

	Quarters								Year	
	Sep 1, 2014 to Nov 30, 2014	*Jun 1, 2014 to Aug 31, 2014*	*Mar 1, 2014 to May 31, 2014*	*Dec 1, 2013 to Feb 28, 2014*	*Sep 1, 2013 to Nov 30, 2013*	*Jun 1, 2013 to Aug 31, 2013*	*Mar 1, 2013 to May 31, 2013*	*Dec 1, 2012 to Feb 28, 2013*	*Dec 1, 2013 to Nov 30, 2014*	*Dec 1, 2012 to Nov 30, 2013*
Revenue	**$ 4,560,462**	**$ 5,749,929**	**$ 5,454,539**	**$ 4,257,290**	**$ 3,505,874**	**$ 3,005,052**	**$ 3,299,472**	**$ 343,141**	**$ 20,022,220**	**$ 10,153,539**
Cost of revenues										
Compensation	2,528,583	4,290,056	3,526,131	3,356,047	2,900,794	2,319,632	2,243,992	169,887	13,700,817	7,634,305
Other	1,068,470	297,888	615,140	61,107	(261,990)	123,658	378,198	86,392	2,042,605	326,258
	3,597,053	4,587,944	4,141,271	3,417,154	2,638,804	2,443,290	2,622,190	256,279	15,743,422	7,960,563
Gross Margin	**963,409**	**1,161,985**	**1,313,268**	**840,136**	**867,070**	**561,762**	**677,282**	**86,862**	**4,278,798**	**2,192,976**
Operating costs										
Salaries and other comp costs	1,497,028	1,062,747	941,438	703,318	783,266	973,570	936,508	502,241	4,204,530	3,195,585
Professional fees	242,802	129,160	128,182	175,595	155,219	168,499	178,288	146,120	675,739	648,126
Office and general	740,260	814,458	509,484	464,537	553,810	283,023	262,771	137,245	2,528,739	1,236,849
Development costs	193,315	166,908	166,908	141,259	112,613	-	-	-	668,391	112,613
	2,673,405	**2,173,273**	**1,746,012**	**1,484,709**	**1,604,908**	**1,425,092**	**1,377,567**	**785,606**	**8,077,399**	**5,193,173**
Loss before the following:	**(1,709,996)**	**(1,011,288)**	**(432,744)**	**(644,573)**	**(737,838)**	**(863,330)**	**(700,285)**	**(698,744)**	**(3,798,601)**	**(3,000,197)**
Share-based compensation	593,892	106,071	275,080	-	(116,864)	10,840	335,091	36,650	975,043	265,717
Interest	126,465	153,532	161,739	105,079	19,706	58,975	35,030	80,977	546,815	194,688
Amortization	391,671	249,287	194,378	197,084	156,080	151,082	150,999	39,455	1,032,420	497,616
Depreciation	150,807	24,188	28,231	25,228	82,763	20,973	16,200	8,249	228,454	128,185
Accretion of interest	446,382	134,214	122,960	90,431	59,384	66,983	43,870	15,634	793,987	185,871
	1,709,217	**667,292**	**782,388**	**417,822**	**201,069**	**308,853**	**581,190**	**180,965**	**3,576,719**	**1,272,077**
Loss before:	**(3,419,213)**	**(1,678,580)**	**(1,215,132)**	**(1,062,395)**	**(938,907)**	**(1,172,183)**	**(1,281,475)**	**(879,709)**	**(7,375,320)**	**(4,272,274)**
Equity in income of associate	(28,192)	-	-	-	-	-	-	-	**(28,192)**	-
Income tax expense (recovery)	(257,930)	-	-	-	(311,563)	-	-	-	(257,930)	311,563
Net comprehensive loss	**$ (3,133,091)**	**$ (1,678,580)**	**$ (1,215,132)**	**$ (1,062,395)**	**$ (627,344)**	**$ (1,172,183)**	**$ (1,281,475)**	**$ (879,709)**	**$ (7,089,198)**	**$ (3,960,711)**
Attributed to non-controlling interest	**$ (286,835)**	**$ 7,093**	**$ (32,115)**	**$ 30,555**	**-**	**-**	**-**	**-**	**(281,302)**	**-**
Attributed to common shareholder	**$ (2,846,256)**	**$ (1,685,673)**	**$ (1,183,017)**	**$ (1,092,950)**	**$ (627,344)**	**$ (1,172,183)**	**$ (1,281,475)**	**$ (879,709)**	**$ (6,807,896)**	**$ (3,960,711)**

Income Statement Analysis and Discussion

Revenue

Revenue for the year was $20,022,220 compared to $10,153,539 in the 12 month comparable period ending November 30, 2013. The increase in revenue was due to the inclusion of the revenues of the acquired companies which SEB has control of. These include: Inforica for the period December 2013 to November ($1,355,694), Antian from March to November ($549,986), Adeeva Nutritionals from March to November ($1,244,438), Stroma Consulting Group for the period from June through November ($2,021,449). In addition, both Logitek and SOMOS showed a growth in revenues.

Revenues decreased by $1,189,467 from Q3, 2014 which is consistent with seasonal fluctuations, prior year's Q4 decrease over Q3 was $500,822.

Cost of revenues

Compensation

The Compensation portion included in "Cost of revenues" reflects contractor costs in SOMOS, Logitek and Inforica. During Q4, 2014, these costs decreased by $372,211 from the comparable period prior year even though revenues increased during the same period. This reflects the impact of operational streamlining. The increase of these costs in the amount of $6,066,512 in fiscal 2014 over previous year is consistent with % increase in revenues.

Other

"Other" under this classification represents expenses directly incurred to earn the revenue stream. This includes sales commissions and cost of inventory. The increase of $1,716,347 over previous year is consistent with the acquisition of new companies by the SEB group.

Operating costs

Salaries and other compensation costs

Salaries and other compensation costs rose by $1,008,945 over fiscal 2013 ($713,762 increase in Q4, 2014 compared to Q4, 2013). The change is primarily a reflection of adding the salary and compensation costs of the newly acquired companies.

Professional fees

Annual professional fees increased from $648,126 to $675,738. This increase reflects the additional legal costs associated with the increase volume and complexity of acquisitions, as well as, the added costs of audit and review to meet the requirements of both the TSX-V and the financing agreements. Q4, 2014 increased over Q4, 2013 by $87,583 due to the acquisition costs associated with Banyan.

Office and general

Office costs for the quarter decreased from prior year fourth quarter by $186,450. This reflects some "one-time" costs incurred in earlier quarters related to moving premises in both Ottawa and Toronto. Office and general costs increased by $1,291,890 over fiscal 2013 due to the consolidation of newly acquired companies.

Development costs

The Company continues to enhance its Health Care Systems, specifically the claims adjudication software and administration modules. The ongoing development work performed on the adjudication software is performed by SEB employees. The amount of HCS development work in the year expensed was $668,391 last year, $112,613 related to the HCS was expensed.

The administration modules which will support and wrap around the adjudication software are being developed by a combination of SEB employees and third party developers under the supervision of SEB management. Third party costs to November, 2014 were capitalized under Acquired software.

Share based compensation

Share based compensation increased $709,326 over previous year ($710,756 Q4, 2014 over Q4, 2013). This is a non-cash incentive used by the Company to retain key employees in the companies acquired during this time frame and retain new ones.

Amortization

The $534,804 increase in amortization costs over previous year ($235,591 increase Q4, 2014 over Q4, 2013) reflects the amortization of intangibles acquired with the subsidiaries.

Depreciation

Depreciation increased by $100,269 over the previous year ($68,044 increase Q4, 2014 over Q4, 2013) which is consistent with the added equipment base acquired during the acquisition of four new controlled companies during 2014.

Interest accretion

The increase in interest accretion of $608,116 over prior year ($386,998 increase Q4, 2014 over Q4, 2013) is consistent with the increase in convertible debt.

Quarterly Cash Flows

	Sep 1, 2014 to Nov 30, 2014	*Jun 1, 2014 to Aug 31, 2014*	*Mar 1, 2014 to May 31, 2014*	*Dec 1, 2012 to Feb 28, 2014*	*Sep 1, 2013 to Nov 30, 2013*	*Jun 1, 2013 to Aug 31, 2013*	*Mar 1, 2013 to May 31, 2013*	*Dec 1, 2012 to Feb 28, 2013*
Net loss for the period	**$ (3,127,558)**	**$ (1,685,673)**	**$ (1,183,017)**	**$ (1,092,950)**	**$ (627,344)**	**$ (1,172,183)**	**$ (1,281,475)**	**$ (879,709)**
Add items not involving cash:								
deferred tax recovery	(257,930)	-	-	-	(311,563)	-	-	-
amortization	391,672	249,287	194,378	197,084	156,125	151,037	150,999	39,455
depreciation	150,807	24,188	28,231	25,228	82,763	20,973	16,200	8,249
accreted interest	441,873	138,722	122,960	90,431	59,384	66,983	43,870	15,634
share-based compensation	593,892	106,071	275,080	-	(116,864)	10,840	335,091	36,650
equity income from associate	(28,192)	-	-	-	-	-	-	-
non-cash working capital	1,097,660	(395,147)	389,192	(730,775)	(76,925)	216,633	362,730	35,056
Total adjustments	**2,389,782**	**123,121**	**1,009,841**	**(418,032)**	**(207,080)**	**466,466**	**908,890**	**135,044**
Cash used in operating activities	**(737,776)**	**(1,562,552)**	**(173,176)**	**(1,510,982)**	**(834,424)**	**(705,717)**	**(372,585)**	**(744,665)**
Cash flows from investing activities								
Advance to related company	-	-	-	-	5,500	-	-	-
Purchase of software	(141,702)	-	-	-	(40,000)	-	-	(160,000)
Acquisition of Antian	(357,701)	-	-	-	-	-	-	-
Acquisition of Stroma	(650,000)	-	-	-	-	-	-	-
Acquisition of Banyan	(1,575,000)	-	-	-	-	-	-	-
Net cash on acquisiton of Logitek	-	-	-	-	330	-	-	90,628
Net cash on acquisiton of SOMOS	-	-	-	-	-	-	(119,504)	-
Net cash on acquisition of Inforica	(16,864)	-	-	29,064	-	-	-	-
Net cash on acquisition of Adeeva	-	-	6,209	-	-	-	-	-
Net cash on acquisition of Antian	357,701	-	98,458	-	-	-	-	-
Net cash on acquisition of Stroma	302,453	(650,000)	-	-	-	-	-	-
Advance to acquisition target	-	-	-	-	(4,892)	(245,000)	(425,000)	(60,000)
Purchase of equipment	58,686	(137,283)	(81,826)	(26,625)	(92,751)	(9,859)	(80,819)	(2,786)
Cash flows from investing activities	**(2,022,427)**	**(787,283)**	**22,841**	**2,439**	**(131,813)**	**(254,859)**	**(625,323)**	**(132,158)**
Cash flows from financing activities								
Financing from bank loan	635,389	-	-	-	-	-	-	-
Proceeds from equity financings	3,000,000	-	-	-	500,000	-	-	1,106,000
Issue costs on equity financings	(55,858)	-	-	-	(147,870)	-	-	-
Exercise of warrants	150	59,750	1,368,850	254,800	67,500	-	-	-
Exercise of options	26,375	9,100	22,438	4,725	(58,687)	67,280	60,000	-
Convertible debt to be issued	-	-	-	-	(30,000)	-	-	-
Advances from shareholders	163,923	-	(155,437)	(8,486)	-	-	-	-
Financing through capital leases	(44,377)	44,377	-	-	115,433	-	-	-
Repayment of equipment loans	(5,375)	(5,375)	(13,208)	(17,125)	(14,757)	(9,873)	(19,888)	(14,510)
Repayment of equipment leases	(36,933)	-	(24,913)	(27,101)	(47,957)	(17,125)	-	-
Advances (repayment of short term not	(653,153)	672,699	(17,547)	-	(10,714)	-	-	-
Proceeds from convertible debt	235,580	12,611	-	1,751,809	340,000	725,000	965,000	524,000
Issue costs on convertible debt	(248,192)	-	-	-	(174,869)	-	-	-
Repayment of convertible debt	(35,092)	-	-	-	-	-	-	-
Funds in trust	-	-	-	-	-	-	742,421	(742,421)
Cash provided by financing activities	**2,982,437**	**793,162**	**1,180,183**	**1,958,622**	**538,079**	**765,282**	**1,747,533**	**873,069**
Net change in cash for the period	222,234	(1,556,673)	1,029,848	450,079	(428,158)	(195,294)	749,625	(3,754)
Cash, beginning of period	180,862	1,737,535	707,687	257,608	685,766	881,060	131,435	135,189
Cash, end of period	**$ 403,096**	**$ 180,862**	**$ 1,737,535**	**$ 707,687**	**$ 257,608**	**$ 685,766**	**$ 881,060**	**$ 131,435**

Liquidity

The Company is targeting being cash-positive from operations during fiscal 2015.

Up to this date, the Company was in the early development stage and was in the process of developing/acquiring sustainable revenue for generation of cash flow. During that period, it relied on raising the necessary cash through issues of equity capital or debt which is convertible to equity capital to fund acquisitions, operations and software development.

Sources and Uses of Cash

The major sources of cash during the year were proceeds from the issue of convertible financings of $2,000,000 and the issue of equity units of $3,000,000, and the proceeds of exercised warrants in the amount of $1,803,550.

The major uses of cash during the year, other than operations, were the funds used to acquire Banyan ($1,575,000), Stroma ($650,000), and $357,701 for the acquisition of Antian.

Convertible Financing

On February 12, 2014 SEB closed a $2,000,000 convertible note offering. The Offering was completed through a syndicate of dealers led by MGI Securities Inc., and which included Industrial Alliance Securities Inc. (collectively, the “Agents”).

The Notes have a two (2) year term maturing on the second anniversary of the date of closing (the “Maturity Date”). The Notes bear interest at an annual rate of 8%, with interest calculated and paid quarterly in arrears. The Notes are convertible into common shares in the capital of SEB (“Common Shares”) at any time at $0.50 per Common Share up until the first anniversary of the closing date; and thereafter, the Notes are convertible into Common Shares at $0.60 per Common Share until the last business day prior to the Maturity Date. The principal amount of the Notes that has not been converted into Common Shares will be repayable on the Maturity Date.

The Agents received a work fee of $25,000 plus cash compensation of $140,000, being equal to 7% of the gross proceeds raised under the Offering, as well as 320,000 broker warrants (“Broker Warrants”) with the Broker Warrants entitling the Agents to purchase 320,000 Common Shares at any time until the third anniversary of the closing of the Offering at an exercise price of $0.50 per Common Share.

Equity Financing

On October 29, 2014, SEB closed a $1,000,000 equity financing in Equity Units (the “Equity Units”) – The Equity Units were issued at $0.50 per unit and consisted of one SEB common share and one SEB common share purchase warrant exercisable for a period of 36 months at $0.60 per share for year one and year two and $0.75 per share for year three.

On November 6, an additional $2,000,000 equity financing in Equity Units took place. The units were issued at $.50 and consist of one SEB common share and one warrant exercisable for a period of 36 months. The Directors of SEB subscribed for $1,025,000 of the Equity Units.

Summary of Financial Commitments as at November 30, 2014

	Balance Nov 30, 2014	Commitments by year				
		2015	2016	2017	2018	2019
Convertible debt						
Financing December 20, 2012	554,000	554,000	-	-	-	-
Note issued on acquisition of Logitek Feb 6, 2013	651,858	-	-	-	651,858	-
Financing May 13, 2013	1,025,000	-	1,025,000	-	-	-
Financing August 30, 2013	725,000	-	725,000	-	-	-
Financing Sept 6, 2013	250,000		250,000	-	-	-
Financing Feb 14, 2014	2,000,000		2,000,000	-	-	-
Note issued on acquisition of Antian Professional Services	289,388	61,963	63,865	65,824	67,844	29,892
Note issued on acquisition of Stroma Jun 6, 2014	250,000	83,333	83,333	83,333	-	-
	5,745,246	**699,296**	**4,147,198**	**149,157**	**719,702**	**29,892**
Equipment loans						
Loan #1	4,500	4,500	-	-	-	-
Loan #2	28,125	12,500	12,500	3,125	-	-
	32,625	**17,000**	**12,500**	**3,125**	**-**	**-**
Equipment leases						
Lease #1	15,311	6,313	8,998	-	-	-
Lease #2	6,696	6,696	-	-	-	-
Lease #3	6,570	6,570	-	-	-	-
Lease #4	15,681	15,681	-	-	-	-
	44,258	**35,260**	**8,998**	**-**	**-**	**-**
Premise leases						
Lease #1	814,610	168,540	168,540	168,540	168,540	140,450
Lease #2	2,477,537	472,577	545,822	604,418	633,716	221,005
Lease #3	108,000	108,000				
	3,400,147	**749,117**	**714,362**	**772,958**	**802,256**	**361,455**
Total	**$ 9,222,276**	**$ 1,500,674**	**$ 4,883,058**	**$ 925,240**	**$ 1,521,958**	**$ 391,347**

Equipment Leases

The Company finances equipment from time to time using equipment leases. The leases are amortized over the term of the lease. Expiry dates range from April, 2015 to March, 2017.

Equipment loans

The Company finances equipment from time to time using equipment loans secured by the specific pieces of equipment financed by the loans. Termination dates range from April, 2014 to August, 2016.

Subsequent Events

Acquisitions

SEB Benefits & HR Consulting Inc.

Subsequent to year end on Feb 11, 2015 SEB closed its investment in "SEB Benefits & HR Consulting Inc." ("SEBCON"), which owns the consulting practices of Joseph Ricciuti, Paul Serafini, Julie Holden and Sandra Routledge (collectively, the "Operating Shareholders"). SEB has acquired 50% of the issued and outstanding shares of SEBCON with the Operating Shareholders owning the other 50%. SEBCON operates as a consulting company providing innovative services and solutions for corporate and government clients in the areas of Group and Health Benefits, Retirement Plans and Human Resources. SEB acquired 50% of SEBCON. The terms of the transaction are as follows:

1. $100,000 of SEB Shares ("SEB Shares") allocated among the four Operating Shareholders. The SEB Shares were issued at $0.50 per share. The SEB Shares are subject to a contractual escrow over a 24 month period, released 25% every 6 months.
2. 50,000 share purchase warrants to acquire SEB shares. The warrants are exercisable at $0.50 per SEB share for a term of 36 months and vest on the same terms as the SEB Shares stated above. The warrants were issued to three of the four Operating Shareholders.
3. Business Infrastructure - SEB will provide, at no cost to SEBCON, office space, technology support and such other infrastructure support as may be required for a period of 36 months, subject to SEBCON achieving targeted financial results.
4. Working Capital - SEB will provide agreed upon working capital loans during the first year of operation, including accounts receivable funding.
5. Other - SEB will provide SEBCON other support including health benefits for employees, licensing and professional liability insurance.

Paradigm Consulting Group

Subsequent to the fiscal year end, on December 31, 2014, SEB indirect wholly owned subsidiary, 101270941 Saskatchewan Ltd., acquired all of the issued and outstanding shares of Paradigm Consulting Group Inc. and all of the issued and outstanding units, directly and indirectly, of PCGI Consulting Services Partnership (collectively referred to as "Paradigm"). This deal was closed in escrow until the amalgamations described below were completed.

Due to the fact that the Paradigm acquisition involved the purchase of shares as well as the purchase of partnership units, both directly and indirectly through holding companies of certain of the vendors, various companies were amalgamated to simplify the corporate structure and to enable the business acquired to reside in a single company. The purchaser company, 101270941 Saskatchewan Ltd., was amalgamated with Paradigm Consulting Group Inc., 101275162 Saskatchewan Ltd. (formerly 5677387 Manitoba Ltd. before its continuance into Saskatchewan), Craven Farms Ltd., 101275149 Saskatchewan Ltd. (formerly 4311612 Manitoba Inc. before its continuance into Saskatchewan) and 101271586

Saskatchewan Ltd. The name of the amalgamated company is Paradigm Consulting Group Inc.; and all of the issued and outstanding shares of this company are owned by SOMOS Consulting Group Ltd., a wholly owned subsidiary of SEB.

On March 9, 2015, the various continuances and amalgamations were completed and the Paradigm transaction documents were released from escrow.

Over the past 24 years Paradigm and PCGI have provided management consulting, change management, and application and IT services to corporate and government clients throughout the Prairie Provinces. Paradigm has more than 150 consultants, mostly employees, who service a legacy client base where the top 10 clients have an average engagement history of over 12 years. Paradigm's unique specialty practices and strong client relationships include healthcare, government, technology integrators, insurance and utilities. The SEB Group gives Paradigm the opportunity to incorporate advanced software and solutions that will deliver significant added value for the majority of Paradigm's client base.

Paradigm is a very strategic acquisition for SEB, bringing significant government and corporate client relationships along with technical skills and expertise, which allow SEB to compete more effectively in Western Canada, particularly in the areas of healthcare and benefits administration and adjudication. SEB has made significant progress in developing a presence in Western Canada and Paradigm consolidates SEB's strength, providing local presence and delivery capability to service and manage important client relationships in this marketplace.

The purchase price of Paradigm is up to $15,793,436, consisting of firm consideration of $13,427,864 and additional consideration of up to $2,365,572 if certain performance targets are achieved.
The "firm consideration" consists of the following:

1. Cash of $9,288,112 (including $1,600,000 of a working capital balance sheet adjustment).
2. Vendor notes in the aggregate principal amount of $1,182,786, with interest accruing at an annual rate of 3% payable quarterly in arrears with one third of the outstanding principal payable at the end of year two and the balance payable at the end of year three. The notes are convertible into SEB shares at $0.50 per share.
3. 5,913,877 SEB shares with a deemed value of $2,956,966. The shares are subject to a 36-month contractual escrow, with shares being released every six months in equal amounts following the closing of the transaction.

In addition, 1,000,000 share purchase warrants were issued to Paradigm employees as a retention incentive, of which 12,500 warrants were issued to Paradigm's President and 20,000 warrants were issued to Paradigm's Vice President of Finance. The majority of Paradigm employees received an allocation of warrants. All warrants have a 48-month term and an exercise price of $0.50 per share. The warrants vest in equal amounts every six months following the closing of the transaction.
The "additional consideration", payable in cash, consists of up to:

1. $1,774,179 to be paid at the end of year three following closing, subject to meeting a cumulative EBITDA of $8,870,898.
2. $591,393 to be paid at the end of year four following closing, subject to meeting a cumulative EBITDA of $11,827,864.

If the cumulative EBITDA targets are reached prior to the three year and four year benchmarks, respectively, the additional consideration will be paid earlier.
In addition, Paradigm employees will be entitled to participate in two annual bonus pools:

1. All employees of Paradigm will be entitled to participate in a bonus pool, with the aggregate pool amount calculated as the amount exceeding a benchmark of $2,956,966 EBITDA for Paradigm in each year over a 4 year period from the closing at a rate of 20% of such excess.

2. Senior management of Paradigm shall be entitled to participate in a bonus pool calculated as 5% of the EBITDA of Paradigm.

Dispositions

EDI Sale

On December 19, 2014, subsequent to year end, SEB announced that Logitek Technology Ltd. (“Logitek”), a wholly owned subsidiary of SEB, entered into an agreement with DiCentral Corporation (“DiCentral”) to jointly service the Canadian Electronic Data Interchange (“EDI”) market. As part of this transaction, DiCentral has acquired Logitek’s EDI business, including all existing IP and support infrastructure in Canada, for $2,150,000. On closing, Logitek received $1,000,000, $750,000 cash was paid January 15, 2015 and the remaining $400,000 is payable over 24 months in varying amounts in 6 month intervals.

Logitek will operate as a strategic partner-reseller of DiCentral’s EDI solutions. DiCentral has co-located with Logitek at Logitek’s offices in Mississauga, Ontario. Logitek personnel will continue to support existing clients in the same infrastructure. Over time, select applications will be migrated to DiCentral solutions. SEB will also deploy DiCentral’s EDI technology solutions in SEB’s health benefits administration and health claims processing environments. Logitek’s “EDI” business was approximately 35% of Logitek’s total sales.

Financing

On March 10, 2015 the Company closed new credit facilities with a major Canadian Schedule A bank in the amount of $8,775,000. The credit facilities were obtained by Paradigm Consulting Group Inc. (“Paradigm”) and SOMOS Consulting Group Ltd. (“SOMOS”), both wholly owned subsidiaries of SEB. The new financing arrangements include a $4,200,000 term loan acquisition facility which was used in connection with the Corporation’s acquisition of Paradigm. The acquisition facility bears interest in a range of Canadian Dollar Prime Rate (the “Prime Rate”) to Prime Rate plus 1.75%, depending on the amount advanced under the facility, has a term of 3 years and may be repaid at any time without penalty.

Paradigm has also obtained a $3,000,000 operating demand facility, bearing interest at the Prime Rate plus 0.75% to 1.75%, depending on Paradigm’s debt to EBITDA ratio, along with a $50,000 corporate credit card.

At the same time, SEB’s wholly owned subsidiary, SOMOS, has entered into a new credit facility with the same Canadian bank to replace the current credit facility of SOMOS. The new SOMOS facility consists of a $1,500,000 operating demand loan bearing interest at the Prime Rate plus 1.875% and a $25,000 corporate credit card.

Both Paradigm’s new credit facilities and the new SOMOS facility are secured by a first charge over all of the assets of certain subsidiaries of the Company, contain positive, negative and financial covenants, and include other usual and customary terms and conditions. The Company, Paradigm, SOMOS and certain other subsidiaries have provided guarantees pursuant to the new credit facilities.

Transactions with Related Parties

Bevertec CST Inc.

Bevertec CST Inc. (“Bevertec”) is a related party to the Company by virtue of holding approximately 12% of the common shares of the Company as of this date. An Officer and Director of Bevertec is also a Director of the Company. The Company processes group benefit health claims for Bevertec which accounted for $64,224 in revenue recorded by the Company in the year ended November 30, 2014 ($187,112 in fiscal 2013).

Key Management Compensation

Three shareholders of the Company, one acting in the capacity of President, Chief Executive Officer and Chief Information Officer, and another acting in a capacity of Chief Financial Officer, Chief Operating Officer and Corporate Secretary and the other as Chief Executive Officer of a subsidiary of the Company, were paid management fees during the period December 1, 2013 to November 30, 2014 totalling $606,000 ($402,000 during the period December 1, 2012 to November 30, 2013). The President, Chief Executive Officer and Chief Information Officer is also a director of the Company. As at November 30, 2014 the amount remaining unpaid was $70,625 (2013 - $15,000) and is included in accounts payable and accrued liabilities.

As at November 30, 2014 there is a balance owing from a director of the Company in the amount of $112,539 (2013 - $69,087) and is included in accounts receivable.

Director fees for the Company were accrued in the amount of $187,000 ($161,304 during the year ending November 30, 2013). As at November 30, 2014 the amount remaining unpaid was $187,000 (2013 - $46,625) and is included in accounts payable and accrued liabilities.

The stock-based compensation expense includes $209,830 (November 30, 2013 - $60,557) related to stock-options issued to directors and officers.

Issuance of Common Shares

Directors of the Company acquired $1,025,000 worth of common shares issued in fiscal 2014 through announced private placements.

Risk factors

The Company's growth and performance are subject to a number of risks such as consumer demand, client acceptance of the Company's products and services, industry competition, technological obsolescence, obtaining and retaining competent staff and failure to obtain sufficient capital to build the required infrastructure.

Going Concern

The Company has incurred significant operating losses during the period and has negative working capital at the balance sheet date. Based on these events and conditions there is material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern, and, therefore it may be unable to realize its assets and discharge its liabilities in the normal course of business.

To remain a going concern, the Company will require additional capital to enable it to further develop its acquired software and to obtain the revenue-generating business it believes it can achieve. It cannot be determined at this time whether these objectives will be realized.

Credit Risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. For financial assets, this is typically the gross carrying amount, net of any amounts offset and any impairment losses. In the normal course of business, the Company is exposed to credit risk from its customers and the related accounts receivable are subject to normal industry credit risk. To mitigate this risk the Company reviews the creditworthiness of material new customers, monitors customer payment performance and, where appropriate, reviews the financial condition of existing customers. The Company establishes an allowance for doubtful accounts that corresponds to the specific credit risk of its customers and economic circumstances. As at November 30, 2014 the allowance for doubtful accounts was $92,291 (2013 - $NIL) and the accounts that were past due amounted to $815,861 (2013 - $35,559).

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The bank loan bears interest at floating rates and as such is subject to interest rate cash flow risk resulting from market fluctuations in interest rates. A 1% appreciation (depreciation) in the interest rate would result in a change in interest expense of approximately of $14,900.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations such as accounts payable out of cash. The Company's future liquidity is dependent on factors such as the ability to generate cash from operations and to raise money through debt or equity financing. The Company has disclosed in Note 1 to the consolidated financial statements the existence of circumstances which cast significant doubt on its ability to continue as a going concern.

Disclosure Controls and Internal Control Risks

The President and Chief Executive Officer and the Chief Financial Officer are responsible for designing internal controls over financial reporting in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Company's financial statements for external purposes in accordance with International Financial Reporting Standards.

The design of the Company's internal control over financial reporting was assessed as of the date of the Management Discussion and Analysis. Based on this assessment, it was determined that the lack of resources and staff created the potential for a weakness in internal control over financial reporting. Due to the growth of the company, additional resources have been and will continue to be added to mitigate this risk. In the meantime, management exerts control over activities by signing all contracts and all cheques and carefully reviewing financial reports.