SPACKMANEQUITIESGROUP

Management's Discussion and Analysis

The following Management's Discussion and Analysis ("MD&A") provides additional analysis of the operations and financial position of Spackman Equities Group Inc. ("SEGI" or the "Company"). It is supplementary information and should be read in conjunction with the Company's financial statements and accompanying notes for the year ended December 31, 2011.

SEGI is a publicly-traded company listed on the TSX Venture Exchange under the symbol "SQG". Prior to October 31, 2011 the Company's name was Centiva Capital Inc. ("Centiva"). Centiva was listed on the TSX Venture Exchange under the symbol "CVC".

On September 30, 2011, a plan of arrangement (the "Arrangement") was completed pursuant to Section 192 of the Canada Business Corporations Act, whereby Centiva and a wholly-owned subsidiary of Centiva, Aylen Capital inc. ("Aylen") entered into an agreement to distribute the existing assets of Centiva to shareholders by way of the Arrangement. Under the terms of the Arrangement, all of the existing assets and liabilities of Centiva were transferred to Aylen in exchange for shares of Aylen and a $842,832 promissory note. The Arrangement was approved by Centiva shareholders at a special meeting held on September 23, 2011 and by the Superior Court of Justice on September 27, 2011. The effective date of the transfer was October 31, 2011. On the same date Centiva changed its name to Spackman Equities Group Inc.

Centiva transferred all of its then existing assets and liabilities, other than those relating to the new equity and tax losses, to Aylen in exchange for common shares of Aylen. The assets which were transferred to Aylen from Centiva consisted of cash, an equity interest in a technology-based company, VFM Leonardo Inc., a technology-based business, Grapevine Solutions, and a portfolio of marketable securities.

SEGI made several new investments effective October 31, 2011. Additional information concerning the Arrangement and the new investments made by SEGI on the effective date of the Arrangement may be found at "The Arrangement and other Significant Transactions".

These financial statements include the assets and operations of Centiva from January 1, 2011 to October 31, 2011 and the assets and operations of SEGI from November 1, 2011 to December 31, 2011.

As of April 30, 2012, there were 109,052,132 common shares issued and outstanding. Additional information relating to the Company may be found on the SEDAR website at www.sedar.com.

FORWARD-LOOKING STATEMENTS

Included in this MD&A are matters that constitute "forward-looking" information within the meaning of Canadian securities law. Such forward-looking statements may be identified by words such as "plans", "proposes", "estimates", "intends", "expects", "believes", "may" or words of a similar nature. There can be no assurance that such statements will prove to be accurate. Actual results and future events could differ materially from such statements. Factors that could cause actual results to differ materially include among others, regulatory risks, risk inherent in foreign operations, commodity prices and competition. Most of these factors are outside the control of the Company. All subsequent forward-looking statements attributable to the Company or its agents are expressly qualified in their entirety by these cautionary comments. Except as otherwise required by applicable securities statutes or regulation, the Company expressly disclaims any intent or obligation to update publicly forward-looking information, whether as a result of new information, future events or otherwise.

SIGNIFICANT TRANSACTIONS AND YEAR END HOLDINGS

Prior to October 31, 2011, Centiva had investments in marketable securities and investments in early-stage companies with high growth potential, and its Grapevine Solutions business. The assets and liabilities of Centiva were transferred to Aylen effective October 31, 2011 as part of the Arrangement. See "The Arrangement and Other Significant Transactions" for more details.

Commencing November 1, 2011 SEGI owned a 17.9% investment in Intech LCD Group Limited ("Intech"), and 100% of Gold China Technologies Inc. ("Gold China") which in turn owned a 7.0% equity ownership in each of Opus Pictures Co., Ltd. ("Opus") and Zip Cinema Co., Ltd. ("Zip").

At December 31, 2011, the Company had cash and cash equivalents of $1,056,000, no investments in marketable securities (December 31, 2010: $561,000) and investments in private companies totalling $1,775,000 (December 31, 2010: $1,925,000).

THE ARRANGEMENT AND OTHER SIGNIFICANT TRANSACTIONS

The following summary of the principal terms of the Arrangement is provided for the benefit of the reader and is qualified in its entirety by reference to the Plan of Arrangement which can be assessed under the Company's profile at www.sedar.com. Shareholders are encouraged to review the Plan of Arrangement in its entirety, as it contains the specific terms and conditions governing the Arrangement.

Background

In late 2010, an opportunity was presented to the Company to raise new equity from a group of investors who are interested in investing in small/medium-sized businesses with growth potential in Asia, principally in China and the Republic of Korea. After due consideration, the Board approved this new strategy and decided to retain Charles Spackman as the new Chief Executive Officer of the Company with a mandate to broaden and refocus the investment scope of the Company to Asia (mainly Korea and China). Prior to the completion of the Arrangement, and conditional upon the completion of the Financing as defined below, the Company entered into agreements for two investments. See "Pre-Arrangement Investments" below.

After negotiations with the group of investors, the Board concluded that the assets of the Company were of limited interest to the investors and that they were not prepared to fully recognize their value. Therefore, it was determined by the Board to spin the existing assets out to Shareholders by way of a Plan of Arrangement and to proceed with the new investment and strategy. The Arrangement was governed by the Arrangement Agreement entered into between the Company and Aylen on June 30, 2011.

Upon completion of the Arrangement, Aylen, which was incorporated as a subsidiary of Centiva, continued to carry on the business which was previously conducted by the Company up to October 31, 2011 and the business of the Company since October 31, 2011 has been to (i) identify and acquire small/medium-sized growth companies, primarily in the PRC and the Republic of Korea, that possess proprietary technologies and a track record of profitable operations; (ii) assist the management of each acquired company to enhance its value; (iii) originate collaboration amongst the portfolio of acquired companies to create new opportunities for one another and leverage off each others' capabilities and resources; and (iv) reflect the collective value derived from the performance of the acquired businesses on the share price of the Company.

The Corporation created a wholly-owned subsidiary, Aylen, for the purposes of the Arrangement. As part of the Arrangement, all of the existing assets and liabilities of the Company, other than the tax losses, were transferred to Aylen in exchange for shares of Aylen and a promissory note in an amount of $842,832 which represented $0.05 per each issued and outstanding common share of the Company immediately prior to the Arrangement and the completion of the Financing. The promissory note is repayable (in full or in part) by Aylen upon disposition of the assets transferred to it by Centiva and is secured against the assets of Aylen's Grapevine Solutions division. The stated capital of the

Company's Common Shares has been reduced by an amount equal to the fair market value of the Company's assets less its liabilities on the date such assets and liabilities are transferred to Aylen. The Company has distributed on a pro-rata basis, to each Shareholder, all the shares of Aylen. Certificates for such shares have been withheld pending the attaining of "reporting issuer" status by Aylen.

Pre-Arrangement Investments

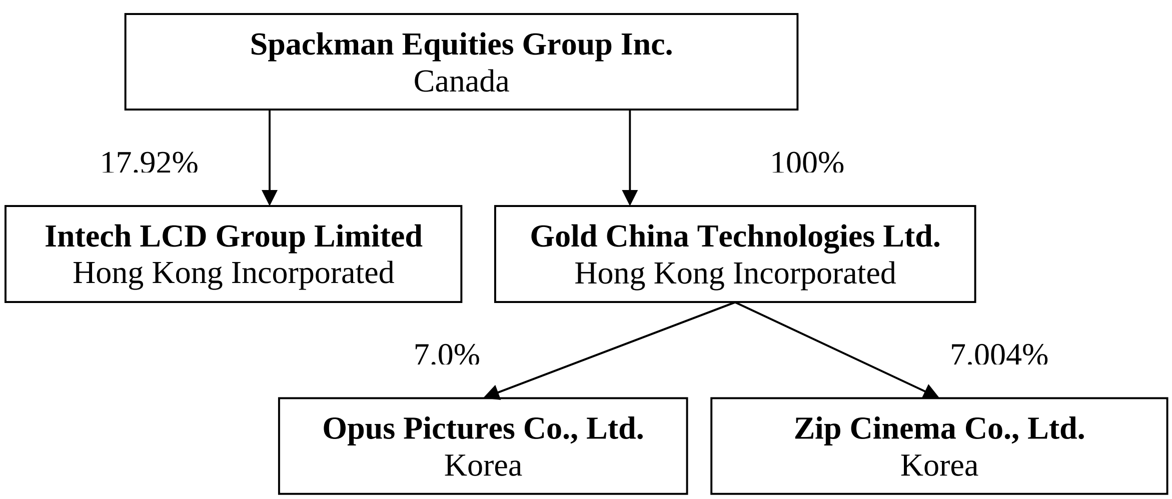
Prior to the completion of the Arrangement, and conditional upon the completion of the Financing, the Company acquired 1,791,667 common voting shares of Intech representing 17.916% of Intech's issued and outstanding common shares. Intech, incorporated in Hong Kong, engages in the research & development, manufacturing and sales of various types of LCD panels and modules, together with after-sales maintenance services. products, will commence production.

The Company also acquired 100 common shares, or 100%, of Gold China from DVG Limited. Gold China is a special purpose vehicle incorporated in Hong Kong to hold:

- 1,890 common shares of Opus, representing a 7.0% equity ownership of Opus; and
- 1,176 common shares of Zip, representing a 7.0% equity ownership of Zip.

Opus and Zip are engaged in the production and distribution of theatrical motion pictures in the Republic of Korea ("Korea") and other markets.

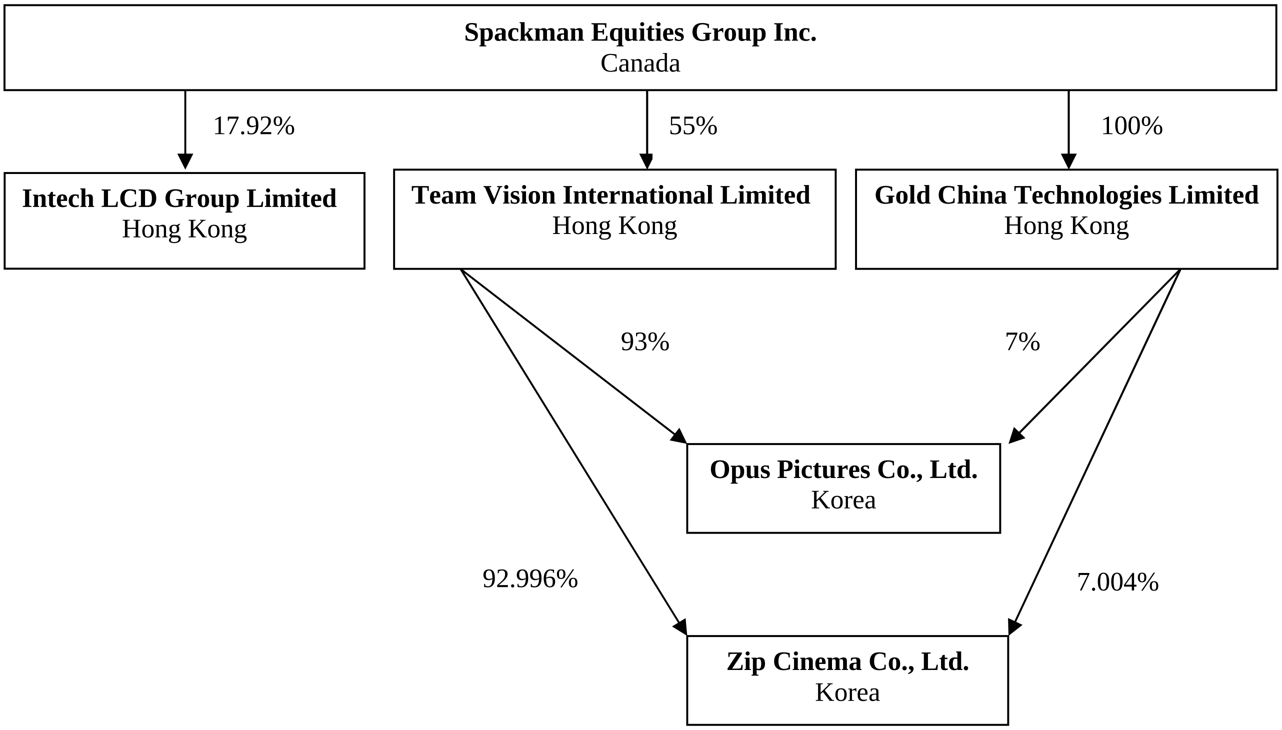
At December 31, 2011 the structure and holdings of SEGI were as follows:



Investments Made After Year End

On January 10, 2012 the Company completed the acquisition of 55% of Team Vision International Limited ("TVIL") in exchange for 30,475,000 common shares of the Company at a deemed price of $0.15 per share. TVIL holds 93% of Opus and Zip. The Company also owns a 7% interest in each of Opus and Zip through its 100% ownership of Gold China which it acquired effective October 31, 2011.

The following chart shows the structure and holdings of the Company as of April 30, 2012, the date of this MD&A:



Intech LCD Group Limited

Intech LCD Group Limited ("Intech") is a China based developer and manufacturer of flat panel displays and modules. The business of Intech was founded in 1987 in China and has a 23-year history of supplying its customer base of major corporations and institutions worldwide with industry high quality LCD products. The various lines of LCD products of Intech are deployed in a wide array of industries with a special focus on the biotech/medical devices and telecommunication equipment sectors. In 1996, for management structural efficiency, Intech LCD group limited was incorporated under the laws of Hong Kong as the holding company of the overall business.

On October 31, 2011 the Company acquired 3,075,359 shares of Intech which represent a 17.916% equity interest for $1,075,000.

Opus Pictures

Opus Pictures Co., Ltd. ("Opus") was established in August 12, 2005 in the Republic of Korea by renowned movie producer, Tae Hun Lee. Currently, Opus is recognized as one of the leading independent developer, producer, and investor of theatrical motion pictures in Korea. In 2010, Opus produced and released "THE MAN FROM NOWHERE," the biggest box office success of the year with 6.2 million box office tickets sold domestically and one of the highest grossing movies in Korean movie history. Opus licenses its films to ancillary markets including cable, broadcast television, and home video/DVD. Its movies are distributed and shown throughout Asia.

Opus's production capabilities consist of the originating and financing of motion pictures, as well as the development of the screenplay and the actual filming activities and post-filming editing/post-production process. Opus works in cooperation with Korea's major distribution companies for the release of its films and, at times, participates in its productions as an investor. Opus also opportunistically acquires distribution rights to motion pictures produced by third parties for distribution in theatrical, video and television markets in Korea. Opus' principal office is located at Proom Building, 82 Nonhyeon-Dong, Gangnam-gu, Seoul 135-818, Korea.

Management of Opus

Mr. Lee, Tae Hun is the Founder, Chief Executive Officer and Chief Producer of Opus Pictures. Mr. Lee has produced some of Korea's major international award-winning films such as "SYMPATHY FOR LADY VENGEANCE" (2005), which is currently being remade by Universal Pictures for the U.S. market, and "I AM A CYBORG, BUT THAT'S OK" (2006). After founding Opus with a group of talented producers, Mr. Lee produced "A FROZEN FLOWER" in 2008, a highly acclaimed and controversial epic melodrama set in the Koryo Dynasty, and "THE MAN FROM NOWHERE," an action thriller which was Korea's biggest box office draw of 2010. Currently, Mr. Lee is producing "SNOWPIERCER" with internationally renowned directors Park Chan-wook and Bong Joon-ho.

The following are the shareholders of Opus as of the date of this MD&A:

Shareholder	***Number of Common Shares Owned***	***% Ownership***
Team Vision International Limited	*25,110*	*93%*
Gold China Technologies Limited	*1,890*	*7%*
TOTAL	**27,000**	**100%**

ZIP Cinema

Zip Cinema Co., Ltd. ("Zip") is a Korean movie production firm founded by veteran film producer Eugene Lee, who was named in 2007 as one of the world's "10 Producers to Watch" by Variety, the leading Hollywood journal. The company was incorporated on December 23, 2005 in the Republic of Korea. Zip engages in the development, production, financing, and distribution of theatrical motion pictures with a strong commitment to bringing the most original movies to the moviegoers from the most innovative Korean filmmakers. From its early days, Zip has achieved notable critical and box office success with such hits as "VOICE OF A MURDERER" (2006) which sold 3.25 million tickets at the domestic box office and "HAPPINESS," a film that premiered at the Toronto International Film Festival in 2007. More recently, "WOOCHI" (2009), with 6.2 million tickets sold domestically, became one of the highest grossing movies in Korean movie history and also achieved significant success in overseas markets. "HAUNTERS" (2010), its latest release, also achieved over 2.5 million tickets domestically, establishing Zip's reputation as a serial hit-maker. Films produced by Zip are licensed to ancillary markets including new media, cable, broadcast television, and home video/DVD and its films are distributed and shown throughout Asia. The office of Zip is located at Proom Building, 82 Nonhyeon-Dong, Gangnam-gu, Seoul 135-818, Korea**.**

Ms. Lee, Eugene is the Founder, Chief Executive Officer and Head Producer of Zip Cinema. Ms. Lee commenced her film career as Marketing Director of B.O.M. Films, another major Korean film label. Before establishing Zip Cinema, she has produced several major films, virtually all of which achieved critical and commercial success domestically and abroad. Her production track record includes "THE UNINVITED" (2003), "UNTOLD SCANDAL" (2003), and "A BITTERSWEET LIFE" (2005). Ms. Lee's talent for producing hit movies continued after the founding of Zip and her track record led Variety to name her as one of the "10 Producers to Watch" in the world in 2007.

The following are the shareholders of ZIP as of the date of this MD&A:

Shareholder	*Number of Common Shares Owned*	*% Ownership*
Team Vision International Limited	15,614	92.996%
Gold Vision Technologies Limited	1,176	7.004%
TOTAL	**16,790**	**100%**

CENTIVA INVESTMENTS

The following investments were owned by the Company from January 1, 2011 to October 31, 2011 and were transferred to Aylen as part of the Arrangement effective October 31, 2011.

VFM Leonardo Inc.

From January 1, 2011 to October 31, 2011, Centiva owned an 8.2% equity interest in VFM Leonardo Inc. (formerly VFM Interactive Inc.) ("VFM") representing approximately 13.9% on a fully-diluted basis, should all warrants and options be exercised.

On April 22, 2008, VFM completed a financing of $13.8 million, to be used for working capital purposes and to fund the expansion of its business. As part of the financing, Centiva converted its $600,000 in VFM convertible debentures, and settlement interest of $88,000, into Series A convertible preferred shares. Following on these transactions, Centiva had 3,075,359 common and 2,436,658 Series 1 convertible preference shares and 12,000,000 warrants to purchase common shares in the capital of VFM. The warrants have an expiry date of March 1, 2014 and an exercise price of $0.001. The Series 1 and Series 2 preference shares have a priority over the common shares on liquidation, winding-up and sale of the company. The Series 1 preference shares which were owned by Centiva represent approximately 3.6% of all outstanding Series 1 and Series 2 preference shares.

VFM, which is headquartered in Toronto, Ontario, has developed an online video and rich media advertising platform and distribution network that allow advertisers to distribute informational rich media marketing content to highly targeted consumers across thousands of relevant sites and electronic channels. Currently, VFM provides off-platform technology-driven rich-media solutions, connectivity and interactivity for the hotel, lodging and the online travel distribution industries. VFM's end-to-end media management and distribution solution is a content "hub" that aggregates hotel and travel-related digital rich media content such as videos, 360° virtual tour images, Flash productions and still images, and automates its distribution to travel websites and any other points of contact where rich media can be viewed by consumers researching and booking travel accommodations.

VFM is the world's largest provider and distributor of online visual content for the hotel and travel industry. VFM's content library includes more than one million digital photographs, videos and 360° virtual tours for over 80,000 hotels and resorts worldwide. Through VScape®, VFM distributes this content to its online media network of all four Global Distribution Systems, Pegasus and 30,000 plus travel-related channels including online travel agencies, travel research and supplier web sites, search portals and major travel intermediaries. VFM's online media network includes industry leaders such as Sabre, Galileo, Travelocity, Orbitz, Priceline, Tripadvisor, Yahoo! Travel, Kayak, Google and more. For more information, visit VFM's website www.vfmleonardo.com.

Grapevine Solutions

Grapevine Solutions ("Grapevine") was acquired by Centiva in October 2007. For accounting purposes, the acquisition of Grapevine was recorded at the vendor's carrying amount which was nil. The Grapevine assets which were acquired consisted of software, customer lists, trademarks, and office equipment.

Grapevine's business is based in Markham, Ontario and it consists of providing web-based survey and data collection services to third parties, most of whom are based in North America. Its software is used to perform customizable employee evaluations, employee surveys, customer surveys, training surveys, surveys of boards of directors, web polls and data collection surveys.

The business has two full-time employees and engages consultants to provide software programming and upgrade and design services.

For the period from January 1, 2011 to October 31, 2011 Grapevine's revenues were $428,000. For the 2010 fiscal year Grapevine's revenues were $470,000.

CENTIVA'S PORTFOLIO INVESTMENTS

From January 1, 2011 to October 31, 2011 Centiva owned a portfolio of investments consisting of a broadly diversified selection of Canadian and U.S. dividend producing instruments, securities and equities. At October 31, 2011, which was the effective date of the transfer of the portfolio to Aylen, the market value of the portfolio investments was $518,000. The portfolio was managed by a group of five independent managers and was invested approximately as follows:

	October 31, 2011	December 31, 2010
	(%)	(%)
Canadian Equities		
Canadian Diversified Income	30.2	24.2
Canadian Large Cap Equity	22.6	20.1
Canadian Large Cap Equity Growth	-	17.7
	52.8	**61.2**
International Equities		
US Large Cap Equity	24.8	19.2
International Equities	22.4	18.8
	47.2	**38.0**
	100.0	**100.0**

RESULTS OF OPERATIONS

Grapevine had sales revenue of $428,000 for the period from January 1, 2011 to October 31, 2011 (the "current period") and for the year, after adjusting for unearned revenue, with selling expenses of $286,000 for the current period and for the year.

For the current quarter (which included Grapevine revenue for the month of October only) the Company had sales revenue of $50,000 and for the year $428,000, after adjusting for unearned revenue, with selling expenses of $17,000 for the current quarter and $286,000 for the year. Sales revenue for 2010 was $470,000 with selling expenses of $393,000.

Prior to October 31, 2011, the Company's other primary source of revenue was from interest and other income from its cash and marketable securities, which for the current period was $2,000 and $14,000 for the year.

Under the provisions of IAS39 Financial Instruments – Recognition and Measurement and IFRS 7 Financial Instruments – Disclosure and IAS 32 Financial Instruments - Presentation, unrealized mark-to-market gains and losses on the Company's portfolio of marketable securities held for trading are recognized in computing net income. Such amounts totalled unrealized losses of $99,000 for the year.

There was a realized loss of $14,000 for the current quarter and $220,000 for the year on the sale of marketable securities and publicly-traded investments.

General and administrative expenses totalled $196,000 for the current quarter including those related to the business transferred and $482,000 for the year, against $318,000 for 2010. The increase was mainly the result of increased salaries and higher legal and other costs associated with the Arrangement and the financing both of which were completed by the Company effective October 31, 2011.

The Company realized a gain of $734,000 on the distribution of Aylen's shares as a result of the Arrangement.

As a result of the foregoing, the Company recorded income of $95,000 ($0.006 per share) for the year and income of $490,000 ($0.03 per share) for the current quarter as against a loss of $200,000 ($0.01 per share) for 2010.

Under the provisions of IAS 1 Presentation of Financial Statements , IAS 39 Financial Instruments – Recognition and Measurement and IFRS 7 Financial Instruments – Disclosure IAS 32 Financial Instruments - Presentation, unrealized gains and losses on the Company's publicly-traded investments available for sale are recognized in other comprehensive income, net of taxes. Such amounts totalled gains of $244,000 in the year.

As a result of the foregoing, the Company reported a comprehensive income of $490,000 for the current quarter and $339,000 for 2011, as compared with a comprehensive loss of $200,000for 2010.

SUMMARY OF SELECTED QUARTERLY INFORMATION

	Quarter to December 31 2011	Quarter to September 30 2011	Quarter to June 30 2011	Quarter to March 31 2011	Quarter to December 31 2010	Quarter to September 30 2010	Quarter to June 30 2010	Quarter to March 31 2010
Revenue								
Sales	50,337	134,800	124,070	118,515	$111,222	$107,240	$115,445	$136,300
Interest and investment income	2,139	3,596	4,542	3,406	4,833	3,718	4,266	3,829
Gain (loss), realized and unrealized,	82,692	(306,009)	(20,309)	22,890	36,134	43,392	(37,085)	9,810
Net Income (Loss)								
Total	566,900	(346,353)	(69,038)	(56,540)	(52,432)	1,959	(100,167)	(48,904)
Per share		(0.00)	(0.00)	(0.00)	(0.00)	0.00	(0.00)	(0.00)
Per share (diluted)		(0.00)	(0.00)	(0.00)	(0.00)	0.00	(0.00)	(0.00)
Other Comprehensive Income (Loss), being increase (decrease) in fair value of publicly-traded investments available for sale	-	269,889	(8,000)	(18,000)	(76,000)	(36,000)	(37,000)	149,000
Comprehensive (Loss) income	566,900	(76,464)	(77,038)	(74,540)	(128,432)	(34,041)	(137,167)	100,094

LIQUIDITY, FINANCIAL POSITION AND CAPITAL RESOURCES

Working capital at December 31, 2011 was $927,000 compared with $539,000 (as restated) at the end of 2010 and $634,000 at September 30, 2011. The increase is mainly the result of the completion of a $3,086,000 equity financing by way of private placement by the Company effective October 31, 2011.

Current liabilities were $134,000 at December 31, 2011, compared to $318,000 (as restated) at the end of 2010 and $ 27,000 at the end of the third quarter of 2011.

Cash and cash equivalents increased to $1,056,000 at December 31, 2011 from $4,000 at the end of the third quarter and $754,000 at the end of 2010. The increase is mainly the result of the completion of a $3,086,000 equity financing by way of a private placement by the Company effective October 31, 2011.

The Company’s capital resources consist of cash and cash equivalents which are used to fund the Company’s financial requirements. The company’s general and administrative expenses, substantially all of which are committed and non-discretionary in nature, were $196,000 for the fourth quarter and $482,000 for the year. The Company’s general and administrative expenses were $319,000 in 2010.

ANALYSIS OF FINANCIAL CONDITION AND FINANCIAL PERFORMANCE

The financial condition of the Company at December 31, 2011 improved from the condition at the end of the previous year, due to the private placement financing which the Company completed effective October 31, 2011 for gross proceeds of $3,086,000 (net proceeds of $2,881,973) and also due to the assumption of all liabilities of the Company by Aylen effective October 31, 2011 pursuant to the terms of the Arrangement. At December 31, 2011 the Company had cash of $1,056,000 (December 31, 2010 $193,000) and liabilities of $134,000 (December 31, 2010 $318,000).

Prior to October 31, 2011 the revenues of the Company were derived mainly from the operations of Grapevine which were $428,000 in the period from January 1, 2011 to October 31, 2011 (2010 - $470,000). The assets and liabilities of the Company which were transferred to Aylen effective October 31, 2011 are treated as discontinued operations (Note 4 to the 2011 financial statements) and the net loss from discontinued operations to December 31, 2011 was $250,000. The cash outflow from discontinued operations for 2011 was $105,000.

CRITICAL ACCOUNTING ESTIMATES

The Company's accounting policies are described in Note 2 to the 2011 financial statements. The preparation of the Company's financial statements in conformity with International Financial reporting Standards requires management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the current quarter. Changes in estimates of useful lives are accounted for prospectively from the date of change. Actual results could differ from these estimates.

The assets and liabilities that require management to make significant estimates and thus are deemed critical accounting policies are the carrying value of its privately-held investments and the fair value of option grants.

Investments

Investments in shares of investee companies in which the Company's ownership is greater than 20% but not more than 50%, and over which the Company has the ability to exercise significant influence, are accounted for using the equity method. At December 31, 2011 and December 31, 2010, the Company had no such investments.

For other investments, in accordance with IFRS 7, IAS32 and IAS39, the Company carries the investments consistent with the following:

- The portfolio of marketable securities is classified as held for trading and is measured at fair value;
- Publicly-traded investments, if any held, over which the Company does not have the ability to exercise significant influence are classified as available for sale and are carried at fair value based on quoted closing prices at the balance sheet date or the closing price on the last day the security traded if there were no trades at the balance sheet date; and
- Privately-held investments are classified as available-for-sale and are valued at cost except where there is pervasive evidence supporting an increase or decrease in carrying value.

These fair values of the Company's investments are subject to risks and uncertainties.

Included in SEGI's results for the fourth quarter are unrealized mark-to-market loss on the portfolio of marketable securities held for trading totalling $99,000, which are included in the reported net losses together with realized losses totalling $220.736. In fiscal 2010, such unrealized gains totalled $65,000 and realized losses totalled $89,000.

RISK FACTORS AND RISK MANAGEMENT

SEGI shareholders and potential investors in SEGI should carefully consider the following risk factors and all the other information contained in this MD&A when evaluating SEGI and its common shares.

An investment in SEGI's shares involves a number of risks, many of which are beyond its control. The risks and uncertainties set out below are all of the known risks which are deemed to be material to the Company's business or the results of its operations. When reviewing forward-looking statements and other information contained in this prospectus, investors and others should carefully consider these factors, as well as other uncertainties, potential events and industry-specific factors that may adversely affect the Company's future results. If any of these risks should actually occur, the Company's business, financial condition, results of operations, cash flows and prospects could be harmed. Such risks and uncertainties are not the only ones the Company faces. Additional risks and uncertainties of which the Company is currently unaware or that are deemed immaterial may also adversely affect the Company's business, financial condition, results of operations, cash flows and prospects.

Limited Cash and Working Capital and Negative Cash Flows

Historically, the Company has had negative cash flow from operating activities and has had to fund its operations with cash on hand and cash equivalents. The Company's cash on hand and cash equivalents at December 31, 2011 was $1,056,000. This amount should be adequate to continue to fund the Company's operations for at least the next 12 months. Beyond the next 12 months the Company may have to sell assets such as its investments, or raise funds through the sale of additional equity or a combination of those two things, in order to fund its operations. There may not be a ready market for the sale of its assets and it may not be possible to issue additional shares or other securities, or the issue of additional shares or other securities if it were to be possible may result in significant dilution to the interests of existing shareholders.

Intech, Opus and Zip are all at a relatively early stage of development and may continue to require additional funding to continue operations or to develop their business plans until they become self funding. The Company's negative cash flow and limited cash and working capital restricts the Company's ability to invest significant additional funds in its investee companies in the event they should need additional funding.

Limited Diversification of Investments

Due to the small size of the Company and the fact that it has only a limited number of investments, the Company is subject to a greater risk of a downturn in one or more of its investments. A concentration of the Company's invested funds in the Opus, Zip and Intech businesses means that in the event that any such business or industry or investment is unsuccessful or experiences a downturn, this will likely have a material adverse effect on the Company's business, results from operations, and financial condition. It also means that the Company is more exposed to business cycles than it would be if it owned a larger number of investments which were diversified over various industries with differing business cycles in different geographic areas.

Dependency on Private Company Operations

The Company owns a 17.9% equity interest in Intech which is a private company. Due its minority equity investment, the Company does not have any significant influence over Intech or its operations nor does the Company have the ability to exercise control over Intech.

Industry Risks

Each of the Company's investee companies is subject to the risks inherent in the industry in which it operates. In the case of Intech, the business is very dependant on the continued demand for LCD screens, particularly in China. In the case of Opus and Zip, their businesses are very dependant on the strength of the Korean film industry and their ability to continue to finance and make successful, profitable movies. Illegal piracy of films and illicit internet downloads of films are also risks which will continue to threaten the Korean film industry.

Competition

Intech, Opus and Zip face intense competition in their respective markets, including competition from other companies some of whom have greater financial and other resources, and more advanced technological development. In the case of Opus and Zip, the movie industry is a word-wide industry and films made in Hollywood, India and many other countries compete with Korean films on the worldwide stage for viewership. There can be no assurance that they will be able to successfully compete against their respective competitors or that such competition will not have a material adverse effect on their businesses, financial condition, results of operations and cash flows.

Currency Fluctuations

The Company is exposed to fluctuations in the value of the currencies of the Republic of Korea, the People's Republic of China, the Special Administrative Region of Hong Kong, Canada and the United States.

The Company does not use currency derivatives to hedge against adverse currency fluctuations.

Legal Claims and Other Contigencies

SEGI, and its investee companies may become parties to law suits, claims and litigation arising in the ordinary course of business. Such law suits could result in significant costs and the outcome of such law suits could have a material negative impact on the Company's financial position, operating results, or the Company's ability to continue to carry on its business activities.

Lack of Market for SEGI's Shares

Although the Company's common shares are listed and traded on the TSX Venture Exchange, there may not be a liquid market for the shares and any market price for the shares may not reflect the underlying value of the Company's business and assets.

INTERNAL CONTROLS

Disclosure controls and procedures

Management of the Company is responsible for establishing and maintaining disclosure controls and procedures for the Company as defined under Multilateral Instrument 52-109 issued by the Canadian Securities Administrators. The Company as a venture issuer is not required to certify the design and evaluation of the issuer's disclosure controls and procedures.

Internal controls over financial reporting

Management of the Company is responsible for designing internal controls over financial reporting for the Company as defined under Multilateral Instrument 52-109 issued by the Canadian Securities Administrators. The Company as a venture issuer is not required to certify the design and evaluation of the issuer's disclosure controls and procedures.

ACCOUNTING PRONOUNCEMENTS

Note 2 of the December 31, 2011 audited financial statements of the Company provides an overview of the accounting changes that the Company will be required to adopt in future years.

International Financial Reporting Standards

Note 2 of the December 31, 2011 audited financial statements and the comparative information presented in the financial statements for the year ended December 31, 2010 have been prepared in accordance with IFRS applicable to the presentation of financial statements.

STRATEGY AND FUTURE DIRECTION

The Company's strategy and focus is to (i) identify and acquire small/medium-sized growth companies, primarily in the PRC and the Republic of Korea, that possess proprietary technologies and a track record of profitable operations; (ii) assist the management of each acquired company to enhance its value; (iii) originate collaboration amongst the portfolio of acquired companies to create new opportunities for one another and leverage off each others' capabilities and resources; and (iv) reflect the collective value derived from the performance of the acquired businesses on the share price of the Company.

Moving forward SEGI will continue to work with the managements of Intech, Opus and Zip to enhance the value of their businesses.

SEGI understands that the managements of Opus and Zip have a deeper understanding and knowledge of the specific business and sector in which it operates. Therefore, SEGI plans to actively work with the managements of Opus and Zip to identify particular areas in which the SEGI management can help enhance value. Such areas include:
(1) *Financing Alternatives.* SEGI will provide guidance and support to Opus, and Zip in areas such as corporate finance, mergers, acquisitions, divestitures, capital markets, financial reporting, accounting and treasury operations;(2) *Strategic Guidance.* SEGI will provide strategic guidance to Opus and Zip regarding market positioning, business model development and market trends.(3) *Cross-Border Expansion.* SEGI believes that the multinational business experience of the SEGI management will help Opus and Zip expand their businesses into new markets geographically. The SEGI management will provide regulatory, financial, and operational support in new local markets. (4) *Business Relationships.* SEGI will provide new business relationships to Opus and Zip throughout various parts of the world which may result in potential business opportunities, strategic alliances/partnerships, joint marketing efforts, acquisitions, and other transactions. (5) *Executive Recruiting and Human Resources.* SEGI will assist Opus and Zip in recruiting key executive talent by leveraging the network of contacts of the SEGI management.

The ultimate objective of SEGI will be to reflect the collective value derived from the performances of Intech, Opus and Zip in the share price of SEGI.

OUTSTANDING SHARE DATA

The Company has authorized an unlimited number of common shares and an unlimited number of preference shares issuable in series. As at April 30, 2012, there were outstanding 109,052,132 common shares, options to acquire an additional 1,536,000 common shares and warrants to acquire 937,600 common shares.

OTHER INFORMATION

Additional information related to the Company may be found on SEDAR at www.sedar.com.

April 30, 2012