

Cellular Biomedicine Group, Inc.
Form 10-K/A
August 14, 2013

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K/A

Amendment No. 1

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Fiscal Year Ended December 31, 2011

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from N/A to N/A

Commission File Number: 0-52282

CELLULAR BIOMEDICINE GROUP, INC.
(Exact name of registrant as specified in its charter)

Delaware
State of Incorporation

86-1032927
IRS Employer Identification No.

530 University Avenue, #17
Palo Alto, California, 94301
(Address of principal executive offices)

(650) 566-5064
(Registrant's telephone number)

Securities registered pursuant to Section 12(b) of the Exchange Act:
None

Securities registered pursuant to Section 12(g) of the Exchange Act:
Common Stock, no par value per share

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.
 Yes No

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Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. " Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

| | | | |
|-------------------------|--------------------------|---------------------------|--------------------------|
| Large accelerated filer | <input type="checkbox"/> | Accelerated filer | <input type="checkbox"/> |
| Non-accelerated filer | <input type="checkbox"/> | Smaller reporting company | <input type="checkbox"/> |

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). " Yes No

State the aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was last sold, or the average bid and asked price of such common equity, as of the last business day of the registrant's most recently completed second fiscal quarter – \$11,835,052 as of June 30, 2011.

State the number of shares outstanding of each of the issuer's classes of equity securities, as of the latest practicable date: As of March 27, 2012, there were 156,347,027 shares of common stock, no par value per share issued and outstanding and no preferred stock, no par value per share, issued and outstanding.

Documents Incorporated By Reference –None

EXPLANATORY NOTE

This Amendment No. 1 (this “Amendment”) on Form 10-K/A amends Item 7, Item 9A, Part IV and the consolidated financial statements of the Annual Report on Form 10-K filed by the registrant with the Securities and Exchange Commission (the “SEC”) on March 30, 2012 (the “Original Filing”). This Amendment is being filed with the SEC to correct an error that was identified in the Company’s previously issued financial statements for the fiscal year ended December 31, 2011. The error was discovered by management during the course of its preparation of the Quarterly Report on Form 10-Q for the three months ended June 30, 2013. None of the financial statement errors imply, nor does the correction thereof constitute, an admission or indication of misconduct.

We note that on November 13, 2012, EastBridge Investment Group Corporation (“EastBridge”) and CBMG Acquisition Limited, a British Virgin Islands company and the Company’s wholly-owned subsidiary entered into an Agreement and Plan of Merger (“Merger Agreement”) by and among EastBridge, Merger Sub and Cellular Biomedicine Group Ltd., a British Virgin Islands company (“CBMG BVI”), as amended, pursuant to which the parties agreed to merge, with CBMG BVI as the surviving entity. On February 6, 2013, the Parties executed all documents and filed the Plan of Merger with the registrar of the British Virgin Islands.

Accordingly, all financial data, information and references made herein are to the pre-merger EastBridge entity and solely reflect the operations of such entity as of December 31, 2011.

Except as described above, no other changes have been made to the Original Filing. The Original Filing continues to speak as of the date of the Original Filing, and we have not updated the disclosures contained therein to reflect any events which occurred at a date subsequent to the filing of the Original Filing.

EASTBRIDGE INVESTMENT GROUP CORPORATION
AMENDMENT NO. 1 TO FORM 10-K ANNUAL REPORT
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

TABLE OF CONTENTS

| | PAGE |
|-------------------|---|
| <u>ITEM 7.</u> | <u>MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.</u> 5 |
| <u>ITEM 9A.</u> | <u>CONTROLS AND PROCEDURES</u> 14 |
| <u>ITEM 15.</u> | <u>EXHIBITS AND FINANCIAL STATEMENT SCHEDULES.</u> 16 |
| <u>SIGNATURES</u> | 18 |

[Back to Table of Contents](#)

Cautionary Note Regarding Forward-looking Statements and Risk Factors

This 10-K/A, and any Form 10-K, Form 10-Q or Form 8-K of the Company may contain forward-looking statements which reflect the Company's current views with respect to future events and financial performance. The words "believe," "expect," "anticipate," "intends," "estimate," "forecast," "project," and similar expressions identify forward-looking statements. All statements other than statements of historical fact are statements that could be deemed to be forward-looking statements, including the plans, strategies and objectives of management for future operations; proposed new products, services, developments or industry rankings; future economic conditions or performance; belief; and assumptions underlying any of the foregoing. Such "forward-looking statements" are subject to risks and uncertainties set forth from time to time in the Company's SEC reports and include, among others, the Risk Factors set forth in the Original Filing.

The risks included in our 10-K report (as amended) are not exhaustive. This annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and other documents filed with the SEC include additional factors which could impact the Company's business and financial performance. Moreover, the Company operates in a rapidly changing and competitive environment. New risk factors emerge from time to time and it is not possible for management to predict all such risk factors. Further, it is not possible to assess the impact of all risk factors on the Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.

Readers are cautioned not to place undue reliance on such forward-looking statements as they speak only of the Company's views as of the date the statement was made. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

[Back to Table of Contents](#)

PART II

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following is management's discussion and analysis of certain significant factors that have affected our financial position and operating results during the periods included in the accompanying consolidated financial statements, as well as information relating to the plans of our current management. This report includes forward-looking statements. Generally, the words "believes," "anticipates," "may," "will," "should," "expect," "intend," "estimate," "continue," and similar expressions or the negative thereof or comparable terminology are intended to identify forward-looking statements. Such statements are subject to certain risks and uncertainties, including the matters set forth in this report or other reports or documents we file with the Securities and Exchange Commission from time to time, which could cause actual results or outcomes to differ materially from those projected. Undue reliance should not be placed on these forward-looking statements. We have undertaken and undertake no obligation to update these forward-looking statements.

The following discussion and analysis should be read in conjunction with our consolidated financial statements and the related notes thereto and other financial information contained elsewhere in this Form 10-K, as amended.

Critical Accounting Policies and Estimates

We prepare our consolidated financial statements in accordance with accounting principles generally accepted in the United States of America. The preparation of these financial statements requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Our management periodically evaluates the estimates and judgments made. Management bases its estimates and judgments on historical experience and on various factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates as a result of different assumptions or conditions.

The following summarizes critical estimates made by management in the preparation of the consolidated financial statements.

Stock-Based Compensation

We periodically use stock-based awards, consisting of shares of common stock, to compensate certain officers and consultants. Shares are expensed on a straight line basis over the requisite service period based on the grant date fair value, net of estimated forfeitures, if any. Typically, our awards are fully vested at the date of grant, so forfeitures are not applicable.

Revenue Recognition

We utilize the guidance set forth in the Securities and Exchange Commission's Staff Accounting Bulletin (SAB) No. 104, regarding the recognition, presentation and disclosure of revenue in financial statements. We engage in listing contracts with our clients which provide for the payment of fees, either in cash or equity, upon the achievement of certain milestones by our clients with our assistance, including the successful completion of a financial statement audit, the successful listing on a national stock exchange and the maintenance of ongoing Exchange Act registration requirements with the Securities and Exchange Commission. In some instances, payment may be made in advance of performance; however, such payment is often refundable in the event that milestones are not reached. We recognize revenue on a systematic basis as milestones are reached in accordance with FASB's Accounting Standards

Codification (“ASC”) 605 “Revenue Recognition” Update No. 2009-13. Such guidance stipulates that revenue be recognized for individual elements in a multiple deliverable arrangement using the relative selling price method. We rely on internal estimates of the relative selling price of each element as objective third-party evidence is unattainable.

[Back to Table of Contents](#)

Income Taxes

Income taxes are accounted for using the asset and liability method as prescribed by ASC 740 "Income Taxes". Under this method, deferred income tax assets and liabilities are recognized for the future tax consequences attributable to temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred income tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which these temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. A valuation allowance would be provided for those deferred tax assets for which if it is more likely than not that the related benefit will not be realized.

A full valuation allowance has been established against all net deferred tax assets as of December 31, 2011 based on estimates of recoverability. While we have optimistic plans for our business strategy, we determined that such a valuation allowance was necessary given the current and expected near term losses and the uncertainty with respect to our ability to generate sufficient profits from our business model.

Restatement of Financial Statements

The financial statements in this amendment include adjustments related to the following for the year ended December 31, 2011:

In 2013 the Company discovered that a stock certificate, representing shares of a client, was received in April 2011 but was not recorded in the financial statements of the Company. Our financial statements have been restated to properly present and include the transaction, including but not limited to the fair value presentation. For additional detail, see the notes to the financial statements.

The following sets forth corrections made to our financial statements for the year ended December 31, 2011:

EASTBRIDGE INVESTMENT GROUP CORPORATION
CONSOLIDATED BALANCE SHEETS
As of December 31, 2011

| | As Originally Reported | Restatement Adjustment | As Restated |
|--|------------------------------|---------------------------|-------------|
| Assets | | | |
| Cash | \$602,747 | \$- | \$602,747 |
| Total current assets | 602,747 | - | 602,747 |
| Investments | 942,483 | 100,000 | 1,042,483 |
| Total assets | \$1,545,230 | \$ 100,000 | \$1,645,230 |
| Liabilities and Stockholders' Deficit | | | |
| Liabilities: | | | |
| Accounts payable | \$189,296 | \$- | \$189,296 |
| Disputed accounts payable | 208,350 | - | 208,350 |
| Accrued expenses | 982,003 | - | 982,003 |
| Line of credit | - | - | - |
| Deferred revenue | 376,104 | - | 376,104 |
| Advances payable to related party | 115,133 | - | 115,133 |
| Other current liabilities | 100,000 | - | 100,000 |
| Total current liabilities | 1,970,886 | - | 1,970,886 |
| Total liabilities | 1,970,886 | - | 1,970,886 |
| Stockholders' deficit: | | | |
| Preferred stock series A, no par value, 50,000,000 shares authorized; none issued and outstanding as of December 31, 2011 and 2010, respectively | - | - | - |
| Preferred stock series B, no par value, 50,000,000 shares authorized; none issued and outstanding as of December 31, 2011 and 2010, respectively | - | - | - |
| Common stock, no par value, 300,000,000 shares authorized; 154,590,189 and 148,653,865 issued and outstanding as of December 31, 2011 and 2010, respectively | 6,190,051 | - | 6,190,051 |
| Accumulated deficit | (6,592,860) | 250,000 | (6,342,860) |
| Accumulated other comprehensive loss | (22,847) | (150,000) | (172,847) |
| Total stockholders' deficit | (425,656) | 100,000 | (325,656) |
| Total liabilities and stockholders' deficit | \$1,545,230 | \$ 100,000 | \$1,645,230 |

[Back to Table of Contents](#)

EASTBRIDGE INVESTMENT GROUP CORPORATION

CONSOLIDATED STATEMENT OF OPERATIONS

For the year ended December 31, 2011

| | As Originally Reported | Restatement Adjustment | As Restated |
|---|---------------------------|---------------------------|--------------|
| Revenues | \$35,500 | \$ 250,000 | \$285,500 |
| Cost of services | - | - | - |
| Gross profit | 35,500 | 250,000 | 285,500 |
| Operating expenses: | | | |
| General and administrative | 1,219,882 | - | 1,219,882 |
| Selling and marketing | 102,479 | - | 102,479 |
| Impairment loss on investment | - | - | - |
| Total operating expenses | 1,322,361 | - | 1,322,361 |
| Operating income (loss) | (1,286,861) | 250,000 | (1,036,861) |
| Other income (expense): | | | |
| Interest expense | (9,871) | - | (9,871) |
| Gain (loss) on settlement of debt | 52,688 | - | 52,688 |
| Other income (expense): | 477,630 | - | 477,630 |
| Total other (income) expense | 520,447 | - | 520,447 |
| Loss before taxes, | (766,414) | 250,000 | (516,414) |
| Income tax provision | - | - | - |
| Net loss | \$(766,414) | \$ 250,000 | \$(516,414) |
| Other comprehensive income: | | | |
| Unrecognized loss on investments | (22,847) | (150,000) | (172,847) |
| Comprehensive net loss | \$(789,261) | \$ 100,000 | \$(689,261) |
| Earnings per share: | | | |
| Basic and diluted: | \$(0.01) | \$ - | \$(0.01) |
| Weighted average common shares outstanding: | | | |
| Basic and diluted: | 152,161,350 | - | 152,161,350 |

[Back to Table of Contents](#)

EASTBRIDGE INVESTMENT GROUP CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the year ended December 31, 2011

| | As Originally Reported | Restatement Adjustment | As Restated |
|--|------------------------------|---------------------------|------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | |
| Net loss | \$(766,414) | \$ 250,000 | \$(516,414) |
| Adjustments to reconcile net loss to net cash used in operating activities: | | | |
| Common stock issued for services | 417,598 | - | 417,598 |
| Value of stock received for services | - | (250,000) | (250,000) |
| Loss on the extinguishment of debt | (52,688) | - | (52,688) |
| Value of investment stock exchanged for cash and services | 435,684 | - | 435,684 |
| Changes in operating assets and liabilities: | | | |
| Accounts payables | (108,982) | - | (108,982) |
| Accrued liabilities | 434,435 | - | 434,435 |
| Deferred revenue | 41,233 | - | 41,233 |
| Other current liabilities | (53,000) | - | (53,000) |
| Net cash provided by (used in) operating activities | 347,866 | - | 347,866 |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | | |
| Repayment of line of credit | (18,750) | - | (18,750) |
| Advances from affiliate | 223,733 | - | 223,733 |
| Net cash provided by (used in) financing activities | 204,983 | - | 204,983 |
| INCREASE (DECREASE) IN CASH | 552,849 | - | 552,849 |
| CASH, BEGINNING OF PERIOD | 49,898 | - | 49,898 |
| CASH, END OF PERIOD | \$602,747 | \$- | \$602,747 |
| SUPPLEMENTAL CASH FLOW INFORMATION | | | |
| Interest paid | \$6,532 | \$- | \$6,532 |
| Taxes paid | \$- | \$- | \$- |
| Issuance of company stock for accrued liabilities | \$7,071 | \$- | \$7,071 |
| Debt extinguished with issuance of company stock | \$152,900 | \$- | \$152,900 |

[Back to Table of Contents](#)

Statement of Operations Data

| | December 31, | |
|------------------------------|--------------------|--------------|
| | 2011 (restated) | 2010 |
| Revenues | \$285,500 | \$1,741,682 |
| Operating and Other Expenses | (801,914) | (1,916,636) |
| Net Loss | \$(516,414) | \$(174,954) |

Balance Sheet Data:

| | December 31, | |
|-------------------------------|--------------------|-------------|
| | 2011 (restated) | 2010 |
| Current Assets | \$602,747 | \$49,898 |
| Total Assets | 1,645,230 | 1,663,980 |
| Current Liabilities | 1,970,886 | 1,605,117 |
| Non Current Liabilities | - | - |
| Total Liabilities | 1,970,886 | 1,605,117 |
| Working Capital (Deficit) | (1,368,139) | (1,555,219) |
| Shareholders'Equity (Deficit) | \$(325,656) | \$58,863 |

Fiscal Year Ended December 31, 2011, Compared to Fiscal Year Ended December 31, 2010

Results of Operations

Revenues

| Year Ended December 31, | Revenues | Change from Prior Year | Percent Change from Prior Year |
|-------------------------|--------------|---------------------------|---|
| 2011 (restated) | \$ 285,500 | \$ (1,456,182) | (83.6)% |
| 2010 | \$ 1,741,682 | | |

The Company received shares of a client in exchange for services rendered that resulted in \$250,000 in revenue, with the other revenue of \$35,500 from cash received for services rendered. Revenues in fiscal 2011 decreased by approximately \$1,456,000, due primarily to timing of specific listing agreements. Many of our agreements generally stipulate that the fees paid to us are dependent upon the successful listing of the client on a U.S. stock exchange or other market. The Company recognized revenue in 2010 based on receipt of shares in clients per an agreement that was not dependent on successful listing.

General and Administrative Expenses

| Year Ended December 31, | General and Administrative Expenses | Change from Prior Year | Percent Change from Prior Year |
|-------------------------|---|------------------------------|---|
| | | | |

| | | | | | |
|------|----|-----------|----|-----------|--------|
| 2011 | \$ | 1,219,882 | \$ | (108,461) | (8.2)% |
| 2010 | \$ | 1,328,343 | | | |

[Back to Table of Contents](#)

General and administrative expenses decreased in fiscal 2011 as compared to fiscal 2010 due to the following:

a decrease in accounting and legal fees of our clients of approximately \$101,000 (we agreed to cover these professional fees for our clients under certain of these agreements),

a decrease in consulting fees of approximately \$122,000 (we agreed to cover non-legal and non-accounting professional fees for our clients under certain of these agreements),

an increase in payroll tax expense of \$94,000 as the Company has accrued for a potential liability from an IRS review,

an increase in rent expense of approximately \$7,400, as we entered into an agreement to provide living quarters in Beijing, and

an increase of other general and administrative fees of approximately \$13,100.

Sales and Marketing Expenses

| Year Ended December 31, | Sales & Marketing Expenses | Change from Prior Year | Percent Change from Prior Year |
|-------------------------|----------------------------|------------------------|--------------------------------|
| 2011 | \$ 102,479 | \$ 245 | 0.2% |
| 2010 | \$ 102,234 | | |

Sales and marketing expenses increased in fiscal 2011 as compared to fiscal 2010 due to other marketing related expenses of approximately \$30,500 offset by decreased travel expenses of approximately \$30,300.

Operating Loss

| Year Ended December 31, | Operating Loss | Change from Prior Year | Percent Change from Prior Year |
|-------------------------|----------------|------------------------|--------------------------------|
| 2011 (restated) | \$ (1,036,861) | \$ (1,347,965) | (433.3)% |
| 2010 | \$ 311,104 | | |

The decrease in our operating loss for fiscal 2011 as compared to fiscal 2010 is primarily due to changes in revenues, sales and marketing expenses and general and administrative expenses, each of which is described above.

Total Other Income (Expense)

| Year Ended December 31, | Total Other Income | Change from Prior Year | Percent Change |
|-------------------------|--------------------|------------------------|----------------|
|-------------------------|--------------------|------------------------|----------------|

| | (Expense) | | from Prior Year |
|------|--------------|----------------|--------------------|
| 2011 | \$ (520,447) | \$ (1,006,506) | (207.1)% |
| 2010 | \$ 486,059 | | |

Back to Table of Contents

Other income (expense) decreased in fiscal 2011 as compared to fiscal 2010 due to the following:

an increase in gain from the sale or exchange of investments of approximately \$477,600,

an increase from the extinguishment of debt of approximately \$529,700, and

a decrease of interest income of approximately \$800.

Income Tax Provision (Benefit)

| Year Ended December 31, | Income Tax Provision (Benefit) | Change from Prior Year | Percent Change from Prior Year |
|-------------------------|---|------------------------------|---|
| 2011 | \$ - | \$ - | 0.0% |
| 2010 | \$ - | | |

While we have optimistic plans for our business strategy, we determined that a valuation allowance was necessary given the current and expected near term losses and the uncertainty with respect to our ability to generate sufficient profits from our business model. Accordingly, we established a valuation allowance for all deferred tax assets.

Net Loss

| Year Ended December 31, | Net Loss | Change from Prior Year | Percent Change from Prior Year |
|-------------------------|--------------|---------------------------|---|
| 2011 (restated) | \$ (516,414) | \$ (341,459) | 195.2% |
| 2010 | \$ (174,954) | | |

[Back to Table of Contents](#)

Changes in net loss are primarily attributable to changes in operating income, other income (expense) and income tax provision (benefit), each of which is described above.

Comprehensive Net Income (Loss)

| Year Ended December 31, | Comprehensive Net Income (Loss) | Change from Prior Year | Percent Change from Prior Year |
|-------------------------|---------------------------------------|---------------------------|---|
| 2011 (restated) | \$ (689,261) | \$ (514,307) | 294.0 % |
| 2010 | \$ (174,954) | | |

Comprehensive net income (loss) increased in fiscal 2011 as compared to fiscal 2010 due to an unrecognized loss on investments of \$172,847 as of December 31, 2011, compared to the \$0 as of December 31, 2010 combined with the changes in net income.

LIQUIDITY AND CAPITAL RESOURCES

Net cash provided by or (used in) operating activities is \$347,866 and \$(90,211) for the years ended December 31, 2011 and 2010 respectively. The increase is mainly attributable to the increase in our payables and decrease in operating expenses combined with the non-cash gain on extinguishment of debt offset by the value of stock received for services.

Our primary source of cash inflows has historically been from listing agreement clients. In 2010 we received an advance payment of shares of a client that is expected to be completed in the first half of 2011. In 2011 we sold some of the shares of a client received in 2010. As of December 31, 2011, no single clients accounted for greater than 10% of accounts receivable as part of the agreements require deposits in advance rather than billing after the fact.

Cash provided by (used in) financing activities was \$204,983 and \$(22,500) in the years ended December 31, 2011 and 2010, respectively. The increase is due to repayment of \$18,750 of the lending from a local bank of \$100,000 received in 2008, advances from our Chief Executive Officer of \$23,588, advances from our Chief Financial Officer of \$2,445 and advances from other affiliates in the amount of \$197,700.

We had working capital of \$(1,368,139) as of December 31, 2011 compared to \$(1,555,219) as of December 31, 2010. Our cash position increased to \$602,747 at December 31, 2011 compared to \$49,898 at December 31, 2010, as we had an increase in cash flows from operations, together with an increase in cash flows from investing activities.

Our monthly cash requirement amount is approximately \$15,000. For the year ended December 31, 2010, we have received shares of stock in two clients for services provided with a value of \$1,614,082. During 2010, we did not sell any shares of common stock for cash consideration. During the year ended December 31, 2011, we had sold shares of stock in a client with an original value of approximately \$374,200 for a gain of approximately \$268,800 for cash.

In the past we have received cash through loans extended by our management to the Company and through sales of shares of common stock to individual investors. As we are a consulting company with no proprietary technology it is doubtful we will obtain capital from institutional or other sources and will need to rely on our officers for cash infusions. As much of our revenue will come through sales of equity in our clients it may be several months until we obtain positive cash flows as this will occur only if and when our clients have registration statements cleared by the SEC which include our shares of common stock and they become listed on U.S. stock exchanges or over-the-counter

markets.

13

[Back to Table of Contents](#)

ITEM CONTROLS AND PROCEDURES

9A.

Evaluation of Disclosure Controls and Procedures

We carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of our disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)). Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of the end of the period covered in this report, our disclosure controls and procedures were effective to ensure that information required to be disclosed in reports filed under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the required time periods and is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

Management's Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is defined in Rules 13a-15(f) and 15d-15(f) promulgated under the Exchange Act, as amended, as a process designed by, or under the supervision of, our Chief Executive Officer and Chief Financial Officer, and effected by our board of directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles in the United States and includes those policies and procedures that:

Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect our transactions and any disposition of our assets;

Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that our receipts and expenditures are being made only in accordance with authorizations of our management and directors; and

Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control over financial reporting, that is less severe than a material weakness, yet important enough to merit attention by those responsible for oversight of the registrant's financial reporting. Our management assessed the effectiveness of our internal control over financial reporting as of December 31, 2011. In making this assessment, our management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control-Integrated Framework. Based on this evaluation, our management identified the following significant deficiencies:

Significant Deficiencies –

FAILURE TO RECONCILE STOCK CERTIFICATES

Management became aware of an accounting error, whereby the Company failed to record revenue in the form of securities received by the Company as compensation for consulting services performed that it rendered to its client,

Alpha Lujo. This recording error resulted from the inadequacy of a controls and procedures relating to the reconciliation of securities represented by stock certificates received as compensation under consulting agreements. Specifically, in the second quarter of 2011, Alpha Lujo issued the Company a stock certificate representing its shares, but the Company inadvertently failed to register the receipt of these shares, resulting in a significant understatement of revenue in that quarter.

[Back to Table of Contents](#)

In our efforts to continuously improve our internal controls, management has taken steps to implement the following additional monitoring controls and procedures, as part of our remediation efforts in addressing the significant deficiency noted above:

- a. We have instituted a procedure under which all stock certificates received by the Company shall be photocopied, and a copy provided to internal and external accounting personnel, promptly upon the receipt of the same, and before deposit of the original into a safe deposit box.
- b. We have instituted a procedure in which a quarterly physical inventory of stock certificates held in the safe deposit box is performed. Where stock is held off-site by third parties, a confirmation is provided quarterly from the third party with documentation of the number of shares held in the Company's name.
 - c. We have instituted a policy under which a Company representative corresponds with the transfer agents of portfolio companies in which the Company is a shareholder, to improve communication and further reduce the likelihood of securities being issued to the Company without proper recognition of related revenue.
- d. Our management now maintains a schedule of anticipated intake of securities based upon consulting arrangements made between the Company and its clients, providing management with another means of being forewarned of the issuance of securities to the Company's name.

LACK OF INDEPENDENT BOARD OF DIRECTORS AND AUDIT COMMITTEE

Management is aware that during 2011 an audit committee composed of independent members along with a qualified audit committee financial expert had not yet been established. Considering the costs associated with procuring and providing the infrastructure to support an independent audit committee and the limited number of transactions, management concluded that the risks associated with the lack of an independent audit committee were not justified. Management will periodically reevaluate this situation.

LACK OF SEGREGATION OF DUTIES

Management is aware that during 2011 there was a lack of segregation of duties at the Company due to the small number of employees dealing with general administrative and financial matters. However, management decided that considering the abilities of the employees then involved and the control procedures in place, the risks associated with such lack of segregation were low and the potential benefits of adding employees to clearly segregate duties did not justify the substantial expenses associated with such increases. Management will periodically reevaluate this situation.

It should be noted that any system of controls, however well designed and operated, can provide only reasonable and not absolute assurance that the objectives of the system are met. In addition, the design of any control system is based in part upon certain assumptions about the likelihood of certain events. Because of these and other inherent limitations of control systems, there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions, regardless of how remote.

This annual report does not include an attestation report of the Company's registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by the Company's registered public accounting firm pursuant to a permanent exemption of the Securities and Exchange Commission that permit the Company to provide only management's report in this annual report. Accordingly, our management's assessment of the effectiveness of our internal control over financial reporting as of December 31, 2011 has not been audited by our auditors, Tarvaran & Askelson or any other independent registered accounting firm.

[Back to Table of Contents](#)

PART IV

ITEM EXHIBITS AND FINANCIAL STATEMENT SCHEDULES.

15.

Exhibits

Exhibit

Number Description

| | |
|-------|--|
| 2.1 | Plan of reorganization and exchange agreement 1 |
| 3.1 | Articles of incorporation of EastBridge Investment Group Corporation 1 |
| 3.1.2 | Articles of incorporation of EastBridge Investment Group Corporation, as amended 1 |
| 3.2 | Corporate bylaws for EastBridge Investment Group Corporation 1 |
| 4.1 | Form of stock lock-up agreement 1 |
| 4.2 | 2007 Stock Incentive Plan, dated June 14, 2007 3 |
| 4.3 | 2008 Employees and Consultants Stock Option Plan, dated August 20, 2008 8 |
| 4.4 | 2009 Stock Option Plan 10 |
| 10.1 | Consulting Employment Agreement between EastBridge Investment Group Corporation and Keith Wong dated June 1, 2005 1 |
| 10.2 | Consulting Employment Agreement between EastBridge Investment Group Corporation and Norm Klein dated June 1, 2005 1 |
| 10.3 | Translated Listing Agreement signed with Amonics Limited (signed on 11-23-2006) 2 |
| 10.4 | Translated Listing Agreement signed with Tianjin Hui Hong Heavy Steel Construction Co., Ltd (signed on 12-03-2006) 2 |
| 10.5 | Translated Listing Agreement signed with NingGuo Shunchang Machinery Co., Ltd (signed on 01-06-2007) 2 |
| 10.6 | Translated Listing Agreement with Hefe Ginko Real Estate Company, Ltd. (signed on 07-24-2007) 4 |
| 10.7 | Share Exchange Agreement with AREM Wine Pty, Ltd. (signed on 09-21-2007) 5 |
| 10.8 | Listing and Consultant Agreement with AREM Wine Pty, Ltd. (signed 09-27-2007) 6 |
| 10.9 | Translated Listing Agreement with Beijing Zhong Zhe Huang Holding Company, Ltd. (signed on 10-04-2007) 7 |
| 10.10 | Translated Listing Agreement with Qinhuangdao Huangwei Pharmaceutical Company Limited (signed on 12-29-2007) 12 |
| 10.11 | Translated US Listing Agreement with Anhui Wenda Educational & Investment Management Corporation (signed on 04-12-2008) 12 |
| 10.12 | Stock Purchase Agreement with Ji-Bo Pipes & Valves Company, dated September 21, 2008 9 |
| 10.13 | Stock Purchase Agreement with Aoxing Corporation, dated September 21, 2008 9 |
| 10.14 | Translated US Listing Agreement with Foshan Jinkuizi Technology Limited Company (signed on 09-22-2008)12 |
| 10.15 | |

| | |
|-------|---|
| | Letter Agreement with Alpha Green Energy Limited (signed on 02-18-2009)12 |
| 10.16 | Listing Agreement with AREM Pacific Corporation (signed on 04-30-2009)12 |
| 10.17 | Change in Terms Agreement between EastBridge Investment Group Corporation and Goldwater Bank, N.A. dated May 6, 2009 12 |
| 10.18 | Translated Listing Agreement with SuZhou KaiDa Road Pavement Construction Company Limited (signed on 11-03-2009)12 |
| 10.19 | Translated Listing Agreement with Long Whole Enterprises, Ltd. (signed on 11-28-2009)12 |
| 10.20 | Translated Listing Agreement with Beijing Tsingda Century Education Investment and Consultancy Limited (signed on 12-24-2009)12 |
| 10.21 | Translated Listing Agreement with StrayArrow International Limited (dated 4-11-2010)13 |
| 10.22 | Translated Listing Agreement with Hangzhou Dwarf Technology Ltd. (dated 9-26-2010)14 |
| 10.23 | Bridge Capital Raise Agreement with FIZZA, LLC, dated December 1, 2010 (confidential treatment requested for redacted portions)15 |
| 14.1 | Code of Ethics for EastBridge Investment Group Corporation 1 |
| 16.1 | Letter of Jewett, Schwartz, Wolfe & Associates 11 |

[Back to Table of Contents](#)

| | |
|------|--|
| 21.1 | Subsidiaries of the Company 12 |
| 23.1 | Consent of Tarvavan, Askelson & Company, LLP |
| 31.1 | Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 - Chief Executive Officer, filed herewith. |
| 31.2 | Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 - Chief Financial Officer, filed herewith. |
| 32 | Certifications Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, filed herewith. |

-
1. Incorporated by reference filed with the Registration Statement on Form 10-SB filed with the Securities and Exchange Commission on October 30, 2006 (File No. 000-52282)
 2. Incorporated by reference filed with the Registration Statement on Form 10-SB/A filed with the Securities and Exchange Commission on February 27, 2007 (File No. 000-52282)
 3. Incorporated by reference filed with the Registration Statement on Form S-8 filed with the Securities and Exchange Commission on June 19, 2007 (File No. 333-143878)
 4. Incorporated by reference filed with the Form 8-K filed with the Securities and Exchange Commission on July 20, 2007 (File No. 000-52282)
 5. Incorporated by reference filed with the Form 8-K filed with the Securities and Exchange Commission on September 25, 2007 (File No. 000-52282)
 6. Incorporated by reference filed with the Form 8-K filed with the Securities and Exchange Commission on October 1, 2007 (File No. 000-52282)
 7. Incorporated by reference filed with the Form 8-K filed with the Securities and Exchange Commission on October 9, 2007 (File No. 000-52282)
 8. Incorporated by reference filed with the Registration Statement on Form S-8 filed with the Securities and Exchange Commission on August 22, 2008 (File No. 333-153129)
 9. Incorporated by reference filed with the Form 8-K filed with the Securities and Exchange Commission on October 22, 2008 (File No. 000-52282)
 10. Incorporated by reference filed with the Registration Statement on Form S-8 filed with the Securities and Exchange Commission on April 15, 2009 (File No. 333-158583)
 11. Incorporated by reference filed with the Form 8-K/A filed with the Securities and Exchange Commission on May 18, 2009 (File No. 000-52282)
 12. Incorporated by reference filed with the Form 10-K filed with the Securities and Exchange Commission on April 15, 2010 (File No. 000-52282)

13. Incorporated by reference filed with the Form 8-K filed with the Securities and Exchange Commission on July 14, 2010 (File No. 000-52282)
14. Incorporated by reference filed with the Form 8-K filed with the Securities and Exchange Commission on November 12, 2010 (File No. 000-52282)
15. Incorporated by reference filed with the Form 8-K filed with the Securities and Exchange Commission on December 7, 2010 (File No. 000-52282)

17

[Back to Table of Contents](#)

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, there unto duly authorized.

Cellular Biomedicine Group, Inc.

Date: August 13, 2013

By: /s/ Wen Tao (Steve) Liu
Wen Tao (Steve) Liu
Chairman, Chief Executive
Officer (Principal Executive
Officer)

Date: August 13, 2013

By: /s/ Andrew Chan
Andrew Chan
Chief Financial Officer and
Secretary
(Principal Financial and
Accounting Officer)

EASTBRIDGE INVESTMENT GROUP CORPORATION

TABLE OF CONTENTS

| | Page |
|---|------|
| <u>REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM</u> | F-2 |
| <u>CONSOLIDATED FINANCIAL STATEMENTS:</u> | |
| <u>Consolidated Balance Sheet at December 31, 2011 and 2010</u> | F-3 |
| <u>Consolidated Statements of Operations for the years ended December 31, 2011 and 2010</u> | F-4 |
| <u>Consolidated Statements of Shareholders' Equity for the years ended December 31, 2011 and 2010</u> | F-5 |
| <u>Consolidated Statements of Cash Flows for the years ended December 31, 2011 and 2010</u> | F-6 |
| <u>NOTES TO CONSOLIDATED FINANCIAL STATEMENTS</u> | F-7 |

F-1

[Back to Table of Contents](#)

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders
of Cellular Biomedicine Group, Inc. (formerly known as EastBridge Investment Group Corporation)
Palo Alto, California

We have audited the accompanying consolidated balance sheets of Cellular Biomedicine Group, Inc. (formerly known as EastBridge Investment Group Corporation) (Company) and subsidiaries as of December 31, 2012 and 2011, and the related consolidated statements of income, stockholders' equity (deficit), and cash flows for the years then ended. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Cellular Biomedicine Group, Inc. (formerly known as EastBridge Investment Group Corporation) as of December 31, 2012 and 2011, and the results of their operations and their cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 3, the consolidated financial statements for the years ended December 31, 2012 and 2011 have been restated.

/s/ Tarvaran Askelson & Company, LLP

Dana Point, California
March 29, 2013, except for note 3, 4 and 9 as to
which the date is August 13, 2013.

[Back to Table of Contents](#)

EASTBRIDGE INVESTMENT GROUP CORPORATION
CONSOLIDATED BALANCE SHEETS

| | December 31, 2011 2010 (Restated see note 4) | |
|--|--|--------------|
| Assets | | |
| Cash | \$ 602,747 | \$ 49,898 |
| Total current assets | 602,747 | 49,898 |
| Investments | 1,042,483 | 1,614,082 |
| Total assets | \$ 1,645,230 | \$ 1,663,980 |
| Liabilities and Stockholders' Deficit | | |
| Liabilities: | | |
| Accounts payable | \$ 189,296 | \$ 298,278 |
| Disputed accounts payable | 208,350 | 213,799 |
| Accrued expenses | 982,003 | 542,119 |
| Line of credit | - | 18,750 |
| Deferred revenue | 376,104 | 334,871 |
| Advances payable to related party | 115,133 | 44,300 |
| Other current liabilities | 100,000 | 153,000 |
| Total current liabilities | 1,970,886 | 1,605,117 |
| Total liabilities | 1,970,886 | 1,605,117 |
| Stockholders' deficit: | | |
| Preferred stock series A, no par value, 50,000,000 shares authorized; none issued and outstanding as of December 31, 2011 and 2010, respectively | - | - |
| Preferred stock series B, no par value, 50,000,000 shares authorized; none issued and outstanding as of December 31, 2011 and 2010, respectively | - | - |
| Common stock, no par value, 300,000,000 shares authorized; 154,590,189 and 148,653,865 issued and outstanding as of December 31, 2011 and 2010, respectively | 6,190,051 | 5,672,241 |
| Accumulated deficit | (6,342,860) | (5,613,378) |
| Accumulated other comprehensive loss | (172,847) | - |
| Total stockholders' deficit | (325,656) | 58,863 |
| Total liabilities and stockholders' deficit | \$ 1,645,230 | \$ 1,663,980 |

The accompanying notes are an integral part of these consolidated financial statements.

F-3

[Back to Table of Contents](#)

EASTBRIDGE INVESTMENT GROUP CORPORATION
CONSOLIDATED STATEMENT OF OPERATIONS

| | Year ended December 31, | |
|---|----------------------------|--------------|
| | 2011 | 2010 |
| | (Restated see note 4) | |
| Revenues | \$285,500 | \$1,741,682 |
| Cost of services | - | - |
| Gross profit | 285,500 | 1,741,682 |
| Operating expenses: | | |
| General and administrative | 1,219,882 | 1,328,343 |
| Selling and marketing | 102,479 | 102,234 |
| Total operating expenses | 1,322,361 | 1,430,577 |
| Operating income (loss) | (1,036,861) | 311,105 |
| Other income (expense): | | |
| Interest expense | (9,871) | (486,059) |
| Gain (loss) on settlement of debt | 52,688 | - |
| Other income (expense): | 477,630 | - |
| Total other (income) expense | 520,447 | (486,059) |
| Loss before taxes, | (516,414) | (174,954) |
| Income tax provision | - | - |
| Net loss | \$(516,414) | \$(174,954) |
| Other comprehensive income: | | |
| Unrecognized loss on investments | (172,847) | - |
| Comprehensive net loss | \$(689,261) | \$(174,954) |
| Earnings per share: | | |
| Basic and diluted: | \$(0.00) | \$(0.00) |
| Weighted average common shares outstanding: | | |
| Basic and diluted: | 152,161,350 | 146,351,388 |

The accompanying notes are an integral part of these consolidated financial statements.

[Back to Table of Contents](#)

EASTBRIDGE INVESTMENT GROUP CORPORATION
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

| | Common Stock | | Preferred Stock | | Accumulated Other Comprehensive Income | | Retained Earnings (Deficit) | Total | |
|---|--------------|--------------|--------------------|--------------------|--|--------|-----------------------------|----------------|--------------|
| | Shares | Amount | Preferred A Shares | Preferred B Amount | Income | (Loss) | | | |
| Balance at December 31, 2009 | 140,377,339 | \$ 4,560,350 | - | \$ - | - | \$ - | \$ - | \$ (5,438,424) | \$ (878,074) |
| Common stock issued to officers | 1,244,421 | 161,775 | - | - | - | - | - | - | 161,775 |
| Common stock issued for debt | 3,100,000 | 527,000 | - | - | - | - | - | - | 527,000 |
| Common stock issued to services | 3,932,105 | 423,116 | - | - | - | - | - | - | 423,116 |
| Net loss | - | - | - | - | - | - | - | (174,954) | (174,954) |
| Balance at December 31, 2010 | 148,653,865 | 5,672,241 | - | - | - | - | - | (5,613,378) | 58,863 |
| Common stock issued for debt | 1,431,600 | 100,212 | - | - | - | - | - | - | 100,212 |
| Common stock issued to services | 4,504,724 | 417,598 | - | - | - | - | - | - | 417,598 |
| Stock dividend issued | - | - | - | - | - | - | - | (213,068) | (213,068) |
| Unrecognized loss on investments (restated) | - | - | - | - | - | - | (172,847) | - | (172,847) |
| Net loss (restated) | - | - | - | - | - | - | - | (516,414) | (516,414) |

| | | | | | | | | | |
|------------------------------------|-------------|--------------|---|------|---|------|--------------|----------------|--------------|
| Balance at December 31, 2011 | 154,590,189 | \$ 6,190,051 | - | \$ - | - | \$ - | \$ (172,847) | \$ (6,342,860) | \$ (325,656) |
|------------------------------------|-------------|--------------|---|------|---|------|--------------|----------------|--------------|

The accompanying notes are an integral part of these consolidated financial statements.

F-5

[Back to Table of Contents](#)

EASTBRIDGE INVESTMENT GROUP CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS

| | Year ended December 31, | |
|--|--------------------------|-------------------|
| | 2011 | 2010 |
| | (Restated see note 4) | |
| CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| Net loss | \$(516,414) | \$(174,954) |
| Adjustments to reconcile net loss to net cash used in operating activities: | | |
| Common stock issued for services | 417,598 | 584,890 |
| Value of stock received for services | (250,000) | (1,614,082) |
| Loss on the extinguishment of debt | (52,688) | 476,961 |
| Value of investment stock exchanged for cash and services | 435,684 | - |
| Changes in operating assets and liabilities: | | |
| Advances receivable from related party | - | 23,322 |
| Accounts payables | (108,982) | 178,291 |
| Accrued liabilities | 434,435 | 250,761 |
| Deferred revenue | 41,233 | 131,600 |
| Other current liabilities | (53,000) | 53,000 |
| Net cash provided by (used in) operating activities | 347,866 | (90,211) |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | |
| Repayment of line of credit | (18,750) | (45,000) |
| Advances from affiliate | 223,733 | 22,500 |
| Net cash provided by (used in) financing activities | 204,983 | (22,500) |
| INCREASE (DECREASE) IN CASH | 552,849 | (112,711) |
| CASH, BEGINNING OF PERIOD | 49,898 | 162,609 |
| CASH, END OF PERIOD | \$602,747 | \$49,898 |
| SUPPLEMENTAL CASH FLOW INFORMATION | | |
| Interest paid | \$6,532 | \$- |
| Taxes paid | \$- | \$9,098 |
| Issuance of company stock for accrued liabilities | \$7,071 | \$- |
| Debt extinguished with issuance of company stock | \$152,900 | \$75,619 |

The accompanying notes are an integral part of these consolidated financial statements.

[Back to Table of Contents](#)

EASTBRIDGE INVESTMENT GROUP CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

NOTE 1 – DESCRIPTION OF BUSINESS

EastBridge Investment Group Corporation (formally ATC Technology Corporation) (“EastBridge” or the “Company”) was incorporated in the State of Arizona on June 25, 2001. The Company’s principal activity up through June 30, 2005 was to manufacture mobile entertainment products that provide a means to play video game consoles made by Sony, Microsoft and Nintendo, in the car, RV, SUV, van or boat with attachable viewing monitors.

In 2005, EastBridge decided to exit the mobile video game market and dedicate its activities to providing investment related services in Asia, with a strong focus on the high GDP growth countries, such as China. EastBridge is initially concentrating its efforts in the Far East (Hong Kong, mainland China, Australia) and in the United States. The Company provides consulting services to provide viable corporate infrastructure necessary for small to medium-size companies to obtain capital to grow their business. EastBridge structures its clients as joint ventures, wholly owned foreign enterprises, or guaranteed return ventures, and assists in locating investment banking, financial advisory and other financial services to assist the client to become a public company in the United States or obtain joint venture partners or direct capital to grow its business. EastBridge locates consultants which assist with marketing, sales and strategic planning services for its clients to prepare them to enter the United States capital market.

EastBridge is solely concentrated in marketing consulting services to the many small to mid-size Asian and U.S. companies that require financial services to assist them in expanding in their local markets. EastBridge had twelve (12) clients as of December 31, 2011 that it is consulting with in becoming public companies, reporting pursuant to the Securities Exchange Act of 1934, as amended, in the United States and obtaining listings for their stock on a U.S. stock exchange or over-the-counter market or in finding joint venture partners or broker-dealers and/or investment bankers to help them raise capital to expand their businesses.

In January 2007, the Company formed Fiber One Limited (“Fiber One”) in Hong Kong as a wholly owned subsidiary of EastBridge to provide calibration and maintenance services to fiber optic companies in Asia, mainly in China and Japan. On June 11, 2007, the Company distributed 5.0% of Fiber One's stock to its shareholders of record on June 11, 2007. Accordingly, the results of Fiber One have been consolidated with those of EastBridge’s from the date of formation of Fiber One. In December 2008, the Company discontinued operations of Fiber One and two other subsidiaries. Accordingly, all results associated with these entities have been retroactively restated and reflected as discontinued operations in the accompanying consolidated statements of operations.

EastBridge has formed other subsidiaries to facilitate its clients’ entry into the US capital markets and intends to merge these subsidiaries with the operating entities of its clients in the future. Unless otherwise noted, all such subsidiaries are inactive.

NOTE 2 – GOING CONCERN

As indicated in the accompanying financial statements, the Company has incurred cumulative net operating losses of \$6,592,860 since inception. The Company places no assurance on the on going operations of its new subsidiaries. So far, most of the working capital has been provided by the Company's management team members. They have done so since EastBridge's inception and have indicated their continued support for EastBridge; however, there is no assurance that additional funds will be advanced. These matters raise substantial doubt about the Company’s ability to continue as a going concern. The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. These financial

statements do not include any adjustments relating to the recovery of the recorded assets or the classification of the liabilities that might be necessary should the Company be unable to continue as a going concern.

F-7

[Back to Table of Contents](#)

These factors raise substantial doubt about the ability of the Company to continue as a going concern. Management plans to successfully achieve milestones in the near future with respect to the Company's client engagements which will provide them with some liquidity; however, there is no assurance that the Company will be successful.

The Company's ability to meet its obligations and continue as a going concern is dependent upon its ability to obtain additional financing, achievement of profitable operations and/or ability to achieve client listing obligations. Although the Company plans to pursue additional financing, there can be no assurance that the Company will be able to secure financing when needed or to obtain such financing on terms satisfactory to the Company, if at all.

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Company prepares its financial statements in accordance with accounting principles generally accepted in the United States of America. Significant accounting policies are as follows:

Principles of Consolidation

We prepare our consolidated financial statements in accordance with accounting principles generally accepted in the United States of America.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements.

These estimates and assumptions also affect the reported amounts of revenues, costs and expenses during the reporting period. Management evaluates these estimates and assumptions on a regular basis. Actual results could differ from those estimates.

Revenue Recognition

The Company utilizes the guidance set forth in the Securities and Exchange Commission's Staff Accounting Bulletin (SAB) No. 104, regarding the recognition, presentation and disclosure of revenue in its financial statements. The Company engages in listing contracts with its clients which provide for the payment of fees, either in cash or equity, upon the achievement of certain milestones including the successful completion of a financial statement audit, the successful listing on a national stock exchange and the maintenance of ongoing 1934 Act registration requirements with the Securities and Exchange Commission. In some instances, payment may be made in advance of performance; however, such payment is often refundable in the event that milestones are not reached. The Company recognizes revenue on a systematic basis as milestones are reached in accordance with FASB's Accounting Standards Codification ("ASC") 605 "Revenue Recognition" Update No. 2009-13. Such guidance stipulates that revenue be recognized for individual elements in a multiple deliverable arrangement using the relative selling price method. The Company relies on internal estimates of the relative selling price of each element as objective third-party evidence is unattainable.

Cash and Cash Equivalents

The Company considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. At December 31, 2011 and 2010, respectively, cash and cash equivalents include cash on hand and cash in the bank. At times, cash deposits may exceed government-insured limits.

F-8

[Back to Table of Contents](#)

Income Taxes

Income taxes are accounted for using the asset and liability method as prescribed by ASC 740 "Income Taxes". Under this method, deferred income tax assets and liabilities are recognized for the future tax consequences attributable to temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred income tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which these temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. A valuation allowance would be provided for those deferred tax assets if it is more likely than not that the related benefit will not be realized.

A full valuation allowance has been established against all net deferred tax assets as of December 31, 2011 based on estimates of recoverability. While the Company has optimistic plans for its business strategy, we determined that such a valuation allowance was necessary given the current and expected near term losses and the uncertainty with respect to the Company's ability to generate sufficient profits from its business model.

Share-Based Compensation

The Company periodically uses stock-based awards, consisting of shares of common stock, to compensate certain officers and consultants. Shares are expensed on a straight line basis over the requisite service period based on the grant date fair value, net of estimated forfeitures, if any. Typically, stock awards are fully vested at the date of grant, so forfeitures are not applicable.

Basic and Diluted Net Loss Per Share

Net loss per share was computed by dividing the net loss by the weighted average number of common shares outstanding during the period. The weighted average number of shares was calculated by taking the number of shares outstanding and weighing them by the amount of time that they were outstanding. Diluted net loss per share for the Company is the same as basic net loss per share, as the inclusion of common stock equivalents would be anti-dilutive.

Fair Value of Financial Instruments

Under the FASB's authoritative guidance on fair value measurements, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In determining the fair value, the Company uses various methods including market, income and cost approaches. Based on these approaches, the Company often utilizes certain assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and the risks inherent in the inputs to the valuation technique. These inputs can be readily observable, market corroborated or generally unobservable inputs. The Company uses valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. Based on observability of the inputs used in the valuation techniques, the Company is required to provide the following information according to the fair value hierarchy. The fair value hierarchy ranks the quality and reliability of the information used to determine fair values. Financial assets and liabilities carried at fair value are classified and disclosed in one of the following three categories:

Level 1: Valuations for assets and liabilities traded in active exchange markets. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.

Level 2: Valuations for assets and liabilities traded in less active dealer or broker markets. Valuations are obtained from third party pricing services for identical or similar assets or liabilities.

Level 3: Valuations for assets and liabilities that are derived from other valuation methodologies, including option pricing models, discounted cash flow models and similar techniques, and not based on market exchange, dealer or broker traded transactions. Level 3 valuations incorporate certain unobservable assumptions and projections in determining the fair value assigned to such assets.

F-9

[Back to Table of Contents](#)

All transfers between fair value hierarchy levels are recognized by the Company at the end of each reporting period. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment. The inputs or methodology used for valuing financial instruments are not necessarily an indication of the risks associated with investment in those instruments.

The following is a description of the valuation methodologies used for instruments measured at fair value:

Investments

The fair value of "investments" is dependent on the type of investment, whether it is marketable or non-marketable.

Marketable securities held by the Company are held for an indefinite period of time and thus are classified as available-for-sale securities. The fair value is determined by the closing price for the investment as of the balance sheet date. Realized investment gains and losses are included in the statement of operations, as are provisions for other than temporary declines in the market value of available for-sale securities. Unrealized gains and unrealized losses deemed to be temporary are excluded from earnings (losses), net of applicable taxes, as a component of other comprehensive income (loss). Factors considered in judging whether an impairment is other than temporary include the financial condition, business prospects and creditworthiness of the issuer, the length of time that fair value has been less than cost, the relative amount of decline, and the Company's ability and intent to hold the investment until the fair value recovers.

Non-marketable securities held by the Company in exchange for services, the cost is estimated to be the fair value of the services rendered or the securities received, whichever is more readily determinable. Non-marketable securities continue to be carried at cost and management reviews the non-marketable securities each balance sheet date to determine if there should be any impairment. This is typically based on the recent transactions for this stock or the equity position in the issuing company.

The carrying amounts of other financial instruments, including cash, accounts payable and accrued liabilities, income tax payable and related party payable approximate fair value due to their short maturities.

Comprehensive Loss

We apply ASC No. 220, Comprehensive Income (ASC 220). ASC 220 establishes standards for the reporting and display of comprehensive income or loss, requiring its components to be reported in a financial statement that is displayed with the same prominence as other financial statements. Our accumulated other comprehensive loss was \$172,847 and \$0 for the years ended December 31, 2011 and 2010, respectively.

Reclassification

Certain prior period amounts have been reclassified to conform to current year presentations.

Recent Accounting Pronouncements

Recent accounting pronouncements that the Company has adopted or will be required to adopt in the future are summarized below.

In May 2011, the FASB issued ASU 2011-04, Fair Value Measurement (Topic 820): Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements (“ASU 2011-04”) in GAAP and International Financial Reporting Standards (“IFRS”). Under ASU 2011-04, the guidance amends certain accounting and disclosure requirements related to fair value measurements to ensure that fair value has the same meaning in GAAP and in IFRS and that their respective fair value measurement and disclosure requirements are the same. ASU 2011-04 is effective for public entities during interim and annual periods beginning after December 15, 2011. Early adoption by public entities is not permitted. The Company does not believe that the adoption of this guidance will have a material impact on the financial statements.

F-10

[Back to Table of Contents](#)

In June 2011, the FASB issued ASU 2011-05, "Presentation of Comprehensive Income" ("ASU 2011-05"). ASU 2011-05 requires companies to present the total of comprehensive income, the components of net income and the components of other comprehensive income either in a single continuous statement of comprehensive income or in two separate but consecutive statements. The provisions of ASU 2011-05 are effective for fiscal years, and interim periods within those years, beginning after December 15, 2011. Since ASU 2011-05 only amends the disclosure requirements concerning comprehensive income, the adoption of ASU 2011-05 will not affect the consolidated financial position, results of operations or cash flows of the Company.

In January 2010, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2010-06, "Improving Disclosures about Fair Value Measurements." ASU No. 2010-06 amends FASB Accounting Standards Codification ("ASC") 820 and clarifies and provides additional disclosure requirements related to recurring and non-recurring fair value measurements and employers' disclosures about postretirement benefit plan assets. This ASU is effective for interim and annual reporting periods beginning after December 15, 2009. The adoption of ASU 2010-06 did not have a material impact on the Company's financial statements.

In January 2010, the FASB issued an amendment to ASC 820, Fair Value Measurements and Disclosure, to require reporting entities to separately disclose the amounts and business rationale for significant transfers in and out of Level 1 and Level 2 fair value measurements and separately present information regarding purchase, sale, issuance, and settlement of Level 3 fair value measures on a gross basis. This standard, for which the Company is currently assessing the impact, is effective for interim and annual reporting periods beginning after December 15, 2009 with the exception of disclosures regarding the purchase, sale, issuance, and settlement of Level 3 fair value measures which are effective for fiscal years beginning after December 15, 2010. The adoption of this standard did not have a significant impact on the Company's consolidated financial statements.

In February 2010, the FASB issued ASU No. 2010-09 "Subsequent Events (ASC Topic 855) "Amendments to Certain Recognition and Disclosure Requirements" ("ASU No. 2010-09"). ASU No. 2010-09 requires an entity that is an SEC filer to evaluate subsequent events through the date that the financial statements are issued and removes the requirement for an SEC filer to disclose a date, in both issued and revised financial statements, through which the filer had evaluated subsequent events. The adoption did not have an impact on the Company's financial position and results of operations.

In April 2010, the FASB codified the consensus reached in Emerging Issues Task Force Issue No. 08-09, "Milestone Method of Revenue Recognition." FASB ASU No. 2010-17 provides guidance on defining a milestone and determining when it may be appropriate to apply the milestone method of revenue recognition for research and development transactions. FASB ASU No. 2010-17 is effective for fiscal years beginning on or after June 15, 2010, and is effective on a prospective basis for milestones achieved after the adoption date. This ASU does not have a material impact on its financial position or results of operations.

In December 2010, FASB issued Accounting Standards Update (ASU) No. 2010-29, Business Combinations (Topic 805) – Disclosure of Supplementary Pro Forma Information for Business Combinations. If a public entity presents comparative financial statements, the entity should disclose revenue and earnings of the combined entity as though the business combination that occurred during the current year had occurred as of the beginning of the comparable prior annual reporting period only. ASU 2010-29 also expands the supplementary pro forma disclosures. ASU 2010-29 is effective prospectively for business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after December 15, 2010. ASU 2010-29 will only affect the Company if there are future business combinations.

[Back to Table of Contents](#)

In October 2009, the Financial Accounting Standards Board (“FASB”) issued FASB Accounting Standards Update 2009-13, Revenue Recognition (Topic 605)—Multiple-Deliverable Revenue Arrangements. FASB Accounting Standards Update 2009-13 addresses the accounting for multiple-deliverable arrangements to enable vendors to account for products or services (deliverables) separately rather than as a combined unit. Specifically, this guidance amends the criteria in Accounting Standards Codification (“ASC”) Subtopic 605-25, Revenue Recognition-Multiple-Element Arrangements, for separating consideration in multiple-deliverable arrangements. This guidance establishes a selling price hierarchy for determining the selling price of a deliverable, which is based on: (a) vendor-specific objective evidence; (b) third-party evidence; or (c) estimates. This guidance also eliminates the residual method of allocation and requires that arrangement consideration be allocated at the inception of the arrangement to all deliverables using the relative selling price method. In addition, this guidance significantly expands required disclosures related to a vendor’s multiple-deliverable revenue arrangements. FASB Accounting Standards Update 2009-13 is effective prospectively for revenue arrangements entered into or materially modified in fiscal years beginning on or after June 15, 2010. Early adoption is permitted. The adoption of Accounting Standards Update 2009-13 did not have a material impact on the Company’s results of operations or financial position.

NOTE 4 – RESTATEMENT OF FINANCIAL STATEMENTS

These financial statements include adjustments related to the following for the year ended December 31, 2011:

In 2013 the Company discovered that a stock certificate, for 1,000,000 shares of a client, was received April 2011 and put in a secure location without being recorded in the financial statements of the Company. The shares are still in a secured location under the control of the Company and are presented in accordance with Fair Value Accounting, see Note 5.

The following were corrections made to the financial statements for the year ended December 31, 2011:

EASTBRIDGE INVESTMENT GROUP CORPORATION
CONSOLIDATED BALANCE SHEETS
As of December 31, 2011

| | As Originally Reported | Restatement Adjustment | As Restated |
|--|------------------------------|---------------------------|-------------|
| Assets | | | |
| Cash | \$602,747 | \$- | \$602,747 |
| Total current assets | 602,747 | - | 602,747 |
| Investments | 942,483 | 100,000 | 1,042,483 |
| Total assets | \$1,545,230 | \$ 100,000 | \$1,645,230 |
| Liabilities and Stockholders' Deficit | | | |
| Liabilities: | | | |
| Accounts payable | \$189,296 | \$- | \$189,296 |
| Disputed accounts payable | 208,350 | - | 208,350 |
| Accrued expenses | 982,003 | - | 982,003 |
| Line of credit | - | - | - |
| Deferred revenue | 376,104 | - | 376,104 |
| Advances payable to related party | 115,133 | - | 115,133 |
| Other current liabilities | 100,000 | - | 100,000 |
| Total current liabilities | 1,970,886 | - | 1,970,886 |
| Total liabilities | 1,970,886 | - | 1,970,886 |
| Stockholders' deficit: | | | |
| Preferred stock series A, no par value, 50,000,000 shares authorized; none issued and outstanding as of December 31, 2011 and 2010, respectively | - | - | - |
| Preferred stock series B, no par value, 50,000,000 shares authorized; none issued and outstanding as of December 31, 2011 and 2010, respectively | - | - | - |
| Common stock, no par value, 300,000,000 shares authorized; 154,590,189 and 148,653,865 issued and outstanding as of December 31, 2011 and 2010, respectively | 6,190,051 | - | 6,190,051 |
| Accumulated deficit | (6,592,860) | 250,000 | (6,342,860) |
| Accumulated other comprehensive loss | (22,847) | (150,000) | (172,847) |
| Total stockholders' deficit | (425,656) | 100,000 | (325,656) |
| Total liabilities and stockholders' deficit | \$1,545,230 | \$ 100,000 | \$1,645,230 |

[Back to Table of Contents](#)

EASTBRIDGE INVESTMENT GROUP CORPORATION
CONSOLIDATED STATEMENT OF OPERATIONS

For the year ended December 31, 2011

| | As Originally Reported | Restatement Adjustment | As Restated |
|---|---------------------------|---------------------------|--------------|
| Revenues | \$35,500 | \$250,000 | \$285,500 |
| Cost of services | - | - | - |
| Gross profit | 35,500 | 250,000 | 285,500 |
| Operating expenses: | | | |
| General and administrative | 1,219,882 | - | 1,219,882 |
| Selling and marketing | 102,479 | - | 102,479 |
| Impairment loss on investment | - | - | - |
| Total operating expenses | 1,322,361 | - | 1,322,361 |
| Operating income (loss) | (1,286,861) | 250,000 | (1,036,861) |
| Other income (expense): | | | |
| Interest expense | (9,871) | - | (9,871) |
| Gain (loss) on settlement of debt | 52,688 | - | 52,688 |
| Other income (expense): | 477,630 | - | 477,630 |
| Total other (income) expense | 520,447 | - | 520,447 |
| Loss before taxes, | (766,414) | 250,000 | (516,414) |
| Income tax provision | - | - | - |
| Net loss | \$(766,414) | \$250,000 | \$(516,414) |
| Other comprehensive income: | | | |
| Unrecognized loss on investments | (22,847) | (150,000) | (172,847) |
| Comprehensive net loss | \$(789,261) | \$100,000 | \$(689,261) |
| Earnings per share: | | | |
| Basic and diluted: | \$(0.01) | \$0.00 | \$(0.00) |
| Weighted average common shares outstanding: | | | |
| Basic and diluted: | 152,161,350 | 152,161,350 | 152,161,350 |

[Back to Table of Contents](#)

EASTBRIDGE INVESTMENT GROUP CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS

For the year ended December 31, 2011

| | As Originally Reported | Restatement Adjustment | As Restated |
|--|------------------------------|---------------------------|------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | |
| Net loss | \$(766,414) | \$ 250,000 | \$(516,414) |
| Adjustments to reconcile net loss to net cash used in operating activities: | | | |
| Common stock issued for services | 417,598 | - | 417,598 |
| Value of stock received for services | - | (250,000) | (250,000) |
| Loss on the extinguishment of debt | (52,688) | - | (52,688) |
| Value of investment stock exchanged for cash and services | 435,684 | - | 435,684 |
| Changes in operating assets and liabilities: | | | |
| Accounts payables | (108,982) | - | (108,982) |
| Accrued liabilities | 434,435 | - | 434,435 |
| Deferred revenue | 41,233 | - | 41,233 |
| Other current liabilities | (53,000) | - | (53,000) |
| Net cash provided by (used in) operating activities | 347,866 | - | 347,866 |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | | |
| Repayment of line of credit | (18,750) | - | (18,750) |
| Advances from affiliate | 223,733 | - | 223,733 |
| Net cash provided by (used in) financing activities | 204,983 | - | 204,983 |
| INCREASE (DECREASE) IN CASH | 552,849 | - | 552,849 |
| CASH, BEGINNING OF PERIOD | 49,898 | - | 49,898 |
| CASH, END OF PERIOD | \$602,747 | \$- | \$602,747 |
| SUPPLEMENTAL CASH FLOW INFORMATION | | | |
| Interest paid | \$6,532 | \$- | \$6,532 |
| Taxes paid | \$- | \$- | \$- |
| Issuance of company stock for accrued liabilities | \$7,071 | \$- | \$7,071 |
| Debt extinguished with issuance of company stock | \$152,900 | \$- | \$152,900 |

[Back to Table of Contents](#)

NOTE 5 – FAIR VALUE ACCOUNTING

Assets measured at fair value on a recurring basis as of December 31, 2011 and 2010 are summarized as follows:

2011
Fair Value Measurements at Reporting Date Using:

| Assets: | Total | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
|-------------------|--------------|--|---|--|
| Investment Type 1 | \$ 214,235 | \$ 214,235 | \$ - | \$ - |
| Investment Type 2 | 828,248 | - | - | 828,248 |
| | \$ 1,042,483 | \$ 214,235 | \$ - | \$ 828,248 |

Investment Type 1

| Issuer | Number of Shares | Price Per Share | Source | Total Fair Value |
|------------|---------------------|--------------------|--------|---------------------|
| Alpha Lujo | 2,142,350 | \$.10 | OTCQB | 214,235 |
| | | | Total | \$ 214,235 |

Investment Type 2

| Issuer | Number of Shares | Price Per Share | Source | Total Fair Value |
|---------------------------|---------------------|--------------------|-------------------|---------------------|
| Tsingda Education Company | 1,166,244 | \$.71 | Initial Valuation | 828,248 |
| | | | Total | \$ 828,248 |

2010
Fair Value Measurements at Reporting Date Using:

| Assets: | Total | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
|-------------------|--------------|--|---|--|
| Investment Type 1 | \$ 137,082 | \$ 137,082 | \$ - | \$ - |
| Investment Type 2 | 1,477,000 | - | - | 1,477,000 |
| | \$ 1,614,082 | \$ 137,082 | \$ - | \$ 1,477,000 |

Management uses its best judgment in estimating the fair value of the Company's financial instruments. The estimated fair value amounts for December 31, 2011 and 2010 have been measured as of period end, and have not been reevaluated or updated for purposes of these financial statements subsequent to that date. As such, the estimated fair values of these financial instruments subsequent to the reporting date may be different than the amounts reported at period end.

F-16

[Back to Table of Contents](#)

Financial instruments classified as Level 3 in the fair value hierarchy consist of investments in financial instruments in which the value is based on the net value provided by the Client issuing the instruments. The following table presents a reconciliation of activity for the Level 3 financial instruments:

| | Investments | |
|---|-------------|------------|
| | 2011 | 2010 |
| Beginning balance | \$ 828,248 | \$ - |
| Purchases/received in exchange for services | - | 1,477,000 |
| Net realized and unrealized losses | - | - |
| Sold and Transferred | (828,248) | (648,752) |
| Ending balance | \$ - | \$ 828,248 |

NOTE 6 – OTHER LIABILITIES

Disputed Accounts Payable

At December 31, 2011 and 2010, the Company carried balances totaling \$208,350 and \$213,799, respectively, owed to various vendors relating to EastBridge's former business called ATC Technology. The Company currently considers these balances as in dispute with the vendors and is working on a resolution.

Other Current Liabilities

Other current liabilities at December 31, 2011 and 2010 consisted of \$100,000 and \$153,000, respectively, from deposits received from individuals and a trust which have agreed to purchase from Eastbridge a fixed number of shares of common stock in one of Eastbridge's clients that is expected to be earned by EastBridge as part of a fee arrangement once this client's shares are publicly registered.

In 2010, the Company issued an aggregate of 3.1 million shares in exchange of debt owed. Interest expensed was approximately \$477,000 as the value of the stock at the time of issuance was greater than the estimated value when negotiating the number of shares needed for the outstanding debt. This was short-term debt and was only outstanding for about a year.

NOTE 7 – LINE OF CREDIT / NOTES PAYABLE

In May 2009, the Company converted the line of credit with Goldwater Bank into a two year promissory note unsecured with a variable interest rate of Wall Street Journal Prime plus 4.0%. The interest rate cannot be less than 8% which was the rate as of December 31, 2010. The balance due on this promissory note as of December 31, 2011 and 2010 was \$0 and \$18,750, respectively.

NOTE 8 – LEASES

The Company is leasing office space in Scottsdale, Arizona, under a non-cancelable operating lease agreement, which expired in August 2011, and continues on a month-to-month basis. In 2010, the Company entered into a lease agreement for housing in Beijing. This lease is intended for the employees of the Company while in Beijing and expired December 2011. Rent expense for the periods ended December 31, 2011 and 2010 was \$87,631 and \$80,231, respectively.

As of December 31, 2011, the Company does not have future minimum lease payments due under the foregoing lease agreements.

NOTE 9 – RELATED PARTY TRANSACTIONS

As of December 31, 2011 and 2010 the accrued compensation liability to the officers was \$841,929 and \$421,929, respectively. In 2010, the Company reduced the accrued compensation with payroll tax liability advances receivable from the CEO and CFO in the amounts of \$14,039 and \$9,283.

F-17

[Back to Table of Contents](#)

The Company received advances from its CEO, CFO and shareholders during the course of business at a rate of 4.5% interest which is the federal long term interest rate. As of December 31, 2011 and 2010 total combined advances payable to the Company's CEO, CFO and shareholders were \$110,198 and \$44,300, respectively.

The Company entered into an employment agreement with the CEO on June 1, 2005. Under the terms of the agreement the CEO will receive compensation in the amount of \$240,000 annually. The Company entered into an employment agreement with its CFO on June 1, 2005. Under the terms of its agreement the CFO was to receive \$84,000 in compensation annually from the inception of the agreement through January 1, 2007 at which point the consulting compensation increased to \$180,000.

On April 29, 2010, the Company issued 1,244,421 shares of common stock to its two officers. 426,239 common shares were issued at \$.13 for a cumulative value of \$55,411 to the CEO and 818,182 common shares were issued at \$.13 for a cumulative value of \$106,364 to the Company's CFO. The common shares were issued and accepted by the Company's officers at the closing trading price on the date of issue and were applied against the accrued balance due to the two officers for a portion of unpaid salaries through the date of issuance. No such issuances were made in 2011.

In 2010, the Company entered into a lease agreement with the spouse of the Company's CEO for housing in Beijing. This lease is intended for the employees of the Company while in Beijing and expired December 2011. Per the lease agreement the rent is to be paid in shares of the Company's stock. 971,429 common shares were issued at \$.11 per share, which was the closing trading price on the date of issue, for a cumulative value of \$106,857. The expense of this lease included in the rent expense in Note 6 for the years ended December 31, 2011 and 2010 was \$55,857 and \$51,000, respectively.

NOTE 10 – EQUITY

Accounting Standard Codification Topic 505 Equity paragraph 505-50-30-6 establishes that share-based payment transactions with nonemployees shall be measured at the fair value of the consideration received or the fair value of the equity instruments issued, whichever is more reliably measurable. Accounting Standard Codification Topic 470 Debt paragraph 470-50-40-3, in an early extinguishment of debt through exchange for common or preferred stock, the reacquisition price of the extinguished debt shall be determined by the value of the common or preferred stock issued or the value of the debt—whichever is more clearly evident. The Company's policy is to record all stock transactions at the quoted market price on the day of issuance, as the most consistently reliable measurement of the transaction value. These amounts are the differences between the debt or cash that was exchanged for the shares issued.

As of December 31, 2011, EastBridge had 154,590,189 shares of no par common stock issued and outstanding with 300,000,000 shares authorized.

During the year ended December 31, 2011, the Company issued 3,533,295 shares of common stock to consultants for services rendered. The Company expensed \$310,741 in connection with these issuances based on the quoted market prices on the date of issuance.

During the year ended December 31, 2011, the Company issued 1,431,600 shares of common stock in exchange for debt the Company owed to a shareholder. The Company reduced the debt by \$152,900 and recorded interest income of \$52,688 in connection with these issuances based on the quoted market price on the date of issuance.

During the year ended December 31, 2011, the Company issued 971,429 shares of common stock to the CEO's spouse per the lease agreement described in Note 8. The Company expensed \$106,857 in connection with these issuances based on the quoted market prices on the dates of issuance.

During the year ended December 31, 2010, the Company issued 3,932,205 shares of common stock to consultants for services rendered. The Company expensed \$423,116 in connection with these issuances based on the quoted market prices on the date of issuance.

F-18

[Back to Table of Contents](#)

During the year ended December 31, 2010, Company issued 1,244,421 shares of common stock to its two officers of which 426,239 shares were issued to the CEO and 818,182 shares were issued to the CFO. The common shares were issued and accepted by the Company's officers at the closing trading price of the date of issue of \$.13 for a cumulative value of \$161,775. The Company reduced the value of the accrued compensation due to the two officers by \$161,775.

During the year ended December 31, 2010, the Company issued 3,100,000 shares of common stock in exchange for debt the Company owed to shareholders. The Company reduced the debt by \$50,040 and recorded interest expense of \$476,960 in connection with these issuances based on the quoted market price on the date of issuance.

NOTE 11 – INCOME TAXES

The provision (benefit) for income taxes from continued operations for the years ended December 31, 2011 and 2010, consist of the following:

| | December 31, 2011 | December 31, 2010 |
|----------------------------------|-------------------------|-------------------------|
| Current: | | |
| Federal | \$ - | \$ - |
| State | - | - |
| Deferred: | | |
| Federal | \$ 175,581 | \$ 4,481 |
| State | 28,403 | 725 |
| | 203,984 | 5,206 |
| Change in valuation allowance | (203,984) | (5,206) |
| Provision for income taxes, net | \$ - | \$ - |

The difference between income tax expense computed by applying the federal statutory corporate tax rate and actual income tax expense is as follows:

| | December 31, 2011 | December 31, 2010 |
|-----------------------------------|-------------------------|-------------------------|
| Statutory federal income tax rate | 34.00% | 34.00% |
| State income taxes and other | 5.50% | 5.50% |
| Effective tax rate | 39.50% | 39.50% |

Deferred income taxes result from temporary differences in the recognition of income and expenses for the financial reporting purposes and for tax purposes. The tax effect of these temporary differences representing deferred tax asset and liabilities result principally from the following:

| | December 31, 2011 | December 31, 2010 |
|---------------------------------|----------------------|----------------------|
| Net operating loss carryforward | 2,796,593 | 2,280,179 |
| Valuation allowance | (2,796,593) | (2,280,179) |



| | | |
|---------------------------|---|---|
| Deferred income tax asset | - | - |
|---------------------------|---|---|

The Company has a net operating loss carry forward of approximately \$5,851,000 available to offset future taxable income through 2031.

F-19

[Back to Table of Contents](#)

NOTE 12 – DEFERRED REVENUE

The following table represents the balance of deferred revenue that has not yet been recognized under the Company's revenue recognition policies:

| | December 31, 2011 | December 31, 2010 |
|---------------------------------------|-------------------------|-------------------------|
| Jinkuizi Science & Technology Company | \$ (45,000) | \$ (45,000) |
| Alpha Green Energy Company | (112,212) | (112,212) |
| Kadia | (73,000) | (73,000) |
| Huang Wei | (9,559) | (9,559) |
| Arem Pacific | (50,485) | (50,485) |
| Dwarf Technologies | (75,814) | (44,615) |
| Long When | (10,035) | - |
| Deferred Revenue | \$ (376,104) | \$ (334,871) |

NOTE 13 – COMMITMENTS AND CONTINGENCIES

Employment Agreements

On June 1, 2005, we entered into an employment agreement with Keith Wong, our President and Chief Executive Officer. The agreement provides for annual compensation in the amount of \$240,000, effective June 1, 2005. Mr. Wong's agreement contains confidentiality, non-compete, and good faith cooperation covenants. The agreement may not be terminated by either party except with cause on the part of the Company, upon the occurrence of Mr. Wong's death, disability, bankruptcy or incompetency, or with the mutual consent of both parties.

On June 1, 2005, we entered into an employment agreement with Norm Klein, our Chief Financial Officer, Chief Operating Officer and Investor Relations Officer. The agreement provides for annual compensation in the amount of \$84,000, effective on June 1, 2005 and was increased to an annual compensation of \$180,000, effective January 1, 2007. Mr. Klein's agreement contains confidentiality, non-compete and good faith cooperation covenants. The agreement may not be terminated by either party except with cause on the part of the Company, upon the occurrence of Mr. Klein's death, disability, bankruptcy or incompetency, or with the mutual consent of both parties.

NOTE 14 – STOCK BASED COMPENSATION

2009 Stock Option Plan

During the first quarter of 2009, the Company's Board of Directors approved and adopted the 2009 Stock Option Plan (the "Plan") and designated 10,000,000 of its no par common stock for issuance under the Plan to employees, directors or consultants of EastBridge through either the issuance of shares or stock option grants. Under the terms of the Plan,

stock option grants shall be made with exercise prices not less than 100% of the fair market value of the shares of common stock on the grant date. During 2009 and 2010, the Company issued approximately 4.5 and 3.2 million shares respectively, of common stock under the plan. These grants were not stock options but instead represent fully vested shares at the date of grant.

F-20

[Back to Table of Contents](#)

| | Total shares reserved under the plan | Remaining shares available for issuance under the plan |
|------------------------|--------------------------------------|--|
| 2009 Stock Option Plan | 10,000,000 | 679,290 |

2011 Incentive Stock Option Plan

During the last quarter of 2011, the Company's Board of Directors approved and adopted the 2011 Incentive Stock Option Plan (the "2011 Plan") and designated 30,000,000 of its no par common stock for issuance under the 2011 Plan to employees, directors or consultants of EastBridge through either the issuance of shares or stock option grants. Under the terms of the 2011 Plan, stock option grants shall be made with exercise prices not less than 100% of the fair market value of the shares of common stock on the grant date. As of December 31, 2011, the Company did not issue any common stock or grant any option under the 2011 Plan.

| | Total shares reserved under the plan | Remaining shares available for issuance under the plan |
|----------------------------------|--------------------------------------|--|
| 2011 Incentive Stock Option Plan | 30,000,000 | 30,000,000 |

NOTE 15 – SEGMENT INFORMATION

The Company operates only one reporting segment. Substantially all assets are contained in the United States. Although the Company's business is assisting foreign companies with accessing the US capital markets, substantially all revenue generating activities are conducted in the United States.

NOTE 16 – SUBSEQUENT EVENTS

The Company entered into listing agreements with American C&D Logistics, LLC and PhotoFunds, Inc as of March 12, 2012. Also, a new listing and joint venture agreements as of February 1, 2012 with International Air Medical Services (IAMS) in addition to an updated consulting agreement (capital raise) with IAMS.

On March 7, 2012, the Company filed a Form S-8 registration statement for an aggregate amount of 30,000,000 shares of common stock. The 30,000,000 shares will be issued upon the exercise of options or upon the issuance of restricted stock awards or other awards otherwise granted hereafter pursuant to EastBridge Investment Group Corporation's 2011 Plan. The maximum number of shares which may be sold upon the exercise of such options or issuance of stock awards granted under the 2011 Plan are subject to adjustment in accordance with certain anti-dilution and other provisions under the 2011 Plan.

