Emerging Media Holdings (EMDH)

LIFESTYLE MEDICAL NETWORK, INC. 10-K 2011

Documents found in this filing:

10-K
Ex-10.8
Ex-10.9
Ex-31
Ex-32
Ex-32

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549>

FORM 10-K

☒ ANNUAL REPORT PURSUANT TO SECTION 12(g) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended: December 31, 2010
OR

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

For the transition period from __________ to __________

Commission File No. 000-52408

EMERGING MEDIA HOLDINGS, INC.

(Exact name of Registrant as Specified in Its Charter)

Nevada	13-1026995
(State or other jurisdiction of Incorporation or organization)	(I.R.S. Employer Identification No.)
1809 E. BROADWAY ST., SUITE 175, OVIEDO, FL	32765
(Address of principal executive offices)	(Zip Code)

Issuer's Telephone Number, Including Area Code: (806) 688-9697

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

Securities registered pursuant to Section 12(g) of the Act: Common Stock, $.001 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 ☒

Indicate by checkmark if the registrant is not required to file reports to Section 13 or 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 if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) 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 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 (§232.405 of this chapter) 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 whether the registrant is a large accelerated filer, an accelerated filer, or a smaller reporting company. (Check One):

Large accelerated filer ☐	Accelerated filer ☐
Non-accelerated filer ☐ (Do not check if a smaller reporting company)	Smaller reporting company ☒

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

The aggregate market value of the voting and non-voting common equity held by non-affiliates as of the last business day of the registrant's most recently completed second fiscal quarter was $887,600.

Number of shares of Common Stock outstanding as of February 23, 2011: 12,250,922 shares.

Documents incorporated by reference: None

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PART I

Item 1. Business.

General

Throughout this Form 10-K, the terms "we," "us," "our," and the "Company" refer to Emerging Media Holdings, Inc., a Nevada corporation, and, unless the context indicates otherwise, includes our subsidiaries.

We were incorporated under the laws of the State of Nevada on September 3, 2003. On June 30, 2006, we effectuated a share exchange whereby we acquired all of the outstanding equity interests in our wholly-owned subsidiary, IM “Media Alianta” SRL (formerly SC “Cabavarum” SRL) , the 100% owner of SA “Analiticmedia-Grup”, both Moldovan companies ("AMG"). AMG was formed in October, 1998 as a Republic of Moldova limited liability company, which is comparable to a limited liability company in the United States. Since 2006, AMG has been an exclusive operator in Moldova of Russian TV channels “NTV federal television channel” and “NTV-World”. These programs are owned by Gazprom Media, a wholly-owned subsidiary of GazProm Corporation. AMG’s main business is the production and broadcasting of television programs and news reports primarily for the Moldovan viewing audience. On May 2, 2008, the Company acquired the common stock of “TNT-Bravo” channel-ICS “Media Top Prim” SRL (Media Top Prim), the exclusive operator in Moldova of Russian channel TNT programs owned by Gazprom Media. The acquisition agreement, as amended, provided for the acquisition to be made with 1,000,000 shares of the Company’s common stock, valued at $4.0 million. On August 20, 2008, the Company became a 50% partner of Alkasar Region LLC and created a new advertising agency-an exclusive agent for both TV channels TV7 NTV and TNT-Bravo, named ICS “Alkasar Media Services” SRL (Alkasar Media Services).

Recent Developments

Genesis International S.A.
On October 1, 2009, we closed an acquisition of 60% of the outstanding shares of SC Genesis International SA, a joint stock company incorporated under the laws of Romania (“Genesis”). The consideration paid by the Company for the acquisition of Genesis was $4,800,000 paid to the holder of a majority of the outstanding shares of Genesis. On February 23, 2010, we acquired an additional 20% of the outstanding shares of Genesis. On August 3, 2010, we entered into a Purchase Agreement with Stipula Financial Inc., a British Virgin Islands corporation pursuant to which the Stipula Financial purchased from us eighty (80%) percent of the outstanding shares of SC Genesis. The consideration for the sale of our 80% interest in Genesis under the Purchase Agreement was the assignment and transfer to us by certain of our stockholders of 8,443,900 shares of our common stock.

Exchange Agreement with Men’s Medical Corporation

On February 10, 2011, we entered into an Exchange Agreement (the “Exchange Agreement”), dated as of January 1, 2011, between the Company and Men’s Medical Corporation, a Florida corporation (“MMC”). In exchange for all of the outstanding shares of capital stock of MMC which were owned by Saddleworth Ventures, LLC, in turn owned by Chris Smith, we agreed to issue to Mr. Smith 1,000 shares of a Series A Convertible Preferred Stock (the “Series A Preferred Stock”) of a class of preferred stock to be to be authorized. The Series A Preferred Stock will be convertible into and will vote as 25,000,000 shares of common stock, effectively giving control of our company to Chris Smith. On February 16, 2011, we filed an Information Statement on Schedule 14C with the Securities and Exchange Commission for the authorization of the class of Preferred Stock and for a 1-for-10 reverse split of our outstanding common stock. In connection with the Exchange Agreement, Chris Smith was elected our President and Chief Executive Officer.

We entered into an Asset Purchase Agreement, dated as of February 2, 2011, and on February 5, 2011, pursuant to this Agreement, we sold three of our subsidiary companies, IM Media Alianti SRL, Analytic Media Group SA and Alkazar Media Services SRL, to our major shareholder, in exchange for 4,800,000 shares of our common stock and the assumption of liabilities associated with these subsidiaries. Under a separate Private Treaty Sale Agreement, we agreed to purchase from our major shareholder 500,000 shares of our common stock for a purchase price of $325,000, the purchase price to be paid by the deposit of $125,000 with an Escrow Agent, upon which deposit the Escrow Agent will release to the Company certificates representing 2,300,200 shares of our common stock, and a $200,000 promissory note, secured by 3,000,000 shares of our common stock on deposit with the Escrow Agent. Also on deposit with the escrow agent is a certificate for 1,600,000 shares to be released upon sale of our remaining media subsidiaries that own the TNT/Bravo channel.

All financial information is reflected in U.S. dollars, unless otherwise noted.

Our Business

Currently we continue to own 100% of the equity interests in the TNT/Bravo television channel in Chisinau, Moldova. We intend to negotiate the sale of the remaining subsidiaries of our media business.

In February, 2011, we acquired 100% of the outstanding capital stock of MMC. With the sale of our media subsidiaries and our ongoing negotiations for the sale of the sole remaining subsidiary in this business, our Board of Directors approved the acquisition of MMC and has determined, based on the expertise of MMC management in this area, that our business model should be to establish, or identify and acquire through a business combination, one or more men's sexual health clinic businesses. These clinics provide healthcare services for men. We plan to specialize in the treatment of erectile dysfunction and premature ejaculation. We would also provide an array of services related to the general wellness of men, including, hormone replacement therapy, weight management solutions, and diagnostic testing services. As of the date of this report, we are focusing our efforts on evaluating the start-up and identification of such a business. As of this date, although we have preliminary financing commitments from eMedical Hub with regard to the funding for two clinics, we have not entered into any agreements relating to any such initial start-up of a clinic or any acquisition of a clinic business.

We do not intend to restrict our efforts to the establishment or acquisition of any specific type of men's sexual health clinic business, and we may participate in a business venture of any kind or nature. We may seek business opportunities with entities that have recently commenced operations, or that wish to utilize the public marketplace in order to raise additional capital to expand into new products or markets, to develop a new product or service, or for other corporate purposes. We may acquire existing businesses as subsidiaries. Therefore, we have virtually unlimited discretion to search for and enter into negotiations with potential business opportunities. It is impossible to predict at this time the status of any business that we may seek to acquire, in that such business may need additional capital, may desire to have its shares publicly traded, or may value other perceived business or financial advantages that we offer.

We anticipate that the search for a business combination will be complex and extremely risky. Due to general economic conditions and shortages of available capital, we believe that there may be some firms seeking the perceived benefits of a publicly registered corporation. Such perceived benefits may include, among other things, facilitating or improving the terms on which additional equity financing may be sought, providing liquidity for incentive stock options or similar benefits to key employees, and providing liquidity (subject to restrictions of applicable statutes) for all shareholders. Potentially, available business opportunities may occur in many different industries and at various stages of development, all of which will make the task of comparative investigation and analysis of such business opportunities extremely difficult and complex.

We have, and will continue to have, limited capital with which to start up a medical clinic business or to provide the owners of business opportunities with any significant cash or other assets. Our officers and directors will analyze new business opportunities. We intend to concentrate on identifying preliminary prospective business opportunities which may be brought to our attention through present affiliations and relationships of our officers and directors, or by our shareholders. In analyzing prospective business opportunities, we will consider such matters as:

- available technical, financial and managerial resources;
- working capital and other financial requirements;
- history of operations, if any;
- prospects for the future, and the nature of present and expected competition;
- quality and experience of management services which may be available and the depth of that management;
- potential for further research, development, or exploration;
- potential for growth, expansion and profit; and
- perceived public recognition of name identification, products and services.

Our officers and directors expect to meet personally with management and key personnel of any company that we may propose to acquire or partner with as part of their "due diligence" investigation. To the extent possible, we intend to utilize written reports and personal investigations to evaluate the above factors.

We will rely upon the efforts of our officers and directors in implementing in evaluating business opportunities. We do not anticipate hiring outside consultants or advisors, except for our legal counsel and accountants. As of the date of this memorandum, we do not have any contracts or agreements with any outside consultants and none are contemplated.

Acquisition Structure

In implementing a structure for a particular business acquisition, we may become a party to a merger, consolidation, reorganization, joint venture, or licensing agreement with another corporation or entity. We may also acquire stock or assets of an existing business. On the consummation of a transaction, it is probable that our present management and shareholders will no longer be in control of us. In addition, our directors may, as part of the terms of the acquisition transaction, resign and be replaced by new directors without a vote of our shareholders.

In some circumstances, as a negotiated element of its transaction, we may agree to register all or a part of such securities immediately after the transaction is consummated or at specified times thereafter. If such registration occurs, it will be undertaken by the surviving entity after we have successfully consummated a merger or acquisition. The issuance of substantial additional securities and their potential sale into the trading market may have a depressive effect on the value of our securities.

Our Media Business

All of our TV production and broadcasting operations are conducted in the Republic of Moldova, which is located between Romania and Ukraine in Eastern Europe. Our media products consist of programs produced by the Russian TV channels NTV and TNT and in-house production programs. NTV is a news channel. Traditionally news programs are watched by the largest audiences. NTV is the only broadcasting company in Russia that on a daily basis prepares more than 10 news programs (http://www.gazprom-media.com/en/tv.xml?&company_id=47). TNT channel is directed at audiences aged 18-45, which are of the greatest commercial interest for advertisers (http://www.gazprom-media.com/en/tv.xml?&company_id=49, http://tnt-online.ru/). Focusing on entertainment, "TNT-Bravo" broadcasts an optimal mix of programs that are of interest to its target audience. The split of the two TV channels content for different types of viewers allows the Company to find the best solutions to secure brand advertisers with the targeted audience.

The media revenues of the Company are dependent on advertising sales and broadcasting sponsorships.

In 2010, the TNT-Bravo channel had a 11% commercial market share for the capital of Moldova and a 4% commercial market share for the Republic of Moldova as a whole.

Competition

The channel's competition in the Moldovan broadcasting market consists of other news programs and the market share indicators (referred to sometimes as “quotas”) are based on both the number of people watching and third party ratings. Other non-state owned news channels in Moldova are NIT channel and Pro-TV channel.

On March 5, 2010, a new 24 hours news TV channel, JURNAL TV, was launched. JURNAL TV became a subscriber of AGB Nielsen Media. According to a March 13, 2010 press release, a second new 24 hours TV channel, PUPLIKA TV, will be launched. Both channels are in developmental stage which makes it difficult to predict their success.

Employees

As of December 31, 2010, our media operations employed a total of 108 employees, all of whom are full-time. We do not have a collective bargaining agreement with our employees, nor are any of our employees members of any labor union.

Item 1A. Risk Factors.

In addition to the other information set forth elsewhere in this annual report, you should carefully consider the following factors when evaluating us. An investment in Emerging Media Holdings, Inc. will be subject to risks inherent in our business. The trading price of our shares will be affected by the performance of our business relative to, among other things, our competitors, market conditions and general economic and industry conditions. The value of an investment in Emerging Media Holdings, Inc. may decrease, resulting in a loss. If any of the following risks actually occurs, our business, financial condition and results of future operations could suffer. In such case, the trading price of our shares could decline, and you could lose all or part of your investment.

General

CHANGES IN EXCHANGE RATES COULD AFFECT OUR FINANCIAL RESULTS AND MANAGEMENT'S ABILITY TO MAKE FINANCIAL PROJECTIONS.

Our current operations are conducted primarily in the Republic of Moldova. The functional currency of our subsidiaries in Moldova is the Moldova lei. This exposes us to risks associated with both foreign currency translation, and foreign currency transactions.

While the functional currency of our Moldova operating subsidiary is the lei, we report in U.S. dollars. In preparing our financial statements, the revenues and expenses of this subsidiary are translated into U.S. dollars at average exchange rates prevailing during the period. The assets and liabilities are translated at the rates of exchange on the balance sheet date. The resulting translation gain and loss adjustments are recorded directly in the financial statements and as a separate component of shareholders' equity. The amount of such gain or loss will depend in changes in the exchange rate between the lei and the U.S. dollar and the composition of our assets and liabilities in Moldova. If the U.S. dollar increases in value against this currency, the amount reported in U.S. dollars for assets, liabilities, revenues and expenses originally recorded in these currencies will decrease. Conversely, if the U.S. dollar decreases in value against the lei, the amount reported in U.S. dollars for assets, liabilities, revenues and expenses originally recorded in this currency will increase.

Risks Relating to Start-Up or Acquisitions of Men's Sexual Health Clinics

WE WILL REQUIRE FINANCING TO PROCEED WITH OUR PLANNED PROGRAM TO ACQUIRE MEN'S SEXUAL HEALTH CLINICS

We do not operate any men's sexual health clinics at present. We will require substantial additional financing to start up or to acquire one or more men's sexual health clinic businesses. Although we have certain preliminary commitments for financing for two clinics, there is no assurance that such financing will be available to us.

WE DEPEND ON THE SERVICES OF OUR CHIEF EXECUTIVE OFICER, AND IMPLEMENTATION OF OUR BUSINESS PLAN COULD BE SERIOUSLY HARMED IF WE LOSE THE SERVICES OF OUR CEO.

We depend heavily on the services of Mr. Chris Smith, our Chief Executive Officer and President, to identify business opportunities and to negotiate acquisition of men's sexual health clinic businesses. We do not have a "key person" life insurance policy on Mr. Smith to cover our losses in the event of his death. There can be no assurance that our CEO will remain in his management positions with us, and the loss of his services would disrupt our proposed men's sexual health business operations which could reduce our revenues and profits.

SPECULATIVE NATURE OF OUR OPERATIONS

The success of our plan of operation, if we complete the start-up or acquisition of another business, will depend to a great extent on the operations, financial condition and management of the identified business opportunity. In the event we complete a business combination, the success of our operations may be dependent upon management of the successor firm and numerous other factors beyond our control.

SCARCITY OF AND COMPETITION FOR BUSINESS OPPORTUNITIES AND COMBINATIONS

We are and will continue to be an insignificant participant in the business of seeking acquisitions of or business opportunities relating to men's sexual health clinics. A large number of established and well-financed entities, including venture capital firms, are active in mergers and acquisitions of companies that may be desirable target candidates for us. Nearly all such entities have significantly greater financial resources, technical expertise and managerial capabilities than us and, consequently, we will be at a competitive disadvantage in identifying possible business opportunities and successfully completing a business combination. Moreover, we will also compete in seeking merger or acquisition candidates with numerous other small public companies.

NO AGREEMENT FOR BUSINESS COMBINATION OR OTHER TRANSACTION

We have no arrangement, agreement or understanding with respect to engaging in a merger with, joint venture with or acquisition of, a private or public entity. There can be no assurance that we will be successful in identifying and evaluating suitable business opportunities or in concluding a business combination. We cannot assure you that we will be able to negotiate a business combination on terms favorable to us.

NO STANDARDS FOR BUSINESS COMBINATION

We have not established a specific length of operating history or a specified level of earnings, assets, net worth or other criteria which we will require a target business opportunity to have achieved. Accordingly, we may enter into a business combination with a business opportunity not having any significant operating history or assets, or with a limited potential for earnings.

REPORTING REQUIREMENTS MAY DELAY OR PRECLUDE ACQUISITION

Sections 13 and 15(d) of the Securities Exchange Act of 1934 ("Exchange Act") require reporting companies to provide certain information about significant acquisitions, including audited financial statements for the company acquired. The time and additional costs that may be incurred by some target entities to prepare such statements may significantly delay or essentially preclude us from consummating an otherwise desirable acquisition. Acquisition prospects that do not have or are unable to obtain the required audited statements may be inappropriate for acquisition so long as the reporting requirements of the Exchange Act are applicable.

REDUCTION OF PERCENTAGE SHARE OWNERSHIP FOLLOWING A BUSINESS COMBINATION

If we engage in a business combination with a private entity, in all likelihood, such a combination would result in us issuing securities to the owners of such private entity. The issuance of our previously authorized and unissued common stock would result in a reduction in the percentage of shares owned by our present and prospective shareholders and may result in a change in control or management of us.

IF WE FAIL TO COMPLY WITH EXTENSIVE LAWS AND GOVERNMENT REGULATIONS GOVERNING THE OPERATION OF MEDICAL CLINICS, WE COULD SUFFER PENALTIES OR BE REQUIRED TO MAKE SIGNIFICANT CHANGES TO OUR OPERATIONS.

The health care industry is required to comply with extensive and complex laws and regulations at the federal, state and local government levels relating to, among other things,

- licensure and certification;
- adequacy and quality of health care services;

- qualifications of health care and support personnel;
- quality of equipment;
- confidentiality, maintenance and security issues associated with medical records and claims processing;
- relationships with physicians and other referral sources;
- operating policies and procedures;
- addition of facilities and services; and
- billing for services.

Many of these laws and regulations are expansive, and we do not always have the benefit of significant regulatory or judicial interpretation of these laws and regulations. In the future, different interpretations or enforcement of these laws and regulations could subject our current or past practices to allegations of impropriety or illegality or could require us to make changes in our facilities, equipment, personnel, services, capital expenditure programs and operating expenses.

If we fail to comply with applicable laws and regulations, we could be subjected to liabilities, including criminal penalties, civil penalties (including the loss of our licenses to operate one or more of our facilities.

FAILURE TO COMPLY WITH LAWS GOVERNING THE TRANSMISSION AND PRIVACY OF HEALTH INFORMATION COULD SUBJECT US TO CIVIL AND CRIMINAL PENALTIES.

The Health Insurance Portability and Accountability Act of 1996 (HIPAA) will require us to comply with standards for the exchange of health information within our company and with third parties, such as payors, business associates and patients. These include standards for common health care transactions, such as:

- claims information, plan eligibility, payment information and the use of electronic signatures;
- unique identifiers for providers, employers, health plans and individuals; and
- security, privacy and enforcement.

The Department of Health and Human Services has released final rules to implement a number of these requirements, and several HIPAA initiatives have become effective, including privacy protections, transaction standards, and security standards. If we fail to comply with these standards, we could be subject to criminal penalties and civil sanctions.

ANY CLINICS THAT WE ACQUIRE MAY EXPERIENCE HIGHER MARKETING COSTS TO COMPETE WITH, OR EXPERIENCE A DECLINE IN THE NUMBER OF OUR PATIENTS WITH A RESULTING DECLINE IN REVENUES AS A RESULT OF, REGIONAL AND LOCAL COMPETITION.

Clinics that we acquire would compete primarily on a local and regional basis with many medical practices. Our ability to compete successfully would vary from location to location depending on a number of factors, including the number of competing providers in the local market, the types of services available, quality of care, reputation, age and appearance of each center and the cost of care in each locality. Patients' treatment facility decisions are in addition influenced by, among other things, the perceived absolute or relative overall value of our facilities, including its quality or pricing, compared to competitive companies. We could also experience higher than expected selling, general and administrative expenses if we find it necessary to increase advertising or promotional expenditures, or the number of our personnel to maintain our competitive position, or for other reasons.

WE MAY BE SUBJECT TO SANCTIONS AND PENALTIES IF OUR PROPOSED OPERATIONS FAIL TO COMPLY WITH OCCUPATIONAL HEALTH AND SAFETY REGULATIONS.

We would be subject to a wide variety of federal, state and local occupational health and safety laws and regulations. The types of regulatory requirements faced by health care providers such as us include:

- air and water quality control requirements;
- occupational health and safety requirements (such as standards regarding blood-borne pathogens and ergonomics) and waste management requirements;
- specific regulatory requirements applicable to radioactive substances;
- requirements for providing notice to employees and members of the public about hazardous materials and wastes; and
- certain other requirements.

If we fail to comply with these standards, we may be subject to sanctions and penalties.

Risks Relating to Our Media Business

WE ARE SUBJECT TO CHANGING MEDIA RULES AND REGULATIONS.

We sell advertising time to third parties for further resale to advertisers. Media channels have been characterized in recent years by rapid change, including changes in rules and regulations. Future changes may adversely affect our ability to effectively sell advertising space, and thus may adversely affect our ability to generate revenues.

DETERIORATION OF THE MARKET REFORMS UNDERTAKEN BY THE MOLDOVAN GOVERNMENT MAY UNDERMINE OUR ABILITY TO OPERATE OUR BUSINESS AND PREDICT FINANCIAL PERFORMANCE.

The Republic of Moldova has undergone significant political and economic change since 1990 and any substantial change in current laws or regulations (or in the interpretations of existing laws or regulations), whether caused by changes in the government of Moldova or otherwise, could have an impact on our results of operations. For example, currently there are no significant limitations on the repatriation of profits from Moldova, and for the last ten years the government continuously has been improving the national economy for the liberalization, but there is no assurance that foreign exchange control restrictions or similar limitations will not be imposed in the future with regard to repatriation of earnings and investments from the country. If such exchange control restrictions, or similar limitations are imposed, the ability of our U.S. parent holding company to receive payments from its subsidiaries could be reduced, which would reduce our ability to invest in our operations in countries other than Moldova. If we are unable to invest in our non-Moldovan operations, our operating results could suffer which could reduce the value of our shareholders' investment in our common stock.

Risks Associated With Ownership of our Common Stock

WE DO NOT PLAN TO PAY CASH DIVIDENDS.

Holders of our common stock are entitled to cash dividends when, as and if declared by the board of directors out of funds legally available for the payment of dividends. Our management does not anticipate the declaration or payments of any dividends in the foreseeable future. We intend to retain earnings, if any, to finance the development and expansion of our business. Our future dividend policy will be subject to the discretion of our board of directors and will be contingent upon future earnings, if any, our financial condition, capital requirements, general business conditions and other factors.

Item 1B. Unresolved Staff Comments.

Not applicable.

Item 2. Properties.

We are presently seeking to lease office space for our corporate offices in the U.S.

Media Operations

Our corporate offices for our media production operations in the Republic of Moldova are located at 11, Aleco Russo, 15th floor, Chisinau, Moldova, where we own 548 square feet for TNT Bravo TV channel.

Item 3. Legal Proceedings.

None.

Item 4. Reserved.

PART II

Item 5. Market for Registrant's Common Equity, Related Shareholder Matters and Issuer Purchases of Equity Securities.

Market Information

Our common shares are trading in the OTC Bulletin Board market under the symbol "EMDH.OB".

The following table sets forth, for the periods indicated, the high and low bid prices of our common stock (commencing our recapitalization), as reported in published financial sources. Quotations reflect inter-dealer prices, without retail mark-up, mark-down, commission, and may not represent actual transactions.

Fiscal Year Ended December 31, 2009	High	Low
Quarter Ended March 31, 2009	$.40	$.10
Quarter Ended June 30, 2009	1.01	.12
Quarter Ended September 30, 2009	.61	.15
Quarter Ended December 31, 2009	.99	.19
Fiscal Year Ended December 31, 2010		
Quarter Ended March 31, 2010	.50	.21
Quarter Ended June 30, 2010	.22	.14
Quarter Ended September 30, 2010	.45	.14
Quarter Ended December 31, 2010	.37	.05
Fiscal Year Ended December 31, 2011		
Quarter Ended March 31, 2011 (through March 28, 2011)	.40	.06

Holders

As of February 23, 2011, there were approximately 111 holders of record of our common stock.

Dividends

We do not anticipate paying cash dividends in the foreseeable future. Our current policy is to retain any earnings to finance our future development and growth. We may reconsider this policy from time to time in light of conditions then existing, including our earnings performance, financial condition and capital requirements. Any future determination to pay cash dividends will be at the discretion of our board of directors and will depend upon our financial condition, operating results, capital requirements, general business conditions and other factors that our board of directors deems relevant.

Item 6. Selected Financial Data.

Not applicable.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

DISCLOSURE REGARDING FORWARD-LOOKING STATEMENTS

Throughout this report, we make statements that may be deemed "forward-looking" statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements, other than statements of historical facts, that address activities, events, outcomes and other matters that the Company plans, expects, intends, assumes, believes, budgets, predicts, forecasts, projects, estimates or anticipates (and other similar expressions) will, should or may occur in the future are forward-looking statements. These forward-looking statements are based on management's current belief, based on currently available information, as to the outcome and timing of future events. When considering forward-looking statements, you should keep in mind the risk factors and other cautionary statements in this report.

General

Organization

Emerging Media Holdings, Inc was incorporated in the State of Nevada on September 3, 2003. Through its Moldova subsidiary, the Company's primary activities are in radio and television broadcasting and, through Men's Medical Corporation, we intend to acquire men's sexual health clinics.

Basis of Presentation

Throughout this Form 10-Q, the terms "we," "us," "our," "EMH" and "Company" refer to Emerging Media Holdings, Inc., a Nevada corporation, and, unless the context indicates otherwise, includes our subsidiaries.

Recent Developments

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Exchange Agreement with Men's Medical Corporation

On February 10, 2011, we entered into an Exchange Agreement (the "Exchange Agreement"), dated as of January 1, 2011, between the Company and Men's Medical Corporation, a Florida corporation ("MMC"). In exchange for all of the outstanding shares of capital stock of MMC which were owned by Saddleworth Ventures, LLC, in turn owned by Chris Smith, we agreed to issue to Mr. Smith 1,000 shares of a Series A Convertible Preferred Stock (the "Series A Preferred Stock") of a class of preferred stock to be to be authorized. The Series A Preferred Stock will be convertible into and will vote as 25,000,000 shares of common stock, effectively giving control of our company to Chris Smith. On February 16, 2011, we filed an Information Statement on Schedule 14C with the Securities and Exchange Commission for the authorization of the class of Preferred Stock and for a 1-for-10 reverse split of our outstanding common stock. In connection with the Exchange Agreement, Chris Smith was elected our President and Chief Executive Officer.

We entered into an Asset Purchase Agreement, dated as of February 2, 2011, and on February 5, 2011, pursuant to this Agreement, we sold three of our subsidiary companies, IM Media Alianti SRL, Analytic Media Group SA and Alkazar Media Services SRL, to our major shareholder, in exchange for 4,800,000 shares of our common stock and the assumption of liabilities associated with these subsidiaries. Under a separate Private Treaty Sale Agreement, we agreed to purchase from our major shareholder 500,000 shares of our common stock for a purchase price of $325,000, the purchase price to be paid by the deposit of $125,000 with an Escrow Agent, upon which deposit the Escrow Agent will release to the Company certificates representing 2,300,200 shares of our common stock, and a $200,000 promissory note, secured by 3,000,000 shares of our common stock on deposit with the Escrow Agent. Also on deposit with the escrow agent is a certificate for 1,600,000 shares, to be released upon sale of our remaining media subsidiaries that own the TNT/Bravo channel, the sale of which we intend to pursue in 2011.

Critical Accounting Policies and Estimates

Our significant accounting policies are more fully described in Note 1 of Notes to the Consolidated Financial Statements. However, certain accounting policies and estimates are particularly important to the understanding of the our financial position and results of operations and require the application of significant judgment by our management or can be materially affected by changes from period to period in economic factors or conditions that are outside the control of management. As a result they are subject to an inherent degree of uncertainty. In applying these policies, our management uses their judgment to determine the appropriate assumptions to be used in the determination of certain estimates. Those estimates are based on our historical operations, our future business plans and projected financial results, the terms of existing contracts, our observance of trends in the industry, information provided by our customers and information available from other outside sources, as appropriate.

The Company believes the following critical accounting policies affect its more significant judgments and estimates used in the preparation of its consolidated financial statements.

Allowance for Doubtful Accounts

The Company maintains allowances for doubtful accounts for estimated losses from the inability of its customers to make required payments. The Company determines its reserves by both specific identification of customer accounts where appropriate and the application of historical loss experience to non-specific accounts. If the financial condition of the Company's customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances could possibly be required.

Revenue Recognition

The Company recognizes revenue in accordance with the guidance in ASC 605, "Revenue Recognition". Revenue from advertisement sales is recognized on a contract basis and is earned over the life of the contract as the services for advertising are performed.

Revenue from road construction is recognized when the work is completed and accepted by the purchaser. The contracts are usually of a short duration. If the contracts are longer than one year, the Company recognizes income on the percentage of completion method. The Company is also subject to the risk of currency fluctuations that may affect the prices paid for goods and the amounts received for revenue.

Income Taxes

Income taxes are accounted for under ASC 740, "Income Taxes". In accordance with ASC 740, liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases, as measured by enacted tax rates that are expected to be in effect in the periods when the deferred tax assets and liabilities are expected to be settled or realized. Significant judgment is required in determining the worldwide provisions for income taxes. In the ordinary course of a global business, the ultimate tax outcome is uncertain for many transactions. It is the Company’s policy to establish provisions for taxes that may become payable in future years as a result of an examination by tax authorities. The Company establishes the provisions based upon management’s assessment of exposure associated with permanent tax differences and tax credits applied to temporary difference adjustments. The tax provisions are analyzed periodically (at least quarterly) and adjustments are made as events occur that warrant adjustments to those provisions.

Variable Interest Entities

The Company consolidates variable interest entities ("VIE") of which the Company is the primary beneficiary. The liabilities recognized as a result of consolidating these VIEs do not necessarily represent additional claims on the Company's general assets; rather, they represent claims against the specific assets of the consolidated VIEs. Conversely, assets recognized as a result of consolidating these VIEs do not represent additional assets that could be used to satisfy claims against the Company's general assets.

Business Combinations

During 2009, the Company adopted the revised accounting guidance related to business combinations. This guidance requires an acquirer to recognize the assets acquired, the liabilities assumed, and any noncontrolling interest in the acquiree at the acquisition date, measured at their fair values as of that date, with limited exceptions specified in the literature. In accordance with this guidance, acquisition-related costs, including restructuring costs, must be recognized separately from the acquisition and will generally be expensed as incurred. That replaces the cost-allocation process detailed in previous accounting literature, which required the cost of an acquisition to be allocated to the individual assets acquired and liabilities assumed based on their estimated fair values.

Foreign Currency Accounting

The financial position and results of operations of our foreign subsidiaries in the Republic of Moldova and Romania are measured using the foreign subsidiaries’ local currencies, the Moldovan and Romanian lei and the euro, as the functional currencies since those are the currency of the primary environment in which those companies generate their revenues and expenses. Revenues and expenses of such subsidiaries are translated into U.S. dollars at average exchange rates prevailing during the period. Assets and liabilities are translated at the rates of exchange on the balance sheet date. The resulting translation gain and loss adjustments are recorded directly as a separate component of shareholders’ equity. The amount of future translation gains or losses will be affected by any changes in the exchange rate between the lei and the U.S. dollar.

Although our Moldovan and Romanian subsidiaries incur most of their expenses in the lei and euro, many of their sales are to customers outside of Moldova and are therefore denominated in currencies other than the lei or euro (principally the U.S. dollar). Additionally, our Moldova subsidiaries have certain bank loans that are denominated in U.S. dollars, and make certain purchases that are denominated in U.S. dollars. As required by ASC 830-10-15, "Foreign Currency Matters", at the time of such a U.S dollar denominated transaction the subsidiary records the revenue and related receivable, or the bank debt or other liability, in lei on the basis of the exchange rate in effect on the date of the transaction. However, if the exchange rate between the lei and the currency in which the transaction is denominated changes between the date of the original transaction and the date the resulting receivable is collected or liability is paid, the amount received or paid, when converted to lei, will be different than the receivable or liability originally recorded, resulting in a foreign currency transaction gain or loss which is recorded in the results of operations. Additionally, at the end of each reporting period the lei and euro amounts for the receivables, bank debts and accounts payable of our Moldova and Romanian subsidiaries that are denominated in U.S. dollars are adjusted to reflect the amount in lei or euros expected to be received or paid when the receivable is collected or the liability settled on the basis of the exchange rate at the end of the period. These adjustments also produce foreign currency transaction gains or losses which are recorded in the results of operations.

As a result, in periods in which the value of the lei and euro increases against the value of the U.S. dollar, we will recognize a net foreign currency transaction gain if our Moldova and Romanian subsidiaries have U.S. dollar denominated liabilities that exceed their U.S. dollar denominated receivables, or we will incur a net foreign currency transaction loss if our Moldova and Romanian subsidiaries have U.S. dollar denominated receivables that exceed their U.S. dollar denominated liabilities. Conversely, in periods in which the value of the lei and euro declines against the value of the U.S. dollar, we will incur a net foreign currency transaction loss if our Moldova and Romanian subsidiaries have U.S. dollar denominated liabilities that exceed their U.S. dollar denominated receivables, or we will recognize a net foreign currency transaction gain if our Moldova and Romanian subsidiaries have U.S. dollar denominated receivables that exceed their U.S. dollar denominated liabilities.

The amount of these gains or losses will depend on the amount, if any, by which the U.S. dollar denominated receivables of our Moldova and Romanian subsidiaries exceed their U.S. dollar denominated liabilities, or vice versa, and the amount, if any, by which the value of the lei and euro changes against the value of the U.S. dollar. We cannot predict the amount, if any, by which the lei and euro will increase or decrease in value against the U.S. dollar. Additionally, the amount of the U.S. dollar denominated receivables and liabilities of our Moldova and Romanian subsidiaries will vary from period to period.

Results of Operations

Year Ended December 31, 2010 Compared to Year Ended December 31, 2009

REVENUES. Total revenues from continuing operations for the year ended December 31, 2010 were $3,720,939 as compared to $2,083,763 for the year ended December 31, 2009, an increase of $1,637,176 or 78.6%. Overall growth was primarily driven by the performance of the advertising business of the TV channel TNT and our continued strategy of developing services at TV7.

COST OF SALES. For continuing operations from the media group, cost of sales increased by $1,187,764 or 104.9% to $2,320,342 for the fiscal year ending December 31, 2010, from $1,132,578 for the fiscal year ended December 31, 2009. This increase was primarily due to increased sales as a result of growth of the Company’s market share. We experienced a further decrease of gross margin during 2010 due to our increasing focus on the production of high quality broadcasting, which required purchases of more expensive services.

SELLING AND ADMINISTRATIVE EXPENSES. Selling and administrative expenses from continuing operations for our media group remained relatively constant for the fiscal year ending December 31, 2010 compared to the fiscal year ended December 31, 2009. This was primarily due to the increase in payroll expenses relating to our recently established advertising joint venture offset by a decrease in professional fees.

INCOME (LOSS) FROM CONTINUING OPERATIONS. Income from continuing operations was $218,745 for the year ended December 31, 2010, as compared with a loss from media operations of $234,662 for the fiscal year ended December 31, 2009. The increase is primarily due to an increase in revenues.

OTHER ITEMS. Other income was $14,909 for the fiscal year ended December 31, 2010 compared to $168,723 for the fiscal year ended December 31, 2009. The decrease was due to less interest earned on our lower cash balances.

INTEREST EXPENSE. Interest expense was $546 for the fiscal year ended December 31, 2010 as compared to $1,208 for the fiscal year ended December 31, 2009. The decrease is primarily due to lower debt in 2010.

DISCONTINUED OPERATIONS. The Company sold its Genesis subsidiary in September 2010. The Company has reclassified the operations for the years ending December 31, 2010 and 2009 as discontinued operations. For the year ended December 31, 2010, the Company recorded a loss from operations of approximately $1.9 million as compared to income from operations of approximately $144,000 for the year ended December 31, 2009. The Company contributes the loss primarily to a deterioration of its road construction operations that reduced revenues. The cost of operations far exceeded the revenues for the year which contributed to the loss.

NET EARNINGS (LOSS). Net loss was $1.3 million for the fiscal year ended December 31, 2010 as compared to net earnings of $27,963 for the fiscal year ended December 31, 2009. This decrease was due to a loss of discontinued operations of $1.9 million offset by earnings of approximately $233,000 from the continuing operations from the media group.

LIQUIDITY AND CAPITAL RESOURCES

On November 7, 2008, the Company entered into a loan agreement with IPA International Project Establishment, a Lichtenstein corporation (“IPA”). The Company advanced IPA $3,840,000. In June 2009, IPA assumed the debt owed by a Romanian entity to the Company in the amount of $253,740 in connection with a terminated acquisition agreement. The term of the loan was originally for six months with interest at a rate of 5% per anum payable at maturity. The loan had been extended to October 2009. On October 1, 2009, the Company consummated an acquisition of 60% of the outstanding shares of SC Genesis International S.A. owned by IPA. The outstanding note receivable, including interest of $186,758, in the amount of $4,280,498 was applied against the purchase price. See Note 2 for further information. For the year ended December 31, 2009, the Company recorded interest income of $146,757.

On October 1, 2009, we closed an acquisition of 60% of the outstanding shares of Genesis. The consideration paid by the Company for the acquisition of Genesis was $4,800,000 paid to the holder of a majority of the outstanding shares of Genesis. On February 23, 2010, we acquired an additional 20% of the outstanding shares of Genesis. On August 3, 2010, we entered into a Purchase Agreement with Stipula Financial Inc., a British Virgin Islands corporation pursuant to which the Stipula Financial purchased from us eighty (80%) percent of the outstanding shares of SC Genesis. The consideration for the sale of our 80% interest in Genesis under the Purchase Agreement was the assignment and transfer to us by certain of our stockholders of 8,443,900 shares of our common stock.

During 2010, the Company has funded its capital requirements for media operations primarily through operating activities. As of December 31, 2010 the Company had a cash balance of $401,656. This compares with a cash balance of $389,988 at December 31, 2009. The Company expects cash flow from operations to fund the Company's media operating activities for the next twelve months.

The Company had a working capital surplus for continuing operations of approximately $1.3 million and a stockholders' equity of approximately $5.1 million as of December 31, 2010. Cash and cash equivalents for continuing operations increased approximately $12,000 for the year ended December 31, 2010. The increase is primarily due to net cash provided by investing activities (primarily from proceeds from the sale of marketable securities of $78,000) offset by cash used in operating activities of approximately $44,000 (primarily due to a net loss of $1.6 million offset by an increase in net assets from discontinued operations of $1.4 million and an increase in changes of operating assets and liabilities from continued operations of approximately $200,000).

Accounts receivable for continuing operations, net of allowances, were $519,000 at December 31, 2010, as compared to $123,000 at December 31, 2009. The increase is primarily due to increased sales during the fourth quarter of 2010. Property, plant and equipment, net, were $92,000 at December 31, 2010, as compared to $113,000 at December 31, 2009. Accounts payable were $117,000 for continuing operations as compared to $41,000 at December 31, 2009. The increase for media operations is primarily due to increased activity during the fourth quarter of 2010.

Off Balance Sheet Arrangements

We do not currently have any off balance sheet arrangements falling within the definition of Item 303(c) of Regulation S-B.

Inflation

To date inflation has not had a material impact on our operations.

New Financial Accounting Standards

New Financial Accounting Standards

The Financial Accounting Standards Board ("FASB") has published an update to the accounting guidance on fair value measurements and disclosures as it relates to investments in certain entities that calculate net asset value per share (or its equivalent). This accounting guidance permits a reporting entity to measure the fair value of certain investments on the basis of the net asset value per share of the investment (or its equivalent). This update also requires new disclosures, by major category of investments, about the attributes of investments included within the scope of this update. The guidance in this update is effective for interim and annual periods ending after December 15, 2009. The adoption of this standard did not have a material impact on the Company's results of operations, financial condition or cash flows.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk.

Interest Rate and Investment Risk - Interest rate risk refers to fluctuations in the value of a security resulting from changes in the general level of interest rates. Investments that are classified as cash and cash equivalents have original maturities of three months or less. Our interest income is sensitive to changes in the general level of interest rates. Due to the short-term nature of our investments, we believe that there is not a material risk exposure. The Company's cash and cash equivalents are concentrated primarily in four banks in Moldova and several banks in Romania. At times, such deposits could be in excess of insured limits. Management believes that the financial institutions that hold the Company's financial instruments are financially sound and, accordingly, minimal investment risk is believed to exist with respect to these financial instruments

Credit Risk - Our accounts receivables are subject, in the normal course of business, to collection risks. We regularly assess these risks and have established policies and business practices to protect against the adverse effects of collection risks. Accounts receivable are reviewed daily and credit is given after the review of the Company's credit policies. As a result we do not anticipate any material losses in this area.

Foreign Exchange Risk - The financial position and results of operations of our foreign subsidiaries in the Republic of Moldova and Romania are measured using the foreign subsidiaries' local currencies, the Moldovan and Romanian lei and the euro, as the functional currency since that is the currency of the primary environment in which those companies generate their revenues and expenses. Revenues and expenses of such subsidiaries are translated into U.S. dollars at average exchange rates prevailing during the period. Assets and liabilities are translated at the rates of exchange on the balance sheet date. The resulting translation gain and loss adjustments are recorded directly as a separate component of shareholders' equity. The amount of future translation gains or losses will be affected by any changes in the exchange rate between these local operating currencies and the U.S. dollar.

Item 8. Financial Statements and Supplementary Data.

EMERGING MEDIA HOLDINGS, INC.
CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2010 and 2009

EMERGING MEDIA HOLDINGS, INC. AND SUBSIDIARIES

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Madsen & Associates, CPA's Inc.

684 East Vine Street

Murray, UT 84107

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors
Emerging Media Holdings, Inc. and Subsidiaries
Chisnau, Moldova

We have audited the accompanying consolidated balance sheets of Emerging Media Holdings, Inc. and Subsidiaries (collectively, the "Company") as of December 31, 2010 and 2009, and the related consolidated statements of operations, equity and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit 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 also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1 of Notes to Consolidated Financial Statements, approximately 96% of the consolidated assets are located in Moldova and 100% of the consolidated revenue is earned in Moldova.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2010 and 2009, and the results of its operations and its cash flows for each of the years in the period ended December 31, 2010, in conformity with accounting principles generally accepted in the United States of America.

/s/ Madsen & Associates, CPA’s Inc.

Madsen & Associates, CPAs Inc.

March 30, 2011

EMERGING MEDIA HOLDINGS INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

ASSETS

	December 31, 2010	December 31, 2009
CURRENT ASSETS:		
Cash and cash equivalents	$ 401,656	$ 389,988
Marketable securities	250,000	328,801
Accounts receivable - net of allowance for doubtful accounts of $5,000 and $5,000	519,037	123,244
Inventories	15,760	13,305
Employee receivables and other current assets	382,414	166,084
Net assets of discontinued operations	-	1,826,150
Total Current Assets	1,568,867	2,847,572
Property, plant and equipment, net	91,739	112,918
Intangible assets - net	201,225	258,041
Goodwill	3,639,645	7,510,892
TOTAL ASSETS	$ 5,501,476	$ 10,729,423

LIABILITIES AND EQUITY

	December 31, 2010	December 31, 2009
CURRENT LIABILITIES:		
Notes payable	$ -	$ 471,595
Accounts payable	117,376	40,812
Accrued expenses	137,064	109,264
Capitalized lease obligations	1,681	4,703
Customer deposits	13,551	118,438
Total Current Liabilities	269,672	744,812
Commitments and Contingencies	-	-
EQUITY:		
Emerging Media Holdings Inc. and Subsidiaries Stockholders' Equity:		
Common stock, $.001 par value, 100,000,000 shares authorized; 12,250,920 and 17,303,000 shares issued at December 31, 2010 and December 31, 2009	12,251	17,303
Additional paid-in-capital	5,670,566	9,026,003
Retained earnings (deficit)	(596,191)	721,510
Accumulated other comprehensive income (loss)	51,126	(406,856)
Less: Cost of common stock in treasury, 11,760 shares	(9,237)	(9,237)
Total Emerging Media Holdings Inc. and Subsidiaries Stockholders' Equity	5,128,515	9,348,723
Noncontrolling interest	103,289	635,888
Total Equity	5,231,804	9,984,611
TOTAL LIABILITIES AND EQUITY	$ 5,501,476	$ 10,729,423

See notes to consolidated financial statements

EMERGING MEDIA HOLDINGS INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

	For The Years Ended December 31, 2010	2009
Revenues	$ 3,720,939	$ 2,083,763
Costs and expenses:		
Cost of sales	2,320,342	1,132,578
Selling, general and administrative expenses	1,181,852	1,185,847
	3,502,194	2,318,425
Income (loss) from continuing operations	218,745	(234,662)
Other income (expense):		
Interest expense	(546)	(1,208)
Other income (principally interest income)	14,909	168,723
	14,363	167,515
Earnings (loss) from continuing operations before provision for income taxes	233,108	(67,147)
Provision for income taxes	-	-
Earnings (loss) from continuing operations	233,108	(67,147)
Discontinued operations (Note 18):		
Gain on sale of SC Genesis International S.A.	109,016	-
Earnings (loss) from operations of SC Genesis International S.A.	(1,945,670)	143,768
	(1,836,654)	143,768
Net earnings (loss)	(1,603,546)	76,621
Less: Net earnings (loss) attributable to the noncontrolling interest	(285,845)	48,658
Net earnings (loss) attributable to Emerging Media Holdings, Inc. and Subsidiaries	$ (1,317,701)	$ 27,963
Earnings (loss) per common share:		
Earnings (loss) per common share attributable to Emerging Media Inc. and Subsidiaries common shareholders from continuing operations - basic and diluted	$ 0.01	$ 0.00
Earnings (loss) per common share attributable to Emerging Media Inc. and Subsidiaries common shareholders from discontinued operations - basic and diluted	$ (0.09)	$ 0.00
Weighted average common shares outstanding - basic and diluted	16,402,531	17,293,200

See notes to consolidated financial statements

EMERGING MEDIA HOLDINGS INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	For the Years Ended December 31, 2010	2009
Net earnings (loss)	$ (1,603,546)	$ 76,621
Other comprehensive income (loss) - net of tax:		
Currency translation adjustment	211,299	(569,849)
Comprehensive income (loss)	(1,392,247)	(493,228)
Less:		
Comprehensive income (loss) attributable to noncontrolling interest	(285,845)	(114,084)
Comprehensive income (loss) attributable to Emerging Media Inc. and Subsidiaries	$ (1,106,402)	$ (379,144)

See notes to consolidated financial statements

EMERGING MEDIA HOLDINGS INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF EQUITY

	Total	Comprehensive Income	Preferred Stock Number of Shares	Preferred Stock Amount	Common Stock Number of Shares	Common Stock Amount	Additional Paid In Capital	Retained Earnings (Deficit)	Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Noncontrolling Interest
Balance, January 1, 2009	$ 9,890,609		1,000,000	$ 4,000,000	16,303,000	$16,303	$ 5,027,003	$ 693,547	$ 162,993	$ (9,237)	$ -
Conversion of preferred stock	-		(1,000,000)	(4,000,000)	1,000,000	1,000	3,999,000				
Noncontrolling interest	587,230										587,230
Net earnings year ended December 31, 2009	76,621	$ 76,621						27,963			48,658
Currency translation	(569,849)	(569,849)							(569,849)		
Comprehensive loss		$ (493,228)									
Balance, December 31, 2009	9,984,611		-	-	17,303,000	17,303	9,026,003	721,510	(406,856)	(9,237)	635,888
Issuance of common stock for acquisition					1,250,000	1,250	346,149		(29,455)		(317,944)
Sale of SC Genesis International S.A.	(3,377,560)				(8,443,900)	(8,444)	(3,369,116)				
Non-cash based compensation	17,000				100,000	100	16,900				
1:5 Forward split adjustment					2,041,820	2,042	(2,042)				
Adjustment to noncontrolling interest for sale of SC Genesis International S.A.	-						(347,328)		276,138		71,190
Net loss year ended December 31, 2010	(1,603,546)	$ (1,603,546)						(1,317,701)			(285,845)
Currency translation	211,299	211,299							211,299		
Comprehensive loss		$ (1,392,247)									
Balance, December 31, 2010	$ 5,231,804		-	$ -	12,250,920	$12,251	$ 5,670,566	$ (596,191)	$ 51,126	$ (9,237)	$ 103,289

See notes to consolidated financial statements

EMERGING MEDIA HOLDINGS INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	For The Years Ended December 31, 2010	2009
Cash flows from operating activities:		
Net earnings (loss)	$ (1,603,546)	$ 76,621
Adjustments to reconcile net earnings (loss) to net cash provided by operating activities:		
Depreciation and amortization	113,649	111,374
Non-cash compensation	17,000	-
Gain on disposition of subsidiary	(109,016)	-
(Gain) loss on disposition of fixed assets	2,644	(3,510)
Adjustment for net assets from discontinued operations	1,357,581	(1,105,820)
Changes in operating assets and liabilities:		
Decrease in trade receivables	395,793	139,645
(Increase) in inventories	(2,455)	(7,577)
(Increase) decrease in employee receivables and other current assets	(216,330)	196,157
Increase (decrease) in accounts payable, accrued liabilities and income taxes payable	105,936	(196,802)
Increase (decrease) in customer deposits	(104,887)	118,438
Net Cash (Used In) Operating Activities	(43,631)	(671,474)
Cash flows from investing activities:		
Purchase of property, plant and equipment	(21,731)	(115,135)
Proceeds from sale of fixed assets		5,696
Proceeds from sale of marketable securities	78,801	-
Purchase of marketable securities	-	(78,801)
Net Cash Provided by (Used In) Investing Activities	57,070	(188,240)
Cash flows from financing activities:		
Proceeds from loans	-	-
Repayment of debt - related parties	-	(47,123)
Repayment of debt	(3,022)	(4,621)
Net Cash (Used In) Financing Activities	(3,022)	(51,744)
Effect of exchange rate changes on cash	1,251	(33,292)
Net increase (decrease) in cash	11,668	(944,750)
Cash and cash equivalents - Beginning of year	389,988	1,334,738
Cash and cash equivalents - End of year	$ 401,656	$ 389,988

See notes to consolidated financial statements

EMERGING MEDIA HOLDINGS INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (continued)

	For The Years Ended December 31, 2010	2009
Supplemental disclosure cash flow information:		
Cash paid for interest	$ 138,230	$ 90,392
Cash paid for income taxes	$ -	$ -
Supplementary information:		
Non-cash transactions during the period for:		
Assumption of deposit receivable from terminated acquisition by noteholder		$ 253,790
Acquisition in which liabilities were assumed:		
Fair value of assets		$ 14,722,687
Purchase price		4,752,093
Liabilities assumed		$ 9,970,594
Exchange of note receivable to seller in connection with purchase of Genesis		$ 4,280,498
Non-cash compensation	$ 17,000	
Common stock received in connection with sale of Genesis	$ 3,377,560	
Adjustment of noncontrolling interest in connection with acquisition and sale of Genesis during 2010	$ 246,754	

See notes to consolidated financial statements

EMERGING MEDIA HOLDINGS INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF AND FOR YEARS ENDED DECEMBER 31, 2010 AND 2009

1. DESCRIPTION OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Emerging Media Holdings, Inc. (the "Company" or "EMH") was incorporated in the State of Nevada on September 3, 2003. The Company operates in two industries, each in its own geographic area. The Company directs its operations through its subsidiaries located in Moldova and Romania. Through its Moldovan subsidiaries, the Company's primary activities are in radio and television broadcasting. The Company was granted a broadcasting license in 2005 which extends through 2011 and earns revenue primarily through advertisement sales. Through its Romanian subsidiary, the Company supplies infrastructure projects to highways and roads throughout Romania using a road base material.

Recent Developments

On August 3, 2010, the Company entered into a Purchase Agreement with Stipula Financial Inc., a British Virgin Islands corporation, (“Stipula Financial”), pursuant to which Stipula Financial agreed to purchase from the Company eighty (80%) percent of the outstanding shares of SC Genesis International S.A. owned by the Company. The consideration for the sale of the Company’s 80% interest in Genesis under the Purchase Agreement was the assignment and transfer to the Company by certain of the Company’s shareholders of 8,443,900 shares of the Company’s common stock. The closing was consummated on September 10, 2010. As of this date, the Company had no remaining ownership interest in Genesis.

On February 2, 2011, the Company entered into an Asset Purchase Agreement ("Agreement") with the Company's major shareholder. The Agreement provides for the sale of the common stock of the Company's following subsidiaries: IM Media Alianta SRL, SA Analytic Media Group and ICS Alkazar Media Services SRL, which included the Company's TV7 television channel. The Company received 4,800,000 common shares of Emerging Media Holdings, valued at approximately $1,800,000. The shares were subsequently retired. The Company will continue to operate its other media subsidiaries consisting of the "TNT" television channel. Under a separate Private Treaty Sale Agreement, the Company agreed to purchase from its major shareholder 500,000, shares of the Company's common stock for the purchase price of $325,000, the purchase price to be paid by the deposit of $125,000 with an Escrow Agent, upon which deposit the Escrow Agent will release certificates representing 2,300,000 of the Company's common stock, and a $200,000 promissory note, secured by 3,000,000 shares of the Company's common stock on deposit with the Escrow Agent. Also on deposit with the Escrow Agent is a certificate for 1,600,000 shares to be released upon the sale of the Company's remaining media subsidiaries that own the TNT channel.

On February 10, 2011, the Company entered into a Share Exchange Agreement with Men's Medical Corporation, Inc., a Florida Corporation, ("MMC"). The Company issued to the former shareholder of MMC, Saddleworth Ventures, LLC, whose sole member is Chris Smith ("Smith"), a total of 1,000 Class A Preferred Shares (the "Series A Preferred Stock"). The Series A Preferred Stock will be convertible into and will vote as 25,000,000 shares of common stock, effectively giving control of the Company to Chris Smith. In connection with the Share Exchange Agreement, Chris Smith was elected the Company's President and Chief Executive Officer.

MMC will hold a license for the use of certain proprietary, personalized treatment processes for erectile dysfunction and premature ejaculation, together with protected trademarks, trade names and patents associated with men's health and lifestyle management. MMC intends to roll out strategic alliances with physicians nationwide to offer a full range of men's health and lifestyle services incorporating the intellectual property.

With the sale of the Company's media subsidiaries and the Company's ongoing negotiations for the sale of the remaining subsidiaries in this business, the Board of Directors approved the acquisition of MMC and has determined, based on the expertise of MMC management in this area, that the Company’s business model should be to identify and acquire one or more men's sexual health clinic businesses through a business combination. As of the date of this report, the Company is focusing its efforts on identifying such a business. As of this date, although the Company has preliminary financing commitments from eMedical Hub with regard to the funding for two clinics, the Company has not entered into any agreements relating to any such acquisitions.

Basis of Presentation

Effective for the year ended December 31, 2009, the Financial Accounting Standards Board ("FASB") established Accounting Standards Codification ("ASC") as the primary source of authoritative generally accepted accounting principles ("GAAP") recognized by the FASB to be applied by nongovernmental entities. Although the establishment of the ASC did not change current GAAP, it did change the way we refer to GAAP throughout this document to reflect the updated referencing convention.

Reporting and functional currency

The Company has determined that the United States dollar (“USD") is the reporting currency for the purposes of financial reporting under US GAAP.

The local currency and the functional currency of the subsidiaries of the Company is the Moldovan Lei ("MOL") and the Romanian Lei ("RON").

Any conversion of MOL and RON amounts to USD should not be construed as a representation that such MOL and RON amounts have been, could be, or will in the future be converted into USD at the current exchange rate or at any other exchange rate.

Significant Accounting Policies

The significant accounting policies of the Company's continuing operations are as follows:

Principles of Consolidation

The consolidated financial statements of the Company include the Company and its wholly-owned and majority-owned subsidiaries. All material intercompany balances and transactions have been eliminated. For those consolidated subsidiaries in which the Company's ownership is less than 100 percent (100%), the outside stockholders' interests are shown as noncontrolling interest in the Company's consolidated balance sheet. The noncontrolling interest of the Company's earnings or loss is classified as net income or loss attributable to noncontrolling interest in the consolidated statement of operations.

Variable Interest Entities

The Company consolidates variable interest entities ("VIE") of which the Company is the primary beneficiary. The liabilities recognized as a result of consolidating these VIEs do not necessarily represent additional claims on the Company's general assets; rather, they represent claims against the specific assets of the consolidated VIEs. Conversely, assets recognized as a result of consolidating these VIEs do not represent additional assets that could be used to satisfy claims against the Company's general assets.

Economic and Political Risks

The Company faces a number of risks and challenges since its primary operations are in the Republic of Moldova and 100% of the consolidated revenue is earned in Moldova. Management cannot presently predict what future impact the political risk will have on the Company, if any, or how the political climate in Moldova will affect the Company’s operations. Accordingly, events resulting from any change in the political climate could have a material effect on the Company.

Marketable Securities

The Company classifies its fixed income securities as "held-to-maturity", and accordingly, are carried at cost, which approximates market value. In accordance with FASB ASC 320, "Investments-Debt and Equity Securities" ("ASC 320"), the Company periodically reviews its marketable securities and determines whether the investments are other-than-temporarily impaired. If the investments are deemed to be other-than-temporarily impaired, the investments are written down to their then current fair market value. See Note 6 for further discussion regarding these impairment charges. Realized gains or losses from the sale of marketable securities are based on the specific identification method.

Accounts Receivable

Accounts receivable are recorded when the advertisement sales are earned over the life of the contracts and the Company and the advertiser agree the advertising insertions have been broadcast and the services for advertising have been performed. Accounts receivable are presented in the balance sheet net of allowance for doubtful accounts. Receivables are due in 90 days from the date of the invoice and each customer is evaluated on their ability to demonstrate a commitment to pay. Receivables are written off when they are determined to be uncollectible. For the years ended December 31, 2010 and 2009, the Company recorded bad debt expense of approximately $-0- and $21,000, respectively. The allowance for doubtful accounts is estimated based on the Company's historical losses, the existing economic conditions in the industry, and the financial ability of its customers. The Company determined the amount to record as an allowance for doubtful accounts at December 31, 2010 and 2009 based on a percentage of the current year write-offs to the total of accounts receivable outstanding. The Company also analyzed the days outstanding of receivables to determine an adequate reserve. The collectability of receivables remains strong despite the economic crisis and the Company believes the amount reserved will be more than sufficient to cover any bad debts. The Company will monitor the economic conditions during 2011 to determine if additional reserves are needed. As of December 31, 2010 and 2009, the Company established a reserve against future doubtful accounts of approximately $5,000 and $5,000, respectively.

Inventories

Inventories are stated at the lower of cost or market on average cost basis consisting primarily of petrol and cosmetics.

Employee and Other Receivables

The Company advances loans to certain employees and third parties. The loans are interest free and payable within twelve months from the date of the advance. Receivables from employees and other third parties at December 31, 2010 and 2009 amounted to $292,039 and $132,188, respectively, and are included in employee receivables and other current assets on the Company's consolidated balance sheet.

Depreciation and Amortization

Property, plant and equipment are carried at cost less accumulated depreciation. The cost of repairs and maintenance is expensed as incurred; major replacements and improvements are capitalized. When assets are retired or disposed of, the cost and accumulated depreciation are removed from the accounts, and any resulting gains or losses are included in income in the year of disposition.

Leased property and equipment meeting capital lease criteria are capitalized at the lower of the present value of the related lease payments or the fair value of the leased asset at the inception of the lease. Amortization is calculated on the straight-line basis over the shorter of the remaining terms of the leases or the estimated useful lives of the asset.

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Depreciation is provided using the straight-line method over the estimated useful lives of the assets. The lives applied are as follows:

Buildings and building improvements	7-30 Years
Office equipment	3-5 Years
Transportation equipment	7 Years
Manufacturing equipment	5-10 Years

Foreign Currency Translation

The functional currency for foreign operations is the local currency. The US dollar is the reporting currency. Assets and liabilities of foreign operations are translated at exchange rates as of the balance sheet date and income, expense and cash flow items are translated at the average exchange rate for the applicable period. Translation adjustments are recorded in other comprehensive income (loss).

Use of Estimates

The preparation of the consolidated financial statements in conformity with accepted accounting principles generally accepted in the United States of America requires the Company to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and related disclosure of contingent assets and liabilities. On an ongoing basis, the Company evaluates its estimates including, but not limited to, those related to such items as income tax exposures, accruals, depreciable/useful lives, allowance for doubtful accounts and valuation allowances. The Company bases its estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results could differ from those estimates.

Revenue Recognition

The Company recognizes revenue in accordance with the guidance contained in FASB ASC 605, (Revenue Recognition) ("ASC 605").

Revenue from advertisement sales is recognized on a contract basis and is earned over the life of the contract as the services for advertising are performed.

Business Combinations

During 2009, the Company adopted the revised accounting guidance related to business combinations. This guidance requires an acquirer to recognize the assets acquired, the liabilities assumed, and any noncontrolling interest in the acquiree at the acquisition date, measured at their fair values as of that date, with limited exceptions specified in the literature. In accordance with this guidance, acquisition-related costs, including restructuring costs, must be recognized separately from the acquisition and will generally be expensed as incurred. That replaces the cost-allocation process detailed in previous accounting literature, which required the cost of an acquisition to be allocated to the individual assets acquired and liabilities assumed based on their estimated fair values. The Company implemented this new guidance effective January 1, 2009 and as a result, a total of $-0- and $50,000 in acquisition related costs were charged to selling, general and administrative expenses during 2010 and 2009, respectively.

Goodwill

Goodwill is tested for impairment on an annual basis or whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The Company tests goodwill for impairment, and has established December 31 as the annual impairment test date, using a fair value approach at the reporting unit level. A reporting unit is an operating segment or one level below an operating segment for which discrete financial information is available and reviewed regularly by management. Assets and liabilities of the Company have been assigned to the reporting units to the extent they are employed in or are considered a liability related to the operations of the reporting unit and are considered in determining the fair value of the reporting unit. The Company has determined that its reportable operating segments are its reporting units.

The goodwill impairment test is a two-step process. If the fair value of a reporting unit exceeds its carrying amount, goodwill of the reporting unit is considered not impaired and the second step of the impairment test is unnecessary. If the carrying amount of a reporting unit exceeds its fair value, the second step of the goodwill impairment test is performed to measure the amount of impairment loss, if any. The second step of the goodwill impairment test compares implied fair value of the reporting unit's goodwill (i.e., fair value of the reporting unit less the fair value of the unit's assets and liabilities, including identifiable intangible assets) with the carrying amount of that goodwill. If the carrying value of goodwill exceeds its implied fair value, the excess is required to be recorded as an impairment. See Note 4 of the consolidated financial statements.

Evaluation of Long-lived Assets

Property, plant and equipment represent an important component of the Company's total assets. The Company depreciates its property, plant and equipment on a straight-line basis over the estimated useful lives of the assets. Management reviews long-lived assets for potential impairment whenever significant events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. An impairment exists when the carrying amount of the long-lived asset is not recoverable and exceeds its fair value. The carrying amount of a long-lived asset is not recoverable if it exceeds the sum of the estimated undiscounted cash flows expected to result from the use and eventual disposition of the asset. If an impairment exists, the resulting write-down would be the difference between fair market value of the long-lived asset and the related net book value.

Income Taxes

Taxes are calculated in accordance with taxation principles currently effective in the Republic of Moldova, and the United States of America.

The Company accounts for income taxes under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements. Under this method, deferred tax assets and liabilities are determined based on the differences between the financial statements and tax basis of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in income in the period that includes the enactment date.

The Company records net deferred tax assets to the extent they believe these assets will more-likely-than-not be realized. In making such determination, the Company considers all available positive and negative evidence, including future reversals of existing taxable temporary differences, projected future taxable income, tax planning strategies and recent financial operations. In the event the Company was to determine that it would be able to realize its deferred income tax assets in the future in excess of its net recorded amount, the Company would make an adjustment to the valuation allowance which would reduce the provision for income taxes.

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Concentration of Credit Risk

Financial instruments which potentially subject the Company to concentrations of credit risk consist principally of cash and accounts receivable.

The Company's cash and cash equivalents are concentrated primarily in four banks in Moldova and three banks in Romania. At times, such deposits could be in excess of insured limits. Management believes that the financial institutions that hold the Company's financial instruments are financially sound and, accordingly, minimal credit risk is believed to exist with respect to these financial instruments.

The Company grants credit to customers that are based on an evaluation of the customer's financial condition, without requiring collateral. Exposure to losses on receivables is principally dependent on each customer's financial condition. The Company controls its exposure to credit risk through credit approvals and progressive payments as the work is performed.

The Company is also subject to the risk of currency fluctuations that may affect the prices paid for goods and the amounts received for revenue.

Retransmission Rights

The Company enters into agreements for the right to retransmit programs from other television networks. The terms of the agreements are on an annual basis and the costs are expensed as a part of cost of sales over the life of the agreements.

Earnings Per Share

Basic earnings per common share are computed by dividing net earnings by the weighted average number of common shares outstanding during the period. Diluted earnings per common share are computed by dividing net earnings by the weighted average number of common shares and potential common shares outstanding during the period. Potential common shares used in computing diluted earnings per share relate to preferred stock which if exercised would have a dilutive effect on earnings per share. For the years ended December 31, 2010 and 2009, there were -0- and -0- shares, respectively, potential common shares outstanding.

The weighted average shares outstanding used in the computation of basic and diluted earnings per share are as follows:

	December 31, 2010	December 31, 2009
Basic	16,402,531	17,293,000
Potential shares	-	-
Fully diluted	16,402,531	17,293,000

Stock-Based Compensation

The Company accounts for stock-based compensation under ASC 718, "Compensation-Stock Compensation" ("ASC 718"). The compensation cost for the portion of awards is based on the grant-date fair value of those awards as calculated for other recognition or pro forma disclosures under ASC 718.

The Company issues shares of common stock to non-employees as stock-based compensation. The Company accounts for the services using the fair market value of the consideration issued, generally measured as the closing price of the Company's common stock on the date of the agreement. For the years ended December 31, 2010 and 2009, the Company recorded compensation expense of $17,000 and $-0-, respectively, in connection with the issuance of shares of common stock to non-employees.

Reclassification

The consolidated balance sheet at December 31, 2009 and the consolidated statement of operations and cash flows for the year ended December 31, 2009 have been reclassified to conform to present year presentation in connection with Discontinued Operations.

New Financial Accounting Standards

The Financial Accounting Standards Board ("FASB") has published an update to the accounting guidance on fair value measurements and disclosures as it relates to investments in certain entities that calculate net asset value per share (or its equivalent). This accounting guidance permits a reporting entity to measure the fair value of certain investments on the basis of the net asset value per share of the investment (or its equivalent). This update also requires new disclosures, by major category of investments, about the attributes of investments included within the scope of this update. The guidance in this update is effective for interim and annual periods ending after December 15, 2009. The adoption of this standard did not have a material impact on the Company's results of operations, financial condition or cash flows.

2. ACQUISITIONS

a) On October 1, 2009, the Company consummated an acquisition of 60% of the outstanding shares of SC Genesis International S.A. ("Genesis") owned by IPA International Project Establishment. The consideration paid by the Company for the acquisition of Genesis was approximately $4,800,000.

Genesis, a joint stock company incorporated under the laws of Romania, has as its principal business, the construction of roads and highways. Other secondary activities include surface and underground railway construction, other special construction projects, relocation services and merchandise transportation.

The fair value of the identifiable assets acquired, liabilities assumed, and any noncontrolling interests in Genesis has been measured as of the date of acquisition. The measurement period is the period after the acquisition date during which time the Company may adjust the provisional amounts recognized for the business combination. Goodwill has been recognized as the excess of the fair value of the consideration transferred over the fair value of the identifiable assets acquired and the liabilities assumed. The Company accounted for acquisition-related costs as expenses in the periods in which the costs were incurred and the services were received.

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The following table presents the allocation of the acquisition cost to the assets acquired and liabilities assumed, based on their fair values.

At October 1, 2009		
Purchase price		
Exchange of note receivable	$ 4,280,498	
Note payable	471,595	
Total consideration		$ 4,752,093
Allocation of purchase price:		
Cash		47,511
Accounts receivable		6,162,295
Inventories		571,823
Other current assets		158,007
Property, plant and equipment		3,061,537
Restricted cash		850,267
Goodwill		3,871,247
Total Assets Acquired		14,722,687
Notes payable - current		539,011
Accounts payable		5,185,742
Customer advances		598,582
Accrued expenses		343,857
Capitalized lease obligations		91,384
Notes payable - long-term		2,624,788
Non-controlling interests		587,230
Total Liabilities Assumed		$ 9,970,594
Net Assets Acquired		$ 4,752,093

b) On February 20, 2010, the Company acquired 20% of the outstanding common stock of Genesis held by the noncontrolling interests in exchange for 1,250,000 shares of common stock of Emerging Media Holdings, Inc., valued at $500,000, the fair value of the common stock at the date of issuance. The purchase has been accounted for as an equity transaction in accordance with ASC 840-10-45-23, "Business Combinations". The noncontrolling interest and other comprehensive income has been reduced by $347,399 and credited to the equity of EMH.

c) On August 3, 2010, the Company entered into an agreement to sell its 80% interest in Genesis. The consideration for the sale was the assignment and transfer to the Company by certain of the Company's shareholders of 8,443,900 shares of the Company's common stock valued at approximately $3.4 million. The Company recorded a gain on the sale of Genesis of approximately $109,000 which is included in discontinued operations in the Company's consolidated statement of operations for the year ended December 31, 2010.

The acquisition has been accounted for using the purchase method of accounting, and accordingly, the results of operations of Genesis are included in discontinued operations from the date of acquisition.

3. FAIR VALUE MEASUREMENTS

The Company utilizes the accounting guidance for fair value measurements and disclosures for all financial assets and liabilities and nonfinancial assets and liabilities that are recognized or disclosed at fair value in the condensed consolidated financial statements on a recurring basis or on a nonrecurring basis during the reporting period. The fair value is an exit price, representing the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants based upon the best use of the asset or liability at the measurement date. The Company utilizes market data or assumptions that market participants would use in pricing the asset or liability. The accounting guidance establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value. These tiers are defined as follows:

Level 1 -	Observable inputs such as quoted market prices in active markets
Level 2 -	Inputs other than quoted prices in active markets that are either directly or indirectly observable
Level 3 -	Unobservable inputs about which little or no market data exists, therefore requiring an entity to develop its own assumptions

As of December 31, 2010, the Company held certain financial assets that are measured at fair value on a recurring basis. These consisted of cash and cash equivalents, investments in marketable securities and restricted cash. The fair values of the cash and cash equivalents and restricted cash is determined based on quoted market prices in public markets and is categorized as Level 1. The investment in marketable securities is determined by the Company based on market prices other than quoted prices in active markets and is categorized as Level 2. These are also categorized as held-to-maturity securities. The Company does not have any financial assets measured at fair value on a recurring basis as Level 3 and there were no transfers in or out of Level 1, Level 2 or Level 3 during the years ended December 31, 2010 and 2009 except for the restricted cash which was transferred out in connection with the sale of Genesis.

The following table sets forth by level, within the fair value hierarchy, the Company's financial assets accounted for at fair value on a recurring basis as of December 31, 2010 and 2009.

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		Assets at Fair Value as of December 31, 2010 and 2009 Using		
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Observable Inputs (Level 3)
December 31, 2010				
Cash and cash equivalents	$ 401,656	$ 401,656	$ -	$ -
Held-to-maturity securities	250,000	-	-	250,000
Total	$ 651,656	$ 401,656	$ -	$ 250,000
December 31, 2009				
Cash and cash equivalents	$ 389,988	$ 389,988	$ -	$ -
Held-to-maturity securities	328,801	-	-	328,801
Total	$ 718,789	$ 389,988	$ -	$ 328,801

The Company has other financial instruments, such as receivables, accounts payable and other liabilities which have been excluded from the tables above. Due to the short-term nature of these instruments, the carrying value of receivables, accounts payable and other liabilities approximate their fair values. The Company did not have any other financial instruments with the scope of the fair value disclosure requirements as of December 31, 2010.

Non-financial assets and liabilities, such as goodwill and long-lived assets, are accounted for at fair value on a nonrecurring basis. These items are tested for impairment on the occurrence of a triggering event or in the case of goodwill, on at least an annual basis. The Company's annual test on its long-lived assets indicated that the carrying value of its long-lived assets was recoverable and that no impairment existed as of the testing date. On September 10, 2010, the Company consummated the sale of its Genesis subsidiary. The value of the goodwill connected to Genesis was written down to $-0- in connection with the sale. See Note 5 for further information.

4. JOINT VENTURE

In August 2008, the Company announced the creation of a new advertising company, Alkasar Media Services S.R.L. ("Alkasar"). The Company and Alkasar Region LLC have agreed to become partners to promote new advertising technologies in Republic of Moldova in the media buying business, each owning a 50% interest in the joint venture.

The joint venture has been funded through the initial share capital from each of the investors. If additional capital is needed, the joint venture will raise the additional capital from contributions in share capital or loans from the shareholders. If one shareholder does not want to fund the joint venture, it is not obligated to invest the money.

The joint venture shall make annual distributions to the joint venture partners. The distribution is up to the discretion of the general manager of the joint venture within 30 days following the end of the fiscal year. The general manager is not allowed to make distributions if it is for the full payment of the share capital or if the result of the distribution the assets would be less than the amount of the share capital. For the years ended December 31, 2010 and 2009, no distributions were made.

100% of the operations of the joint venture are included in the consolidated statement of operations of the Company for the years ended December 31, 2010 and 2009 and the Company has accounted for the joint venture as a variable interest entity. The 50% equity interest of the joint venture partner is included in non-controlling interest in the Company's consolidated balance sheet at December 31, 2010 and 2009.

As of December 31, 2010, Alkasar had assets of $571,882 and liabilities of $364,859.

Alkasar Region LLC is affiliated with Gazprom - Media JSC advertising agency, selling advertising in more then 80 of the largest Russian cities, such as Moscow, St. Petersburg and others.

5. GOODWILL AND INTANGIBLES

Goodwill represents the excess of the purchase price and related acquisition costs over the value assigned to the net intangible and other intangible assets with finite lives acquired in a business acquisition.

Other intangibles are the value assigned to the license purchased as part of the acquisition of Media Top Prim. Amounts assigned to these intangibles were determined by management. Management considered a number of factors in determining the allocations, including valuations and independent appraisals. Other intangibles are being amortized over 7 years, the life of the license. Amortization expense was $57,176 and $56,816, for the years ended December 31, 2010 and 2009, respectively.

The changes in the carrying value of goodwill for the year ended December 31, 2010 is as follows:

	Total
Balance, December 31, 2009	$ 7,510,892
Adjustment for the sale of SC Genesis International S.A.	(3,871,247)
Balance, December 31, 2010	$ 3,639,645

Nonfinancial assets and liabilities, such as goodwill and long-lived assets, are accounted for at fair value on a non recurring basis. These items are tested for impairment upon the occurrence of a triggering event or in the case of goodwill, on at least an annual basis. On August 3, 2010, the Company sold its Genesis subsidiary and goodwill connected to the Genesis acquisition was written down to $-0-.

For the annual goodwill impairment assessment performed in 2010, the Company’s fair value analysis was supported by a weighting of two generally accepted valuation approaches, including the income approach and the market approach, as further described below. These approaches include numerous assumptions with respect to future circumstances, such as industry and/or local market conditions that might directly impact operations in the future, and are therefore uncertain. These approaches are utilized to develop a range of fair values and a weighted average of these approaches is utilized to determine the best fair value estimate within that range.

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The components of intangible assets other than goodwill are as follows:

	December 31, 2010		December 31, 2009	
	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
License agreements	$ 348,000	$ 146,775	$ 348,000	$ 89,599

Estimated amortization expense for intangible assets for the next five years is as follows:

Year Ending December 31,	Amortization Expense
2011	49,714
2012	49,714
2013	49,714
2014	52,083

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6. MARKETABLE SECURITIES

At December 31, 2010 and 2009, marketable securities have a cost and estimated fair value of $250,000 and $328,801, respectively. The market value of the marketable securities did not change as the securities were fixed yield bonds with a fixed price and fixed interest rate. The investments are held-to-maturity and are recorded at cost, which approximates market value. During the first quarter of 2010, bonds in the amount of $78,801 matured and were not renewed. The balance of the bonds mature in March 2012.

7. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment, which includes amounts recorded under capital leases, consisted of the following:

	December 31, 2010	December 31, 2009
Machinery and equipment	$ 664,198	$ 674,634
Transportation equipment	13,221	13,221
	677,419	687,855
Less accumulated depreciation	585,680	574,937
	$ 91,739	$ 112,918

Depreciation expense from continuing operations for the year ended December 31, 2010 and 2009 totalled $56,839 and $54,558, respectively.

8. NOTES PAYABLE

Notes payable balance as of December 31, 2010 and 2009 were as follows:

	December 31, 2010	December 31, 2009
Note payable to IPA, interest @ 5%, due upon demand (1)	$ -	$ 471,595
	-	471,595
Less: Current portion	-	471,595
	$ -	$ -

(1) Note payable in connection with the acquisition of 60% of Genesis. The note was eliminated in connection with the sale of Genesis.

Interest expense from continuing operations related to Notes Payable for the years ended December 31, 2010 and 2009 amounted to $-0- and $-0-, respectively.

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9. CAPITALIZED LEASE OBLIGATIONS

Property under lease:

	December 31, 2010	December 31, 2009
Equipment	$ 13,221	$ 13,221
Less: Accumulated depreciation	6,635	5,287
	$ 6,586	$ 7,934

The following is a schedule of minimum future lease payments required as of December 31, 2010, under capital leases which have an initial or remaining non-cancellable lease term in excess of one year:

Fiscal year ending:	
2011	1,906
Total minimum lease payments	1,906
Less amount representing interest	225
Present value of net minimum lease payment	1,681
Less current obligations	1,681
Long-term obligations	$ -

Interest expense from continuing operations related to Capitalized Lease Obligations for the years ended December 31, 2010 and 2009 was $546 and $1,208, respectively.

10. NONCONTROLLING INTEREST

The following table sets forth the noncontrolling interest balance and the changes to this balance attributable to the third-party interests in Alkasar Media Services S.R.L. and SC Genesis International S.A. As of December 31, 2010, the balance of the noncontrolling interest relates only to the third party interests in Alkasar Media Services S.R.L.

	December 31, 2010	December 31, 2009
Balance at beginning of period	$ 635,888	$ -
Noncontrolling interest from the acquisition of 60% of Genesis International S.A. in 2009	-	587,230
Adjustment of noncontrolling interest in connection with the acquisition of 20% of Genesis International S.A. in 2010	(317,944)	-
Adjustment for sale of 80% of Genesis	71,190	-
Noncontrolling interest share of income (loss)	(285,845)	48,658
Balance at end of period	$ 103,289	$ 635,888

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11. INCOME TAXES

The Company adopted the provisions of ASC 740, "Income Taxes", ("ASC 740"), on January 1, 2007. As a result of the implementation of ASC 740, the Company recognized no adjustment in the net liability for unrecognized income tax benefits. The Company believes there are no potential uncertain tax positions and all tax returns are correct as filed. Should the Company recognize a liability for uncertain tax positions, the Company will separately recognize the liability for uncertain tax positions on its balance sheet. Included in any liability for uncertain tax positions, the Company will also setup a liability for interest and penalties. The Company's policy is to recognize interest and penalties related to uncertain tax positions as a component of the current provision for income taxes.

The nominal statutory corporate rate in the Republic of Moldova is 0% for 2010 and 2009. Taxes are calculated in accordance with Moldovan regulations and are paid annually. Taxes are calculated on a separate entity basis since consolidation for tax purposes is not permitted in Moldova. There is no U.S. tax provision due to losses from U.S. operations during both 2010 and 2009. Deferred income taxes are provided for the temporary differences between the financial reporting and tax basis of the Company's assets and liabilities. The principal item giving rise to deferred taxes is the net operating loss carryforward in the U.S. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized. The Company has set up a valuation allowance for losses for certain carryforwards that it believes may not be realized.

The provision for income taxes consist of the following:

	Years Ended December 31, 2010	Years Ended December 31, 2009
Current:		
Federal	$ -	$ -
Foreign	-	-
	-	-
Deferred:		
Federal	-	-
Foreign	-	-
	-	-
	$ -	$ -

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A reconciliation of taxes on income computed at the federal statutory rate to amounts provided is as follows:

	Years Ended December 31, 2010	Years Ended December 31, 2009
Tax provision (benefit) computed at the federal statutory rate of 34%	$ (545,206)	$ 26,051
Increase (decrease) in taxes resulting from:		
Different tax rates and permanent differences applicable to foreign operations	(79,257)	(41,359)
Unused net operating losses	624,463	15,308
	$ -	$ -

Management's intention is to permanently reinvest the majority of the earnings of foreign subsidiaries in the expansion of its foreign operations. Unrepatriated earnings, upon which U.S. income taxes have not been accrued, are approximately $1.3 million at December 31, 2010. Such unrepatriated earnings are deemed by management to be permanently reinvested. The estimated federal income tax liability (net of estimated foreign tax credits) related to unrepatriated foreign earnings is $184,000 under the current tax law.

On August 10, 2010, President Obama signed into law the "Education Jobs and Medicaid Assistance Act" (H.R. 1586) (the "Act"). The Act's international tax provisions place certain restrictions on the use of foreign tax credits. The Company has evaluated the newly-enacted international tax provisions and determined that they do not materially affect the Company's operating results or financial condition.

The Company continues to monitor proposed legislation affecting the taxation of transfers of U.S. intangible property and other potential law changes.

As of December 31, 2010, the Company recorded a deferred tax asset associated with a U.S. net operating loss (“NOL”) carryforward of approximately $287,000 that was fully offset by a valuation allowance due to the determination that it was more likely than not that the Company would be unable to utilize those benefits in the foreseeable future. The Company's U.S. NOL expires in 2026.

The types of temporary difference between tax basis of assets and liabilities and their financial reporting amounts that give rise to the deferred tax liability and deferred tax asset and their approximate tax effects are as follows:

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	Years Ended December 31,			
	2010		2009	
	Temporary Difference	Tax Effect	Temporary Difference	Tax Effect
Deferred tax assets: Current				
Foreign net operating loss carryforward	$ -	$ -	$ 4,300,000	$ 1,075,000
U.S. net operating loss carryforward	287,000	98,000	168,000	57,000
Valuation allowance	(287,000)	(98,000)	(4,468,000)	(1,132,000)
Net deferred income tax asset	$ -	$ -	$ -	$ -

12. STOCKHOLDERS' EQUITY

Common Stock

On September 15, 2010, the Company approved a 1:5 forward split adjustment for the holders of common stock consisting of one share for each of five shares held of record or the September 15, 2010 record date.

Preferred Stock

The Company authorized 1,000,000 shares of preferred stock to be designated for issuance in connection with the acquisition of Media Top Prim. The preferred shares were convertible into common shares on a 1:1 basis. In 2009, the 1,000,000 preferred shares were converted into 1,000,000 common shares. As of December 31, 2010, no preferred shares were outstanding.

Treasury Stock

On September 22, 2008, the Board of Directors authorized the Company to purchase shares of the Company's common stock in the open market. As of December 31, 2010, the Company repurchased 9,800 shares in the amount of $9,237. No shares have been repurchased subsequent to December 31, 2010. In September 2010, treasury shares increased to 11,760 shares due to the 1:5 forward split adjustment.

13. DISCONTINUED OPERATIONS

On September 10, 2010, the Company consummated the sale of its 80% owned subsidiary, Genesis. The Company received 8,443,900 shares of its common stock, valued at $3,377,560, from certain of its shareholders as proceeds in connection with the sale. A gain of approximately $109,000 was recognized in connection with the sale.

The operating results of Genesis have been classified as discontinued operations and are summarized as follows:

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	December 31, 2010	December 31, 2009
Sales	$ 747,982	$ 2,144,734
Loss before income tax benefit	(1,945,670)	143,768
Loss from discontinued operations	(1,945,670)	143,768

Details of balance sheet items for Genesis are summarized below:

	December 31, 2010	December 31, 2009
Cash	$ -	$ 257,873
Accounts receivable	-	3,455,114
Inventories	-	295,427
Other current assets	-	3,460
Total Current Assets	-	4,011,874
Property, plant and equipment	-	2,780,917
Restricted cash	-	720,888
Total Non-Current Assets	-	3,501,805
TOTAL ASSETS	$ -	$ 7,513,679
Current portion of long-term debt	$ -	$ -
Accounts payable	-	3,732,076
Accrued expenses	-	264,830
Customer deposits	-	434,413
Capitalized lease obligations	-	77,085
Total Current Liabilities	$ -	$ 4,508,404
Long-term debt	-	1,179,125
TOTAL LIABILITIES	$ -	$ 5,687,529
Net assets of discontinued operations	$ -	$ 1,826,150

Significant Accounting Policies - Discontinued Operations

Cash and Cash Equivalents

Cash equivalents include short-term investments in money-market funds with an original maturity of three months or less when purchased. At December 31, 2010 and 2009, cash equivalents approximated $-0- and $184,000, respectively.

Accounts Receivable

Accounts receivable are recorded when the work is completed, approved by an independent third party and accepted by the purchaser. Accounts receivable are presented in the balance sheet net of allowance for doubtful accounts. Receivables are due in 90 days from the date of the invoice and each customer is evaluated on their ability to demonstrate a commitment to pay. The majority of the revenue is due from various state governmental agencies. Receivables are written off when they are determined to be uncollectible. The allowance for doubtful accounts is estimated based on the Company's historical losses, the existing economic conditions in the industry, and the financial ability of its customers. The Company determined the amount to record as an allowance for doubtful accounts at December 31, 2010 and 2009 based on a percentage of the current year write-offs to the total of accounts receivable outstanding. The Company also analyzed the days outstanding of receivables to determine an adequate reserve. The collectability of receivables remains strong despite the economic crisis and the Company believes the amount reserved will be more than sufficient to cover any bad debts. As of December 31, 2010 and 2009, the Company established a reserve against future doubtful accounts of approximately $-0- and $241,000, respectively.

Inventories

Inventories are stated at the lower of cost or market on average cost basis. In accordance with FASB ASC 360-15-35, "Impairment or Disposal of Long-Lived Assets", ("ASC 360-15"), the Company records impairment losses on inventory related to road construction projects when events and circumstances indicate that they may be impaired and the undiscounted cash flows estimated by these assets are less than their related carrying amounts. The Company recorded no impairments for the years ended December 31, 2010 and 2009.

Foreign Currency Translation

The functional currency for foreign operations is the local currency. The US dollar is the reporting currency. Assets and liabilities of foreign operations are translated at exchange rates as of the balance sheet date and income, expense and cash flow items are translated at the average exchange rate for the applicable period. Translation adjustments are recorded in other comprehensive income (loss).

Revenue Recognition

The Company recognizes revenue in accordance with the guidance contained in FASB ASC 605, (Revenue Recognition) ("ASC 605").

Revenue from road construction is recognized when the work is completed and accepted by the purchaser. The contracts are usually of a short duration. The Company is also subject to the risk of currency fluctuations that may affect the prices paid for goods and the amounts received for revenue.

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Evaluation of Long-lived Assets

Property, plant and equipment represent an important component of the Company's total assets. The Company depreciates its property, plant and equipment on a straight-line basis over the estimated useful lives of the assets. Management reviews long-lived assets for potential impairment whenever significant events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. An impairment exists when the carrying amount of the long-lived asset is not recoverable and exceeds its fair value. The carrying amount of a long-lived asset is not recoverable if it exceeds the sum of the estimated undiscounted cash flows expected to result from the use and eventual disposition of the asset. If an impairment exists, the resulting write-down would be the difference between fair market value of the long-lived asset and the related net book value.

Advance Payments to Contractors

Advance payments to contractors principally include prepayments to subcontractors for goods and services and which relate to specific projects which are expensed to cost of sales as the applicable inventory is sold. The subcontractor costs are expensed on a specific project to project basis. The payment to subcontractors include prepayments prior to the work commencing, advance payments for raw materials, and architectural and engineering services prior to the work being submitted to the authorities. The advance payments to subcontractors were primarily due to transactions from the Company's Genesis subsidiary which was sold in September 2010. All projects were reviewed quarterly for impairment issues. If any impairment exists, costs would be written down at that time.

14. BUSINESS SEGMENT INFORMATION

FASB ASC 280-10-10, "Segment Reporting" ("ASC 280-10-10"), established standards for reporting information about operating segments. Operating segments are defined as components of an enterprise about which separate financial information is available is evaluated regularly by management. The Company is organized by two geographical area segments. The Company has only one remaining operating segment. The Company's road construction segment was sold in September 2010 and the information for the years ended December 31, 2010 and 2009 is included in discontinued operations.

	2010	2009
Net Revenue by Geographic Areas:		
United States	$ -	$ -
Europe	3,720,939	2,083,763
	$ 3,720,939	$ 2,083,763

	December 31, 2010	December 31, 2009
Total Assets:		
United States	249,297	1,082,322
Europe	5,252,179	9,647,101
	$ 5,501,476	$ 10,729,423

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15. COMMITMENTS AND CONTINGENCIES

a) Contracts

1) The Company entered into a retransmission rights agreement with Russian Broadcasting Channels JSC "NTV" and JSC "NTV-Mir" owned by Gazprom Media, a wholly-owned subsidiary of the GazProm Corporation (a related party to Alkasar Region LLC, a 50% investor in Alkasar Media Services S.R.L.), to retransmit programs from these television networks. The contract is on a long term basis through 2011 and the Company will pay $229,333 per year. In February 2011, the Company sold its TV7 network related to the above retransmission agreement and is no longer obligated for future payments. For the years ended December 31, 2010 and 2009, the Company expensed $229,333 and $229,333, respectively.

2) The Company entered into a retransmission rights agreement with Russian Broadcasting Channel JSC "TNT-Teleset" owned by Gazprom Media, a wholly-owned subsidiary of GazProm Corporation (a related party to Alkasar Region LLC, a 50% investor in Alkasar Media Services S.R.L.) to retransmit programs from this television network. The contract is on a long term basis through 2012 and the Company will pay $189,200 in 2011. For the years ended December 31, 2010 and 2009, the Company expensed $189,200 and $174,700, respectively.

b) Leases

The Company leases various office facilities. Some of these leases require the Company to pay certain executory costs (such as maintenance and insurance). The leases contain no escalation or capital improvement funding provisions.

Future minimum lease payments for operating leases are approximately as follows:

Year Ending December 31,		
2011	$	89,304
2012		52,000
2013		52,000
2014		52,000
	$	245,304

Rent expense was $82,031 and $111,298 for the years ended December 31, 2010 and 2009, respectively.

Item 9. Changes In and Disagreements With Accountants on Accounting and Financial Disclosure.

None.

Item 9A (T). Controls and Procedures.

As supervised by our board of directors and our principal executive and principal financial officers, management has established a system of disclosure controls and procedures and has evaluated the effectiveness of that system. The system and its evaluation are reported on in the below Management's Annual Report on Internal Control over Financial Reporting. Our principal executive and financial officer has concluded that our disclosure controls and procedures (as defined in the 1934 Securities Exchange Act Rule 13a-15(e)) as of December 31, 2010, are effective, based on the evaluation of these controls and procedures required by paragraph (b) of Rule 13a-15.

Management's Annual Report on Internal Control over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Rule 13a-15(f) of the Securities Exchange Act of 1934 (the "Exchange Act"). Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with U.S. generally accepted accounting principles.

Management assessed the effectiveness of internal control over financial reporting as of December 31, 2010. We carried out this assessment using the criteria of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control—Integrated Framework. Management concluded in this assessment that as of December 31, 2010, our internal control over financial reporting is effective.

This annual report does not include an attestation report of our registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by our registered public accounting firm, pursuant to temporary rules of the Securities and Exchange Commission that permit us to provide only management's report in this annual report.

There have been no significant changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the fourth quarter of 2010 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information.

None.

PART III

Item 10. Directors, Executive Officers, and Corporate Governance.

The following table sets forth the names, positions and ages of our executive officers and directors, both as of as of December 31, 2009.

Name	Age	Title
Chris Smith	48	President and Chief Executive Officer, Chief Financial Officer and Director
Iurie Bordian	49	Director

Set forth below is a brief description of the background of each of our executive officers and directors, based on the information provided to us by them.

Chris Smith was elected a director, and appointed as our President and Chief Executive Officer and Chief Financial Officer, on February 11, 2011, in connection with the acquisition by the Company of all of the outstanding capital stock of men's medical corporation. Mr. Smith has served as the President of Men's Medical Corporation, Inc. since August 6, 2010, inception. He has also been the Managing Member of Saddleworth Ventures LLC, a financial consulting firm, since March 30, 2006. He graduated from Flagler College with a Bachelor of Arts degree in 1995 majoring in business and economics. From 2005 until the formation of Saddleworth Ventures LLC, Mr. Smith worked as an independent financial consultant on various projects in the medical field.

Iurie Bordian, has been the Company's CEO and Chairman since October 2006 through February 11, 2011. At this time Mr Bordian is a director of the Company. From 2002 to 2003 he co-founded MILLAGRO SRL in Moldova and serves as CEO and Director General. In 2002, he was Director General of MA-VEST SRL, in Moldova. From 1998 to 2000 he was CFO of MA-VEST SRL, Moldova. From 1994-1998 he was Chief Legal Council of "MA-VEST" SRL. From 1992-1994 he worked in the State Control Department of the Republic of Moldova as Chief of its District Branch in the District of Soroca. From 1990-1992 he was legal counselor the City Council in the District of Soroca From 1988-1990 he worked as investigator (Economic and Financial offences) for the Ministry of Internal Affairs of the Republic of Moldova. From 1985-1990 he served as Chief Investigator at the Public Prosecutor's Office of the Republic of Moldova. From 1983 to 1985 he worked as Legal Counselor at the Soroca District Trade Association. Mr. Bordian's education includes the State University of Moldova and the University of Cluj-Napoca, Romania. He has a degree in Financial Law. He is fluent in Romanian, Russian, and French and has working knowledge of English. Address: 21,Viilor 9/4 str. Soroca, Republic of Moldova, MD-2000

No director, director nominee, officer or affiliate of the Company, owner of record or beneficially of more than five percent of any class of our voting securities has, to our knowledge, during the last five years: (1) been convicted of any criminal proceeding (excluding traffic violations or similar misdemeanors); or (2) been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, U.S. federal or state securities laws or finding any violations with respect to such laws.

Corporate Governance

Directors are elected at the annual stockholder meeting or appointed by our Board of Directors and serve for one year or until their successors are elected and qualified. When a new director is appointed to fill a vacancy created by an increase in the number of directors, that director holds office until the next election of one or more directors by stockholders. Officers are appointed by our Board of Directors and their terms of office are at the discretion of our Board of Directors.

Committees of our Board of Directors

We do not have a separate Audit Committee. Our Board of Directors performs the functions usually designated to an Audit Committee. We intend shortly to establish an Audit Committee with one or more independent directors.

The Board does not have standing compensation or nominating committees. The Board does not believe a compensation or nominating committee is necessary based on the size of the Company and the current levels of compensation to corporate officers. The Board will consider establishing compensation and nominating committees at the appropriate time.

The entire Board of Directors participates in the consideration of compensation issues and of director nominees. To date, the Board of Directors has not formally established any criteria for Board membership. Candidates for director nominees are reviewed in the context of the current composition of the Board, the Company's operating requirements and the long-term interests of its stockholders. In conducting this assessment, the Board of Directors considers skills, diversity, age, and such other factors as it deems appropriate given the current needs of the Board and the Company, to maintain a balance of knowledge, experience and capability. In particular, weight is given to experience relevant to the Company's operations in Florida and the Russian Federation and familiarity with international business issues.

The Board's process for identifying and evaluating nominees for director, including nominees recommended by stockholders, involves compiling names of potentially eligible candidates, conducting background and reference checks, conducting interviews with the candidate and others (as schedules permit), meeting to consider and approve the final candidates and, as appropriate, preparing an analysis with regard to particular recommended candidates.

Stockholder Communications

The Board has not established a formal process for stockholders to send communications, including director nominations, to the Board; however, the names of all directors are available to stockholders in this Information Statement. Any stockholder may send a communication to any member of the Board of Directors, in care of the Company, at 1809 East Broadway Street, Suite 175, Oviedo, FL 32765 (Attention: Secretary). Director nominations submitted by a stockholder will be considered by the full Board. Each communication should clearly specify the name of the individual director or group of directors to whom the communication is addressed. Communications sent by email will be delivered directly to the Corporate Secretary, who will promptly forward such communications to the specified director addressees. Communications sent by mail will be promptly forwarded by the Corporate Secretary to the specified director addressee or, if such communication is addressed to the full Board of Directors, or to the Chairman of the Board (when one is appointed), who will promptly forward such communication to the full Board of Directors. Due to the infrequency of stockholder communications to the Board, the Board does not believe that a more formal process is necessary. However, the Board will consider, from time to time, whether adoption of a more formal process for such stockholder communications has become necessary or appropriate.

In general, advance notice of nominations of persons for election to our Board or the proposal of business to be considered by the shareholders must be given to our Secretary no earlier than the October 1 or later than December 1 preceding the next year's annual meeting, which would be scheduled in the month of May or June.

A shareholder's notice of nomination should set forth (i) as to each person whom the shareholder proposes to nominate for election or re-election as a director, all information relating to such person that is required to be disclosed in solicitations of proxies for election of directors, or is otherwise required, in each case pursuant to Regulation 14A under the Securities Exchange Act of 1934 (including such person's written consent to being named in the proxy statement as a nominee and to serving as a director, if elected); (ii) as to any other business that the shareholder proposes to bring before the meeting, a brief description of the business desired to be brought before the meeting, the reasons for conducting such business at the meeting and any material interest in such business of such shareholder and the beneficial owner, if any, on whose behalf the proposal is made; and (iii) as to the shareholder giving the notice and the beneficial owner, if any, on whose behalf the nomination or proposal is made, (A) the name and address of such shareholder, as they appear on our books, and of such beneficial owner, (B) the number of shares of our common stock that are owned (beneficially or of record) by such shareholder and such beneficial owner, (C) a description of all arrangements or understandings between such shareholder and such beneficial owner and any other person or persons (including their names) in connection with the proposal of such business by such shareholder and any material interest of such shareholder and of such beneficial owner in such business, and (D) a representation that such shareholder or its agent or designee intends to appear in person or by proxy at our annual meeting to bring such business before the meeting.

Attendance of Directors at Shareholder Meetings

We do not have a formal policy on attendance at meetings of our shareholders; however, we encourage all Board members to attend shareholder meetings that are held in conjunction with a meeting of our Board of Directors.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act requires our directors, executive officer and persons who beneficially own more than ten percent of our outstanding common stock to file reports with the SEC regarding initial statement of ownership, statement of changes of ownership and, where applicable, annual statement of ownership of our common stock. Such persons are required by SEC regulations to furnish us with copies of all such statements they file. The Company believes that all such required filings have been made, with the exception of those listed below.

Our directors Vivorel B. Sareboune and Radu Lazar, appointed to our Board of Directors on May 28, 2008, were required to file Form 3 Initial Statements of Beneficial Ownership within 10 days of their appointment, which forms were not filed by the date of their resignation from the Board of Directors on August 16, 2010. Oxana Boico, our Chief Accounting Officer, was appointed to this office on July 5, 2007, and was also subsequently elected a director. Ms. Boico was required to file a Form 3 within 10 days of her appointment, which form has not yet been filed. Renauld R. Williams was appointed as our President on January 17, 2008, and was required to file a Form 3 Initial Statement of Beneficial Ownership within 10 days of his appointment, which form had not been filed as of the date of his resignation on August 16, 2010.

Code of Ethics

We have adopted a Code of Ethics and Conduct within the meaning of Item 406(b) of Regulation S-B of the Exchange Act. A copy of this Code may be obtained by requesting a copy in writing to the Company's Secretary at 1809 East Broadway Street, Suite 175, Oviedo, Florida 32765. This Code applies to our directors and executive officers, such as our principal executive officer, principal financial officer, controller, and persons performing similar functions for us.

Item 11. Executive Compensation.

Summary Compensation Table

The following table sets forth all compensation awarded to, earned by, or paid for all services rendered to the Company during fiscal 2007, 2006 and 2005 by our Chief Executive Officer and any executive officer who received annual compensation in salary and bonus combined in excess of $100,000 during those years. Each person below is referred to as a named executive officer.

SUMMARY COMPENSATION TABLE

Name and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards ($)	Option Awards ($)	Non-Equity Incentive Plan Compensation ($)	Change in Pension Value and Nonqualified Deferred Compensation Earnings ($)	All Other Compen- Sation	Total ($)
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
Iurie Bordian, Chief Executive Officer	2008	-0-							-0-
	2009	$33,000							$33,000
	2010	$21,440							$21,440

(1) Mr. Bordian became Chief Executive Officer on October 16, 2006.

(2) Compensation is paid in Moldovan leí, the official currency of Moldova.

Stock Options Granted and Exercised in The Year Ended December 31, 2008

No stock option grants were made in the fiscal year ended December 31, 2010.

Director Compensation
Currently, our directors do not receive compensation for serving on our Board of Directors.

Employment Agreements

Neither the Company, nor any of our subsidiaries, have entered into an employment contract with a named executive officer. Furthermore, we do not, nor do any of our subsidiaries, anticipate entering into an employment contract with any named executive officer in the near future.

Employee Benefit Plans

We do not currently have any type of employee compensation plan for our employees, officers or directors. Furthermore, we do not anticipate offering any such plans in the near future.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

The table below sets forth information regarding the beneficial ownership of our common stock as of February 23, 2011 by the following individuals or groups:

- each person or entity who we know beneficially owns more than 10.0% in the aggregate;
- each of our named executive officers;
- each of our directors; and
- all directors and named executive officers as a group.

Unless otherwise indicated, the address of each of the individuals listed in the table is c/o Emerging Media Holdings, Inc. 1809 E. Broadway St, Suite 175, Oviedo, FL 32765

The percentage of beneficial ownership in the following table is based upon 12,250,922 shares of common stock outstanding as of February 23, 2011. Beneficial ownership is determined in accordance with the rules of the SEC and generally includes voting or investment power with respect to securities. We do not have any outstanding options, warrants or other conversion rights.

Name of Beneficial Owner	Number of Shares Beneficially Owned	Approximate Percentage of Class Outstanding
Chiril Luchinsky	6,901,200	56.33%
Elena Melnik Basarabia 21 Street Edinets,	1,155,000	9.42%
Iurie Bordian	100,000	*
All officers and directors as a group	100,000	*

* Less than 1%.

Securities Authorized for Issuance Under Equity Compensation Plans

We do not currently have any type of equity compensation plan for our employees, officers or directors. Furthermore, we do not anticipate offering any such plans in the near future.

Item 13. Certain Relationships and Related Transactions, and Director Independence.

Not applicable.

Item 14. Principal Accountant Fees and Services

The following table presents fees accrued for audit services and other services provided during fiscal years 2009 and 2010 by Madsen & Associates, CPA's Inc.

	2010	2009
Audit Fees	$ 53,000	$ 56,870
Audit-related Fees		
Tax Fees	2,500	2,500
All Other Fees		
Total Fees	$ 55,500	$ 59,370

Audit Fees

Audit fees were for professional services rendered for the audit of our annual financial statements, the review of the financial statements, services in connection with our statutory and regulatory filings for fiscal 2009.

Audit-Related Fees

Audit related fees were for assurance and related services rendered that are reasonably related to the audit and reviews of our financial statements for fiscal 2010, exclusive of the fees disclosed as Audit Fees above. These fees include assistance with registration statements and consents not performed directly in connection with audits.

All Other Fees

We did not incur fees for any services, other than the fees disclosed above relating to audit, audit-related and tax services, rendered during fiscal 2010.

Audit Services. Audit services include the annual financial statement audit and other procedures required to be performed by the independent auditor to be able to form an opinion on our financial statements.

Audit-Related Services. Audit-related services are assurance and related services that are reasonably related to the performance of the audit or review of our financial statements which historically have been provided to us by the independent auditor and are consistent with the SEC's rules on auditor independence.

All Other Services. Other services are services provided by the independent auditor that do not fall within the established audit, audit-related and tax services categories.

Item 15. Exhibits and Financial Statement Schedules.

(a)(3) Exhibits

Exhibit No.		Description
3.1		Articles of Incorporation (Incorporated by reference to Exhibit 3.1 to the Company's Form 10-SB, filed January 23, 2007).
3.2		By-Laws (Incorporated by reference to Exhibit 3.2 to the Company's Form 10-SB, filed January 23, 2007).
10.1		Distribution Agreement, dated December 29, 2006 with NTV Hungary Commercial Limited NTV Hungary Commercial Limited Liability Company (Incorporated by reference to Exhibit 10.1 to the Company's Form 10-SB, filed January 23, 2007).
10.2		Acquisition Agreement, dated January 24, 2008, between the Company and Media Top Prim, Ltd. (Incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K, filed May 5, 2008).
10.3		Additional Agreement, dated May 2, 2008, to Acquisition Agreement, dated January 24, 2008, between the Company and Media Top Prim, Ltd. (Incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K, filed May 5, 2008)
10.4		Share Purchase Agreement, dated as of June 10, 2009, between the Company and IPA International Project Agency Establishment (Incorporated by reference to Exhibit 10.4 to the Company's Current Report on Form 8-K, filed November 4, 2009).
10.5		Agreement, dated as of February 23, 2010, between the Company and SC Stratco Group SRL. (Incorporated by reference to Exhibit 10.5 to the Company's Current Report on Form 8-K, filed March 8, 2010.)
10.6		Additional Agreement, dated as of March 5, 2010, between the Company and Media Top Prim Ltd. (Incorporated by reference to Exhibit 10.6 to the Company's Annual Report on Form 10-K, filed March 31, 2010.)
10.7		Purchase Agreement, dated August 3, 2010, between the Company and Stipula Financial, Inc. (Incorporated by reference to Exhibit 10.7 to the Company's Current Report on Form 8-K, filed August 6, 2010.)
10.7a		Additional Agreement, dated August 13, 2010, to Purchase Agreement dated August 3, 2010, between the Company and Stipula Financial, Inc. (Incorporated by reference to Exhibit 10.7a to the Company's Current Report on Form 8-K/A, filed August 13, 2010.)

10.8		Exchange Agreement, dated January 31, 2011, between the Company and Men's Medical Corporation, filed herewith.
10.9		Asset Purchase Agreement, dated February 2, 2011, between the Company and Chiril Luchinsky, filed herewith.
31		Certification of Chief Executive Officer and Chief Financial Officer Pursuant to Section 302 of the Sarbanes Oxley Act of 2002, filed herewith.
32		Certification of Chief Executive Officer and Chief Financial Officer Pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Oxley Act of 2002, filed herewith.

SIGNATURES

Pursuant to the requirements of Section 12(g) of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized, on March 31, 2011.

EMERGING MEDIA HOLDINGS, INC

Date: March 31, 2011 By: /s/ Chris Smith
Chris Smith, President, Chief Executive Officer and
Chief Financial Officer

By: /s/ Iurie Bordian
Iurie Bordian, Chief Accounting Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following person on behalf of the Registrant in the capacities indicated, on March 31, 2011.

/s/ Chris Smith
Chris Smith, President, Chief Executive Officer,
Chief Financial Officer and Director

By:/s/ Iurie Bordian
Iurie Bordian, Director

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