

ASIA8, INC.  
Form 10-K  
April 10, 2013  
**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**FORM 10-K**

(Mark One)

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

For the fiscal year ended **December 31, 2012**.

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

For the transition period from

\_\_\_ to

.

Commission file number: **000-27735**

**ASIA8, INC.**

(Exact name of registrant as specified in its charter)

**Nevada**

**77-0438927**

(State or other jurisdiction of

(I.R.S. Employer

incorporation or organization)

Identification No.)

**700 Lavaca Street, Suite 1400 Austin, Texas 78701**

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: **(480) 505-0070**

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Securities registered under Section 12(b) of the Act: none.

Securities registered under Section 12(g) of the Act: common stock (title of class), \$0.001 par value.

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 check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

Yes  No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities

Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such

reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every

Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 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 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 is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller

reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule

12b-2 of the Exchange Act. Smaller reporting company.

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

The aggregate market value of the registrant's common stock, \$0.001 par value (the only class of voting stock), held by

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non-affiliates (22,813,544 shares) was approximately \$570,339 based on the price of \$0.025 at which the registrant's common

stock was last authorized for issuance in 2012.

At April 10, 2013 the number of shares outstanding of the registrant's common stock, \$0.001 par value (the only class of voting

stock), was 30,692,727.

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**PART I**

**ITEM 1.**

**BUSINESS**

*As used herein the terms Company, it, its, we, our, and us refer to Asia8, Inc., its subsidiaries, and its predecessors, unless context indicates otherwise.*

**Corporate History**

Asia8, Inc. was incorporated in Nevada as H&L Investments, Inc. in September of 1996. On December 22, 1999 we changed our name to Asia4sale.com, Inc. on acquiring Asia4Sale.com, Ltd., a Hong Kong registered software development company. The Company sold Asia4Sale.com, Ltd. in January of 2005. We acquired a 49% interest in World Wide Auctioneers, Inc., a Nevada registered corporation, holding 100% of a British Virgin Island registered company World Wide Auctioneers, Ltd ( WWA ), an international equipment auction company on June 30, 2000. WWA, based in the United Arab Emirates (UAE) holds unreserved auctions on a consignment basis for the sale of construction, industrial and transportation equipment. On August 8, 2003 World Wide Auctioneers, Inc. sold 100% of WWA to a Nevada registered company, WWA Group, Inc. ( WWA Group ) in a stock exchange transaction. The stock exchange caused us to acquire a minority equity investment in WWA Group which we have historically accounted for using the equity method, whereby our percentage of the net income or losses of WWA Group were accounted in our own results as other income or losses. Due to WWA Group common stock issuances the Company's equity interest decreased to 32% as of December 31, 2011. On March 26, 2012, the Company sold 3,240,000 shares of WWA Group to raise much needed capital reducing its equity interest to 16%. By April 15, 2012 the Company had exchanged 2,412,408 shares of WWA Group to settle various debts. Since the Company no longer owns a substantial shareholding in WWA Group it no longer records its share in the profit and loss of WWA Group.

Current operations consist of marketing efforts for Wing House mobile shelters. Despite the decrease in our equity interest in WWA Group Inc. and its agreement to be acquired by Summit Digital, Inc., we continue to work with WWA Group and Infrastructure Development Corporation ( Infrastructure ) to develop the

distribution of Wing House mobile shelter systems.

Meanwhile, we continue to work towards the acquisition of Emerging Market Property Advisors Ltd.

( EMP ). On May 16, 2012, the Company signed an agreement to acquire EMP, a UK limited liability company in a stock for stock exchange transaction. EMP is involved in the marketing of international real estate opportunities to prospective investors through the internet.EMP offers lead generation, email marketing campaigns and property showings to a variety of clients that are intent on presenting a wide array of real estate investment options to international investors. Clients are also offered assistance with corporate identity, web development and enhanced graphics to build awareness of the opportunities presented. Since 2005 EMP has consistently increased its revenue stream, grown gross profit margins, and established a loyal customer base. On completion the Company will acquire EMP as a wholly owned subsidiary that will continue to operate as an autonomous unit. Due to delays associated with obtaining the requisite financial information we do not expect to close the anticipated transaction until the 2<sup>nd</sup> quarter of 2013 subject to shareholder approval.

Our business office is located 700 Lavaca Street, Suite 1400, Austin, Texas, and our telephone number is (480) 505-0070. Our registered statutory office is located at the UPS Store 1650 3395 South Jones Boulevard, Las Vegas, Nevada 89146.

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## **The Company**

The Company retains the rights to distribute a wide array of products within the UAE including Unic Hydraulic Cranes that are manufactured in Japan, Atomix Pleasure Boats that are manufactured in China, and Wing Houses that are manufactured in China. All three products are of high quality and priced by the manufacturers near the high end of the market when compared with their respective competitors. Since obtaining these distribution rights we have sold 37 Unic cranes, 7 Atomix Boats, and 5 Wing Houses. However, the onset of recessionary economic conditions in 2008 significantly impacted the demand for Unic Cranes and Atomix Boats. The result being that, we no longer market either Unic Cranes or Atomix Boats. Product distribution efforts are now focused entirely on Wing Houses on a joint basis with WWA Group and Infrastructure.

## ***Prefabricated Housing***

The Company's prefabricated housing business is focused around the marketing and sale of Wing Houses in North America, the Middle East and parts of South-East Asia as a distributor pursuant to an agreement with the Renhe Group. The Wing House is a solution for any application requiring low-cost, rapidly-mobile structures.

The standard Wing House units are mobile modular prefabricated structures that fold out from standard 40-foot or 20-foot shipping containers to ready-to-use structures, with all baths, water, plumbing, air conditioning, lighting, cable, network and electrical fittings in place. This folding capacity allows a standard 40-foot unit delivered with a 320 square foot footprint to open into an 880 square foot structure in 4 to 5 hours, in a process requiring only basic hand tools and workers capable of following simple instructions. Any truck and hoisting equipment capable of handling standard shipping containers can transport and place a Wing House. Since container sizes are standard around the world, this equipment is widely available. The combination of standard ISO container dimensions and fittings and the ability to quickly unfold into a structure much larger than the original container makes the Wing House extremely economical to ship. Two or more Wing Houses can be joined end to end or side to side to form larger structures. Multiple standard floor plan configurations are available and custom plans can be ordered.

While other container-based prefabricated structures are available, they offer final available space equal to that of the original container. We are aware of no other container-based prefabricated modular structure that shares the ability of the Wing House to open into a structure much larger than the delivered unit.

Wing Houses are rated for extreme temperatures, safe in hurricanes and earthquakes, meet the highest safety and building code standards, and are very economical. The units use insulation sourced from Bradford Insulation, Australia's leading insulation brand. The units carry a 5-star energy use rating and are ideal for use in extreme climates

***Marketing***

We are displaying and using Wing House office units on the internet and in a yard in Thailand while actively marketing the units by email. We are offering the units for sale or rental on a 60 day delivery schedule from order date. We are negotiating financing with the manufacturer to spur sales efforts though demand for this type of housing has receded. Infrastructure may continue to tender contracts in Asia that may lead to more in house created demand for the units. The Company and Infrastructure will share gross profits made on any sales or rentals generated by Infrastructure's efforts.

*WWA Group*

Since the relationship between the Company and WWA Group is one of common management control, we benefit from the contacts and business development opportunities generated by its business activities. We intend to provide additional business support to WWA Group as necessary in order to access opportunities generated in common.

*Infrastructure*

Since the relationship between the Company and Infrastructure is one of common management control, we believe that there exists an opportunity to utilize our international presence and existing relationships to assist Infrastructure in procuring new projects and managing existing ones. We expect to continue to work with Infrastructure on an as needed basis to provide any assistance that might be required and within our ability to assist.

**Products**

Wing Houses come in many building configurations and room configurations, and they retail at approximately \$45,000-\$85,000 ex-port in China. The Wing House is built in China by Renhe Manufacturing and has been re-branded by the Company. Renhe has an exclusive distribution agreement with MKL Asia, a company owned by the original patent holder who is also the principal of Renhe. MKL Asia has granted a sub-distribution license to the Company and its affiliates to market and sell Wing House in North America, the GCC, and most of Southeast Asia.

Wing Houses are suitable for a wide range of applications, including:

- living space
- office space
- on site showrooms
- restaurants
- worker accommodation
- forward operations bases

Standard configurations include:

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3 Bedrooms + 1 Living room + 1 Kitchen + 1 bath + 1 Laundry

4 Bedrooms + 2 Kitchens + 2 baths

4 Bedrooms + 4 baths

6 Bedrooms + 6 baths

8 Bedrooms + 4 baths

1 Classroom + 1 bath + 1 Office

1 large room

The Wing House is available in configurations specifically optimized for classroom use, wired with high-speed Internet and with computer stations included.

The range of products also includes the newly developed pop out 20 and 40 foot rapid deployment units that slide out in minutes and are also pre-fit with all baths and fixtures.

## Markets

The Modular Building Institute (MBI) estimates that at the end of 2011 there were well over 500,000 code-compliant relocatable buildings in North America. MBI estimated that the total value of industry owned relocatable buildings was between \$5.5 - \$6.0 billion, and that these assets generated estimated annual revenues of \$3.0 billion. MBI reports that

... fleet owners indicated that top markets served were: classrooms or educational units; construction site offices; general offices; retail/hospitality; and energy/industrial. This last category is comprised mainly of workforce housing accommodations in areas of energy exploration.

Income from the three largest companies primarily engaged in the sale and lease of relocatable buildings exceeds 50 percent of the total industry revenue. The ten largest fleet owners account for greater than 75 percent of total revenue while the top twenty account for greater than 90 percent. About 75 percent of all inventory of relocatable buildings in North America is controlled by the ten largest fleet owners, with 90 percent controlled by the top 20 largest fleet owners.

Fleet owners generated revenue from the following sources:

Leasing activity 45%

Sales 30%

Service (transportation, installation, stairs, ramps, etc.) 25%

A 2011 report by Sage Policy Group, titled *The Economic & Financial Performance of the U.S. Modular Building Industry*, analyzed thousands of relocatable building transactions over a 10 year period. The average annual return on investment of a relocatable building sold was 18 percent, which was achieved after an average holding period of 5.8 years.

## Change in U.S. Employment by Sector

Dec-07 to

Nov-11 to

May-12

**May-12**

**Combined**

Mining (including oil & gas)

16.0%

3.3%

19.30%

Education and Health

9.4%

1.3%

10.70%

Leisure & Hospitality

0.2%

1.0%

1.20%

Professional & Business Services

-1.3%

1.7%

0.40%

Government

-1.8%

-0.2%

-2.00%

Total Non-Farm

-3.6%

0.8%

-2.80%

Trade, Transportation & Utilities

-5.2%

0.7%

-4.50%

Financial Activities

-6.1%

0.4%

-5.70%

Manufacturing

-13.0%

1.5%

-11.50%

Construction

-26.4%

-0.1%

-26.50%

Source: Bureau of Labor Statistics, CES

A Freedonia Group's industry market research report from late 2011 indicated that inside the multi-billion dollar U.S. nonresidential prefabricated building system industry, modular building systems provide the best growth opportunities, and commercial applications are expected to post the fastest gains of any major market. The Company's own research on market demand combined with new features and refinements of the product to meet more stringent buyer standards has influenced it to initiate this rollout in 2013. The Company has a target of 100 unit sales in 2013.

## **International Markets**

The Company holds distribution rights for the Wing House in both the Gulf Cooperation Council (GCC), composed of Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates. Fueled by sustained high oil and gas prices, this has emerged as one of the world's most rapidly growing regions.

Steffen Hertog of the London School of Economics states:

No other rich region in the world has grown as fast as the GCC in recent years and none has as rosy an outlook for the near future: IMF estimates of real GDP growth for 2012 range from 2 percent (Bahrain) to 6.3 percent (Saudi Arabia), with a regional average of 4.9 percent. Average growth for 2013 is expected to again reach above 3 percent - all the while all countries bar Bahrain are expected to rack up sizeable fiscal surpluses between 5.8 and 26 percent of GDP thanks to continuing high oil prices. Consumer confidence is at an all time high and privately driven sectors like retail and construction are expanding rapidly.

Non-oil growth is emerging as a major growth driver, as regional governments invest oil income in heavy industry, infrastructure, and other developments in an effort to diversify their oil-dependent economies.

The combination of high investment in increased energy production and surging investment in economic diversification creates a significant opportunity for the marketing of modular workforce housing solutions. Virtually all construction labor in the GCC is provided by contractual workers from other countries. These workers are typically housed on job sites, and construction managers need the ability to pack up housing facilities as jobs finished and move them to other job sites as easily as possible. The extreme mobility and rapid deployment of the Wing House make it a strong contender for acceptance in the GCC market.

The Company also holds marketing rights for the Wing House in Southeast Asia, a region that the OECD expects to maintain a robust average of 5.5% over the next five years. Large infrastructure projects, energy and mining industry developments, disaster relief, and temporary offices are among the niches open for the Wing House in Southeast Asia.

## **Competition**

The Wing House mobile shelter faces no direct competition as a prefabricated expandable container-based



mobile shelter system though a variety of site-built shelter options provide indirect competition. Typical portable cabins used as temporary offices in some regions are much cheaper than the Wing Houses, but they (i) have a life span of much less than half that of a Wing House, (ii) cannot be moved and re-used without virtually rebuilding the units, (iii) can only be trucked as 35 square meters of cabin space per truck (as opposed to Wing House 80 square meter per truck folded in), and (iv) have inferior wiring, lighting, bath fixtures, and insulation. The Wing Houses are competitively priced in certain markets, and for certain users that are looking for more modern and efficient workforce accommodation as opposed to the more utilitarian pre-fabricated structures used in the past.

A number of US and Canadian companies compete in the high quality prefabricated structure market, notably Sunbelt Modular, Pacific Mobile Structures, Mobile Modular, Satellite Shelters, Williams Scotsman, M Space Modular Buildings, and ModSpace. These companies use a variety of systems, typically panelized, to install mobile structures in various configurations. Many of these structures are designed to be semi-permanent, and fill a distinctly different niche from the Wing House. They offer greater flexibility in terms of size, with larger and more open floor plans available. They are also typically more expensive and require more time to install. While these structures will continue to dominate the market for larger structures, the Company believes that the Wing House will fill an underserved niche demand for high quality structures offering a far higher degree of mobility and far faster installation than current offerings.

The Company also competes with companies focused on the leasing of modular workforce housing and the management of workforce housing facilities. Companies engaged in this business include Black Diamond Group Limited, Target Logistics, Atco Structures and Logistics, Rapid Camp Ltd, Guerdon Modular Buildings, Williams Scotsman, Stock Modular, Wilmot Modular Structures, and many others. While some of these companies do produce their own modular housing units, their primary business lies in leasing, installation, and management of workforce camps. The rapid growth of this sector is demonstrated by the recent results of the Black Diamond Group, a publicly traded industry leader with operations focused on Western Canada.

### **Black Diamond Group Operating**

#### **Income (Millions CAD)**

2009

\$20

2010

\$27

2011

\$63

2012

\$72

Source: Morningstar.ca

The Company recognizes these companies as competitors but also sees them as potential customers. If the Company can provide these companies with a facility option that is more economical, more efficient, and more easily portable than the structures they currently use, we believe that a significant number of these companies would adopt the Wing House as part of their leasing fleet.

### **Patents, Trademarks, Licenses, Franchises,**

### **Concessions, Royalty Agreements and Labor Contracts**

We neither own nor have applied for any patents or trademarks. We do not license any of our technology

from other companies. However, we have a distribution agreement with Renhe for the Wing Houses.

### **Marketing and Advertising Methods**

The Company markets the Wing Houses through traditional methods, internet web sites and emails

### **Dependence on Major Customers or Suppliers**

The Company is not dependent on one or a few customers, as we have a product targeted to a wide range of buyers.

### **Governmental and Environmental Regulation**

#### *Health and Safety*

We are subject to numerous health and safety laws and regulations imposed by the governments controlling the jurisdictions in which we operate and by our clients and project financiers. These regulations are frequently changing, and it is impossible to predict the effect of such laws and regulations on us in the future. We actively seek to maintain a safe, healthy and environmentally friendly work place for all of our employees and those who work with us. However, we provide some of our services in high-risk locations and as a result we may incur substantial costs to maintain the safety of our personnel. All of our operations and personnel are covered by comprehensive all risk insurance, the costs of which are included in our contracts.

***Office of Foreign Assets Control***

The Office of Foreign Assets Control ("OFAC") of the U.S. Department of the Treasury administers and enforces economic and trade sanctions based on U.S. foreign policy and national security goals against targeted foreign countries and regimes, terrorists, international narcotics traffickers, those engaged in activities related to the proliferation of weapons of mass destruction, and other threats to the national security, foreign policy or economy of the United States. OFAC acts under presidential national emergency powers as well as authority granted by specific legislation to impose controls on transactions and freeze assets under U.S. jurisdiction. Since the Company is a U.S. corporation, it is bound to the regulations of OFAC. Although we have never contracted nor made any effort to contract with countries which OFAC has identified as state sponsors of terrorism, the possibility exists that certain OFAC sanctioning methods could be employed against certain of our operations.

***Environmental Regulation***

The countries where we do business often have numerous environmental regulatory requirements by which we must abide in the normal course of our operations. We do not expect costs related to environmental matters will have a material adverse effect on our consolidated financial position or our results of operations.

***Climate Change Legislation and Greenhouse Gas Regulation***

Many studies over the past couple decades have indicated that emissions of certain gases contribute to warming of the Earth's atmosphere. In response to these studies, many nations have agreed to limit emissions of greenhouse gases or GHGs pursuant to the United Nations Framework Convention on Climate Change, and the Kyoto Protocol. Although the United States did not adopt the Kyoto Protocol, several states have adopted legislation and regulations to reduce emissions of greenhouse gases.

Additionally, the United States Supreme Court has ruled, in *Massachusetts, et al. v. EPA*, that the EPA abused its discretion under the Clean Air Act by refusing to regulate carbon dioxide emissions from mobile sources. As a result of the Supreme Court decision the EPA issued a finding that serves as the foundation under the Clean Air Act to issue other rules that would result in federal greenhouse gas regulations and

emissions limits under the Clean Air Act, even without Congressional action. Finally, acts of Congress, particularly those such as the American Clean Energy and Security Act of 2009 approved by the United States House of Representatives, as well as the decisions of lower courts, large numbers of states, and foreign governments could widely affect climate change regulation. Greenhouse gas legislation and regulation could have a material adverse effect on our business, financial condition, and results of operations.

### **Marketability**

#### ***Distribution Rights***

Despite the relative downturn in construction products across the Gulf Region there continues to be a market for our Wing House product. Many of the construction projects in progress require, temporary mobile housing and offices. Although our Wing Houses are priced above the market for temporary office or labor housing, this disadvantage is offset by the superior quality, easy mobility and long life of the Wing House system. We are further encouraged that government safety policies for temporary camps and offices are becoming more restrictive making our Wing Houses an attractive option. We continue to believe that our efforts to market Wing Houses will result in sales over the near term and become an important source of revenue going forward.

## **Employees**

The Company has one employee, who also serves as an officer and director. Our chief executive officer spends approximately 10 hours per week on our business. We use sales consultants, brokers, attorneys, and accountants as necessary to assist in the development of our business.

## **Reports to Security Holders**

The Company's annual report contains audited financial statements. We are not required to deliver an annual report to security holders and will not automatically deliver a copy of the annual report to our security holders unless a request is made for such delivery. We file all of our required reports and other information with the Securities and Exchange Commission (the Commission). The public may read and copy any materials that are filed by the Company with the Commission at the Commission's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. The public may obtain information on the operation of the Public Reference Room by calling the Commission at 1-800-SEC-0330. The statements and forms filed by us with the Commission have also been filed electronically and are available for viewing or copy on the Commission maintained Internet site that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the Commission. The Internet address for this site can be found at <http://www.sec.gov>.

## **ITEM 1A.**

### **RISK FACTORS**

The Company's operations and securities are subject to a number of risks. Below we have identified and discussed the material risks that we are likely to face. Should any of the following risks occur, they will adversely affect our operations, business, financial condition and/or operating results as well as the future trading price and/or the value of our securities.

#### **Risks Related to the Company's Business**

*IF THE COMPANY DOES NOT GENERATE SUFFICIENT CASH FLOW FROM OPERATIONS AND IS UNABLE TO OBTAIN ADDITIONAL CAPITAL TO OPERATE ITS BUSINESS, IT MAY NOT BE ABLE TO EFFECTIVELY CONTINUE OPERATIONS*

As of December 31, 2012, the Company had a working capital deficit of \$15,713. We will have to obtain additional working capital from debt or equity placements to continue operations. Should we be unable to secure additional capital, such condition would cause us to reduce expenditures which would have a material adverse effect on our business.

*MARKET ACCEPTANCE OF THE PRODUCTS WE HAVE DISTRIBUTION RIGHTS TO IS CRITICAL TO OUR GROWTH*

The Company expects to generate revenue from the sale of mobile shelters though results to date do not indicate a willingness to pay for our product. Since market acceptance of our products is critical we can offer no assurance that revenue will be generated from the sale of Wing Houses. Should be unable to procure customers for our products our results of operations will continue to be negatively impacted.

*WE COMPETE WITH LARGER AND BETTER-FINANCED CORPORATIONS*

Competition within the international market for mobile shelters is intense. While the products we are entitled to distribute are distinguished by next-generation innovations that are more sophisticated, flexible and cost effective than many competitive products currently in the market place, a number of entities offer mobile shelters and new competitors may enter the market in the future. Some of our existing and potential competitors have longer operating histories, greater name recognition, larger customer bases and significantly greater financial, technical and marketing resources than we do, including well known multi-national corporations.

*AS A DISTRIBUTOR WE DEPEND ON THE PERFORMANCE OF A THIRD PARTY MANUFACTURER*

The Company relies on Renhe Manufacturing China to procure Wing House mobile shelters for distribution. Our business plan is reliant on the delivery of products from this manufacturer, which reliance reduces the level of control we have and exposes us to significant risks such as inadequate capacity, late delivery, substandard quality and higher prices, all of which could adversely affect our results.

*OUR CHIEF EXECUTIVE OFFICER DOES NOT OFFER HIS UNDIVIDED ATTENTION TO THE COMPANY DUE TO HIS VARIED RESPONSIBILITIES*

Our chief executive officer does not offer his undivided attention to our business as he also serves as an officer and director of WWA Group and Infrastructure. His responsibilities cause him to divide his time, the majority of which is dedicated to WWA Group. The division of time however does not necessarily indicate a division of interests as the Company works with each of WWA Group and Infrastructure in the marketing of Wing Houses. Nonetheless, his varied responsibilities pose a risk to the Company that it might not receive the management focus required.

*THE COMPANY'S SUCCESS DEPENDS ON ITS ABILITY TO RETAIN KEY PERSONNEL*

The Company's future success will depend substantially on the continued services and performance of Eric Montandon. The loss of the services of Eric Montandon could have a material adverse effect on our business prospects, financial condition and results of operations. Our future success also depends on the Company's ability to identify, attract, hire, train, retain and motivate technical, managerial and sales



personnel. Competition for such personnel is intense, and we cannot assure that we will succeed in attracting and retaining such personnel. Our failure to attract and retain the necessary technical, managerial and sales personnel would have a material adverse effect on our business prospects, financial condition and results of operations.

*OUR BUSINESS IS SUBJECT TO GOVERNMENTAL REGULATIONS*

International, national and local standards set by governmental regulatory authorities set the regulations by which products are certified across respective territories. Further, climate change legislation and greenhouse gas regulation is becoming increasingly ubiquitous. The products which we intend to distribute are subject to such regulation in addition to national, state and local taxation. Although we believe that we can successfully distribute our products within current governmental regulations it is possible that regulatory changes could negatively impact our operations and cause us to diminish or cease operations.

**Future Risks Related to the Company's Stock**

*THE COMPANY INTENDS TO APPLY TO HAVE ITS STOCK QUOTED ON THE OTCBB*

The Company has no public trading market for its shares, and we cannot represent to you that a market will ever develop. Nonetheless, we do intend to seek a quotation on the OTCBB. However, there can be no assurance that we will obtain a quotation on the OTCBB or that obtaining a quotation will generate a public trading market for our shares. Further, if we obtain a quotation on the OTCBB, this may limit our ability to raise money in an equity financing since many institutional investors do not consider OTCBB stocks for their portfolios. Therefore, an investor's ability to trade our stock might be restricted as only a limited number of market makers quote OTCBB stock. Trading volumes in OTCBB stocks are historically lower, and stock prices for OTCBB stocks tend to be more volatile, than stocks traded on an exchange or the NASDAQ Stock Market. We may never qualify for trading on an exchange or the NASDAQ Stock Market.

*THE COMPANY'S STOCK PRICE COULD BE VOLATILE*

Should a public market for our shares develop, the future market price could be subject to significant volatility and trading volumes could be low. Factors affecting our market price will include:

perceived prospects;

negative variances in our operating results, and achievement of key business targets;

limited trading volume in shares of our common stock in the public market;

sales or purchases of large blocks of our stock;

changes in, or our failure to meet, earnings estimates;

changes in securities analysts' buy/sell recommendations;

differences between our reported results and those expected by investors and securities analysts;

announcements of new contracts by us or our competitors;

announcements of legal claims against us;

market reaction to any acquisitions, joint ventures or strategic investments announced by us;

developments in the financial markets;

general economic, political or stock market conditions.

In addition, our future stock price may fluctuate in ways unrelated or disproportionate to our operating performance. General economic, political and stock market conditions that may affect the market price of our common stock are beyond our control. The market price of our common stock at any particular time may not remain the market price in the future. In the past, securities class action litigation has been instituted against companies following periods of volatility in the market price of their securities. Any such litigation, if instituted against us, could result in substantial costs and a diversion of management's attention and resources.

*WE INCUR SIGNIFICANT EXPENSES AS A RESULT OF THE SARBANES-OXLEY ACT OF 2002,  
WHICH EXPENSES MAY CONTINUE TO NEGATIVELY IMPACT OUR FINANCIAL PERFORMANCE.*

We incur significant legal, accounting and other expenses as a result of the Sarbanes-Oxley Act of 2002, as well as related rules implemented by the Commission, which control the corporate governance practices of public companies. Compliance with these laws, rules and regulations, including compliance with Section 404 of the Sarbanes-Oxley Act of 2002, as discussed in the following risk factor, has substantially increased our expenses, including legal and accounting costs, and made some activities more time-consuming and

costly.

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*OUR INTERNAL CONTROLS OVER FINANCIAL REPORTING MAY NOT BE CONSIDERED EFFECTIVE, WHICH CONCLUSION COULD RESULT IN A LOSS OF INVESTOR CONFIDENCE IN OUR FINANCIAL REPORTS AND IN TURN HAVE AN ADVERSE AFFECT ON SHAREHOLDER PERCEPTION.*

Pursuant to Section 404 of the Sarbanes-Oxley Act of 2002 we are required to furnish a report by our management on our internal controls over financial reporting. Such report must contain, among other matters, an assessment of the effectiveness of our internal controls over financial reporting as of the end of the year, including a statement as to whether or not our internal controls over financial reporting are effective. This assessment must include disclosure of any material weaknesses in our internal controls over financial reporting identified by management. Since we are unable to assert that our internal controls are effective, our shareholders may lose confidence in the accuracy and completeness of our financial reports, which in turn could have an adverse affect on shareholder perception.

*THE COMPANY DOES NOT PAY DIVIDENDS.*

The Company does not pay dividends. We have not paid any dividends since inception and have no intention of paying any dividends in the foreseeable future. Any future dividends would be at the discretion of our board of directors and would depend on, among other things, future earnings, our operating and financial condition, our capital requirements, and general business conditions. Therefore, shareholders should not expect any type of cash flow from their investment.

*THE ELIMINATION OF MONETARY LIABILITY AGAINST OUR DIRECTORS, OFFICERS AND EMPLOYEES UNDER NEVADA LAW AND THE EXISTENCE OF INDEMNIFICATION RIGHTS FOR OUR DIRECTORS, OFFICERS AND EMPLOYEES MAY RESULT IN SUBSTANTIAL EXPENDITURES BY THE COMPANY AND MAY DISCOURAGE LAWSUITS AGAINST OUR DIRECTORS, OFFICERS AND EMPLOYEES.*

Our certificate of incorporation contains a specific provision that eliminates the liability of directors for monetary damages to the Company and the Company's stockholders; further, the Company is prepared to give such indemnification to its directors and officers to the extent provided by Nevada law. The Company

may also have contractual indemnification obligations under its employment agreements with its executive officers. The foregoing indemnification obligations could result in the Company incurring substantial expenditures to cover the cost of settlement or damage awards against directors and officers, which the Company may be unable to recoup. These provisions and resultant costs may also discourage the Company from bringing a lawsuit against directors and officers for breaches of their fiduciary duties and may similarly discourage the filing of derivative litigation by the Company's stockholders against the Company's directors and officers even though such actions, if successful, might otherwise benefit the Company and its stockholders.

**ITEM 1B.**

**UNRESOLVED STAFF COMMENTS**

Not applicable.

**ITEM 2.**

**PROPERTIES**

The Company currently maintains limited executive office space at 700 Lavaca Street, Suite 1400, Austin, Texas 78701 for which it pays rent of \$75 a month on a recurring basis

The Company does not believe that it will need to maintain a larger office at any time in the foreseeable future in order to carry out its operations.

**ITEM 3.**

**LEGAL PROCEEDINGS**

The Company is currently not a party to any legal proceedings.

**ITEM 4.**

**MINE SAFETY DISCLOSURES**

Not applicable.

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## **PART II**

### **ITEM 5.**

#### **MARKET FOR COMMON EQUITY, RELATED STOCKHOLDER MATTERS, AND ISSUER PURCHASES OF EQUITY SECURITIES**

As of the date of this filing, there is no public market for our securities. The Company has future plans to file for trading on the OTCBB which is sponsored by the Financial Industry Regulatory Authority (FINRA). However, there can be no assurance that the Company will ever be accepted for trading on the OTCBB. Since there is no public trading of our securities, there is no high or low bid pricing to report.

#### **Capital Stock**

The following is a summary of the material terms of the Company's capital stock. This summary is subject to and qualified by our articles of incorporation and bylaws.

#### ***Common Stock***

December 31, 2012 there were 1,645 shareholders of record holding a total of 30,692,727 shares of fully paid and non-assessable common stock of the 50,000,000 shares of common stock, par value \$0.001, authorized. The board of directors believes that the number of beneficial owners is substantially greater than the number of record holders because a portion of our outstanding common stock is held in broker street names for the benefit of individual investors. The holders of the common stock are entitled to one vote for each share held of record on all matters submitted to a vote of stockholders. Holders of the common stock have no preemptive rights and no right to convert their common stock into any other securities. There are no redemption or sinking fund provisions applicable to the common stock.

#### ***Preferred Stock***

As of December 31, 2012 there were 0 shares of Series 1 preferred issued and outstanding of the 25,000,000 shares of preferred stock, par value of \$0.001, authorized. Preferred shares are convertible into 400 shares of the Company's common stock, bear interest at 9% per annum, and have no redemption provision.

The Company's preferred shares may have such rights, preferences and designations as determined by the board of directors and may be issued in different series. Series 1 is the only series currently outstanding.



***Warrants***

As of December 31, 2012 there were no outstanding warrants to purchase shares of our common stock.

***Stock Options***

As of December 31, 2012 there were no outstanding stock options to purchase shares of our common stock

***Dividends***

The Company has not declared any cash dividends since inception and does not anticipate paying any dividends in the foreseeable future. The payment of dividends is within the discretion of the board of directors and will depend on our earnings, capital requirements, financial condition, and other relevant factors. There are no restrictions that currently limit the Company's ability to pay dividends on its common stock other than those generally imposed by applicable state law.

**Transfer Agent and Registrar**

The Company's transfer agent and registrar is Interwest Transfer Company, 1981 E. Murray-Holladay Road, Holladay, Utah, 84117-5164. Interwest's phone number is (801) 272-9294.

**Purchases of Equity Securities made by the Issuer and Affiliated Purchasers**

None.

**Recent Sales of Unregistered Securities**

None.

**ITEM 6.**

**SELECTED FINANCIAL DATA**

Not required.

**ITEM 7.**

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL**

**CONDITION AND RESULTS OF OPERATIONS**

This *Management's Discussion and Analysis of Financial Condition and Results of Operations* and other parts of this current report contain forward-looking statements that involve risks and uncertainties.

Forward-looking statements can also be identified by words such as anticipates, expects, believes, plans, predicts, and similar terms. Forward-looking statements are not guarantees of future performance and our actual results may differ significantly from the results discussed in the forward-looking statements. Factors that might cause such differences include but are not limited to those discussed in the subsection entitled *Forward-Looking Statements and Factors That May Affect Future Results and Financial Condition* below. The following discussion should be read in conjunction with our financial statements and notes thereto included in this current report. Our fiscal year end is December 31.

**Discussion and Analysis**

***General***

The Company's current focus is to work together with WWA Group and Infrastructure to increase the value of its investment and to leverage those relationships to develop the distribution of Wing House mobile

shelter systems. We anticipate that we will require additional capital to market this business and recognize that the economic downturn in the global economy has decreased demand for our products that depend on the vitality of the construction sector industry in the Gulf Region. Meanwhile, we continue to work towards the acquisition of EMP.

Our financial condition and results of operations will depend primarily on prospective income generated from our investments and/or expansion businesses. Meanwhile, our continued operation is tied to our ability to realize debt or equity financing. Since the Company is currently without income it can provide no assurance that income will be forthcoming or in the event income is realized that such return will provide sufficient cash flows to sustain our operations.

Our business development strategy is prone to significant risks and uncertainties which are having an immediate impact on our efforts to realize net cash flow. We have a limited history of generating income. Should we be unable to generate income, the Company's ability to continue its business operations will be in jeopardy.

### **Results of Operations**

During the period ending December 31, 2012, the Company failed to realize revenues from the sale of its products, which failure resulted in a continuation of net losses for the period. Nevertheless, the Company remains optimistic that Wing Houses are in demand, and that a global economic recovery in 2013 alongside the efforts of Infrastructure and WWA Group will result in sales of Wing Houses.

### ***Operating Expenses***

Operating expenses for the twelve month period ended December 31, 2012 were \$81,306 as compared to operating expenses of \$113,430 for the twelve month period ended December 31, 2011. The decrease in expenses over the comparative periods can be attributed to decreases in general and administrative expenses. We expect that operating expenses will decrease until such time as the capital becomes available to us to expand our marketing efforts.

### ***Other Income/Expenses***

Other income for the twelve month period ended December 31, 2012 was \$27,690 as compared to other expenses of \$1,409,617 in the twelve month period ended December 31, 2011. Other income in the current period can be primarily attributed to other income and income from equity investment offset by the payment of a preferred stock dividend. We expect to continue to realize other income related to our business investments.

### ***Net Losses***

Net losses for the twelve month period ended December 31, 2012 were \$53,616 as compared to net losses of \$1,523,047 for the twelve month period ended December 31, 2011. The decrease in net losses in the current period can be primarily attributed to the transition in the current period to a gain on our equity investments as compared to a loss in the prior period and the decrease in general and administrative expenses. We expect to continue to realize net losses until such time as our operations produce revenue.

### ***Capital Expenditures***

The Company did not spend any significant amounts on capital expenditures during the year ended December 31, 2012.

***Income Tax Expense (Benefit)***

The Company may have an income tax benefit resulting from net operating losses to offset any future operating profit. However, the Company has not recorded this benefit in the financial statements because it cannot be assured that it will utilize the net operating losses carried forward in future years.

***Liquidity and Capital Resources***

As of December 31, 2012, the Company had a working capital deficit of \$15,713. Our current assets totaled \$8,049 were comprised of cash totaling \$455 and other assets of \$7,594. Our total assets were \$50,409 consisting of current assets and our equity investments totaling \$42,360. At December 31, 2012, our current and total liabilities were \$23,762.

Net cash used in operating activities for the year ended December 31, 2012 was \$253,506 as compared to net cash used in operating activities of \$32,668 for the year ended December 31, 2011. Net cash used in development stage activities in the current twelve month period can be attributed primarily to a number of items that are book expense items which do not affect the total amount relative to actual cash used including loss on equity investments. Balance sheet accounts that actually affect cash but are not income statement related items and thus are added or deducted to arrive at cash used include decrease in other assets and accounts payable. We expect that net cash used in operating activities will decrease as accounts payable have significantly decreased as of year-end.

Net cash provided by investing activities for the year ended December 31, 2012 was \$190,048 as compared to zero provided by investing activities for the year ended December 31, 2011. Net cash provided by financing activities in the current twelve month period can be attributed to proceeds from the sale of stock and debt settlements. We expect to continue to look to cash flow provided by investing periods in future periods to sustain operations.

Net cash provided by financing activities for the year ended December 31, 2012 was \$63,521 as compared to net cash used in financing activities of \$2,006 for the year ended December 31, 2011. Net cash provided by financing activities in the current twelve month period can be attributed to a issuance of common stock for cash, and the redemption of preferred stock for common stock, offset by a decrease in a note payable.

We expect to have net cash provided by financing activities in the near term in order to continue operations.

The Company's current assets are insufficient to conduct its business operations over the next twelve (12) months. We will have to seek at least \$100,000 in debt or equity financing over the next twelve months to fund our marketing efforts for our Wing Houses and to move forward with our intended acquisition of EMP. The Company has no current commitments or arrangements with respect to, or immediate sources of this funding. Further, no assurances can be given that funding is available. The Company's shareholders are the most likely source of new funding in the form of loans or equity placements though none have made any commitment for future investment and the Company has no agreement formal or otherwise. The Company's inability to obtain sufficient funding will have a material adverse affect on its ability to continue

business operations.

The Company does not expect to pay cash dividends in the foreseeable future.

The Company had no lines of credit or other bank financing arrangements.

The Company has no defined benefit plan or contractual commitment with any of its officers or directors.

The Company has no current plans for the purchase or sale of any plant or equipment

***Off Balance Sheet Arrangements***

As of December 31, 2012, the Company has no significant off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures, or capital resources that is material to stockholders.

***Critical Accounting Policies***

In the notes to the audited financial statements for the year ended December 31, 2011 included in our Form 10-K, the Company discusses those accounting policies that are considered to be significant in determining the results of operations and our financial position. The Company believes that the accounting principles we utilized conform to accounting principles generally accepted in the United States of America.

The preparation of financial statements requires our management to make significant estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses. By their nature, these judgments are subject to an inherent degree of uncertainty. On an on-going basis, we evaluate estimates. We base our estimates on historical experience and other facts and circumstances that are believed to be reasonable, and the results form the basis for making judgments about the carrying value of assets and liabilities. The actual results may differ from these estimates under different assumptions or conditions. With respect to revenue recognition, we apply the following critical accounting policies in the preparation of our financial statements.

***Revenue Recognition***

The Company intends to generate revenue through the sale of its products on a private, commercial, and industrial basis. Revenue from product sales is recognized at the time the product is shipped and invoiced and collectability is reasonably assured. The Company believes that certain revenue should be recognized as title passes to the customer at the time of shipment.

***Going Concern***

The Company's auditors have expressed an opinion as to the Company's ability to continue as a going concern as a result of an accumulated deficit of \$3,766,257 as of December 31, 2012. The Company's ability to continue as a going concern is subject to the ability of the Company to realize a profit and /or obtain funding from outside sources. Management's plan to address the Company's ability to continue as a going concern includes: (i) obtaining funding from the private placement of debt or equity; and (ii) realizing revenues from the sale of Wing Houses or through the acquisition of EMP. Management believes that it will be able to obtain funding to allow the Company to remain a going concern through the methods discussed



above, though there can be no assurances that such methods will prove successful.

***Forward Looking Statements and Factors That May Affect Future Results and Financial Condition***

The statements contained in the section titled *Management's Discussion and Analysis of Financial Condition and Results of Operations* and elsewhere in this current report, with the exception of historical facts, are forward looking statements. Forward looking statements reflect our current expectations and beliefs regarding our future results of operations, performance, and achievements. These statements are subject to risks and uncertainties and are based upon assumptions and beliefs that may or may not materialize. These statements include, but are not limited to, statements concerning:

- our anticipated financial performance;
- the sufficiency of existing capital resources;
- our ability to fund cash requirements for future operations;
- uncertainties related to the growth of our business and the acceptance of our products and services;
- our ability to achieve and maintain an adequate customer base to generate sufficient revenues to maintain and expand operations; and
- general economic conditions.

We wish to caution readers that our operating results are subject to various risks and uncertainties that could cause our actual results to differ materially from those discussed or anticipated including the factors set forth in the section entitled *Risk Factors* included elsewhere in this report. We also wish to advise readers not to place any undue reliance on the forward looking statements contained in this report, which reflect our beliefs and expectations only as of the date of this report. We assume no obligation to update or revise these forward looking statements to reflect new events or circumstances or any changes in our beliefs or expectations, other than as required by law.

***Recent Accounting Pronouncements***

Please see Note 3 to our financial statements for recent accounting pronouncements.

**ITEM 7A.**

**QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

Not required.

**ITEM 8.**

**FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA**

Our audited financial statements for the years ended December 31, 2012 and 2011 are attached hereto as F-1 through F-13.

**ASIA8, INC. AND SUBSIDIARIES**

**Years Ended December 31, 2012 and 2011**

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**Pinaki & Associates LLC**

Certified Public Accountants

625 Barksdale Rd, Suite 113,

Newark, DE 19711

Phone: 510-274-5471 | pmohapatra@pinakiassociates.com

To the Board of Directors

Asia8 Inc.

700 Lavaca Street, Suite 1400, Austin, Texas 78701

We have audited the accompanying consolidated balance sheets of Asia8, Inc. as of December 31, 2012 and 2011, and the related consolidated statements of income, stockholders' equity and cash flows for the years ended December 31, 2012 and 2011. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2 to the financial statements, the Company has suffered recurring losses from operations that raises a substantial doubt about its ability to continue as a going concern. The financial statements do not include any adjustments that might result from the outcome of this uncertainty. In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Asia8 Inc. as of December 31, 2012 and 2011, and the related

consolidated statements of income, stockholders' equity and cash flows for the years ended December 31, 2012 and 2011, in conformity with accounting principles generally accepted in the United States of America.

/s/ Pinaki & Associates LLC.

Pinaki & Associates LLC.

Hayward, CA

April 09, 2013

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**ASIA8, Inc.**

**Consolidated Balance Sheets**

**Unaudited**

**Audited**

**31-Dec-12**

**31-Dec-11**

**ASSETS**

**CURRENT ASSETS**

Cash

\$

455 \$

391

Other current assets

7,594

5,094

Total Current Assets

8,049

5,485

**FIXED ASSETS, Net**

-

-

**OTHER ASSETS**

Investments

42,360

214,380

Total Other Assets

42,360

214,380

**TOTAL ASSETS** \$

50,409 \$

219,865

**LIABILITIES AND STOCKHOLDERS' EQUITY**

**CURRENT LIABILITIES**

Accounts payable and accrued expenses

\$

23,762 \$

286,884

Total Current Liabilities

23,762

286,884

**TOTAL LIABILITIES**

23,762

286,884

**STOCKHOLDERS' EQUITY**

Preferred stock: 25,000,000 shares authorized;

\$0.001 par value; 0 and 1,000 shares

-

2

issued and outstanding, respectively

Common stock: 100,000,000 shares authorized;

\$0.001 par value; 30,692,727 and 24,156,078 shares

issued and outstanding, respectively

30,692

24,411

Additional paid-in capital

3,762,212

3,621,210

Accumulated deficit

(3,766,257)

(3,712,641)

Total Stockholders' Equity

26,647

(67,018)

**TOTAL LIABILITIES AND STOCKHOLDERS'**

**EQUITY**

\$

50,409 \$

219,865

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

F-3



**Asia 8 Inc**

**Consolidated Statements of Operations**

**For The Years Ended December 31,**

**2012**

**2011**

REVENUES

\$

- \$

-

COST OF GOODS SOLD

-

-

GROSS PROFIT

-

-

OPERATING EXPENSES :

General and administrative

81,306

113,430

Depreciation and amortization

-

-

TOTAL OPERATING EXPENSES

81,306

113,430

LOSS FROM OPERATIONS

(81,306)

(113,430)

**OTHER INCOME (EXPENSES)**

Other income

16,503

64,627

Preferred stock dividend

(6,840)

(20,520)

Income from equity investment

18,028

(1,453,724)

**TOTAL OTHER INCOME (EXPENSES)**

27,690

(1,409,617)

**NET INCOME (LOSS)**

(53,616)

(1,523,047)

**BASIC INCOME (LOSS) PER SHARE**

(0.00)

(0.06)

**FULLY DILUTED INCOME (LOSS) PER SHARE**

(0.00)

(0.06)

**BASIC WEIGHTED AVERAGE NUMBER OF SHARES**

**OUTSTANDING**

30,692,727

24,158,876

FULLY DILUTED WEIGHTED AVERAGE NUMBER OF  
SHARES OUTSTANDING

28,341,505

24,158,876

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

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**ASIA8, Inc.**

**Audited Statements of Stockholders' Equity**

**Additional**

**Accumulated**

**Total**

**Preferred Stock**

**Common Stock**

**Paid-In**

**Deficit**

**Stockholders'**

**Shares**

**Amount**

**Shares**

**Amount**

**Capital**

**Deficit**

**\$**

**Balance, December 31, 2007**

**1,000 \$**

**1 \$ 23,071,835 \$**

**23,072 \$**

**3,280,227 \$**

**(72,598)**

**3,230,702**

Common stock issued for debt

at \$0.16 per share

-

-

1,084,243

1,084

172,394

-

173,478

Preferred stock issued for debt

at \$100.00 per share

1,280

**1**

-

-

127,999

-

128,000

Net loss for the year ended

December 31, 2008

-

-

-

-

-

(130,656)

(130,656)

**Balance, December 31, 2008**

2,280 \$

2 \$ 24,156,078 \$

24,156 \$

3,580,620 \$

(203,253) \$

3,401,525

Common stock issued for debt

at \$0.16 per share

-

-

255,282

255

40,590

-

40,845

Net loss for the year ended

December 31, 2009

-

-

-

-

-

(1,373,535)

(1,373,535)

**Balance, December 31, 2009**

- \$

2

24,411,360 \$

24,411 \$

3,621,210 \$

(1,576,788) \$

2,068,835

Net loss for the year ended

December 31, 2010

-

-

-

-

-

(612,806)

(612,806)

**Balance, December 31, 2010**

- \$

2

24,411,360 \$

24,411 \$

3,621,210 \$

(2,189,594)

1,456,029

Net loss for the year ended

December 31, 2011

-

-  
-  
-  
-  
(1,523,047)

(1,523,047)

**Balance, December 31, 2011**

- \$

**2**

**24,411,360 \$**

**24,411 \$**

**3,621,210 \$**

**(3,712,641) \$**

**(67,018)**

Common stock issued for debt

at \$0.03 a share.

-

-

**2,129,367**

**2,129**

**61,752**

-

**63,881**

Common stock issued for preferred

shares at \$0,075 per share

-



-

**3,040,000**

**3,040**

**224,960**

-

**228,000**

Common stock issued for interest on  
preferred shares at \$0.075 per share

-

-

1,112,000

1,112

82,288

-

83,400

Preferred shares retired

-

(2)

-

-

(227,998)

-

(228,000)

Net loss for the year ended

-

-

-  
-  
-  
(53,616)  
(53,616)

**December 31, 2012**

- \$  
-  
**30692,727** \$  
**30,692** \$  
**3762,211** \$  
**(3,766,257)** \$  
**26,647**

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

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**Asia 8, Inc.**

**Statement of Cash Flows**

**For the Year Ended**

**For The Year Ended**

**December 31**

**December 31,**

**2012**

**2011**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Net income (loss)

\$

(53,616) \$

(1,523,047)

Adjustments to reconcile net loss to

net cash used by operating activities:

Depreciation expense

-

-

(Gain) Loss on disposition of assets

-

-

(Gain) Loss on equity investments

(18,028)

1,453,724

Loss on Investments

-

-

Changes in operating assets and liabilities

(Increase) decrease in receivables

-

-

(Increase) decrease in other current assets

(2,500)

(1,500)

Increase (decrease) in accounts payable and

accrued expenses

(179,362)

38,155

**Net Cash Used in Operating Activities**

(253,506)

(32,668)

**CASH FLOWS FROM INVESTING ACTIVITIES**

Proceeds from sale of investments

81,000

Debt Settlement by issuance of equity investment

109,048

-

**Net Cash Provided by (Used in)**

**Investing Activities**

190,048

-

**CASH FLOWS FROM FINIANCING ACTIVITIES**

Common and preferred stock issued for cash/debt

147,280

-

Increase(decrease) in note payable

(83,759)

(2,006)

**Net Cash Provided by Financing Activities**

63,521

(2,006)

**NET INCREASE (DECREASE) IN CASH**

63

(34,675)

**CASH AT BEGINNING OF PERIOD**

391

35,066

**CASH AT END OF PERIOD**

\$

455 \$

391

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

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**ASIA8, INC.**

Notes to the Financial Statements

December 31, 2012 and 2011

**NOTE 1 - ORGANIZATION AND HISTORY**

Asia8, Inc. (formerly Asia4sale.com, Inc.), a Nevada corporation, was incorporated in September of 1996.

The Company was formerly known as H&L Investments, Inc. The name of the corporation was changed to Asia4sale.com, Inc., on December 22, 1999 and a Certificate of Amendment of Articles of Incorporation duly filed with the Office of the Secretary of State for the State of Nevada on December 29, 1999.

The Company changed its name on December 22, 1999 with the intent to acquire Asia4Sale.com, Ltd., a Hong Kong registered software development company ( LTD ) which was incorporated in March of 1999.

At that time the Company had 1,000,000 shares of common stock outstanding and no assets or liabilities.

The acquisition of LTD took place in February 2000, when the Company issued 9,000,000 common shares to acquire LTD. On December 11, 2000, the Company executed a 1 for 1 stock dividend.

The Company thus became a software development company in the process of designing and building a web based system for B2B and B2C selling, bartering, and auctioning of consumer goods and services to the Asian market place.

In 2000 the Company spent significant funds developing its software and attempting to market its software through various media channels. The development and marketing operations, handled through wholly owned subsidiary LTD., were ceased in mid 2000 due to lack of acceptance of the Company's products and an overall downturn in the popularity of emerging B2C and B2B products. The Company eventually sold Asia4Sale.com, Ltd. to an unrelated party in January of 2005.

The Company acquired a 49% interest in World Wide Auctioneers, Inc., a Nevada registered corporation, holding 100% of a British Virgin Island registered company World Wide Auctioneers, Ltd ( WWA ), an international equipment auction company on June 30, 2000. WWA, based in the United Arab Emirates (UAE) holds unreserved auctions on a consignment basis for the sale of construction, industrial and transportation equipment. On August 8, 2003 World Wide Auctioneers, Inc. sold 100% of WWA to a

Nevada registered company, WWA Group, Inc. ( WWA Group ) in a stock exchange transaction. The stock exchange caused the Company to acquire a minority equity investment in WWA Group which it accounts for using the equity method. WWA Group sold WWA to Seven International Holdings, Ltd. ( Seven ), a Hong Kong registered company, on October 31, 2010, in exchange for Seven s assumption of the assets and liabilities of WWA subject to certain exceptions. The disposition did not affect WWA Group s interest in Asset Forum, LLC., its ownership of proprietary on-line auction software or its equity interest and debt position in Infrastructure Developments Corp. ( Infrastructure ) in which it currently holds an unconsolidated 26.99% equity position.

The Company maintains rights to distribute Unic Cranes, Atomix boats and Renhe Mobile House products or Wing Houses in the UAE though it has since discontinued distribution efforts in relation to the Unic Crane and Atomix boat products.

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**ASIA8, INC.**

Notes to the Financial Statements

December 31, 2012 and 2011

**NOTE 2 GOING CONCERN**

The accompanying consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and liabilities in the normal course of business. Accordingly, they do not include any adjustments relating to the realization of the carrying value of assets or the amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. The Company has accumulated losses and working capital and cash flows from operations are negative which raises doubt as to the validity of the going concern assumptions. These financials do not include any adjustments to the carrying value of the assets and liabilities, the reported revenues and expenses and balance sheet classifications used that would be necessary if the going concern assumption were not appropriate; such adjustments could be material.

**NOTE 3 - SIGNIFICANT ACCOUNTING POLICIES**

**a. Accounting Method**

The Company's financial statements are prepared using the accrual method of accounting. The Company has elected a December 31 year-end.

**b. Basic Loss per Share**

For the Year Ended December 31, 2012

Income

Shares

Per-Share Amount

(Numerator)

(Denominator)

\$

(53,616)



30,692,727 \$

(0.00)

For the Year Ended December 31, 2011

Income

Shares

Per-Share Amount

(Numerator)

(Denominator)

\$

(1,523,047)

24,158,876

(0.06)

The computations of basic loss per share of common stock are based on the weighted average number of shares outstanding at the date of the financial statements.

c. Provision for Taxes

Deferred taxes are provided on a liability method whereby deferred tax assets are recognized for deductible temporary differences and operating loss and tax credit carry forwards and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

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**ASIA8, INC.**

Notes to the Financial Statements

December 31, 2012 and 2011

NOTE 3 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Provision for Taxes (Continued)

Net deferred tax assets consist of the following components as of December 31, 2012 and 2011:

2012

2011

Deferred tax assets

NOL Carryover

\$

813,537 \$

813,537

Valuation allowance

(813,537)

(813,537)

Net deferred tax asset

\$

- \$

-

The income tax provision differs from the amount of income tax determined by applying the U.S.

federal income tax rate of 39% to pretax income from continuing operations for the years ended

December 31, 2012 and 2011 due to the following:

2012

2011

Book income (loss)

\$
(71,644) \$
(69,323)
Income from equity investment
18,028
(1,453,274)
Valuation allowance
53,616
1,523,047
\$
- \$
-

At December 31, 2012, the Company had net operating loss carry forwards of approximately \$3,766,257 that may be offset against future taxable income through the year 2029. No tax benefit has been reported in the December 31, 2012 financial statements since the potential tax benefit is offset by a valuation allowance of the same amount.

Due to the change in ownership provisions of the Tax Reform Act of 1986, net operating loss carry forwards for Federal income tax reporting purposes are subject to annual limitations. Should a change in ownership occur, net operating loss carry forwards may be limited as to use in the future.

d. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

e. Fair Value of Financial Instruments

As at December 31, 2012, the fair value of cash and accounts and advances payable, including amounts due to and from related parties, approximate carrying values because of the short-term maturity of these instruments.

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**ASIA8, INC.**

Notes to the Financial Statements

December 31, 2012 and 2011

**NOTE 3 - SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**f. Recent Accounting Pronouncements**

In June 2011, the FASB issued ASU No. 2011-05, Comprehensive Income (Topic 220): Presentation of Comprehensive Income to increase the prominence of items reported in other comprehensive income. Specifically, the new guidance allows an entity to present components of net income or other comprehensive income in one continuous statement, referred to as the statement of comprehensive income, or in two separate, but consecutive statements. The new guidance eliminates the current option to report other comprehensive income and its components in the consolidated statement of shareholder's equity. While the new guidance changes the presentation of comprehensive income, there are no changes to the components that are recognized in net income or other comprehensive income under current accounting guidance. This new guidance is effective for fiscal years and interim periods beginning after December 15, 2011. We adopted the new guidance and it had no impact on our consolidated financial position, results of operations or cash flows.

In September 2011, the FASB issued Accounting Standards Update (ASU) No. 2011-08, Intangibles Goodwill and Other (Topic 350): Testing Goodwill for Impairment. ASU 2011-08 is intended to simplify how entities, both public and nonpublic, test goodwill for impairment. ASU 2011-08 permits an entity to first assess qualitative factors to determine whether it is "more likely than not" that the fair value of a reporting unit is less than its carrying amount as a basis for determining whether it is necessary to perform the two-step goodwill impairment test described in Topic 350, Intangibles-Goodwill and Other. The more-likely-than-not threshold is defined as having a likelihood of more than 50%. ASU 2011-08 is effective for annual and interim goodwill impairment tests performed for fiscal years beginning after December 15, 2011. We adopted the

new guidance and it had no impact on our consolidated financial position, results of operations or cash flows.

In February 2013, the FASB issued authoritative guidance related to reclassifications out of accumulated OCI. Under the amendments in this update, an entity is required to report, in one place, information about reclassifications out of accumulated OCI and to report changes in its accumulated OCI balances. For significant items reclassified out of accumulated OCI to net income in their entirety in the same reporting period, reporting is required about the effect of the reclassifications on the respective line items in the statement where net income is presented. For items that are not reclassified to net income in their entirety in the same reporting period, a cross reference to other disclosures currently required under U.S. GAAP is required in the notes to the consolidated financial statements. We plan to adopt this guidance in the first quarter of fiscal year 2013 and do not believe that the adoption of this guidance will have a material impact on its Consolidated Financial Statements.

g. Concentration of Risk

The Company does not rely on any one or a few major customers for sales revenue.

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**ASIA8, INC.**

Notes to the Financial Statements

December 31, 2012 and 2011

NOTE 3 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

h. Revenue Recognition

Revenues consist of revenues earned in the Company's capacity as seller of certain products by direct and brokered sale. All revenue is recognized when the sale is complete and the Company has determined that the proceeds are collectible.

All costs of goods sold are accounted for under Costs of Goods Sold.

i. Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Company considers all highly liquid instruments purchased with a maturity of three months or less to be cash equivalents to the extent the funds are not being held for investment purposes.

j. Accounts Receivable

Accounts receivable are carried at original invoice amount less an estimate made for doubtful receivables based on a review of all outstanding amounts on a monthly basis. Specific reserves are estimated by management based on certain assumptions and variables, including the customer's financial condition, age of the customer's receivables, and changes in payment histories. Trade receivables are written off when deemed uncollectible. Recoveries of trade receivables previously written off are recorded when received.

A trade receivable is considered to be past due if any portion of the receivable balance has not been received by the contractual pay date. Interest is not charged on trade receivables that are past due.

NOTE 4 - SIGNIFICANT EVENTS

On May 1, 2007 the Company entered into an agreement to acquire the exclusive distribution rights to sell Furukawa Unic Cranes in the U.A.E., along with ownership of \$415,000 of the seller's equipment assets in the U.A.E. As per the agreement, the Company committed to seller 800,000 shares of its common stock,

and assumed associated liabilities totaling \$415,000.

On May 1, 2007 the Company entered into an agreement to acquire the first right of refusal to acquire the exclusive rights to sell Trident Tri-Car vehicles in 20 countries chosen by the Company. The agreement required the Company to pay \$65,000 in cash consideration to the seller for a 2-year first right of refusal for the 20 countries, plus additional cash commitments for each country when test vehicles are sent to the country and the Company commits to become the exclusive distributor in that country.

On May 1, 2007, the Company entered into an agreement to acquire the rights to the exclusive distributorship agreement for Atomix Boats in the U.A.E., manufactured in China by the Atomix Boats Co. Ltd. Zhejiang, in exchange for 600,000 shares of the Company's common stock

During the year ended December 31, 2008, the Company issued 1,084,243 shares of common stock by converting notes payables into equity at \$0.16 per share. In addition, the Company issued 1,280 shares of preferred stock at \$100 per share.

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**ASIA8, INC.**

Notes to the Financial Statements

December 31, 2012 and 2011

NOTE 4 - SIGNIFICANT EVENTS (Continued)

On April 27, 2007 the Company elected to reverse-split its common stock on a one-share-for-two-share basis. All references to common stock within these financial statements have been retroactively restated to reflect this reverse stock-split.

NOTE 5- EQUITY INVESTMENT

In August 2000 the Company paid \$970,000 cash to acquire 49% of WWA World Wide Auctioneers, Inc., a Nevada registered company holding 100% of British Virgin Island registered company World Wide Auctioneers, Ltd. In August 2003 WWA World Wide Auctioneers, Inc. sold 100% of its subsidiary World Wide Auctioneers, Ltd. to Nevada registered company WWA Group, in a stock for stock transaction whereby the stock of WWA Group was issued directly to owners of WWA World Wide Auctioneers, Inc. The Company was issued 7,525,000 shares of WWA Group in 2003, comprising 47.5% of the issued and outstanding stock of WWA Group. At December 31, 2011, the Company owned 32% of the issued and outstanding shares of WWA Group. On March 26, 2012, the Company sold 3,240,000 out of its investment in WWA Group shares at a price of \$0.025 per share, for a net amount of \$81,000. At March 31, 2012, the Company owned 16% of the issued and outstanding WWA Group common stock. At April 15, 2012 the company divested itself of 2,412,408 shares out of its investment in WWA group shares to settle \$109,049 in various debts. As a result the Company does not own a substantial shareholding in WWA Group and therefore no longer records its share in the profit & loss of WWA Group for the year ended December 31, 2012.

NOTE 6- EQUITY TRANSACTIONS

In 2012, the Company issued 2,129,367 shares of common stock by converting notes payable and other payables into equity at \$0.03 per share.

In 2012, the Company issued 4,152,000 shares of common stock to retire 2,280 preferred shares series

1 comprised of \$228,000 in principal and \$83,400 in interest valued at \$0.075 a share.

In 2009, the Company issued 255,282 shares of common stock for cash at \$0.16 per share. In 2008, the Company issued 1,084,243 shares of common stock by converting notes payables into equity at \$0.16 per share. In 2007, the Company issued 2,124,250 shares of common stock for cash at prices ranging from \$0.08 to \$0.16 per share for a total value of \$304,800.

In 2008, the Company issued 1,280 shares of preferred stock for \$100 per share. Each share of preferred stock is convertible to 400 shares of common stock. The Series 1 preferred shares have a coupon rate of 9% interest per annum, with no redemption provision.

In 2007, the Company issued 1,000 shares of preferred stock at \$100 per share. Each share of preferred stock is convertible to 400 shares of common stock. The Series 1 preferred shares have a coupon rate of 9% interest per annum, with no redemption provision.

**ASIA8, INC.**

Notes to the Financial Statements

December 31, 2012 and 2011

**NOTE 7- SUBSEQUENT EVENTS**

The Company evaluated its December 31, 2012 financial statements for subsequent events through the date the financial statements were issued. The Company is not aware of any subsequent events which would require recognition or disclosure in the financial statements.

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## **ITEM 9**

### **CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE**

None.

## **ITEM 9A**

### **CONTROLS AND PROCEDURES**

#### **Evaluation of Disclosure Controls and Procedures**

In connection with the preparation of this annual report, an evaluation was carried out by the Company's management, with the participation of the chief executive officer and the chief financial officer, of the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 ( Exchange Act )) as of December 31, 2011.

Disclosure controls and procedures are designed to ensure that information required to be disclosed in reports filed or submitted under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the Commission's rules and forms, and that such information is accumulated and communicated to management, including the chief executive officer and the chief financial officer, to allow timely decisions regarding required disclosures.

Based on that evaluation, the Company's management concluded, as of the end of the period covered by this report, that the Company's disclosure controls and procedures were effective in recording, processing, summarizing, and reporting information required to be disclosed, within the time periods specified in the Commission's rules and forms, and such information was accumulated and communicated to management, including the chief executive officer and the chief financial officer, to allow timely decisions regarding required disclosures.

#### **Management's Report on Internal Control over Financial Reporting**

The management of the Company is responsible for establishing and maintaining adequate internal control over financial reporting. The Company's internal control over financial reporting is a process, under the supervision of the chief executive officer and the chief financial officer, designed to provide reasonable

assurance regarding the reliability of financial reporting and the preparation of the Company's financial statements for external purposes in accordance with United States generally accepted accounting principles (GAAP). Internal control over financial reporting includes those policies and procedures that:

Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the Company's assets;

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

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

Due to its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

The Company's management conducted an assessment of the effectiveness of our internal control over financial reporting as of December 31, 2012, based on criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission, which assessment did not identify any material weaknesses in internal control over financial reporting. A material weakness is a control deficiency, or a combination of deficiencies in internal control over financial reporting that creates a reasonable possibility that a material misstatement in annual or interim financial statements will not be prevented or detected on a timely basis. Since the assessment of the effectiveness of our internal control over financial reporting did identify a material weakness, management considers its internal control over financial reporting to be ineffective.

The Company identified the following material weakness: *Lack of Appropriate Independent Oversight*. The board of directors has not provided an appropriate level of oversight of the Company's financial reporting and procedures for internal control over financial reporting since there is, at present, only one independent director who could provide an appropriate level of oversight, including challenging management's accounting for and reporting of transactions. While this control deficiency did not result in any audit adjustments to our 2012 or 2011 interim or annual period financial statements, it could have resulted in material misstatement that might have been prevented or detected by independent oversight. Accordingly we have determined that this control deficiency constitutes a material weakness.

The Company intends to remedy the material weaknesses by forming an audit committee made up of independent directors that will oversee management.

This annual report does not include an attestation report of our independent registered public accounting firm regarding internal control over financial reporting. We were not required to have, nor have we, engaged our independent registered public accounting firm to perform an audit of internal control over financial reporting pursuant to the rules of the Commission that permit us to provide only management's report in this annual report.

#### ***Changes in Internal Controls over Financial Reporting***

During the period ended December 31, 2012, there has been no change in internal control over financial

reporting that has materially affected, or is reasonably likely to materially affect our internal control over financial reporting.

**ITEM 9B**

**OTHER INFORMATION**

None.

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**PART III**

**ITEM 10**

**DIRECTORS, EXECUTIVE OFFICERS, AND CORPORATE GOVERNANCE**

**Officers and Directors**

The following table sets forth the name, age and position of each director and executive officer of the Company as of December 31, 2012:

*Name*

*Age*

*Year Appointed*

*Positions and Offices*

Eric Montandon

47

2000

Chief Executive Officer, Chief Financial Officer, Principal Accounting Officer, and Director

Alfredo Alex Cruz

54

2006

Secretary and Director

***Eric Montandon*** was appointed as an officer and director of the Company in April 2000. He will serve until the next annual meeting of our shareholders and his successor is elected and qualified.

Business Experience:

Mr. Montandon joined the board of directors of the Company in 2000 and became its CEO and CFO. He was instrumental in the Company's acquisition and development of World Wide. His primary business focus has been on those two companies and WWA Group since 2003. In 1994 Mr. Montandon was



involved in forming Momentum Asia, Inc., a design and printing operation in Subic Bay, Philippines.

He operated this company as its CEO until the middle of 2000. Between 1988 and 1992 he worked for

Winius-Montandon, Inc. as a commercial real estate consultant and appraiser in Phoenix, Arizona.

Officer and Director Responsibilities and Qualifications:

Mr. Montandon is responsible for the overall management of the Company and is involved in many of its day-to-day operations, finance and administration.

Mr. Montandon graduated from Arizona State University in 1988 with a Bachelor's Degree in Business Finance. He has worked with early stage companies for the past two decades.

Other Public Company Directorships in the Last Five Years:

Over the last five years Mr. Montandon has been an officer and/or director of three other public companies: WWA Group (from February 2000 to present) (chief executive officer, chief financial officer and director), Net Telecommunications, Inc., formerly a telecommunications service provider (from September 2000 to present) (director) and Infrastructure Developments, a project management company (from May 2011 to present).

*Alfredo Cruz* has served as director since January of 2006 and as corporate secretary since 2000 through the present.

Business Experience:

Mr. Cruz has an established corporate legal practice, Cruz & Reyes Law Offices, in Manila, the Philippines, and is currently its managing partner. He has 15 years of experience in corporate law. Mr. Cruz's vast experience in corporate work focuses on the legal management of both domestic and foreign investments. His concentration is on mergers and acquisitions, joint ventures, incorporations, administrative licensing, and corporate housekeeping; he also has general exposure in trial and appellate litigation in Contract, Corporate, Domestic Relations, Entertainment, Insurance, Injunction, and Libel Law.

Officer and Director Responsibilities and Qualifications:

Mr. Cruz is responsible for overseeing management of the Company and is involved at the board of directors level as an independent director.

Mr. Cruz graduated from the University of the Philippines in 1982 with a Bachelor's Degree in Economics. He continued on at the University of the Philippines and received his law degree in 1986.

Other Public Company Directorships in the Last Five Years:

None.

***Term of Office***

Our directors are appointed for a one (1) year term to hold office, until the next annual meeting of our shareholders, or until removed from office in accordance with our bylaws. Our executive officers are appointed by our Board of Directors and hold office until removed by the board.

***Family Relationships***

There are no family relationships between or among the directors or executive officers

***Involvement in Certain Legal Proceedings***

During the past ten years there are no events that occurred related to an involvement in legal proceedings that are material to an evaluation of the ability or integrity of any of the Company's directors, persons nominated to become directors or executive officers.

**Compliance with Section 16(A) of the Exchange Act**

Based solely upon a review of Forms 3, 4 and 5 furnished to the Company, we are unaware of any persons

or entities which, during the period ended December 31, 2011, failed to file, on a timely basis, reports required by Section 16(a) of the Securities Exchange Act of 1934.

***Code of Ethics***

The Company has adopted a Code of Ethics within the meaning of Item 406(b) of Regulation S-K of the Securities Exchange Act of 1934. The Code of Ethics applies to directors and senior officers, such as the principal executive officer, principal financial officer, controller, and persons performing similar functions.

The Company has incorporated a copy of its Code of Ethics by reference as Exhibit 14 to this Form 10-K.

Further, the Company's Code of Ethics is available in print, at no charge, to any security holder who requests such information by contacting the Company.

## **Board of Directors Committees**

The board of directors has not yet established an audit committee or a compensation committee or nominating committee.

An audit committee typically reviews, acts on and reports to the board of directors with respect to various auditing and accounting matters, including the recommendations and performance of independent auditors, the scope of the annual audits, fees to be paid to the independent auditors, and internal accounting and financial control policies and procedures. Certain stock exchanges currently require companies to adopt a formal written charter that establishes an audit committee that specifies the scope of an audit committee's responsibilities and the means by which it carries out those responsibilities. In order to be listed on any of these exchanges, the Company will be required to establish an audit committee.

The board of directors has not established an audit committee, compensation committee or nominating committee since it believes that the board of directors, consisting of only two individuals, can efficiently and effectively fulfill these functions.

## **Director Compensation**

Directors receive no compensation for their services as directors. We do not anticipate adopting a provision for compensating directors in the foreseeable future.

## **ITEM 11**

### **EXECUTIVE COMPENSATION**

#### **Compensation Discussion and Analysis**

Since the Company is in the development stage, no salary is paid to retain the services of our executive officer. Should that determination change, the amount we deem appropriate to compensate our executive officer will be determined in accordance with market forces though we have no specific formula to determine compensatory amounts at this time. While we have deemed that our current lack of a compensatory program and the decisions regarding compensation are appropriately suited for our current objectives, we may adopt a compensation program in the future to include a salary for our executive officer and any additional future executive employees, which compensation may include options and other

compensatory elements.

**Table**

The following table provides summary information for 2012 and 2011 concerning cash and non-cash compensation paid or accrued by the Company to or on behalf of (i) the chief executive officer and the chief financial officer and (ii) any other employee to receive compensation in excess of \$100,000.

***Summary Executive Compensation Table***

Name and

Year

Salary

Bonus

Stock

Option

Non-Equity

Change in

All Other

Total

Principal

(\$)

(\$)

Awards Awards

Incentive Plan Pension Value

Compensation

(\$)

Position

(\$)

(\$)

Compensation

and

(\$)

(\$)

Nonqualified

Deferred

Compensation

(\$)

Eric Montandon, 2012

-

-

-

-

-

-

-

-

CEO, CFO,

2011

-

-

-

-

-

-

-

-

PAO, and

director

25

The Company has no option or stock award plans.

The Company has no consulting agreements with its executive officer.

The Company has no plans that provides for the payment of retirement benefits, or benefits that will be paid primarily following retirement.

The Company has no agreement that provides for payment to our executive officer at, following, or in connection with the resignation, retirement or other termination, or a change in control of Company or a change in our executive officer's responsibilities following a change in control.

## **ITEM 12**

### **SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS**

The following table sets forth certain information concerning the ownership of the Company's 30,692,727 shares of common stock issued and outstanding as of April 10, 2013, with respect to: (i) all directors; (ii) each person known by us to be the beneficial owner of more than five percent of our common stock; and (iii) our directors and executive officers as a group.

*Title of*

*Names and Addresses of Directors, Officers and*

*Number of*

*Percent of*

*Class*

*Beneficial Owners*

*Shares*

*Class*

Eric Montandon

Common Chief Executive Officer, Chief Financial Officer, Principal

Accounting Officer, and Director

1,660,816



5.41%

700 Lavaca Street, Suite 1400, Austin, Texas 78701

Alfredo Alex S. Cruz III

Common Director and Secretary

135,934

0.44%

700 Lavaca Street, Suite 1400, Austin, Texas 78701

Adderley Davis & Associates, Ltd.

Common Suite Z12, P.O. Box 8497, SAIF Zone, Sharjah, United

6,082,433

19.82%

Arab Emirates

Common All executive officers and directors as a group (2)

1,796,750

5.85%

## **ITEM 13**

### **CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS**

#### ***Related Transactions***

None of our directors or executive officers, nor any proposed nominee for election as a director, nor any person who beneficially owns, directly or indirectly, shares carrying more than 5% of the voting rights attached to all of our outstanding shares, nor any members of the immediate family (including spouse, parents, children, siblings, and in-laws) of any of the foregoing persons has any material interest, direct or indirect, in any transaction since the beginning of our last fiscal year or in any presently proposed transaction which, in either case, has or will materially affect us except as follows:

On May 20, 2012 the Company authorized the issuance of 1,450,500 restricted common shares to Eric Montandon pursuant to a debt settlement agreement valued at \$0.03.



***Director Independence***

For purposes of determining director independence, we have applied the definitions set out in NASDAQ Rule 4200(a)(15). Under NASDAQ Rule 4200(a)(15), a director is not considered to be independent if he or she is also an executive officer or employee of the corporation. Accordingly, we consider Alfredo Alex Cruz to be an independent director.

**ITEM 14.**

**PRINCIPAL ACCOUNTANT FEES AND SERVICES**

***Audit Fees***

The following is a summary of the fees billed to us by Pinaki & Associates LLC ( Pinaki ) for professional services rendered for the past two fiscal years:

***Auditors Fees and Services***

**2012**

**2011**

Audit fees

\$15,000

\$15,000

Audit-related fees

Tax fees

All other fees.

Total fees paid or accrued to our principal accountants

\$15,000

\$15,000

Audit Fees consist of fees billed for professional services rendered for the audit of our financial statements and review of the interim financial statements included in quarterly reports and services that are normally provided by Pinaki in connection with statutory and regulatory filings or engagements.

***Audit Committee Pre-Approval***

The Company does not have a standing audit committee. Therefore, all services provided to us by Pinaki, as detailed above, were pre-approved by our board of directors.

Pinaki performed all work only with their permanent full time employees.

**PART IV**

**ITEM 15.**

**EXHIBITS AND FINANCIAL STATEMENT SCHEDULES**

***(a) Consolidated Financial Statements***

The following documents are filed under *Item 8. Financial Statements and Supplementary Data*, pages F-1 through F-13, and are included as part of this Form 10-K:

Financial Statements of the Company for the years ended December 31, 2012 and 2011:

Report of Independent Registered Public Accounting Firm

Consolidated Balance Sheets

Statements of Income

Statements of Stockholders' Equity

Statements of Cash Flows

Notes to Financial Statements

***(b) Exhibits***

The exhibits required to be attached by Item 601 of Regulation S-K are listed in the Index to Exhibits on page 30 of this Form 10-K, and are incorporated herein by this reference.

***(c) Financial Statement Schedules***

We are not filing any financial statement schedules as part of this Form 10-K because such schedules are either not applicable or the required information is included in the financial statements or notes thereto.

**SIGNATURES**

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

*Asia8, Inc.*

*Date*

/s/ Eric Montandon

April 10, 2013

By: Eric Montandon

Its: Chief Executive Officer, Chief Financial Officer, Principal

Accounting Officer and Director

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

*Date*

/s/ Eric Montandon

April 10, 2013

Eric Montandon

Chief Executive Officer, Chief Financial Officer, Principal Accounting

Officer and Director

/s/ Alfredo Cruz

April 10, 2013

Alfredo Alex Cruz

Director

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## INDEX TO EXHIBITS

### *Exhibit*

### *Description*

3.1.1\*

Articles of Incorporation dated September 23, 1996 (incorporated by reference to the Form 10-12G filed with the Commission on October 20, 1999).

31.2\*

Amended Articles of Incorporation dated July 9, 1999 (incorporated by reference from Form 10-QSB filed with the Commission on October 20, 1999).

3.1.3\*

Amended Articles of Incorporation dated December 22, 1999 (incorporated by reference from Form 10-QSB filed with the Commission on May 15, 2007).

3.1.4\*

Amended Articles of Incorporation dated April 20, 2007 (incorporated by reference from Form 10-QSB filed with the Commission on May 15, 2007).

3.2.1\*

Bylaws dated May 6, 1999 (incorporated by reference Form 10-12G filed with the Commission on October 20, 1999).

3.2.2\*

Amended Bylaws dated January 22, 2007 (incorporated by reference to the Form 8-K filed with the Commission on January 29, 2007).

10.1\*

Share Purchase Agreement dated June 2000 between the Company (formerly Asia4Sale.com, Inc.) and World Wide Auctioneers, Inc. (incorporated by reference to the Form 8-K filed with the Commission on October 3, 2007).

10.2\*

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Unic Distribution Agreement dated May 1, 2007 between the Company and Peter Prescott (incorporated by reference to the Form 8-K filed with the Commission on October 3, 2007).

10.3\*

Atomix Distribution Agreement dated May 1, 2007 between the Company and Peter Prescott (incorporated by reference to the Form 8-K filed with the Commission on October 3, 2007).

14\*

Code of Ethics (Code of Conduct) (incorporated by reference to the Form 8-K filed with the Commission on October 3, 2007).

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Certification of the Chief Executive Officer and Chief Financial Officer pursuant to Rule 13a-14 of the Securities and Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (attached).

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Certification of the 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 Act of 2002 (attached).

101. INS

XBRL Instance Document

101. PRE

XBRL Taxonomy Extension Presentation Linkbase

101. LAB

XBRL Taxonomy Extension Label Linkbase

101. DEF

XBRL Taxonomy Extension Label Linkbase



101. CAL

XBRL Taxonomy Extension Label Linkbase

101. SCH

XBRL Taxonomy Extension Schema

\*

Incorporated by reference from previous filings of the Company.

Pursuant to Rule 406T of Regulation S-T, these interactive data files are deemed

furnished and not filed or part of a registration statement or prospectus for purposes of Section 11 or 12 of the Securities Act of 1933, or deemed furnished and not filed for purposes of Section 18 of the Securities and Exchange Act of 1934, and otherwise is not subject to liability under these sections.

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