ASIA8, INC.
Form 10-K
April 16, 2012

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

(Mark One)

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

For the fiscal year ended **December 31, 2011**.

o **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 incorporation or organization)	(I.R.S. Employer 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**

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 o No þ

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 o No þ

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 þ No o

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 þ No o

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.o

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. þ

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

The aggregate market value of the registrant's common stock, $0.001 par value (the only class of voting stock), held by non-affiliates (19,637,775 shares) was approximately $3,142,044 based on the price of $0.16 at which the registrant s common stock was last authorized for issuance in 2009.

At April 13, 2012 the number of shares outstanding of the registrant's common stock, $0.001 par value (the only class of voting stock), was 24,411,360.

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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 account for using the equity method, whereby our percentage of the net income or losses of WWA Group are accounted in our own results as other income or losses.

WWA Group sold WWA to Seven International Holdings, Ltd., a Hong Kong registered company, on October 31, 2010, in exchange for its 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 a consolidated 57.58% equity position.

The Company sold 3,240,000 common shares of WWA Group on March 26, 2012 decreasing our current interest to a 17.56% interest.

We maintain the exclusive rights to distribute Atomix boats and Renhe Mobile House products or Wing Houses in the UAE though sales of these respective products have decreased to nil over the last twenty four months due primarily to the recent global downturn. Although the downturn in the UAE has generally abated the demand for the products we have under contract has been slow to recover causing us to discontinue distribution efforts in relation to the Unic Crane and Atomix boat products.

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.

The Company

Distribution Rights

The Company coordinates its efforts with those of WWA Group to increase the value of its investment by developing business operations that are in some way related to those of WWA Group. We maintain the exclusive 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.

Despite our initial success in distributing products under license, the onset of recessionary economic conditions in 2008 throughout the Gulf Region stifled new construction projects which reduced the demand for Unic Cranes and Atomix Boats to a point where continued sales on a competitive basis were untenable. Currently, 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 Infrastructure, an affiliated entity.

The Wing House mobile shelter system was specifically designed to meet the need for an efficient, cost-effective mobile structure capable of serving as an office, residence, or storage space. Each Wing House unit is delivered as a standard 40 foot container with all ISO fittings in place for easy transport. These units can be placed anywhere with a swinglift and opened into an 850 square-foot living or working environment within 4 to 5 hours. The Wing House is an ideal solution for any application requiring low-cost, rapidly-mobile living or office space. The units are effectively insulated and carry a 5-star energy use rating, making them ideal for use in the hot climate conditions of the Gulf Region. The units are pre-wired for telephone, internet, and television, and can be ordered with pre-installed air conditioning and blinds. All units are delivered complete with all electrical wiring including lighting, sockets and switches, complete plumbing and a hot water system, external lighting, built-in cabinetry, and a fully fitted bathroom. The Wing House retails at approximately $65,000 and faces virtually no equivalent competition. The Wing House is built in China by Renhe Manufacturing.

WWA Group Equity Interest

Asset Forum

WWA Group holds a majority interest in Asset Forum, an Arizona based company that provides an international listing service that matches sellers with buyers for heavy equipment and real estate. We have supplemented Asset

Forum's distinctive listing service with our on-line auction software to perform the actual bidding and selling function of items for on-line auction. The Asset Forum business model is based on advertising assets for sale in a free listing by owner format that provides listing services for owners over a broad range of asset categories. The platform includes a unique forum function that enables the viewer to post comments on the items displayed and permits buyers to deal directly with sellers. Asset Forum s combination of open forum, owner direct and customized auctions in one marketplace for buyers and sellers attracted thousands of asset listings in 2011.

Infrastructure

Project Management

WWA Group maintains a consolidated 57.58% equity interest in Infrastructure, a project management company due to the conversion of a promissory note due into shares of Infrastructure on November 21, 2011.

Infrastructure is a project management company focused on specialized projects and subcontracts in the $1 million to $10 million range throughout the Middle East, Africa and Asia. Managed by engineers with extensive experience in construction, disposal, environmental remediation, telecommunications, and technical project management, Infrastructure seeks out project management opportunities in oil and gas infrastructure and support activities, permanent and temporary forward base camp installation and communications, construction endeavors, debris disposal and reclamation, earthmoving and mining operations. US Military contracts in Southeast Asia have been a significant source of recent work, with Infrastructure s projects including:

- Design/build construction of a Close Quarters Battle (CQB) Training Facility, Camp Erawan, Thailand; the project consists of the construction for the U.S. Navy of a two-story shoot house for military training; awarded May, 2009, completed January 21, 2010.
- Construction of seven (7) new barracks, wash facilities, food-preparation facilities and dining facilities, along with the repair of existing, and construction of additional roads, sidewalks, wells, lighting and electrical distribution, for the U.S. Navy's GPOI Training Facilities, Kampong Spoe, Cambodia; awarded August 2009, completed April 29, 2010.
- Blank Purchase Agreements for heavy equipment and adviser and troop transportation, in support of the 2010 US Army Angkor Sentinel exercise in Cambodia, part of the Global Peace Operations Initiative, which aims to train, and where appropriate equip, 75,000 Peacekeepers worldwide; commenced August 2010, ongoing for one year.

• Design/build contract for the US Navy s Lido Phase II project in Indonesia consisting of designing and building a two storey barrack, dining facilities, a mess hall, a kitchen, roads, parking areas, and site utilities; contract awarded September 29, 2010. (Infrastructure was unable to complete this project due to issues related to its subcontractors so work was abandoned at the end of 2011.)

The number of U.S. government projects available for bidding within Infrastructure s target range is enormous. The challenge facing Infrastructure is not finding projects to bid on, but rather selecting the opportunities that will be profitable and will align with our business development plan without exposing Infrastructure to unnecessary risks. The U.S. government selection criteria for successful bids are predicated on lowest price and technically acceptable . Since Infrastructure has determined that the margins on many of these "lowest price" projects is too small, it has suspended bidding on a wide range of projects and instead has decided to focus its bidding on specialty contracts that do not have hundreds of bidders with whom it must compete.

Prefabricated Housing

The Company and Infrastructure act as partners in distributing several types of highly portable and economical prefabricated structures manufactured in China and Thailand. These structures are ideal for use as residences or offices space on project sites, and are also a useful solution for disaster relief situations and other environments requiring the rapid deployment of low-cost housing structures.

The market for disaster relief and reconstruction efforts encompasses affected populations as well as rapidly deployable operation and residence bases for relief personnel. The need for this type of structure has been powerfully underscored by recent earthquakes and tsunamis. Infrastructure believes that low-cost, readily transportable prefabricated structures are an ideal solution providing both immediate relief and long-term viability for disaster-affected areas, and it is actively pursuing relationships with both relief agencies and governments of disaster-prone areas.

Since November of 2011, the Company has received over 150 inquiries for Wing House information from over 20 countries. We have provided 30 formal quotations from these inquiries but are yet to receive any formal purchase orders.

Domestic Operations

Infrastructure has more recently begun contact with major U.S. construction firms to establish strategic partnerships for domestic U.S. military construction projects. One of these relationships as enabled Infrastructure with the facility to bid and work on facilities of a classified nature in the United States, a separate and highly specialized market. Infrastructure continues to pursue strategic partnerships but to date has not bid on any domestic projects.

Alternative Fuels

Infrastructure has recently decided to diversify its operations to address the worldwide demand for transportation and energy generation alternative fuels.

Infrastructure's first step into the alternative fuels business was with operations at its facility in Chonburi, Thailand with the diesel to CNG conversion of a 250Kva/200Kw Cummins diesel generator at the end of 2011. Infrastructure expects to expand CNG operations with additional generator acquisitions, conversions and sales in Thailand in the coming months.

Infrastructure entered into a memorandum of understanding with Cleanfield Energy, Inc. ("Cleanfield") on July 1, 2011, as amended on July 7, 2011 to focus on developing a network of CNG conversion facilities and fueling stations in key areas where the market is already sustainable. Cleanfield was formed in Arizona for the purpose of pursuing opportunities in the natural gas powered engine industry. The founder spent three years researching and consulting on the industry in the western and southern United States, and developing a business plan suitable for entering into the industry in its early stage. The founder was attracted to partnering with Infrastructure for its project management experience and its Utah base. Utah is one of the leading states in the U.S. for natural gas engine power and clean energy initiatives.

Cleanfield s business model has unique advantages for both investors and communities. Investors have the opportunity to develop a locally oriented, environmentally sensitive business in an industry that s already making money and that has almost unlimited potential. Communities can seize the opportunity to promote clean energy and local and national employment. Both can take advantage of a huge array of federal and state governmental incentives designed to promote the transition from expensive, polluting, imported gasoline and diesel to clean, affordable CNG.

Cleanfield has also partnered with U-Fix-It Center a Tempe, Arizona-based automotive services facility to provide the Company's CNG vehicle conversion in the Phoenix area. U-Fix-It staff are certified installers and safety inspectors of EPA certified CNG conversion kits. U-Fix-It Center operates a 22-bay repair center offering a broad spectrum of automotive services. Cleanfield s agreement with U-Fix-It provides for the use of U-Fix-it facilities and the execution of conversion jobs by U-Fix-It mechanics on a per-job basis. These terms allow Cleanfield to enter the conversion business with minimal startup cost, without carrying the overhead cost of the facility and mechanics. Cleanfield also leases space from the U-Fix-It Center.

The memorandum of understanding provides Infrastructure with the exclusive right to collaborate with Cleanfield and the right of first refusal to acquire or form a more comprehensive joint venture with Cleanfield. Infrastructure is committed to providing Cleanfield with interim funding to cover expenses for the furtherance of its business plan.

Products

Cleanfield is an authorized distributor and installer of conversion kits and natural gas compressors produced by Go Natural, a Utah-based company that has emerged as a leading player in the CNG conversion field. All Go Natural products have full EPA and CARB approval.

Go Natural offers one of the largest ranges of EPA and CARB conversion kits in the industry, enabling Cleanfield to service and convert a large number of vehicle types. Since Go Natural s primary facility is located in Woods Cross, Utah, necessary parts and kits can be easily transported to the Cleanfield facility.

Go Natural products are price-competitive. The cost of conversion and EPA certified vehicle starts at about $7,500 and increases primarily based upon on cylinder configuration. CNG Kits start at $6,000 and fuel cylinders start at $1,500 each, installed. Depending on range needed more than one cylinder can be used.

The installed system includes:

- *The Cylinder* is used to store CNG at a working pressure of 200 bar that is fitted with a shutoff valve and a safety burst disc. The cylinders are type approved by the Chief Controller of Explosives, Government of India
- *The Vapor Bag* encloses the cylinder valve and the pipes connecting it and is vented out of the car
- *High Pressure Fuel Lines* connect the refueling valve to the CNG Cylinder and Pressure Regulator
- *The Refueling Valve* is used to refuel the CNG cylinder
- *The Pressure Regulator* has a Solenoid Valve to shut off gas supply to the engine. The CNG stored at a high pressure in the cylinder is reduced to just below atmospheric pressure by this unit. This negative pressure is

also a safety feature that will not allow gas to pass through when the engine is not running
- *The Gas-Air Mixer* is a unique component, specially designed to suit each engine model. It precisely meters gas fed into the engine
- *The Petrol-Solenoid Valve* is used to cut off petrol supply to the engine when it is run on CNG
- *The Selector Switch* is fitted at the dashboard, enabling the driver to choose either the CNG mode or the petrol mode of operation. The electronics built into this unit also ensures safety by switching off the gas solenoid whenever the engine is switched off. It also serves as a fuel indicator for the quantity of CNG available in the cylinder

One of the primary advantages of Go Natural is a range of products and an industry-leading three-year/100,000 mile warranty.

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Go Natural s hydraulic compressors were developed in partnership with Parker Hannifin, a multibillion dollar component manufacturer. These new compressors will be available to the market in 2012. The compression chambers compress large amounts of gas with every stroke, compressing gas on both backward and forward strokes and reaching 5,000 psi in only 2 stages. Durability is more than 3 times that of other conventional compressors.

Cleanfield will initially offer Go Natural products in its conversion centers and rely on the proven Go Natural range of solutions for fueling station installations. Cleanfield intends to offer its customers the widest possible range of high-quality natural gas vehicle and service station products available in the market today. Cleanfield is closely monitoring the approval processes of several leading candidates for diesel to natural gas conversion systems, and intends to offer diesel-to-gas conversions as soon as an EPA/CARB-approved system is available.

Services

Cleanfield will initially provide a range of conversion services, including conversion of gasoline engines to CNG and the replacement of diesel engines or gasoline engines for which no EPA/CARB conversion process exists with CNG engines. Diesel-to-CNG conversions will be provided when EPA/CARB-approved processes become available. Cleanfield also provides consulting services for public or private entities that wish to convert fleets of vehicles to CNG. These packages typically involve fleet conversion, establishment of strategically located fueling points, and assistance in maximizing the benefits offered by a broad but complex range of federal and state incentive programs.

Competition

Distribution Rights

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 provides indirect competition. Typical portable cabins used for temporary office in the region are much cheaper than the Wing Houses, but they (i) have a life span of 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.

WWA Group Equity Interest

Asset Forum

Asset Forum competes with auction companies worldwide for Internet buyers. There are numerous on-line auctioneers of used equipment and property, mainly based in the U.S. and Japan, including Ritchie Brothers Auctioneers, Inc. and Iron Plant, which offer live on-line bidding at their on-line and physical auctions. We believe that buyer acceptance of on-line equipment and property auctions have reached a point where significant net returns are possible. We believe that while there is significant competition from on-line auction companies, we expect that our unique software features used by Asset Forum will help us successfully penetrate a niche in the on-line major equipment market.

Infrastructure

Project Management Competition

Since 2009 Infrastructure has been active in the Southeast Asian construction and project management business. This activity has generated sufficient experience to analyze current and prospective competition. To date this competition has come almost exclusively from large local and regionally based construction firms. We know of at least 10 other companies that bid on U.S. government projects in the region that are in the $500,000 to $10,000,000 range, and at least 5 additional companies that bid on the larger U.S. government projects. All competitors are well funded, and have more experience and economies of scale than we do.

Infrastructure s competitive position against these companies is built around the fact that these companies are typically structured as regional equivalents of large international construction firms which typically maintain large headquarters facilities with the extensive staff needed to support bidding and operations on a very wide range of local and international contracts. Relying on this type of structure increases their overhead cost and diminishes their ability to field competitive proposals.

Infrastructure s competitive strategy for bidding on private projects in the future is to maintain an extremely lean corporate structure with minimal staff, facility, and asset depreciation costs in order to focus on a rigorous process of project selection, targeting only those projects it is most likely to win while reducing the staff time required for bid preparation. Infrastructure maintains a very low cost structure, but has a high level of expertise and extensive experience with U.S. government contracting and other projects with rigorous technical specifications enables it to submit bids with a level of technical qualification that other small companies with equivalent cost structures cannot match. Infrastructure s principal competitive advantages are:

International standard technical expertise;

A low-cost structure enabling us to bid lower than competitors without compromising margins;

Service delivery, including the ability to deliver personnel, processes, systems and technology on an as needed, where needed, when needed basis with the required local content and presence;

Highest standard health, safety, and environmental practices;

Technological sophistication; and

Extensive experience in developing nations and high-risk environments.

Alternative Fuels Competition

The CNG conversion business in certain areas of the U.S. is highly competitive. Companies with greater financial resources, existing staff and labor forces, and experience are in a better position than Infrastructure to compete for conversion bids. However, Cleanfield has unique advantages in the market having teamed up with Go Natural, including:

- three-year/100,000 mile warranty
- Complete turnkey solutions for fleet managers to switch to natural gas
- CFE conversions are approved by the EPA and the air resource board of California

CFE conversion is a partnership with U-Fix-It mechanics that offers us a low cost high quality facility with minimal overhead cost, U-Fix-It operates a 22-bay secure facility centrally located in Tempe very close to the 101 of the 202 freeways.

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This pattern provides obvious profitable locations for future stations. Experience with existing stations indicates that profitability is already possible at today s vehicle density, suggesting strong growth potential as CNG adoption increases.

Integration of fleet conversion with provision of public CNG fueling infrastructure provides additional opportunity: in-house sales to fleet vehicles provide an immediate revenue source for the fueling facility, while public use provides strong growth potential.

The compressor is an integral part of any CNG filling station, whether for home, fleet, or commercial use. Go Natural is developing a new breed of natural gas compressors running on hydraulics instead of rotary driven motors. These compressors have several distinct advantages over conventional compressors:

- The reduced speed compressor moves at 35 50 Strokes per minute compared to conventional technology running over 1,000 RPM. This reduces friction caused damage and will increase the life of the system.
- Most of the rotary driven compressors require crank case lubrication. The Go Natural design is oil free, eliminating the need for coalescing filtration to eliminate injector failure.
- An auto-cycling system keeps all electronic valves separated from the hydraulic power unit. This allows the compressor to avoid using explosion proof motors and controls, which reduces cost significantly
- Use of a modular design allows repairs to be easily accomplished in the field by the users. This reduces maintenance cost.
- The modular design also allows for the customer to start out wi th a small unit then add additional units as demand increases without having to replace the initial investment.
- Used in parallel they provide redundancy to the station so the station is never out of operation if a compressor goes down.

Contracts

WWA Group Equity Interest

Infrastructure

Infrastructure s contracts can be broadly categorized as either cost-reimbursable or fixed-price, the latter sometimes being referred to as lump-sum. Some contracts can involve both fixed-price and cost-reimbursable elements. Fixed-price contracts are for a fixed sum to cover all costs and any profit element for a defined scope of work. Fixed-price contracts entail more risk to Infrastructure because they require it to predetermine both the quantities of work to be performed and the costs associated with executing the work. Although fixed-price contracts involve greater risk than cost-reimbursable contracts, they also are potentially more profitable since the owner/customer pays a premium to transfer more project risk to Infrastructure. Cost-reimbursable contracts include contracts where the price is variable based upon Infrastructure s actual costs incurred for time and materials, or for variable quantities of work priced at defined unit rates, including reimbursable labor hour contracts. Profit on cost-reimbursable contracts may be based upon a percentage of costs incurred and/or a fixed amount. Cost reimbursable contracts are generally less risky than fixed-price contracts because the owner/customer retains many of the project risks.

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Insurance

WWA Group Equity Interest

Infrastructure

All of the Infrastructure s operations carry All Risks Insurance , the costs of which are passed on to clients within bid proposals. This insurance is mandatory and any competing bidders will also pass on similar costs.

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.

WWA Group Equity Interest

Infrastructure

<u>Project Management</u>

Engineering services of the type offered by Infrastructure are in considerable demand. The recent global economic slowdown has seen some reduction in projects offered for tender and an increase in competition for tenders, but Infrastructure is currently evaluating several private projects for bidding. We can offer no assurance that any of these bids will be awarded to Infrastructure, but we have confidence in the company s abilities and competitive position, and the figure indicates that sufficient opportunities exist for further expansion.

Southeast Asia provides an ideal working environment Infrastructure as there is a substantial U.S. military presence in the area that is relatively dispersed and focused on training, disaster relief, support for local forces and civic assistance projects. These activities provide numerous contract opportunities including diplomatic construction plans, development and relief aid spending, and private construction opportunities. The region enjoys a relatively high degree of political stability and presents a very manageable risk picture.

Indonesia and East Timor, along with Malaysia, Papua New Guinea, and the southern Philippines are active with new U.S. government funded building projects and private sector projects, including infrastructure, oil & gas, and mining projects. These markets are determined to be relatively open to new qualified bidders relative to other project markets in Southeast Asia and the Pacific Rim.

Infrastructure has bid on several projects in this region with a demonstrated capacity to perform work in this region supported by our physical presence in Thailand provide a solid base for regional expansion. Despite the marketability of Infrastructures services it has suspended bidding in the region at this time due to low project margins.

Alternative Fuels Market

CNG is entrenched in a variety of states, notably Arizona, southern California, Colorado, Utah and Louisiana. Cleanfield believes CNG use will predictably expand out from these core areas and along corridors linking these areas. For this reason, Infrastructure selected the Southwestern United States as its initial target market, beginning in Arizona. CNG is already a significant market presence in nearby California and Utah. As a major corridor between these early adopters, Arizona is well situated to be the next takeoff point in CNG adoption, providing an ideal ground-floor opportunity. Competition remains limited, giving Cleanfield the opportunity to establish its presence early and build a base for subsequent expansion, rather than entering the already competitive markets of Utah and Southern California.

Arizona is also in the midst of an effort to position itself as a major center for alternative energy development, building from a dominant position in the solar energy industry and expanding into other alternative energy fields. Cleanfield has been granted membership to the exclusive Valley of the Sun Clean Cities Coalition through 2012. The coalition is a group of public agencies and prominent corporations committed to expanding alternative energy use. Coalition members already operate nearly 7,000 alternative fuel vehicles and displace some 30 million gallons of petroleum fuel annually with alternative fuels such as natural gas, biodiesel, propane, ethanol, and electricity. According to a 2010 survey, this represents 10% of the annual consumption of alternative transportation fuel in the U.S. Coalition members have set the target of having one million Alternative Fuel Vehicles in the U.S., with fleet operators in the coalition holding a mandate to reduce carbon footprints. Area companies participating in the initiative include:

- AT&T
- Coca-Cola
- Enterprise Holdings (Enterprise, Alamo, National)
- FedEx
- Frito-Lay
- General Electric
- OSRAM Sylvania
- PepsiCo
- Rider Trucks
- Schwan s Staples
- Thyssen/Krupp elevators
- UPS
- Verizon

Approximately 58% of Arizona s population lives in cities of 100,000 or more, the highest ratio in the U.S. This population concentration makes it easy to reach a large percentage of the populace with a network of strategically located facilities.

In additional to Arizona, Cleanfield is beginning to focus on areas in and around the gas-rich states of Oklahoma and Texas, which are being heavily promoted and rapidly adopting CNG for vehicles. Louisiana will likely be Cleanfield's jumping off point in the area as the company has been making inroads to landing conversion contracts there in recent months.

Patents, Trademarks, Licenses, Franchises,

Concessions, Royalty Agreements and Labor Contracts

The Company neither owns nor has applied for any patents or trademarks. We do not license any of our technology from other companies. However, the Company does have an exclusive distribution agreement with Renhe for the Wing Houses.

WWA Group Equity Interest

WWA Group has no patents or trademarks but does hold various Internet domain names in its own name and in that of Asset Forum. WWA Group s proprietary software is safeguarded by the terms and conditions of our development agreement with the software developer which includes our exclusive ownership of the software and confidentiality provisions.

Infrastructure

Infrastructure has no patents or trademarks but does hold various Internet domain names.

Governmental and Environmental Regulation

Environment

Our operations are subject to the general corporate laws and regulations of those countries in which we, WWA Group or Infrastructure currently operate relating to, among other things, imports and exports of equipment, worker safety and the use, storage, discharge and disposal of environmentally sensitive materials. The expansion of operations into other countries may subject us to additional national, federal, provincial, state and local laws, rules and regulations relating to, among other things, imports and exports of equipment, worker safety and the use, storage, discharge and disposal of environmentally sensitive materials. The development or expansion of operations depends upon the receipt of required licenses, permits and other governmental authorizations. Under some of the laws regulating the use, storage, discharge and disposal of environmentally sensitive materials, an owner or lessee of real estate may be liable for the costs of removal or remediation of certain hazardous or toxic substances located on or in, or emanating from, such property, as well as related costs of investigation and property damage. Laws of this nature often impose liability without regard to whether the owner or lessee knew of, or was responsible for, the presence of hazardous or toxic substances.

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 is not participating in the Kyoto Protocol, several states have adopted legislation and regulations to reduce emissions of greenhouse gases. Restrictions on emissions of methane or carbon dioxide that may be imposed in various nations and states could adversely affect our operations and demand for our products.

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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, which could adversely affect the products we sell and the demand for our products. Finally, acts of Congress, particularly such as the American Clean Energy and Security Act of 2009, also known as the Waxman-Markey cap-and-trade legislation, approved by the United States House of Representatives on June 26, 2009, as well as the decisions of lower courts, large numbers of states, and foreign governments which affect climate change regulation could have a material adverse effect on our business, financial condition, and results of operations.

Doing Business with Nationals of Countries identified by the U.S. as State Sponsors of Terrorism

The U.S State Department and the U.S. Treasury Department s Office of Foreign Assets Control (OFAC) has identified Iran, Sudan and Syria as state sponsors of terrorism, and forbade the sale of goods or services by U.S. persons or companies to these countries or to agents of the respective governments of these countries. On April 27, 2007 WWA Group received a cease and desist order from OFAC proscribing the sale of equipment or services, or facilitating the sale of equipment or services to persons with registered addresses in Iran, Syria or Sudan. WWA Group has never sold equipment at auction or delivered equipment to countries or to agents of the respective governments of those countries that OFAC has identified as state sponsors of terrorism. However, we had in the past sold equipment to private individuals or companies resident in Iran, Sudan or Syria who may have, on their own accord, have exported such purchased equipment to their country of residence. Since May of 2007 until the disposition of World Wide Auctioneers in October of 2010, in compliance with the OFAC cease and desist order, we enforced a strict policy of prohibiting the sale of equipment to any persons or companies that register to bid using addresses in Iran, Sudan or Syria. On January 13, 2012 WWA Group received a Cautionary Letter from OFAC as a final enforcement response to apparent violations in lieu of a civil penalty.

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, 2011, the Company had a working capital deficit of $208,895. We will have to obtain additional working capital from debt or equity placements to continue operations. Although, we have a commitment for the provision of additional working capital, this commitment may prove to be insufficient. 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 the chief executive officer of WWA Group and as a director of Infrastructure. His responsibilities cause him to divide his time, the majority of which is dedicated to the management of WWA Group. The division of time however does not necessarily indicate a division of interests as the Company owns approximately 18% of the outstanding shares of WWA Group. Nonetheless, his varied responsibilities may compromise the Company s ability to successfully conduct its business operations.

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 investors 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.

Our internal controls over financial reporting may not be considered effective in the future, 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. If we are unable to continue to assert that our internal controls are effective, our shareholders could 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.

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 $60 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. (REMOVED AND RESERVED)

Removed and reserved.

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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

As of April 13, 2012 there were 1,645 shareholders of record holding a total of 24,411,360 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 April 13, 2012 there were 2,280 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 April 13, 2012 the Company had no outstanding warrants to purchase shares of our common stock.

Stock Options

As of April 13, 2012 the Company had 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-loo 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.

Distribution Rights

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 Equity Interest

WWA Group s auctions developed a significant customer base that achieved consistent revenue and profits that led to a dominant market share in Dubai, its primary operating market. The Company invested in WWA in 2000, anticipating potential future value appreciation in that investment, and possible synergies with our management s experience in Asian product sourcing and WWA s core auction and selling business. WWA Group sold WWA to Seven on October 31, 2010.

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 financial and business support to WWA Group as necessary to help grow the value of our equity interest, and to provide us opportunities that are related to and generated by WWA Group.

Asset Forum

WWA Group s business strategy going forward is to build Asset Forum into a global internet hub for the buying and selling of assets. Management has long recognized the trend towards a web based marketplace that utilizes contemporary technology to safely bring buyers and sellers together. Asset Forum is the necessary outcrop of that trend.

Asset Forum is an Arizona based company that provides an international listing service that matches sellers with buyers for heavy equipment and real estate. We have supplemented Asset Forum's distinctive listing service with our on-line auction software to perform the actual bidding and selling function of items for on-line auction. The Asset Forum business model is based on advertising assets for sale in a free listing by owner format that provides listing services for owners over a broad range of asset categories. The platform includes a unique forum function that enables the viewer to post comments on the items displayed and permits buyers to deal directly with sellers which we have enhanced with our proprietary On Line Bidding software. Asset Forum s combination of open forum, owner direct and customized auctions in one marketplace for buyers and sellers attracted thousands of asset listings in 2011.

WWA Group is yet to realize revenue from the operation of Asset Forum yet the model for generating income from this type of web based sales facility exists. Management plans to increase awareness of Asset Forum from a database of former clients garnered from many years in the physical auction business and from a host of prospective new clients used to being able to buy and sell through existing electronic sales facilities. The transition of new visitors to the Asset Forum website will be accomplished by marketing the site through trade journals, magazines, websites and trade shows. Once a critical mass of buyers and sellers, yet to be determined, has been reached management intends to include an income producing component onto the site.

Management expects that the income producing component will be based on commissions earned from sellers on the actual sale of assets listed for on line auction on Asset Forum s web site. Commissions will range from 2% to 12% depending on the value of the item sold and negotiations with the seller(s). Asset Forum will also charge a buyer s premium ranging from 1% to 7% depending on the value of the item. Seller s commissions and buyer s premiums will comprise the bulk of revenue generated. Asset Forum s seller s commission and buyer s premiums are generally lower on average than the industry standards being charged by competing models. Other revenue can be generated by the gross profit margin earned by items bought by Asset Forum for its own account, and sold at on line auction. In certain cases, Asset Forum will also negotiate with a seller to take a percentage of the sold price amount over a certain minimum selling price, rather than a seller s commission.

Infrastructure

WWA Group maintains a consolidated 57.58% equity interest in Infrastructure, a project management company due to the conversion of a promissory note due into shares of Infrastructure on November 21, 2011. We believe that despite competitive pricing pressures, a significant number of projects fall within the criteria expressed by Infrastructure and that alternative fuel conversions will become widespread as fuel prices rise and fueling infrastructure becomes available.

Since each of WWA Group and Infrastructure share common management 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. Management recognizes that Infrastructure s success is critical to any gain on its investment. The effect being we work with Infrastructure on an as needed basis to provide any assistance that might be required and within our ability to assist.

Expansion Plans into other Businesses

The Company is currently targeting operating businesses and assets that are priced at current market levels that do not rely on expanding economies to generate profit. Since the Company s ability to raise capital for acquisitions is limited our current intention is to rely on stock for stock exchange transactions as a means by which to expand into new business opportunities. The Company has signed a memorandum of agreement to acquire Emerging Market Property Advisors, a UK limited liability company in a stock for stock exchange transaction. We expect that this share exchange to proceed in the 2nd quarter of 2012 subject to shareholder approval.

Results of Operations

During the year ending December 31, 2011, 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 still in demand, and that a global economic recovery in 2012 alongside the efforts of Infrastructure will generate sales of Wing Houses.

Revenue

Revenue for the twelve month periods ended December 31, 2011 and December 31, 2010 was $0. The lack of revenues over the comparative periods can be primarily attributed to the effect that a global recession has had on the demand for products for which we act as a distributor. We expect revenue in future periods with a return to normalization in the global markets.

Operating Expenses

Operating expenses for the twelve month period ended December 31, 2011 were $113,430 as compared to expenses of $55,756 for the twelve month period ended December 31, 2010. The increase in expenses over the comparative periods can be attributed to increases 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.

Depreciation and amortization expenses for the twelve month period ended December 31, 2011 and December 31, 2010 were $0 and $719 respectively. The decrease in depreciation and amortization expenses over the comparative periods can be attributed mainly to the full depreciation of existing equipment. Depreciation and amortization expenses are expected to increase in the event we acquire assets in the process of expanding our distribution activities.

Other Expenses

Other expenses for the twelve month period ended December 31, 2011 were $1,409,617 as compared to other expenses of $557,050 in the twelve month period ended December 31, 2010. The other expenses in the current period can be primarily attributed to the loss on equity investments tied to our interest in WWA Group and the payment of a dividend on our preferred stock offset by other income. We expect to continue to realize other expenses related to the business operations of WWA Group in the near term.

Net Losses

Net losses for the twelve month period ended December 31, 2011 were $1,523,047 as compared to net losses of $612,806 for the twelve month period ended December 31, 2010. The increase in net losses in the current period can be primarily attributed to the increase in the loss on our equity investments in addition to increases in general and administrative expenses. We expect to continue to realize net losses until such time as our operations produce revenue and our equity investments provide us a return on our investment.

Capital Expenditures

The Company did not spend any significant amounts on capital expenditures during the year ended December 31, 2011.

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.

Impact of Inflation

The Company believes that inflation has had a negligible effect on operations over the past three years.

Liquidity and Capital Resources

As of December 31, 2011, the Company had a working capital deficit of $208,895. Our current assets totaled $5,485 comprised of cash totaling $391 and other assets of $5,094. Our total assets were $219,865 consisting of current assets and our equity investments totaling $214,380. At December 31, 2011 our current and total liabilities were $286,884.

Cash flow used in operating activities for the year ended December 31, 2011 was $32,668 as compared to cash flow used in operating activities of $55,444 for the year ended December 31, 2010. The change in cash flow used in operating activities in the current period can be attributed primarily to the increase in accounts payable. We expect that cash flow used in operating activities will continue to decrease as net losses decrease.

Cash flow provided by investing activities for the years ended December 31, 2011 and December 31, 2010 was $0. We expect to use cash flow in investing periods in future periods as capital becomes available to expand our business.

cash flow provided by financing activities of $88,000 for the year ended December 31, 2010. Cash flow used by financing activities in the current twelve month period can be attributed to a decrease in a note payable. We expect to have cash flow provided by financing activities in the near term in order to continue operations.

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Cash flow used by financing activities for the year ended December 31, 2011 was $2,006 as compared to

The Company owns shares of WWA Group as an equity investment. The shares are restricted common stock in a publicly traded company with a current face market value of over $406,000. We could sell a portion of these shares, subject to the limitations imposed by Rule 144, as a source of operating funds as the Company did in March of 2012.

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 evaluate other business opportunities. 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, 2011, 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 $3,712,641 as of December 31, 2011. 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 additional business opportunities. 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;

- the volatility of the stock market; 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.

Stock-Based Compensation

The Company has adopted Accounting Standards Codification Topic (ASC) which addresses the accounting for stock-based payment transactions in which an enterprise receives employee services in exchange for (a) equity instruments of the enterprise or (b) liabilities that are based on the fair value of the enterprise s equity instruments or that may be settled by the issuance of such equity instruments.

The Company has no outstanding stock options or related stock option expense.

We account for equity instruments issued in exchange for the receipt of goods or services from other than employees in accordance with ASC 505. Costs are measured at the estimated fair market value of the consideration received or the estimated fair value of the equity instruments issued, whichever is more reliably measurable. The value of equity instruments issued for consideration other than employee services is determined on the earliest of a performance commitment or completion of performance by the provider of goods or services.

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, 2010 and 2009 are attached hereto as F-1 through F-13.

We account for equity instruments issued in exchange for the receipt ofgoods or services from other than employee

ASIA8, INC. AND SUBSIDIARIES

Years Ended December 31, 2011 and 2010

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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, 2011and 2010 and the related consolidated statements of income, stockholders equity and cash flows for the years ended December 31, 2011and 2010. 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, 2011 and 2010, and the related consolidated statements of income, stockholders equity and cash flows for the years ended December 31, 2011and 2010 , in conformity with accounting principles generally accepted in the United States of America.

/s/ Pinaki & Associates LLC.

Pinaki & Associates LLC.

Hayward, CA

April 11, 2012

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ASIA8, Inc.
Consolidated Balance Sheets

	December 31, 2011		December 31, 2010	
ASSETS				
CURRENT ASSETS				
Cash	$	391	$	35,066
Other current assets		5,094		3,594
Total Current Assets		5,485		38,660
FIXED ASSETS, Net		-		-
OTHER ASSETS				
Investments		214,380		1,668,104
Total Other Assets		214,380		1,668,104
TOTAL ASSETS	$	219,865	$	1,706,764
LIABILITIES AND STOCKHOLDERS' EQUITY				
CURRENT LIABILITIES				
Accounts payable and accrued expenses	$	286,884	$	250,735
Total Current Liabilities		286,884		250,735
TOTAL LIABILITIES		286,884		250,735
STOCKHOLDERS' EQUITY				
Preferred stock: 25,000,000 shares authorized; $0.001 par value; 2,280 and 1,000 shares issued and outstanding, respectively		2		2
Common stock: 100,000,000 shares authorized; $0.001 par value; 24,411,360 and 24,156,078 shares issued and outstanding, respectively		24,411		24,411
Additional paid-in capital		3,621,210		3,621,210
Accumulated deficit		(3,712,641)		(2,189,594)
Total Stockholders' Deficit		(67,018)		1,456,029
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$	219,865	$	1,706,764

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

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ASIA8, Inc.
Statements of Operations

	For the Years Ended December 31, 2011	2010
REVENUES	$ -	$ -
COST OF GOODS SOLD	-	-
GROSS PROFIT	-	-
OPERATING EXPENSES		
Depreciation and amortization	-	719
General and administrative	113,430	55,037
Total Operating Expenses	113,430	55,756
LOSS FROM OPERATIONS	(113,430)	(55,756)
OTHER INCOME (EXPENSES)		
Other income	64,627	-
Preferred stock dividend	(20,520)	(20,520)
Income from equity investment	(1,453,724)	(536,530)
Total Other Income (Expenses)	(1,409,617)	(557,050)
NET INCOME (LOSS)	$ (1,523,047)	$ (612,806)
BASIC INCOME (LOSS) PER SHARE	$ (0.06)	$ (0.03)
FULLY DILUTED INCOME (LOSS) PER SHARE	(0.06)	(0.01)
BASIC WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING	24,158,876	24,158,876
FULLY DILUTED WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING	24,158,876	24,158,876

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

ASIA8, Inc.
Audited Statements of Stockholders' Equity

	Preferred Stock Shares	Preferred Stock Amount	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' 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)**

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

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Asia 8, Inc.
Statement of Cash flows

	For The Years Ended December 31, 2011	2010
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (loss)	(1,523,047)	(612,806)
Adjustments to reconcile net loss to net cash used by operating activities:		
Depreciation expense	-	719
(Gain) Loss on disposition of assets	-	-
(Gain) Loss on equity investments	1,453,724	536,530
Loss on Investments	-	-
Changes in operating assets and liabilities		
(Increase) decrease in receivables	-	0
(Increase) decrease in other current assets	(1,500)	(3,594)
Increase (decrease) in accounts payable and accrued expenses	38,155	23,707
Net Cash Used in Operating Activities	(32,668)	(55,444)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of Fixed assets	-	-
Net Cash Provided by (Used in) Investing Activities	-	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Common and preferred stock issued for cash/debt	-	-
Increase(decrease) in note payable	(2,006)	88,000
Net Cash Provided by Financing Activities	(2,006)	88,000
NET INCREASE (DECREASE) IN CASH	(34,675)	32,556
CASH AT BEGINNING OF PERIOD	35,066	2,510
CASH AT END OF PERIOD	391	35,066

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

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ASIA8, INC.

Notes to the Financial Statements

December 31, 2011 and 2010

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 63% equity position.

The Company maintains the exclusive 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, 2011 and 2010

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. The Company will have a new look after the acquisition of EMP. Both parties have signed a MOU and the deal should go through soon. EMP is making good revenue currently and is expected to grow nicely. Continuance of the Company as a going concern is dependent on successful completion of this deal.

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, 2011

	Income (Numerator)	Shares (Denominator)	Per-Share Amount
	$ (1,523,047)	24,158,876	$ (0.06)

For the Year Ended December 31, 2010

	Income (Numerator)	Shares (Denominator)	Per Share Amount
	$ (612,806)	24,158,876	$ (0.03)

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 that 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.

ASIA8, INC.

Notes to the Financial Statements

December 31, 2011 and 2010

NOTE 3 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Provision for Taxes (Continued)

Net deferred tax assets consist of the following components as of December 31, 2011 and 2010:

		2011		2010
Deferred tax assets				
NOL Carryover	$	813,537	$	707,107
Valuation allowance		(813,537)		(707,107)
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, 2011 and 2010 due to the following:

		2011		2010
Book income (loss)	$	(69,323)	$	(76,276)

Income from equity investment		(1,453,274)		(536,530)
Valuation allowance		1,523,047		612,806
	$	-	$	-

At December 31, 2011, the Company had net operating loss carry forwards of approximately $3,935,851 that may be offset against future taxable income through the year 2029. No tax benefit has been reported in the December 31, 2011 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, 2011, 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.

ASIA8, INC.

Notes to the Financial Statements

December 31, 2011 and 2010

NOTE 3 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

f. Newly Issued Accounting Pronouncements

Recent Accounting Pronouncements

In May 2011, the Financial Accounting Standards Board (FASB) issued an accounting standard update to provide guidance on achieving a consistent definition of and common requirements for measurement of and disclosure concerning fair value as between U.S. GAAP and International Financial Reporting Standards. This accounting standard update is effective for the Company beginning in the third quarter of fiscal 2012. The Company is currently evaluating the impact of this accounting standard update on its Consolidated Financial Statements but does not expect it will have a material impact

In June 2011, the FASB issued an accounting standard update to provide guidance on increasing the prominence of items reported in other comprehensive income. This accounting standard update eliminates the option to present components of other comprehensive income as part of the statement of equity and requires that the total of comprehensive income, the components of net income, and the components of other comprehensive income be presented either in a single continuous statement of comprehensive income or in two separate but consecutive statements. It is also required to present on the face of the financial statements reclassification adjustments for items that are reclassified from other comprehensive income to net income in the statement(s) where the components of net income and the components of other comprehensive income are presented. This accounting standard update is effective for the Company beginning in the first quarter of fiscal 2013.

In August 2011, the FASB approved a revised accounting standard update intended to simplify how an entity tests goodwill for impairment. The amendment will allow an entity to first assess qualitative factors to determine whether it is necessary to perform the two-step quantitative goodwill impairment test. An entity no longer will be required to calculate the fair value of a reporting unit unless the entity determines, based on a qualitative assessment, that it is more likely than not that its fair value is less than its carrying amount. This accounting standard update will be effective for the Company beginning in the first quarter of fiscal 2013 and early adoption is permitted. The Company is currently evaluating the impact of this accounting standard update 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.

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.

ASIA8, INC.

Notes to the Financial Statements

December 31, 2011 and 2010

NOTE 3 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 becomes 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.

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.

ASIA8, INC.

Notes to the Financial Statements

December 31, 2011 and 2010

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, Inc. (WWA), in a stock for stock transaction whereby the stock of WWA Group, Inc. was issued directly to owners of WWA World Wide Auctioneers, Inc. The Company was issued 7,525,000 shares of WWA Group, Inc. in 2003, comprising 47.5% of the issued and outstanding stock of WWA Group, Inc. At December 31, 2011, the Company owned 32% of the issued and outstanding WWA Group, Inc. common stock.

Condensed financial information of WWA:

	December 31, 2011	December 31, 2010
Cash	49,010	$ 3,835
Receivables	0	0
Other current assets	229,375	3,196,838
Fixed assets	0	0
Other assets	0	1,219,219
Total Assets	$ 277,386	$ 4,419,892
Auction payables	27,856	$ 0
Other current liabilities	532,403	99,220
Minority Interest	(104,245)	0
Common stock	22,592	22,592
Additional paid-in capital	4,449,080	4,449,080
Retained earnings	(4,650,300)	(151,000)
Total Liabilities and Stockholders' Equity	$ 277,386	$ 4,419,892

Condensed financial information of WWA:

	For the Years Ended December 31, 2011	2010
Net revenues	-	$ 84,770
Direct costs	-	78,017
Operating expenses	126,816	207,638
Other income (expense)	(4,384594)	(270,929)
Income taxes	-	1027
Loss from discontinued Operation	-	(439,531)
Non-Controlling Loss	(12,111)	-
Loss recognized on sale of operation	-	(749,227)
Net Income (Loss)	$(4,499,299)	$(1,660,570)

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ASIA8, INC.

Notes to the Financial Statements

December 31, 2011 and 2010

NOTE 6- EQUITY TRANSACTIONS

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.

During the year ended December 31, 2008 the Company issued 1,280 shares of preferred stock for cash at $100 per share. During the year ended December 31, 2007, the Company issued 1,000 shares of common stock at $100 per share. The each share of preferred stock is convertible to 400shares of common stock. The Series 1 preferred shares have a coupon rate of 9% interest per annum, with no redemption provision.

NOTE 7- SUBSEQUENT EVENTS

The Company evaluated its December 31, 2011 financial statements for subsequent events through the date the financial statements were issued. 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 gross amount of $81,000.

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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, 2011, 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 not identify any material weaknesses, management considers its internal control over financial reporting to be effective.

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, 2011, 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

On March 26, 2012 the Company sold 3,240,000 shares of the common stock of WWA Group in a private transaction for $0.025 a share for an aggregate total of $81,000.

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, 2011:

Name	***Age***	***Year Appointed***	***Positions and Offices***
Eric Montandon	46	2000	Chief Executive Officer, Chief Financial Officer, Principal Accounting Officer, and Director
Alfredo Alex Cruz	53	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.

<u>Business Experience:</u>

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.

<u>Officer and Director Responsibilities and Qualifications:</u>

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.

Our executive officer is compensated by WWA Group for services provided to WWA Group.

Table

The following table provides summary information for 2011 and 2010 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 Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards ($)	Option Awards ($)	Non-Equity Incentive Plan Compensation ($)	Change in Pension Value and Nonqualified Deferred Compensation ($)	All Other Compensation ($)	Total ($)
Eric Montandon,	2011	-	-	-	-	-	-	-	-
CEO, CFO, PAO, and director	2010	-	-	-	-	-	-	-	-

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 24,411,360 shares of common stock issued and outstanding as of April 13, 2012, 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 Class	***Names and Addresses of Directors, Officers and Beneficial Owners***	***Number of Shares***	***Percent of Class***
Common	Eric Montandon Chief Executive Officer, Chief Financial Officer, Principal Accounting Officer, and Director 700 Lavaca Street, Suite 1400, Austin, Texas 78701	210,316	0.86%
Common	Alfredo Alex S. Cruz III Director and Secretary 700 Lavaca Street, Suite 1400, Austin, Texas 78701	135,934	0.56%
Common	Adderley Davis & Associates, Ltd. Suite Z12, P.O. Box 8497, SAIF Zone, Sharjah, United Arab Emirates	6,082,433	24.92%
Common	All executive officers and directors as a group (2)	346,250	1.41%

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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.

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

	2011	**2010**
Audit fees	$15,000	$19,000
Audit-related fees		
Tax fees	0	0
All other fees.	0	0
Total fees paid or accrued to our principal accountants	$15,000	$19,000

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, 2011 and 2010:

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 36 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 13, 2012
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 13, 2012
Eric Montandon	
Chief Executive Officer, Chief Financial Officer, Principal Accounting Officer and Director	
/s/ Alfredo Cruz	April 13, 2012
Alfredo Alex Cruz	

Director

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INDEX TO EXHIBITS

Exhibit ***Description***

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

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

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

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

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

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

10(i)* 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(ii)* 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(iii)* 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).

21 Subsidiaries of the Company (attached).

31 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).

32 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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