

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

Form 10-Q

(Mark One)

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

For the quarterly period ended March 31, 2014 or _____

TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____

Commission File Number 000-50392

TRANSAKT LTD.

(Exact name of registrant as specified in its charter)

Nevada

N/A

(State or other jurisdiction of incorporation or organization)

(IRS Employer Identification No.)

No. 362-6-7, Kaosun Road, Section 2, Yangmei City, Taoyuan 326, Taiwan **N/A**
(Address of principal executive offices) (Zip Code)

886-2-26624343

(Registrant's telephone number, including area code)

N/A

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

YES NO

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

YES NO

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

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

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act)
 YES NO

**APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY
PROCEEDINGS DURING THE PRECEDING FIVE YEARS**

Check whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Exchange Act after the distribution of securities under a plan confirmed by a court.

YES NO

APPLICABLE ONLY TO CORPORATE ISSUERS

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

613,447,306 common shares issued and outstanding as of May 15, 2014

PART 1 – FINANCIAL INFORMATION

Item 1. Financial Statement

Our unaudited interim financial statements for the three periods ended March 31, 2014 form part of this quarterly report. They are stated in United States Dollars (US\$) and are prepared in accordance with United States generally accepted accounting principles. These interim unaudited financial statements should be read in conjunction with the company's audited financial statements and the Form 10-K for the year ended December 31, 2013.

TRANSAKT LTD. AND SUBSIDIARIES **CONDENSED CONSOLIDATED FINANCIAL STATEMENTS** **MARCH 31, 2014**

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TRANSAKT LTD.
CONDENSED CONSOLIDATED BALANCE SHEETS

	March 31, 2014	December 31, 2013
ASSETS	(Unaudited)	
Current Assets		
Cash and cash equivalents	\$ 2,678,484	3,186,590
Accounts receivable		
Trade, net	69,362	71,530
Related Party	401,839	408,200
Inventory, net	659,036	676,544
Other receivable	27,914	-
Advance to suppliers	382,700	261,456
Due from related parties	140,725	312,671
Prepayments	58,476	393,350
Total Current Assets	4,418,536	5,310,341
Property & Equipment, net	3,755,826	3,927,108
Deposits	30,020	30,321
	3,785,846	3,957,429
Total Assets	\$ 8,204,382	\$ 9,267,770
 LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Accounts payable	\$ 1,006,843	\$ 1,177,912
Accrued expenses	94,280	132,166
Construction payable	49,533	198,521
Current portion of obligation under capital leases	37,466	56,856
Total Current Liabilities	1,188,122	1,565,455
Total liabilities	1,188,122	1,565,455
Stockholders' Equity		
Preferred stock, 200,000,000 shares authorized for issuance, \$0.001 par value, 0 share issued and outstanding	-	-
Common stock, 700,000,000 shares authorized for issuance, \$0.001 par value, 613,447,306 shares issued and outstanding at March 31, 2014 and December 31, 2013	613,447	613,447
Additional paid-in capital	24,534,404	24,534,404
Accumulated deficit	(15,051,019)	(14,425,199)
Other comprehensive income(loss)	(61,132)	(10,093)
Stock Subscription Receivable	(1,200,000)	(1,200,000)
Treasury stock, common stock, at cost, 45,000,000 shares at March 31, 2014 and December 31, 2013	(1,800,000)	(1,800,000)
Total Stockholders' Equity	7,035,700	7,712,559
Noncontrolling interest	(19,440)	(10,244)
Total Equity	7,016,260	7,702,315
Total Liabilities and Equity	\$ 8,204,382	\$ 9,267,770

The Accompanying Notes Are an Integral Part of the Financial Statements.

TRANSAKT LTD.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE THREE MONTHS ENDED MARCH 31, 2014 AND 2013
(UNAUDITED)

	Three Months Ended March 31, 2014	Three Months Ended March 31, 2013
Sales, net	\$ 109,007	\$ 54,507
Cost of sales	437,916	41,174
Gross profit	(328,909)	13,333
Selling, general and administrative expenses	291,989	392,333
Loss from operations	(620,898)	(379,000)
Other income (expense)		
Interest income	96	9
Interest expense	(1,475)	(3,836)
Loss from investments	-	(3,503)
Loss from disposal of subsidiary	-	(185,340)
Currency exchange gain (loss)	(12,736)	(2,749)
Gain on disposal of fixed assets	-	3,737
Total other income (expenses)	(14,115)	(191,682)
Loss before income taxes	(635,013)	(570,682)
Provision for income taxes expense (benefit)	-	-
Net loss	(635,013)	(570,682)
Net loss attributable to noncontrolling interest	(9,193)	-
Net loss attributable to TRANSAKT LTD.	\$ (625,820)	\$ (570,682)
Loss per share:		
Basic and diluted income (loss) common stockholders per share		
Net loss	\$ (0.00)	\$ (0.00)
Weighted average number of shares outstanding:		
Basic and diluted	568,447,306	360,526,905
Other Comprehensive Income (Loss)		
Net Loss	\$ (635,013)	\$ (570,682)
Foreign currency translation adjustment	(51,042)	(3,453)
Comprehensive Income (Loss)	\$ (686,055)	\$ (574,135)
Comprehensive income (loss) attributable to the noncontrolling interest	(9,196)	-
Comprehensive income (loss) attributable to TRANSAKT LTD.	\$ (676,859)	\$ (574,135)

The Accompanying Notes Are an Integral Part of the Financial Statements.

TRANSAKT LTD.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED MARCH 31, 2014 AND 2013
(UNAUDITED)

	<u>Three Months Ended</u> <u>March 31, 2014</u>	<u>Three Months Ended</u> <u>March 31, 2013</u>
Cash flows from operating activities		
Net loss available to common stockholders	\$ (625,820)	\$ (570,682)
Adjustments to reconcile net loss to net cash used in operating activities:		
Minority interest	(9,193)	-
Gain on disposal of assets	-	(3,737)
Depreciation expense	104,001	6,501
Loss on long-term investment	-	3,503
Loss on disposal of discontinued operations	-	185,340
Changes in assets and liabilities:		
Decrease (Increase) in accounts receivable	(769)	(40,273)
Decrease (Increase) in other receivable	(28,076)	-
Decrease (Increase) in inventory	3,805	(50,055)
Decrease (Increase) in advance to suppliers	(127,280)	-
Decrease (Increase) in prepayments	333,548	(74,986)
Decrease (Increase) in deposits	(297)	-
(Decrease) Increase in accounts payable and accrued expenses	(184,669)	234,598
Net cash used in operating activities	<u>(534,750)</u>	<u>(309,791)</u>
Cash flows from investing activities		
Acquisition of property and equipment	(11,855)	(2,076)
Cash received from disposal of fixed assets	-	13,221
Payment for factory construction	(145,799)	(1,105,541)
Net cash used in investing activities	<u>(157,654)</u>	<u>(1,094,396)</u>
Cash flows from financing activities		
Principial payments under capital lease obligations	(18,343)	(19,559)
Due to related party	214,620	1,441,995
Net cash provided by financing activities	<u>196,277</u>	<u>1,422,436</u>

The Accompanying Notes Are an Integral Part of the Financial Statements.

TRANSAKT LTD.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2013 AND 2012
(UNAUDITED)

(CONTINUED)

Effect of exchange rate changes on cash and cash equivalents	<u>(11,979)</u>	<u>(799)</u>
Net increase (decrease) in cash and cash equivalents	(508,106)	17,450
Cash and cash equivalents		
Beginning	3,186,590	25,364
Ending	<u>\$ 2,678,484</u>	<u>\$ 42,814</u>
Supplemental disclosure of cash flows		
Cash paid during the year for:		
Income tax	<u>\$ -</u>	<u>\$ -</u>
Interest expense	<u>\$ 1,475</u>	<u>\$ 3,836</u>
Non-cash transactions:		
Acquisition of treasury stock for disposal of Harlee	<u>\$ -</u>	<u>\$ 1,800,000</u>

The Accompanying Notes Are an Integral Part of the Financial Statements.

TRANSAKT LTD.
NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2014

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States (“GAAP”) for interim financial reporting and in accordance with instructions for Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, the unaudited condensed consolidated financial statements contained in this report reflect all adjustments that are normal and recurring in nature and considered necessary for a fair presentation of the financial position and the results of operations for the interim periods presented. The year-end condensed balance sheet data was derived from audited financial statements, but does not include all disclosures required by GAAP. The results of operations for the interim period are not necessarily indicative of the results expected for the full year. These unaudited, condensed consolidated financial statements, footnote disclosures and other information should be read in conjunction with the financial statements and the notes thereto included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2013.

Organization

TransAKT Ltd. (the “Company”) was incorporated under the laws of the Province of Alberta on June 3, 1997. The Company completed the acquisition of Green Point Resources Inc. on October 18, 2000 whereby it became a publicly traded company listed on the Canadian Venture Exchange. In 2004 the Company voluntarily delisted from the TSX Venture Exchange and retained a listing on the Over the Counter Bulletin Board in the United States.

In October 2004 the Company purchased certain assets of IP Mental Inc., a Taiwan based Voice over Internet Protocol (VoIP) company. The company name was changed from TransAKT Corp. to TransAKT Ltd. on September 29, 2006. The Company designs and develops Voice over Internet Protocol (“VoIP”) solutions and mobile payment terminals for the consumer electronics industry.

On November 15, 2006 TransAKT Ltd and the shareholders of Taiwan Halee International Co. Ltd. (HTT), entered into a Share Exchange Agreement in which TransAKT Ltd. acquired 100% of Taiwan Halee International Co. Ltd.’s outstanding common stock. HTT was incorporated under the laws of Republic of China in 1985. HTT is engaged in designing, manufacturing and distribution of Taiwan telecommunications equipment. The acquisition has been accounted for as a reverse acquisition under the purchase method of accounting. Accordingly, the merger of the two companies has been recorded as a recapitalization of HTT, with HTT being treated as the continuing entity.

On August 12, 2010, the Company filed the Registration Statement (Form S-4) in connection with the continuation of the Company from Alberta to Nevada. Based upon the number of common shares of TransAKT Ltd., a Nevada corporation (“TransAKT Nevada”), to be issued to the shareholders of TransAKT Ltd., an Alberta corporation (“TransAKT Alberta”), on a one-for-one basis upon completion of the Continuation and based on 102,645,120 shares of common stock of TransAKT Ltd., an Alberta corporation, issued and outstanding as of August 12, 2010.

On July 26, 2012, the Company acquired 100% equity of Vegfab Agricultural Technology Co. Ltd. (the “Vegfab”), a company incorporated under the laws of the Republic of China (“ROC, Taiwan”). Vegfab is mainly engaged in selling agricultural equipment used to grow vegetables using simulated sunlight from LED lamps in hydroponic systems.

On January 4, 2013, the Company entered into a Share Purchase and Sale Agreement with a shareholder pursuant to which the Company sold to him 100% of all issued and outstanding securities of its wholly owned subsidiary Taiwan Halee International Corporation (“HTT”). In consideration of the sale of HTT, the shareholder has transferred to the Company 45,000,000 previously issued common voting shares of TransAKT with a deemed value of \$0.04 per share or \$1.8 million in the aggregate.

On October 30, 2013, Million Talented Ltd., a third party, contributed \$516 (equals to HKD 4,000) to obtain 40% ownership of TransAKT Bio Agritech Ltd., formerly named as TransAKT (H.K) Ltd., (“TransAKT H.K.”). TransAKT H.K. was incorporated in Hong Kong on November 20, 2007. It had no operation until 2013. TransAKT H.K.'s primary business is conducting research and development on new agricultural technology relating to the Company’s business.

Principles of Consolidation

The consolidated financial statements include the accounts of TransAKT Holdings Limited and its wholly owned subsidiaries, including, TransAKT Taiwan Limited, Vegfab Agricultural Technology Co., Ltd., and TransAKT Bio Agritech Ltd., collectively referred to within as the Company. All material intercompany accounts, transactions, and profits have been eliminated in consolidation.

Going Concern

The Company has incurred a net loss attributable to common stockholders of \$625,820 and \$570,682 during the three months ended March 31, 2014 and 2013, respectively, and had an accumulated deficit of \$15,051,019 as of March 31, 2014.

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. This basis of accounting contemplates the recovery of the Company’s assets and the satisfaction of liabilities in the normal course of business. This presentation presumes funds will be available to finance ongoing research and development, operations and capital expenditures and permit the realization of assets and the payment of liabilities in the normal course of operations for the foreseeable future.

The ability of the Company to continue research and development projects and realize the capitalized value of proprietary technologies and related assets is dependent upon future commercial success of the technologies and raising sufficient funds to continue research and development as well as to effectively market its products. Through March 31, 2014, the Company has not realized commercial success of the technologies, nor have they raised sufficient funds to continue research and development or to market its products.

There can be no assurances that there will be adequate financing available to the Company and the consolidated financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classification of liabilities that may result from the outcome of this uncertainty.

The Company has taken certain restructuring steps to provide the necessary capital to continue its operations. These steps included: (1) Tightly budgeting and controlling all expenses; (2) Expanding the company’s operations into China, expanding product lines and recruiting a strong sales team to significantly increase

sales revenue and profit in 2014; (3) The Company plans to continue actively seeing additional funding opportunities to improve and expand upon our product lines.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States (“GAAP”) requires management to make certain 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.

Revenue Recognition

Revenues are recognized when finished products are shipped to customers and both title and the risks and rewards of ownership are transferred and collectability is reasonably assured. The Company’s revenues are recorded upon confirmed acceptance after inspection by the customers of the Company.

Exchange Gain (Loss):

During the three months ended March 31, 2014 and 2013, the transactions of TransAKT Holdings Limited, Taiwan Halee International Co. Ltd., TransAKT Taiwan Limited, Vegfab Agricultural Technology Co., Ltd., and TransAKT Bio Agritech Ltd. were denominated in foreign currency and were recorded in New Taiwan Dollar (NTD) and Hong Kong Dollar (HKD) at the rates of exchange in effect when the transactions occur. Exchange gains and losses are recognized for the different foreign exchange rates applied when the foreign currency assets and liabilities are settled.

Translation Adjustment

The Company financial statements are presented in the U.S. dollar (\$), which is the Company’s reporting currency, while its functional currency is New Taiwan dollar (NTD) and Hong Kong Dollar (HKD). Transactions in foreign currencies are initially recorded at the functional currency rate ruling at the date of transaction. Any differences between the initially recorded amount and the settlement amount are recorded as a gain or loss on foreign currency transaction in the consolidated statements of income. Monetary assets and liabilities denominated in foreign currency are translated at the functional currency rate of exchange ruling at the balance sheet date. Any differences are taken to profit or loss as a gain or loss on foreign currency translation in the statements of income.

In accordance with ASC 830, Foreign Currency Matters, the Company translates the assets and liabilities into U.S. dollar (\$) using the rate of exchange prevailing at the balance sheet date and the statements of operations and cash flows are translated at an average rate during the reporting period. Adjustments resulting from the translation from NTD and HKD into U.S. dollar are recorded in stockholders’ equity as part of accumulated other comprehensive income.

Comprehensive Income

Comprehensive income includes accumulated foreign currency translation gains and losses. The Company has reported the components of comprehensive income on its statements of stockholders’ equity.

Advertising

Advertising expenses consist primarily of costs of promotion for corporate image and product marketing and costs of direct advertising. The Company expenses all advertising costs as incurred.

Income Taxes

The Company accounts for income taxes in accordance with ASC 740, Income Taxes, which requires that the Company recognize deferred tax liabilities and assets based on the differences between the financial statement carrying amounts and the tax basis of assets and liabilities, using enacted tax rates in effect in the years the differences are expected to reverse. Deferred income tax benefit (expense) results from the change in net deferred tax assets or deferred tax liabilities. A valuation allowance is recorded when, in the opinion of management, it is more likely than not that some or all of any deferred tax assets will not be realized.

Statement of Cash Flows

In accordance with generally accepted accounting principles (GAAP), cash flows from the Company's operations are based upon the local currencies. As a result, amounts related to assets and liabilities reported on the statement of cash flows will not necessarily agree with changes in the corresponding balances on the balance sheet.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk are accounts receivable and other receivables arising from its normal business activities. The Company has a diversified customer base. The Company controls credit risk related to accounts receivable through credit approvals, credit limits and monitoring procedures. The Company routinely assesses the financial strength of its customers and, based upon factors surrounding the credit risk, establishes an allowance, if required, for uncollectible accounts and, as a consequence, believes that its accounts receivable credit risk exposure beyond such allowance is limited.

Cash and Cash Equivalents

Cash and cash equivalents include cash in hand and cash in time deposits, certificates of deposit, and all highly liquid debt instruments with original maturities of three months or less.

Allowance for Doubtful Accounts

The Company maintains reserves for potential credit losses on accounts receivable. Management reviews the composition of accounts receivable and analyzes historical bad debts, customer concentrations, customer credit worthiness, current economic trends and changes in customer payment patterns to evaluate the adequacy of these reserves. Allowance for doubtful debts amounted to \$31,609 and \$32,263 as of March 31, 2014 and December 31, 2013.

Inventory

Inventories are valued at the lower of cost (determined on a weighted average basis) or market. The Management compares the cost of inventories with the market value and allowance is made for writing down their inventories to market value, if lower. As of March 31, 2014 and December 31, 2013, inventory consisted of raw materials, work-in-process, and finished goods.

Property, Plant & Equipment

Property and equipment are stated at cost. Expenditures for maintenance and repairs are charged to earnings as incurred; additions, renewals and betterments are capitalized. When property and equipment are retired or otherwise disposed of, the related cost and accumulated depreciation are removed from the respective accounts, and any gain or loss is included in operations. Depreciation of property and equipment is provided using the straight-line method for substantially all assets with estimated lives of:

Furniture and Fixtures	3 - 5 years
Machine and equipment	3 - 10 years
Computer Hardware and Software	3 - 5 years
Automobile	3 - 5 years
Leasehold improvement	30 years

The cost and related accumulated depreciation of assets sold or otherwise retired are eliminated from the accounts and any gain or loss is included in the statements of operations. The cost of maintenance and repairs is charged to expenses as incurred, whereas significant renewals and betterments are capitalized.

Long-term assets of the Company are reviewed annually as to whether their carrying value has become impaired, pursuant to the guidelines established in FASB ASC Topic 360, "Property, Plant, and Equipment" (formerly SFAS No. 144). The Company also re-evaluates the periods of amortization to determine whether subsequent events and circumstances warrant revised estimates of useful lives.

Fair Value of Financial Instruments

In the first quarter of fiscal year 2008, the Company adopted Accounting Standards Codification subtopic 820-10, Fair Value Measurements and Disclosures ("ASC 820-10"). ASC 820-10 defines fair value, establishes a framework for measuring fair value, and enhances fair value measurement disclosure. ASC 820-10 delays, until the first quarter of fiscal year 2009, the effective date for ASC 820-10 for all non-financial assets and non-financial liabilities, except those that are recognized or disclosed at fair value in the financial statements on a recurring basis (at least annually). The adoption of ASC 820-10 did not have a material impact on the Company's financial position or operations.

Effective October 1, 2008, the Company adopted Accounting Standards Codification subtopic 820-10, Fair Value Measurements and Disclosures ("ASC 820-10") and Accounting Standards Codification subtopic 825-10, Financial Instruments ("ASC 825-10"), which permits entities to choose to measure many financial instruments and certain other items at fair value. Neither of these statements had an impact on the Company's unaudited condensed consolidated financial position, results of operations or cash flows. The carrying value of cash and cash equivalents, accounts payable and short-term borrowings, as reflected in the balance sheets, approximate fair value because of the short-term maturity of these instruments.

Stock-based Compensation

The Company records stock-based compensation expense pursuant to ASC 718-10, "*Share Based Payment Arrangement*," which requires companies to measure compensation cost for stock-based employee compensation plans at fair value at the grant date and recognize the expense over the employee's requisite service period. The Company's expected volatility assumption is based on the historical volatility of Company's stock or the expected volatility of similar entities. The expected life assumption is primarily based on historical exercise patterns and employee post-vesting termination behavior. The risk-free interest rate for the expected term of the option is based on the U.S. Treasury yield curve in effect at the time of grant.

Stock-based compensation expense is recognized based on awards expected to vest, and there were no estimated forfeitures as the Company has a short history of issuing options. ASC 718-10 requires forfeitures to be estimated at the time of grant and revised in subsequent periods, if necessary, if actual forfeitures differ from those estimates.

Net Loss Per Share

The Company has adopted Accounting Standards Codification subtopic 260-10, Earnings Per Share (“ASC 260-10”) which specifies the computation, presentation and disclosure requirements of earnings per share information. Basic earnings per share have been calculated based upon the weighted average number of common shares outstanding. Common equivalent shares are excluded from the computation of the diluted loss per share if their effect would be anti-dilutive.

Intangible Assets

Intangible assets include a patent. With the adoption of FASB ASC Topic 350, “Intangibles” (formerly SFAS No. 142), intangible assets with a definite life are amortized on a straight-line basis. The patent is being amortized over its estimated life of 10 years. Intangible assets with a definite life are tested for impairment whenever events or circumstances indicate that a carrying amount of an asset (asset group) may not be recoverable. An impairment loss would be recognized when the carrying amount of an asset exceeds the estimated undiscounted cash flows used in determining the fair value of the asset. The amount of the impairment loss to be recorded is calculated by the excess of the asset’s carrying value over its fair value. Fair value is generally determined using a discounted cash flow analysis. Costs related to internally develop intangible assets are expensed as incurred.

Reclassifications

Except for the classification for discontinued operations, certain classifications have been made to the prior year financial statements to conform to the current year presentation. The reclassifications have no impact on the Company’s 2013 Consolidated Statements of Operations and Comprehensive Income and Consolidated Statements of Cash Flows.

Recent Accounting Pronouncements

In July 2013, the FASB issued ASU 2013-11, “Income Taxes (Topic 740): Presentation of an Unrecognized Tax Benefit When a Net Operating Loss Carryforward, a Similar Tax Loss, or a Tax Credit Carryforward Exists.” An unrecognized tax benefit, or a portion of an unrecognized tax benefit, should be presented in the financial statements as a reduction to a deferred tax asset. To the extent a net operating loss carryforward, a similar tax loss, or a tax credit carryforward is not available at the reporting date under the tax law of the applicable jurisdiction to settle any additional income taxes that would result from the disallowance of a tax position or the tax law of the applicable jurisdiction does not require the entity to use, and the entity does not intend to use, the deferred tax asset for such purpose, the unrecognized tax benefit should be presented in the financial statements as a liability and should not be combined with deferred tax assets. The assessment of whether a deferred tax asset is available is based on the unrecognized tax benefit and deferred tax asset that exist at the reporting date and should be made presuming disallowance of the tax position at the reporting date. For public entities, the guidance is effective prospectively for reporting periods beginning after December 15, 2013. For nonpublic entities, the guidance is effective prospectively for reporting periods beginning after December 15, 2014. Early adoption is permitted. The adoption of this standard is not expected to have a material impact on the Company’s consolidated financial position and results of operations.

In February 2013, the FASB issued ASU 2013-02, “Comprehensive Income (Topic 220): Reporting of Amounts Reclassified Out of Accumulated Other Comprehensive Income.” This ASU does not change the current requirements for reporting net income or other comprehensive income in financial statements. However, this guidance requires an entity to provide information about the amounts reclassified out of accumulated other comprehensive income by component. In addition, an entity is required to present, either on the face of the statement where net income is presented or in the notes, significant amounts reclassified out of accumulated other comprehensive income by the respective line items of net income but only if the amount reclassified is required under U.S. GAAP to be reclassified to net income in its entirety in the same reporting period. For other amounts that are not required under U.S. GAAP to be reclassified in their entirety to net income, an entity is required to cross-reference to other disclosures required under U.S. GAAP that provide additional detail about those amounts. For public entities, the guidance is effective prospectively for reporting periods beginning after December 15, 2012. For nonpublic entities, the guidance is effective prospectively for reporting periods beginning after December 15, 2013. Early adoption is permitted. The adoption of this standard is not expected to have a material impact on the Company’s consolidated financial position and results of operations.

In July 2012, the Financial Accounting Standards Board (FASB) issued an amendment to Topic 350-Intangibles-Goodwill and Other. This amendment is intended to simplify how entities test indefinite lived intangible assets for impairment. The amendment permits an entity to first assess qualitative factors to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount as a basis for determining whether it is necessary to perform the two-step quantitative impairment test described in Topic 350. No further testing is required if the qualitative factors indicate that it is not more likely than not that the indefinite-lived intangible asset is impaired. This amendment is effective for annual and interim impairment tests performed for fiscal years beginning after September 15, 2012. The Company does not expect this amendment to have any significant impact on the current year.

Subsequent Events

The Company evaluated all events or transactions that occurred after March 31, 2014 up through the date the Company issued these financial statements.

NOTE 2 - RELATED PARTY TRANSACTIONS

Related party sales

The Company had sales to Guangdong Dong Long Metal Mold Machinery, Co., Ltd., (“Dong Long”), a company owned by a relative of our director and major shareholder, in an aggregate amount of \$3,550 and \$0 for the three months ended March 31, 2014 and 2013, respectively. Accounts receivable due from Dong Long was \$401,839 and \$408,200 as of March 31, 2014 and December 31, 2013, respectively.

Due from related parties

During the first quarter of 2014, an officer and shareholder received a cash advance from the Company in an aggregate amount of \$140,725. The amount was repaid in full in April 2014.

NOTE 3 – PROPERTY, PLANT, AND EQUIPMENT:

Property, plant and equipment consist of the following:

	<u>March 31, 2014</u>	<u>December 31, 2013</u>
Machine and equipment	\$ 1,470,741	\$ 1,494,182
Furniture and fixtures	1,558,764	1,605,868
Leasehold improvements	<u>1,332,399</u>	<u>1,353,251</u>
Total cost	4,361,904	4,453,301
Accumulated depreciation	<u>(606,078)</u>	<u>(526,193)</u>
	<u>\$ 3,755,826</u>	<u>\$ 3,927,108</u>

Depreciation expenses were \$104,001 and \$6,501 for the three months ended March 31, 2014 and 2013, respectively.

NOTE 4 - COMMITMENTS

Operating Leases

The Company leases various office, warehouse, store, and factory facilities under operating leases that expire on various dates through 2020. Rental expense for these leases consisted of approximately \$36,445 and \$48,613 for the three months ended March 31, 2014 and 2013, respectively.

Future minimum lease payments under the operating leases are summarized as follows:

<u>As of March 31,</u>	<u>Amount</u>
2015	\$ 93,349
2016	74,258
2017	66,349
2018	62,461
2019	61,832
Thereafter	<u>92,748</u>
Total	<u>\$ 450,997</u>

Sale-leaseback Transaction:

In September 2011, the Company entered into a sale-leaseback arrangement relating to its certain equipment. Under the terms of the arrangement, the Company's equipment, which had a carrying value of \$236,350, were sold in cash at a price equal to their carrying value. The Company then leased the property back under a 37 month capital lease that requires month lease payments in a range of \$6,600 to \$8,580. The Company has an option to purchase the property at the end of lease. The transaction has been accounted for as a financing arrangement, wherein the equipment continued to be reported on the Company's balance sheet, and depreciation expense on the equipment continued to be recognized. At December 31, 2012, the leased property had a cost of \$255,035 and accumulated depreciation of \$37,339, and was fully depreciated as of December 31, 2013. Depreciation of assets leased under capital leases is included in depreciation expense.

The following is a schedule by years of future minimum lease payments required under the lease together with their present value as of March 31, 2014:

<u>Twelve Months Ending March 31,</u>	
2015	<u>\$ 37,466</u>
Total minimum lease payments	\$ 38,751
Less amount representing interest	<u>1,285</u>

Present value of minimum lease payments \$ 37,466

NOTE 5 – COMMON STOCK

On September 16, 2013, the Company issued 140,678,401 shares of common stock to fifty-seven individuals for aggregate proceeds of \$9,300,785 at deemed prices as follows:

1. 30,986 shares at US\$0.03 per share;
2. 4,017,557 shares at US\$0.04 per share;
3. 29,768,176 shares at US\$0.045 per share;
4. 21,961,580 shares at US\$0.05 per share;
5. 4,525,102 shares at US\$0.06 per share; and
6. 80,375,000 shares at US\$0.08 per share.

The Company paid \$500,000 of commission to an individual for the above private placements.

On November 26, 2013, the Company issued 69,242,000 shares of common stock to nine individuals for aggregate proceeds of \$5,389,360 at deemed prices as follows:

1. 5,000,000 shares at US\$0.05 per share;
2. 64,242,000 shares at US\$0.08 per share;

NOTE 6 – SHARE-BASED COMPENSATION

On April 19, 2013, the Company granted to Mr. Christian Nielsen, accounting manager stock options to purchase 1,000,000 of the Company's common stock for services performed for the Company, at an exercise price of \$0.03 per share. The options have a five-year contractual term and are vested at the date of grant.

In accordance with the guidance provided in ASC Topic 718, Stock Compensation, the compensation costs associated with these options are recognized, based on the grant-date fair values of these options, over the requisite service period, or vesting period. Accordingly, the Company recognized a compensation expense of \$56,643 for the period ended December 31, 2013.

The Company estimated the fair value of these options using the Black-Scholes-Merton option pricing model based on the following weighted-average assumptions:

Date of grant		<u>19-Apr-13</u>
Fair value of common stock on date of grant (A)	\$	0.06
Exercise price of the options	\$	0.03
Expected life of the options (years)		2.50

Dividend yield		0.00%
Expected volatility		223.57%
Risk-free interest rate		0.27%
Expected forfeiture per year (%)		0.00%
Weighted-average fair value of the options (per unit)	\$	0.0566

(A) The fair value of the Company's common stock was obtained from the closing price on the OTC Bulletin Board as of the dates of grant.

Fair value hierarchy of the above assumptions can be categorized as follows:

(1) Level 1 inputs include:

Fair value of common stock on date of grant- Obtained from the closing price of the Company's common stock quoted on the OTC Bulletin Board as of the date of grant.

(2) Level 2 inputs include:

Expected volatility- Based on historical volatility of the closing price of the Company's common stock quoted on the OTC Bulletin Board.

Risk-free rate- The risk-free rate of return reflects the interest rate for United States Treasury Note with similar time-to-maturity to that of the options.

(3) Level 3 inputs include:

Expected lives- The expected lives of options granted were derived from the output of the option valuation model and represented the period of time that options granted are expected to be outstanding.

Expected forfeitures per year- The expected forfeitures are estimated at the dates of grant and will be revised in subsequent periods pursuant to actual forfeitures, if significantly different from the previous estimates.

The estimates of fair value from the model are theoretical values of stock options and changes in the assumptions used in the model could result in materially different fair value estimates. The actual value of the stock options will depend on the market value of the Company's common stock when the stock options are exercised.

Options issued and outstanding as of March 31, 2014 and their activities during the twelve months then ended are as follows:

	Number of Underlying Shares	Weighted-Average Exercise Price Per Share	Weighted-Average Contractual Life Remaining in Years
Outstanding as of January 1, 2014	-	\$ -	-
Granted	1,000,000	0.03	
Expired	-	-	

Forfeited	-	-	
Outstanding as of March 31, 2014	<u>1,000,000</u>	0.03	4.80
Exercisable as of March 31, 2014	<u>1,000,000</u>	0.03	4.80
Vested and expected to vest	<u><u>1,000,000</u></u>	0.03	4.80

As of March 31, 2014, the aggregate intrinsic value of options outstanding was \$56,643.

NOTE 7 – NON-CONTROLLING INTEREST

On October 30, 2013, the Company invested a subsidiary, TransAKT H.K. The Company has a 60% interest and Million Talented Ltd. holds a 40% interest. As such, no-controlling interest consisted of the following:

	<u>March 31, 2014</u>	<u>December 31, 2013</u>
Beginning Balance	\$ (10,244)	\$ -
Formation of subsidiary	-	516
Net loss attributed to non-controlling interest	(9,193)	(10,756)
Other comprehensive income attributable to non-controlling interest	(3)	(4)
	<u><u>\$ (19,440)</u></u>	<u><u>\$ (10,244)</u></u>

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations

This quarterly report contains forward-looking statements. These statements relate to future events or our future financial performance. In some cases, you can identify forward-looking statements by terminology such as “may”, “should”, “expects”, “plans”, “anticipates”, “believes”, “estimates”, “predicts”, “potential” or “continue” or the negative of these terms or other comparable terminology. These statements are only predictions and involve known and unknown risks, uncertainties and other factors, including the risks in the section entitled “Risk Factors”, that may cause our or our industry’s actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements.

Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. Except as required by applicable law, including the securities laws of the United States, we do not intend to update any of the forward-looking statements to conform these statements to actual results.

Our financial statements are stated in United States Dollars (US\$) and are prepared in accordance with United States Generally Accepted Accounting Principles.

In this quarterly report, unless otherwise specified, all dollar amounts are expressed in United States dollars and all references to “common shares” refer to the common shares in our capital stock.

As used in this current report and unless otherwise indicated, the terms “we”, “us” and “our” mean TransAKT Ltd., a Nevada corporation, and our wholly owned subsidiary, TransAKT Holdings Limited, a Turks and Caicos company and its wholly owned subsidiary TransAKT Taiwan Limited, our wholly owned subsidiary, Vegfab Agricultural Technology Co. Ltd., a Taiwanese company, and TransAKT Bio Agritech Ltd., a 60%-owned subsidiary company in Hong Kong (S.A.R), unless otherwise indicated.

General Overview

TransAKT Ltd. was incorporated in the Province of British Columbia on December 10, 1996 as Green Point Resources Inc. On October 18, 2000, we changed our name to Wildcard Wireless Solutions Inc. On June 30, 2001, we filed Articles of Continuance in the Province of Alberta and became an Alberta corporation. On that same day, we conducted an amalgamation with Wildcard Communications Canada Inc., an Alberta corporation, our wholly-owned subsidiary, wherein Wildcard Communications Canada was merged into Wildcard Wireless Solutions Inc. On June 20, 2003, we changed our name to TransAKT Corp. We changed our name from TransAKT Corp. to TransAKT Ltd. on July 12, 2006. Effective December 2, 2010, following approval by our shareholders on November 17, 2010, we re-domesticated our company from the Province of Alberta, Canada and became a Nevada corporation.

We have operated principally as a research and development company since our inception. Initial seed capital has been directed toward areas of product research and development, patent filings and administration. We initially focused on the research, design, development and manufacturing of mobile payment terminals. However, the sale of these payment terminals reached its end-of life due to changes in cellular phone regulations and limited acceptance in the marketplace.

In October 2004, we purchased the existing business and certain assets of IP Mental Inc., a Taiwan-based Voice over Internet Protocol (“VoIP”) hardware and software provider. On November 15, 2006, we acquired Taiwan Harlee International Co. Ltd. (“HTT”), a Taiwan-based leading designer, manufacturer and distributor of telecommunications equipment, including specialized VoIP-compatible phone systems. These acquisitions were intended to enable us to remain competitive in the marketplace. Our current business is the design, development and manufacturing of telecommunications equipment, including VoIP compatible telephone systems and multi-line cordless telephone systems.

On November 15, 2006, we acquired HTT, for the sum of \$5,000,000. The purchase price was paid by the delivery to the shareholders of HTT of: (i) \$200,000 in cash; (ii) \$300,000 in a promissory note from us due in cash six months after closing; (iii) 50,000,000 of our common voting shares, with a deemed value of \$0.09 per share; and (iv) 5,000,000 of our common voting shares issued to Mr. James Wu as performance-based compensation. Other than the acquisitions of IP Mental Inc. and HTT, we have generally only had capital expenditures on computer equipment, tools and dies, patents, and trademarks.

We have mainly financed our operations through the use of debt and the issuance of equity in private placements. In October 2006, we repaid a loan we took against inventory produced to fund our first commercial run of our payment terminals. We settled the loan for \$90,000 using funds raised from the private placement of our shares. In the short-term and until our sales are sufficient to fund operations, we will continue to finance our operations through debt or equity financing.

On August 12, 2010, we filed a Form S-4 Registration Statement in connection with the continuation of our company from Alberta to Nevada. We registered 102,645,120 shares of common stock of TransAKT Ltd. (Nevada) which were issued to the shareholders of TransAKT Ltd. (Alberta) on a one-for-one basis to the number of shares held by them.

Effective June 25, 2012, the Nevada Secretary of State accepted for filing of a certificate of amendment, wherein, we amended our articles of incorporation to increase the authorized number of shares of our common stock from 300,000,000 to 700,000,000 shares of common stock, par value of \$0.001 per share. Our preferred stock remains unchanged.

On May 3, 2012, we entered into an Asset Purchase and Sale Agreement with Vegfab Agricultural Technology Co. Ltd. ("Vegfab"), a Taiwanese corporation, pursuant to which we intended to acquire the material assets of Vegfab. Vegfab is in the business of manufacturing innovative indoor agricultural equipment used to grow a large variety of vegetables and fruit using simulated sunlight from LED lamps in a proprietary hydroponic system. Vegfab's product line includes systems for commercial production and a home growing system which allows families to grow safe and clean fruit and vegetables in their own homes. Prior to completion of the transaction we and Vegfab elected instead to proceed by way of a share purchase and, effective July 16, 2012, we acquired all outstanding securities of Vegfab. In consideration of the Vegfab securities, we had paid \$1,000,000 in cash and issued 150,000,000 shares of our common stock to the shareholders of Vegfab which constituted approximately 37.2% of our common stock at the time of closing. As a result of the transaction Vegfab became our wholly owned subsidiary and primary business unit. Vegfab has since become engaged in the operation of a plant factory in Taiwan for the production of pesticide-free vegetables.

Previously, we entered into a performance compensation agreement dated June 15, 2006 with James Wu, our president and chief executive officer, pursuant to which our company was required to pay Mr. Wu share compensation of 10% of the value of any venture acquisition that Mr. Wu secured for our company. As a result, in July 2012, we issued to Mr. Wu 18,333,333 shares of our company's common stock with respect to the acquisition of Vegfab.

On January 4, 2013, we entered into a share purchase and sale agreement with Mr. Pan Yen Chu pursuant to which we sold to Mr. Pan 100% of all issued and outstanding securities in our wholly owned subsidiary HTT. In consideration of the sale of HTT, Mr. Pan has transferred to our company 45,000,000 previously issued common voting shares of our company with a deemed value of \$0.04 per share or \$1.8 million in the aggregate. The transfer of common shares was completed on January 7, 2013. In connection with the sale HTT, the 45,000,000 common shares of our company received as consideration will be returned to treasury. The 45,000,000 shares constitute approximately 11.5% of our company's currently issued and outstanding common stock.

On October 30, 2013, Million Talented Ltd., a third party, contributed \$516 (equals to HKD 4,000) to obtain 40% ownership of TransAKT Bio Agritech Ltd., formerly named as TransAKT (H.K) Ltd., (“TransAKT H.K.”). TransAKT H.K. was incorporated in Hong Kong on November 20, 2007. It had no operation until 2013. TransAKT H.K.'s primary business is conducting research and development on new agricultural technology relating to the Company's business.

Our Current Business

We began operations in 1997 and commercialized our first product line of wireless point-of-sale (“WPOS”) terminals in April 2003. With the use of cellular phones, these terminals allow merchants to accept payments anywhere, anytime. However, our WPOS terminals were discontinued due to changes in cellular phone regulations and limited acceptance in the marketplace. In October 2004, through the acquisition of the business and certain assets of IP Mental Inc., we entered the VoIP business. On November 15, 2006, we acquired Taiwan Harlee International Co. Ltd. (“HTT”), a Taiwan-based leading designer, manufacturer and distributor of telecommunications equipment, including specialized VoIP-compatible phone systems. These acquisitions were intended to enable us to remain competitive in the VoIP marketplace by engaging in the design, development, manufacturing and sale of telecommunications equipment, including VoIP compatible telephone systems and multi-line cordless telephone systems.

Effective July 16, 2012, we acquired all outstanding securities of Vegfab Agricultural Technology Co. Ltd. (“Vegfab”), a Taiwanese corporation. With the acquisition of Vegfab we entered the business of manufacturing agricultural equipment used to grow a large variety of vegetables and fruit using simulated sunlight from LED lamps in a proprietary hydroponic system. Vegfab's product line includes systems for commercial production and a home growing system which allows families to grow safe and clean fruit and vegetables in their own homes. Vegfab has since become engaged in the operation of a plant factory in Taiwan for the production of pesticide-free vegetables.

Concurrently with our acquisition of Vegfab, our management began planning our exit from the VoIP telecommunications business owing to diminishing growth opportunities for our Company in that industry. Subsequently, on January 4, 2013, we entered into a share purchase and sale agreement with Mr. Pan Yen Chu pursuant to which we sold to Mr. Pan 100% of all issued and outstanding securities in our wholly owned subsidiary HTT in consideration for the cancellation and return to treasury of 45,000,000 previously issued common voting shares of our company with a deemed value of \$0.04 per share or \$1.8 million in the aggregate. The transfer of common shares was completed on January 7, 2013. The 45,000,000 shares constitute approximately 11.5% of our company's currently issued and outstanding common stock.

As a result of our sale of HTT, Vegfab Agricultural Technology Co. Ltd. has become our primary business unit.

We incurred a net loss attributable to common stockholders of \$625,820 and \$570,682 during the three months ended March 31, 2014 and 2013, respectively, and had an accumulated deficit of \$15,051,019 and \$14,425,199 as of March 31, 2014 and December 31, 2013, respectively. In addition, we expect to incur an operating loss in the 2014 fiscal year.

Through our wholly owned subsidiary, Vegfab, we are now engaged in the manufacture, marketing, and sale of hydroponic and LED based agricultural equipment for commercial and home use. We currently rely exclusively on third parties for the manufacture of products that we design or distribute. Through Vegfab, we also operate an urban plant factory in Taiwan where we produce organic vegetables for wholesale. We currently generate revenues through the distribution of name brand LED based agricultural equipment and produce in Taiwan. However, our business remains in the development stage and we are reliant on debt or equity financing to sustain our operations.

About Vegfab

Vegfab Agriculture Technology Co., Ltd. was founded in 2010 by a team of ecologically minded semiconductor specialists knowledgeable about LED materials. The company supplies greenhouses for mass production, boxes for gardening and plant grow boxes for households. Vegfab's products are focused on fully enclosed greenhouses which rely on artificially controlled ambient conditions as temperature, humidity, nutrition, and lighting. Products include complete growing systems consisting of proprietary simulated sunlight LED boards, growing racks in various configurations for commercial and residential applications, environment control and plant nutrition control components, portable work tables and ladders, fruit and vegetable seeds and nutrition products, and safe, clean, ready to eat vegetables.

Our products are the subject of several patents, originally issued to the founder of Vegfab with transfer to the Company currently in process, including ones for vertically wall-mounted LED lights and ventilation systems for grow boxes. We have applied several additional patents in China and Taiwan, and expect that these patents will be granted in the second quarter of 2014. We intend to add desktop type grow lights to Vegfab's product line.

In the past, indoor greenhouses relied on high pressure sodium lights, which meant that they had to be (expensively) air conditioned. However, the rise of cool LEDs has revolutionized the potential of the indoor agriculture industry. LED manufacturers are thus leading the way in this industry, since artificial light is a key requirement. Vegfab lamps emit five wavelengths to simulate sunlight. The company boasts relatively low greenhouse installation cost—approximately \$155,000 for a house with 630 square meters of cultivation, around 15% lower than that for its first-generation greenhouse. A Vegfab greenhouse can effectively host over 60 types of vegetables. Greenhouse output capacity is relatively high, and environmental settings are capable of yielding zero-pesticide leafy greens for harvest in seven to 10 days.”

Vegfab designed a line of innovative agricultural equipment used to grow a large variety of vegetables and fruit using simulated sunlight from LED lamps in a proprietary hydroponic system. Vegfab's products include complete growing systems consisting of proprietary simulated sunlight LED boards, growing racks in various configurations for commercial and residential applications, environment control and plant nutrition control components, portable work tables and ladders, fruit and vegetable seeds and nutrition products, and safe, clean, ready to eat vegetables.

Cash Requirements

We used cash in operations of \$534,750 for the three months ended March 31, 2014. We continue to be dependent on the proceeds of equity and non-equity financing to fund our operations. No assurances can be given that our actual cash requirements will fall within our budget, that anticipated revenues will be realized when needed, that lines of credit will be available to us if required, or that additional capital will be available to us. We anticipate that over the next twelve months, we will need a minimum of \$2,000,000 to sustain operations and market our products effectively.

Our plan of operations for fiscal 2014 includes the following budgeted expenditures:

12 Month Capital Requirements Forecast	USD⁴
	Beginning January 1, 2014
Capital required for expansion plans ¹	\$10,000,000
Salaries	\$1,850,000
Rent ²	\$110,000
Utilities ³	\$600,000
Accounting and Legal Expenses	\$200,000
Public company reporting costs	\$17,500
Selling, general and administrative expense	\$200,000
Contingency	\$100,000
Total	\$13,077,500

1. Capital for plan to open 3-4 more vegetable factories, further research and development expenses.
2. Rent expense includes minimum lease payments due during 2014 for current plant factory.
3. Utilities expense for current plant factory will be approximately \$50,000 per month.
4. Based on 2013 average exchange rate of \$0.03369.

As of March 31, 2014, we will require additional financing of approximately \$10,000,000 to execute our business strategy for fiscal 2014. If we are unable to raise sufficient financing, we intend to scale back our business in order to accommodate available financing or revenue streams derived from our current operations.

Results of Operations for the Three Months Ended March 31, 2014 and 2013

Our operating results for the three months ended March 31, 2014 and 2013 are summarized as follows:

	Three Months ended March 31, 2014 (\$)	Three Months ended March 31, 2013 (\$)
Operating revenues	109,007	54,507
Operating costs and expenses	729,905	433,507
Loss from operations	620,898	379,000
Other expenses	14,115	191,682
Provision for income taxes expense (benefit)	-	-
Net loss	635,013	570,682
Net loss attributable to noncontrolling interest	9,193	-
Net loss attributable to TRANSAKT LTD.	625,820	570,682
Net loss per share (basic and diluted)	0.00	0.00

Net Revenues and Cost of Sales

Net revenues increased by approximately \$54,500 or approximately 100% from \$54,507 for the three months ended March 31, 2013 to \$109,007 for the three months ended March 31, 2014. The increase in net revenues was primarily due to the increase in sales volume related to the sale of vegetables to small and medium sized supermarkets in Taiwan. Cost of sales for the three months ended March 31, 2014 totaling \$437,916 or approximately 401.73% of net revenues. Gross profit as a percentage of net revenues was negative 301.73% for the three month ended March 31, 2014. The construction of our factory with agricultural equipment used to grow vegetables was complete in the fourth quarter of 2013. However, the factory operated with limited capacity producing vegetables, resulting in sales revenue that negligibly exceeded fixed costs of operation incurred during the period.

Operating Expenses

Operating expenses were \$291,989 for the three months ended March 31, 2014, compared to \$392,333 for the three months ended March 31, 2013, representing a decrease of \$100,344. The decrease in operating expenses occurred because some operating expenses (which consisted primarily of wages, utilities, and rents) were recorded as cost of sales after the completion of factory construction in the fourth quarter of 2013.

Loss from Operations

Loss from operations were \$620,898 for the three months ended March 31, 2014, or approximately (569.59)% of net revenues, compared to \$379,000 for the three months ended March 31, 2013, representing an increase of \$241,898. The increase in loss from operations was primarily due to the increase in cost of sales, partially offset by the increase in sales and decrease in operating expenses.

Other Expenses

Other expenses were reduced by approximately \$177,567 to \$14,115 for the three months ended March 31, 2014 from \$191,682 for the same period in 2013. Our higher other expenses during the first quarter of 2013 resulted primarily from the recognition of losses from the disposal of HTT and losses from investment during that period.

Net Income (Loss) attributable to TRANSAKT LTD.

As a result of the above factors, we have net loss attributable to the Company's common stockholders of approximately \$625,820 for the three months ended March 31, 2014 compared to approximately \$570,682 for the three months ended March 31, 2013, representing an increase of \$55,138 or approximately 9.66%.

Liquidity and Capital Resources

Our financial position as of March 31, 2014 and December 31, 2013 and the changes for the periods then ended are as follows:

Working Capital

	As of	
	March 31, 2014	December 31, 2013
Current Assets	\$ 4,418,536	\$ 5,310,341
Current Liabilities	\$ 1,188,122	\$ 1,565,455
Working Capital	\$ 3,230,414	\$ 3,744,886

Our working capital surplus decreased from \$3,744,886 at December 31, 2013 to \$3,230,414 at March 31, 2014, primarily as a result of decreases in cash and cash equivalents, accounts receivable, inventory, amounts due from related parties, prepayments, and decreases in accounts payable, accrued expenses, construction payable, and obligation under capital lease, partially offset by increases in other receivables and advances to suppliers.

Cash Flows

	Three months Ended March 31, 2014	Three months Ended March 31, 2013
Net cash used in operating activities	\$ 534,750	\$ 309,791
Net cash used in investing activities	\$ 157,654	\$ 1,094,396
Net cash provided by financing activities	\$ 196,277	\$ 1,422,436
Net increase (decrease) in Cash and Cash Equivalents during the period	\$ (508,106)	\$ 17,450
Cash and Cash Equivalents, beginning of period	\$ 3,186,590	\$ 25,364
Cash and Cash Equivalents, end of period	\$ 2,678,484	\$ 42,814

Operating Activities

Net cash flow used in operating activities during the three months ended March 31, 2014 was \$534,750, representing an increase of \$224,959 compared to net cash flow used in operating activities of \$309,791 during the three months ended March 31, 2013. The increase in the cash used in operating activities was primarily due to current period loss and increases in account receivable, other receivables, and advance to suppliers, partially offset by the decrease in inventory, prepayments, accounts payables, and accrued expenses.

Investing Activities

Net cash flow used in investing activities during the three months ended March 31, 2014 was \$157,654, which was a decrease of \$936,742, compared to net cash used in investing activities of \$1,094,396 during the three months ended March 31, 2013. The decrease in the cash used in investing activities was primarily due to a decrease during the first quarter of 2014 in payments for construction-in-progress, partially offset by a concurrent increase in cash used for the acquisition of property and equipment.

Financing Activities

Net cash flow provided by financing activities during the three months ended March 31, 2014 was \$ 196,277, which representing a decrease of \$1,226,159, compared to net cash provided by financing activities of \$1,422,436 during the three months ended March 31, 2013. The decrease in the cash provided by financing activities was primarily attributable to the decrease in amounts due to related party, which is partially offset by a net decrease of principal payments under capital lease obligations.

Critical Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of TransAKT Holdings Limited and its wholly owned subsidiaries: TransAKT Taiwan Limited, and Vegfab Agricultural Technology Co., Ltd., collectively referred to within as our company. All material intercompany accounts, transactions, and profits have been eliminated in consolidation.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States ("GAAP") requires management to make certain 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.

Revenue Recognition

Revenues are recognized when finished products are shipped to customers and both title and the risks and rewards of ownership are transferred and collectability is reasonably assured. The Company's revenues are recorded upon confirmed acceptance after inspection by the customers of the Company.

Exchange Gain (Loss):

During the three months ended March 31, 2014 and 2013, the transactions of TransAKT Holdings Limited, TransAKT Taiwan Limited, Vegfab Agricultural Technology Co., Ltd., and TransAKT Bio Agritech Ltd. were denominated in foreign currency and were recorded in New Taiwan Dollar (NTD) and Hong Kong Dollar (HKD) at the rates of exchange in effect when the transactions occur. Exchange gains and losses are recognized for the different foreign exchange rates applied when the foreign currency assets and liabilities are settled.

Translation Adjustment

The Company financial statements are presented in the U.S. dollar (\$), which is the Company's reporting currency, while its functional currency is New Taiwan dollar (NTD) and Hong Kong Dollar (HKD). Transactions in foreign currencies are initially recorded at the functional currency rate ruling at the date of transaction. Any differences between the initially recorded amount and the settlement amount are recorded as a gain or loss on foreign currency transaction in the consolidated statements of income. Monetary assets and liabilities denominated in foreign currency are translated at the functional currency rate of exchange ruling at the balance sheet date. Any differences are taken to profit or loss as a gain or loss on foreign currency translation in the statements of income. In accordance with ASC 830, Foreign Currency Matters, the Company translates the assets and liabilities into U.S. dollar (\$) using the rate of exchange prevailing at the balance sheet date and the statements of operations and cash flows are translated at an average rate during the reporting period. Adjustments resulting from the translation from NTD and HKD into U.S. dollar are recorded in stockholders' equity as part of accumulated other comprehensive income.

Comprehensive Income

Comprehensive income includes accumulated foreign currency translation gains and losses. The Company has reported the components of comprehensive income on its statements of stockholders' equity.

Advertising

Advertising expenses consist primarily of costs of promotion for corporate image and product marketing and costs of direct advertising. The Company expenses all advertising costs as incurred.

Income Taxes

The Company accounts for income taxes in accordance with ASC 740, Income Taxes, which requires that the Company recognize deferred tax liabilities and assets based on the differences between the financial statement carrying amounts and the tax basis of assets and liabilities, using enacted tax rates in effect in the years the differences are expected to reverse. Deferred income tax benefit (expense) results from the change in net deferred tax assets or deferred tax liabilities. A valuation allowance is recorded when, in the opinion of management, it is more likely than not that some or all of any deferred tax assets will not be realized.

Statement of Cash Flows

In accordance with generally accepted accounting principles (GAAP), cash flows from the Company's operations are based upon the local currencies. As a result, amounts related to assets and liabilities reported on the statement of cash flows will not necessarily agree with changes in the corresponding balances on the balance sheet.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk are accounts receivable and other receivables arising from its normal business activities. The Company has a diversified customer base. The Company controls credit risk related to accounts receivable through credit approvals, credit limits and monitoring procedures. The Company routinely assesses the financial strength of its customers and, based upon factors surrounding the credit risk, establishes an allowance, if required, for uncollectible accounts and, as a consequence, believes that its accounts receivable credit risk exposure beyond such allowance is limited.

Cash and Cash Equivalents

Cash and cash equivalents include cash in hand and cash in time deposits, certificates of deposit, and all highly liquid debt instruments with original maturities of three months or less.

Allowance for Doubtful Accounts

The Company maintains reserves for potential credit losses on accounts receivable. Management reviews the composition of accounts receivable and analyzes historical bad debts, customer concentrations, customer credit worthiness, current economic trends and changes in customer payment patterns to evaluate the adequacy of these reserves. Allowance for doubtful debts amounted to \$31,609 and \$32,263 as of March 31, 2014 and December 31, 2013.

Inventory

Inventories are valued at the lower of cost (determined on a weighted average basis) or market. The Management compares the cost of inventories with the market value and allowance is made for writing down their inventories to market value, if lower. As of March 31, 2014 and December 31, 2013, inventory consisted of raw materials, work-in-process, and finished goods.

Property, Plant & Equipment

Property and equipment are stated at cost. Expenditures for maintenance and repairs are charged to earnings as incurred; additions, renewals and betterments are capitalized. When property and equipment are retired or otherwise disposed of, the related cost and accumulated depreciation are removed from the respective accounts, and any gain or loss is included in operations. Depreciation of property and equipment is provided using the straight-line method for substantially all assets with estimated lives of:

Furniture and Fixtures	3 - 5 years
Machine and equipment	3 - 10 years
Computer Hardware and Software	3 - 5 years
Automobile	3 - 5 years
Leasehold improvement	30 years

The cost and related accumulated depreciation of assets sold or otherwise retired are eliminated from the accounts and any gain or loss is included in the statements of operations. The cost of maintenance and repairs is charged to expenses as incurred, whereas significant renewals and betterments are capitalized.

Long-term assets of the Company are reviewed annually as to whether their carrying value has become impaired, pursuant to the guidelines established in FASB ASC Topic 360, "Property, Plant, and Equipment" (formerly SFAS No. 144). The Company also re-evaluates the periods of amortization to determine whether subsequent events and circumstances warrant revised estimates of useful lives.

Fair Value of Financial Instruments

In the first quarter of fiscal year 2008, the Company adopted Accounting Standards Codification subtopic 820-10, Fair Value Measurements and Disclosures ("ASC 820-10"). ASC 820-10 defines fair value, establishes a framework for measuring fair value, and enhances fair value measurement disclosure. ASC 820-10 delays, until the first quarter of fiscal year 2009, the effective date for ASC 820-10 for all non-financial assets and non-financial liabilities, except those that are recognized or disclosed at fair value in the financial statements on a recurring basis

(at least annually). The adoption of ASC 820-10 did not have a material impact on the Company's financial position or operations.

Effective October 1, 2008, the Company adopted Accounting Standards Codification subtopic 820-10, Fair Value Measurements and Disclosures ("ASC 820-10") and Accounting Standards Codification subtopic 825-10, Financial Instruments ("ASC 825-10"), which permits entities to choose to measure many financial instruments and certain other items at fair value. Neither of these statements had an impact on the Company's unaudited condensed consolidated financial position, results of operations or cash flows. The carrying value of cash and cash equivalents, accounts payable and short-term borrowings, as reflected in the balance sheets, approximate fair value because of the short-term maturity of these instruments.

Stock-based Compensation

The Company records stock-based compensation expense pursuant to ASC 718-10, "Share Based Payment Arrangement," which requires companies to measure compensation cost for stock-based employee compensation plans at fair value at the grant date and recognize the expense over the employee's requisite service period. The Company's expected volatility assumption is based on the historical volatility of Company's stock or the expected volatility of similar entities. The expected life assumption is primarily based on historical exercise patterns and employee post-vesting termination behavior. The risk-free interest rate for the expected term of the option is based on the U.S. Treasury yield curve in effect at the time of grant.

Stock-based compensation expense is recognized based on awards expected to vest, and there were no estimated forfeitures as the Company has a short history of issuing options. ASC 718-10 requires forfeitures to be estimated at the time of grant and revised in subsequent periods, if necessary, if actual forfeitures differ from those estimates.

Net Loss Per Share

The Company has adopted Accounting Standards Codification subtopic 260-10, Earnings Per Share ("ASC 260-10") which specifies the computation, presentation and disclosure requirements of earnings per share information. Basic earnings per share have been calculated based upon the weighted average number of common shares outstanding. Common equivalent shares are excluded from the computation of the diluted loss per share if their effect would be anti-dilutive.

Intangible Assets

Intangible assets include a patent. With the adoption of FASB ASC Topic 350, "Intangibles" (formerly SFAS No. 142), intangible assets with a definite life are amortized on a straight-line basis. The patent is being amortized over its estimated life of 10 years. Intangible assets with a definite life are tested for impairment whenever events or circumstances indicate that a carrying amount of an asset (asset group) may not be recoverable. An impairment loss would be recognized when the carrying amount of an asset exceeds the estimated undiscounted cash flows used in determining the fair value of the asset. The amount of the impairment loss to be recorded is calculated by the excess of the asset's carrying value over its fair value. Fair value is generally determined using a discounted cash flow analysis. Costs related to internally develop intangible assets are expensed as incurred.

Reclassifications

The reclassifications have no impact on the Company's 2013 Consolidated Statements of Operations and Comprehensive Income and Consolidated Statements of Cash Flows.

Recent Accounting Pronouncements

In July 2013, the FASB issued ASU 2013-11, "Income Taxes (Topic 740): Presentation of an Unrecognized Tax Benefit When a Net Operating Loss Carryforward, a Similar Tax Loss, or a Tax Credit Carryforward Exists." An unrecognized tax benefit, or a portion of an unrecognized tax benefit, should be presented in the financial statements as a reduction to a deferred tax asset. To the extent a net operating loss carryforward, a similar tax loss, or a tax credit carryforward is not available at the reporting date under the tax law of the applicable jurisdiction to settle any

additional income taxes that would result from the disallowance of a tax position or the tax law of the applicable jurisdiction does not require the entity to use, and the entity does not intend to use, the deferred tax asset for such purpose, the unrecognized tax benefit should be presented in the financial statements as a liability and should not be combined with deferred tax assets. The assessment of whether a deferred tax asset is available is based on the unrecognized tax benefit and deferred tax asset that exist at the reporting date and should be made presuming disallowance of the tax position at the reporting date. For public entities, the guidance is effective prospectively for reporting periods beginning after December 15, 2013. For nonpublic entities, the guidance is effective prospectively for reporting periods beginning after December 15, 2014. Early adoption is permitted. The adoption of this standard is not expected to have a material impact on the Company's consolidated financial position and results of operations.

In February 2013, the FASB issued ASU 2013-02, "Comprehensive Income (Topic 220): Reporting of Amounts Reclassified Out of Accumulated Other Comprehensive Income." This ASU does not change the current requirements for reporting net income or other comprehensive income in financial statements. However, this guidance requires an entity to provide information about the amounts reclassified out of accumulated other comprehensive income by component. In addition, an entity is required to present, either on the face of the statement where net income is presented or in the notes, significant amounts reclassified out of accumulated other comprehensive income by the respective line items of net income but only if the amount reclassified is required under U.S. GAAP to be reclassified to net income in its entirety in the same reporting period. For other amounts that are not required under U.S. GAAP to be reclassified in their entirety to net income, an entity is required to cross-reference to other disclosures required under U.S. GAAP that provide additional detail about those amounts. For public entities, the guidance is effective prospectively for reporting periods beginning after December 15, 2012. For nonpublic entities, the guidance is effective prospectively for reporting periods beginning after December 15, 2013. Early adoption is permitted. The adoption of this standard is not expected to have a material impact on the Company's consolidated financial position and results of operations.

In July 2012, the Financial Accounting Standards Board (FASB) issued an amendment to Topic 350-Intangibles-Goodwill and Other. This amendment is intended to simplify how entities test indefinite lived intangible assets for impairment. The amendment permits an entity to first assess qualitative factors to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount as a basis for determining whether it is necessary to perform the two-step quantitative impairment test described in Topic 350. No further testing is required if the qualitative factors indicate that it is not more likely than not that the indefinite-lived intangible asset is impaired. This amendment is effective for annual and interim impairment tests performed for fiscal years beginning after September 15, 2012. The Company does not expect this amendment to have any significant impact on the current year.

Subsequent Events

We have evaluated all events or transactions that occurred after March 31, 2014 up through the date the Company issued these financial statements.

Off-Balance Sheet Arrangements

We have 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 are material to stockholders.

Inflation

Our opinion is that inflation has not had, and is not expected to have, a material effect on our operations.

Going Concern

Our company has incurred a net loss attributable to common stockholders of \$625,820 and \$570,682 during the three months ended March 31, 2014 and 2013, respectively, and had an accumulated deficit of \$15,051,019 and \$14,425,199 as of March 31, 2014 and December 31, 2013, respectively.

The accompanying consolidated financial statements have been prepared assuming that our company will continue as a going concern. This basis of accounting contemplates the recovery of our company's assets and the satisfaction of liabilities in the normal course of business. This presentation presumes funds will be available to finance ongoing research and development, operations and capital expenditures and permit the realization of assets and the payment of liabilities in the normal course of operations for the foreseeable future.

The ability of our company to continue research and development projects and realize the capitalized value of proprietary technologies and related assets is dependent upon future commercial success of the technologies and raising sufficient funds to continue research and development as well as to effectively market its products. Through March 31, 2014, our company has not realized commercial success of the technologies, nor have they raised sufficient funds to continue research and development or to market its products.

There can be no assurances that there will be adequate financing available to our company and the consolidated financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classification of liabilities that may result from the outcome of this uncertainty.

Our company has taken certain restructuring steps to provide the necessary capital to continue its operations. These steps included: (1) Tightly budgeting and controlling all expenses; (2) Expanding our company's operations acquired 100% of the equity interests of the Vegfab Agricultural Technology Co. Ltd. to significantly increase sales revenue and profit in 2014; (3) Our company plans to continue actively seeing additional funding opportunities to improve and expand upon our product lines.

At this time, we cannot provide investors with any assurance that we will be able to raise sufficient funding from the sale of our common stock or through a loan from our directors, shareholders, or investors to meet our obligations over the next twelve months. We do not have any further arrangements in place for any future debt or equity financing.

Item 3. Quantitative Disclosures about Market Risks

As a "smaller reporting company", we are not required to provide the information required by this Item.

Item 4. Controls and Procedures

Management's Report on Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our reports filed under the *Securities Exchange Act of 1934*, as amended, is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, and that such information is accumulated and communicated to our management, including our chief executive officer (our principal executive officer) and chief financial officer (our principal financial officer and principle accounting officer) to allow for timely decisions regarding required disclosure.

As of the end of the quarter covered by this report, we carried out an evaluation, under the supervision and with the participation of our chief executive officer (our principal executive officer) and chief financial officer (our principal financial officer and principle accounting officer), of the effectiveness of the design and operation of our disclosure controls and procedures. Based on the foregoing, our chief executive officer (our principal executive officer) and chief financial officer (our principal financial officer and principle accounting officer) concluded that our disclosure controls and procedures were effective as of the end of the period covered by this quarterly report.

Changes in Internal Control over Financial Reporting

During the period covered by this report there were no changes in our internal control over financial reporting that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II

OTHER INFORMATION

Item 1. Legal Proceedings

We know of no material, existing or pending legal proceedings against our company, nor are we involved as a plaintiff in any material proceeding or pending litigation. There are no proceedings in which any of our directors, executive officers or affiliates, or any registered or beneficial stockholder, is an adverse party or has a material interest adverse to our interest.

Item 1A. Risk Factors

Risks Related to our Business

We have a history of operating losses which may affect our ability to continue operations.

We have sustained operating losses before income tax of \$(635,013) for the period ended March 31, 2014. If we are unable to achieve profitability or to raise sufficient capital to carry out our business plan, we may not be able to continue operations.

We have a limited operating history and are still proving the viability of our products and business model, and thus, we may be unable to sustain operations and you may lose your entire investment.

During fiscal 2012, we abandoned our VWAP and VoIP product lines and adopted the business of our subsidiary, Vegfab Agricultural Technology Co. Ltd., which began operations in 2010. We are still adding to our product line and are in the process of proving the viability of our products and business model. If we are unable to prove our business model or the viability of our products, we may not be able to sustain operations and our ability to raise additional funding may be jeopardized.

Our competition has greater resources than we do and can respond more quickly to changes in our industry which could adversely affect our ability to compete.

Public acceptance of our products may never reach the magnitude required for us to achieve commercial profitability.

Many of our existing competitors, as well as a number of potential new competitors have longer operating histories, greater name recognition, larger customer bases and significantly greater financial, technical and marketing resources than us. These factors may allow them to respond more quickly than us to new or emerging technologies and changes in customer requirements. It may also allow them to devote greater resources than we can to the development, promotion and sale of their products and services. Such competitors may also engage in more extensive research and development, undertake more far-reaching marketing campaigns, adopt more aggressive pricing policies and make more attractive offers to existing and potential employees, strategic partners, advertisers and Internet publishers. In addition, current and potential competitors have established or may establish cooperative relationships among themselves or with third parties to increase the quality and commercial viability of their products or services.

Volatility of global economic conditions may affect our ability to raise capital and our product costs which may affect our ability to continue operations.

Our revenues, profitability, future growth, and the carrying value of our assets are substantially dependent on prevailing global economic conditions, generally, and on fluctuations in specific factors such as exchange rates, rates of inflation, governmental stability and the occurrence of economically disruptive events, such as war or natural or industrial disaster. Our ability to borrow and to obtain additional capital on attractive terms is also substantially dependent upon these factors. The negative impact of these factors on sales orders originating from an affected country would have an adverse effect on our borrowing capacity, revenues, profitability and cash flows from operations. For example, unfavorable changes in exchange rates can increase the cost of our products and reduce revenues, resulting in reduced profitability. In the event that our profitability is reduced and we are unable to maintain our profit margins, our ability to raise or to borrow capital may decrease. In addition, as has been recently experienced, general downturns in the technology sector worldwide have made fundraising difficult. Since the marketing of our products will require us to raise additional capital, such downturns may have an adverse affect on our ability to continue operations and to effectively market our products.

We are dependent on key personnel who have extensive knowledge of our products and business and thus, the loss of one or more of these individuals may adversely affect our business.

We are heavily dependent upon the expertise of our management and certain other key officers and directors who have extensive knowledge of our products and our operations, and the loss of one or more of these individuals could have a material adverse effect on our business. We do not maintain key-person insurance policies on any of our executive officers. Since we are a technology driven company, our future success also depends on our ability to continue to attract, retain, and motivate highly skilled employees in the telecommunications technology sector, and in the technology sector, generally. Competition for employees in our industry is intense. We may be unable to retain key employees or to attract, assimilate, or retain other highly qualified employees in the future.

Government regulation could adversely affect our ability to sell our products.

Government regulations could potentially slow down our expansion plans. We may be required to obtain approval of our products from several regulatory agencies. Regulatory approval processes can be onerous and slow, and could adversely affect our ability to meet our financial projections. Further, compliance with different national standards may require additional capital investments and testing. If we are unable to obtain such financing or to obtain any necessary approvals, our business could be adversely impacted.

We will need additional funds in order to implement our intended projects and there is no assurance that such funds will be available as, if and when needed, which may adversely affect our operations.

Cash flow used in operations of \$534,750 for the period ended March 31, 2014, and cash flow used in operations of \$309,791 for the period ended March 31, 2013. We continue to be dependent on the proceeds of equity and non-equity financing to fund our operations. No assurances can be given that our actual cash requirements will fall within our budget that anticipated revenues will be realized when needed, that lines of credit will be available to us if required, or that additional capital will be available to us. We anticipate that over the next twelve months, we will need a minimum of \$3,077,500 to sustain operations and market our products effectively.

Failure to obtain such additional funds on terms and conditions that we deem acceptable may materially and adversely affect our ability to effectively market and distribute our products, resulting in decreased revenues which may also result in a decreased share price.

Prices for raw materials required for our products are volatile. If there is a significant increase in prices of raw materials our ability to generate revenue and achieve profitability may suffer.

All raw materials for our products are sourced from China and Taiwan. Due to the fact that many of our products use computer components, the price of these components can be highly volatile and are subject to the risk of

obsolescence. In order to control costs and the risk of obsolescence, we contract with a manufacturer at a set price for the building of our product over a number of terminals. Despite these efforts, there can be no assurance that we will be able to keep prices of raw materials at a cost effective level for our operations. If there is a significant increase in raw materials our ability to generate revenue and achieve profitability may suffer.

Risks Related to our Stock

The market price of our common shares has been and will in all likelihood continue to be volatile, which may adversely affect the value of your investment.

The market price of our common shares has fluctuated over a wide range and it is likely that the price of our common stock will continue to fluctuate in the future. Announcements regarding acquisitions, the status of corporate collaborations, regulatory approvals or other developments by us or our competitors could have a significant impact on the market price of our common shares.

Our shares currently trade on the OTC Markets OTCQB (“OTCQB”) with limited activity. If this market is not sustained or we are unable to satisfy any future trading criteria that may be imposed by the Financial Industry Regulation Authority (“FINRA”) on our market makers or by the Securities and Exchange Commission (“SEC”) on us, there may not be any liquidity for our shares. What’s more, we have not generated any profit from the sale of our products to date. These factors could have a negative impact on the liquidity of any investment made in our stock.

The value and transferability of our shares may be adversely impacted by the penny stock rules.

Holders of our common stock in the United States may experience substantial difficulty in selling their securities as a result of the “penny stock rules.” Our common stock is subject to the penny stock rules propagated by the U.S. Securities and Exchange Commission, which impose additional sales practice requirements on broker-dealers who sell such securities to persons other than established customers and accredited investors. Accredited investors generally include institutions with assets in excess of \$5,000,000 or individuals with net worth in excess of \$1,000,000 or annual income exceeding \$200,000 or \$300,000 jointly with their spouse. For transactions covered by the rule, the broker-dealer must make a special suitability determination for the purchaser and transaction prior to the sale. Consequently, the rule may affect the ability of broker-dealers to sell our securities and also may affect the ability of purchasers of our stock to sell their shares in the secondary market. It may also cause fewer broker-dealers to make a market in our stock.

The large number of shares eligible for future sale by existing shareholders may adversely affect the market price for our common shares.

Future sales of substantial amounts of our common shares in the public market, or the perception that such sales could occur, could adversely affect the market price of our common shares. At May 15, 2014, we had 613,447,306 common shares outstanding. As of May 15, 2014, we have 45,000,000 shares of our common stock available for issuance under our stock option plan.

No prediction can be made as to the effect, if any, that sales of shares of our common stock or the availability of such shares for sale will have on the market prices of our common stock.

We have limited sales of products to date and no assurance can be given that our products will be widely accepted in the marketplace, which may adversely affect your investment.

Our future sales, and therefore, our cash flow, income, and ultimate success, are highly dependent on success in marketing our products and consumer acceptance of those products. If our products are not widely accepted or we are unable to market our products effectively, we may face reduced share prices, decreased profitability, and decreased cash flow.

There is a limited public market for our common shares at this time in the United States which may affect your ability to sell our stock.

Our shares currently trade on the OTCQB with limited trading. If this market is not sustained or we are unable to satisfy any future trading criteria that may be imposed on our market makers by the Financial Industry Regulations Authority (“FINRA”) or by the SEC on us, there may not be any liquidity for our shares. We have generated only limited revenue from the sale of our products to date. These factors could have a negative impact on the liquidity of any investment made in our stock.

You should not expect to receive dividends.

We have never paid any cash dividends on shares of our capital stock, and we do not anticipate that we will pay any dividends in the foreseeable future. Our current business plan is to retain any future earnings to finance the expansion of our business. Any future determination to pay cash dividends will be at the discretion of our board of directors, and will be dependent upon our consolidated financial condition, results of operations, capital requirements, and such other factors that our board of directors may deem relevant at that time.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None.

Item 3. Default upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits

Exhibit Number

Description

(3) (i) Articles of Incorporation; and (ii) Bylaws

- 3.1 Articles of Amalgamation (incorporated by reference from our Registration Statement on Form 20FR12G filed on September 16, 2003).
- 3.2 By-laws, as amended (incorporated by reference from our Registration Statement on Form 20FR12G filed on September 16, 2003).
- 3.3 Certificate of Amendment (incorporated by reference from our Current Report on Form 8-K filed on June 27, 2006)
- 3.4 Articles of Conversion (incorporated by reference from our Registration Statement on Form S-4 filed on September 13, 2010)
- 3.5 Certificate of Amendment (incorporated by reference from our Current Report on Form 8-K filed on June 27, 2012)

(10) Material Contracts

- 10.1 Form of Loan Agreement and Promissory Note (incorporated by reference from our Registration Statement on Form 20FR12G filed on September 16, 2003).
- 10.2 Share Purchase Agreement dated August 24, 2006 with all shareholders of Taiwan Halee International Co. Ltd., Cheng Chun-Chin and TransAKT Taiwan Limited (incorporated by reference from our to our Current Report on Form 8-K filed on September 26, 2006)
- 10.3 Distribution Agreement with Panasonic (Taiwan) dated April, 2010 (incorporated by reference from our Annual and Transition Report on Form 20-F/A filed on January 21, 2011).
- 10.4 Manufacture and Distribution Agreement with Sanyo dated April, 2010 (incorporated by reference from our Annual and Transition Report on Form 20-F/A filed on January 21, 2011).
- 10.5 Form of Promissory for Shareholder Loan dated April, 2010 (incorporated by reference from our Annual and Transition Report on Form 20-F/A filed on January 21, 2011).
- 10.6 Form of Subscription Agreement for Convertible Debenture dated April, 2010 (incorporated by reference from our Annual and Transition Report on Form 20-F/A filed on January 21, 2011).
- 10.7 Asset Purchase and Sale Agreement dated May 3, 2012 with Vegfab Agricultural Technology Co. Ltd. (incorporated by reference from our Current Report on Form 8-K filed on May 8, 2012)
- 10.8 Performance Compensation Agreement dated June 15, 2006 (incorporated by reference to our Current Report on Form 8-K filed on August 7, 2012)
- 10.9 Asset Purchase Amending Agreement dated July 26, 2012 with Vegfab Agricultural Technology Co. Ltd. (incorporated by reference from our Current Report on Form 8-K filed on August 7, 2012)

(14) Code of Ethics

- 14.1 Code of Ethics (April, 2010) (incorporated by reference from our Annual and Transition Report on Form 20-F/A filed on January 21, 2011).

(21) Subsidiaries of the Registrant

- 21.1 TransAKT Holdings Limited, a Turks and Caicos company.

(31) Rule 13a-14(a)/15d-14(a) Certifications

- 31.1* Certificate of Principal Executive Officer filed pursuant to Section 302 Certification under Sarbanes-Oxley Act of 2002
- 31.2* Certification of Principal Financial Officer and Principal Accounting Officer filed pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

**Exhibit
Number**

Description

(32) Section 1350 Certifications

- 32.1* Certificate of Principal Executive Officer filed pursuant to Section 906 Certification under Sarbanes-Oxley Act of 2002
- 32.2* Certificate of Principal Financial Officer and Principal Accounting Officer filed pursuant to Section 906 Certification under Sarbanes-Oxley Act of 2002

101 Interactive Data File**

- 101.INS XBRL Instance Document
- 101.SCH XBRL Taxonomy Extension Schema Document
- 101.CAL XBRL Taxonomy Extension Calculation Linkbase Document
- 101.DEF XBRL Taxonomy Extension Definition Linkbase Document
- 101.LAB XBRL Taxonomy Extension Label Linkbase Document
- 101.PRE XBRL Taxonomy Extension Presentation Linkbase Document

* *Filed herewith.*

** *Furnished herewith. Pursuant to Rule 406T of Regulation S-T, the Interactive Data Files on Exhibit 101 hereto are deemed not filed or part of any registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, are deemed not filed for purposes of Section 18 of the Securities and Exchange Act of 1934, and otherwise are not subject to liability under those sections.*

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.

TRANSAKT LTD.

(Registrant)

Dated: May 15, 2014

/s/ James Wu

James Wu

President and Chief Executive Officer
(Principal Executive Officer)

Dated: May 15, 2014

/s/ Taifen Day

Taifen Day

Chief Financial Officer
(Principal Financial Officer and Principal Accounting
Officer)