

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

FORM 10-K

(Mark One)

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

For the fiscal year ended **December 31, 2016**

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)

(I.R.S. Employer Identification No.)

**Unit 8, 3/F. Wah Yiu Industrial Centre, 30-32 Au Pui Wan St. Fotan,
Hong Kong**

N/A

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code:

852-52389111

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class

Name of Each Exchange On Which Registered

N/A

N/A

Securities registered pursuant to Section 12(g) of the Act:

Common Stock, par value \$0.001 per share

(Title of class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 the Securities Act.

Yes No

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

Yes No

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

Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-K (§229.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definition 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

Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

The aggregate market value of Common Stock held by non-restricted of the Registrant on June 30, 2016 was \$2,776,980.79 based on a \$0.115 average bid and asked price of such common equity, as of the last business day of the registrant's most recently completed second fiscal quarter.

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

133,506,570 common shares as of April 17, 2017.

DOCUMENTS INCORPORATED BY REFERENCE

None.

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PART I

Item 1. Business

This annual 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 annual 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 Bio Agritech Ltd. in Hong Kong (S.A.R), unless otherwise indicated.

General Overview

Our company 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, 2011, following approval by our shareholders on November 17, 2011, 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 Halee 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 by engaging in the design, development, manufacturing and sale 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 USD\$5,000,000. The purchase price was paid by the delivery to the shareholders of HTT of: (i) USD\$200,000 in cash; (ii) USD\$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 USD\$0.09 per share; and (iv) 5,000,000 of our common voting shares issued to our president and chief executive officer, Mr. James Wu, as performance-based compensation. 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 that we had taken against inventory produced to fund our first commercial run of our payment terminals. We settled the loan for USD\$90,000 using funds raised from the private placement of our shares. We continue to finance our operations through debt or equity financing and intend to do so until our sales are sufficient to fund our operations,

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 related party 50% owned by the Company's president and director, 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. On May 6, 2015, the Company acquired the remaining 40% of the TransAKT H.K. from Million Talented Ltd. As such, The Company wholly owned its subsidiary of TransAKT BIO Agritech Ltd. And it becomes our primary business unit.

On June 30, 2015, our wholly owned subsidiary, TransAKT Taiwan Ltd., entered into a Share Transfer Agreement among Vegfab Agricultural Technology Co. Ltd. and a third party pursuant to which the third party acquired 100% of Vegfab Agricultural Technology Co. Ltd. in consideration of \$100,000. Vegfab Agricultural Technology Co. Ltd. was the sole material asset of TransAKT Taiwan Ltd. and its parent company (and subsidiary of the Company), TransAKT Holdings Ltd., a Turks and Caicos company. Subsequent to the sale of Vegfab Agricultural Technology Co. Ltd., pursuant to a Share Purchase Agreement dated June 30, 2015 with the Company's former President, Chief Executive Officer and Director, the Company sold TransAKT Holdings Ltd. (and its subsidiary, TransAKT Taiwan Ltd.) to the former (non-affiliated) officer and director in consideration of \$100,000. All intercompany debts between TransAKT Holdings Ltd. and the formerly affiliated companies were cancelled as a result of the transaction.

A 20 to 1 reversed stock split was approved by the Board of Directors on November 9, 2015, by majority of shareholders on April 1, 2016, by FINRA on June 20, 2016 and effective on June 23, 2016. The issued and outstanding common stock was consolidated from 613,447,306 to 30,672,404 with fractional share round up to 1 share.

Overview of our Operations

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 Halee 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 subsequently became 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. On September 27, 2016, the company cancelled these treasury stocks of 45,000,000 shares amounted to \$1.8 million in the aggregate.

As a result of our sale of HTT, Vegfab Agricultural Technology Co. Ltd. became our primary business unit. However, due to recurring losses from operations and in order to conserve operating resources, our management decided to sell the Vegfab on June 30, 2015.

Subsequent to our sale of Vegfab, we continue to be engaged in the sale and distribution of indoor agricultural equipment, including lighting, irrigation and hydroponic growing systems. We purchase inventory from third party manufacturers and re-sell equipment to various indoor agricultural operators located in Asia. Our primary markets are Taiwan, Hong Kong, Mainland China, and Singapore.

We have operating losses of \$299,500 and \$302,934 during the years ended December 31, 2016 and 2015, respectively, and incurred an accumulated deficit of \$22,129,586 and \$21,830,086 as of December 31, 2016 and December 31, 2015, respectively. In addition, we expect to incur an operating loss in 2017.

Historically, our officers and shareholders have advanced funds to our Company for working capital purposes. We have not entered into any agreement on the repayment terms for these advances. In 2013, the Company advanced funds bearing interest rate of 8% per annum from a shareholder in an aggregate amount of NTD28,780,933, or equivalent to \$969,630. The Company has repaid both principal and interest during the same year. The interest expense of \$60,765 was recorded under other expense from continuing operations before income taxes. In 2015, the company advanced funds from its officer and shareholder for working capital purpose. The company has not entered into any agreement on the repayment terms for these advances and the balance of the advance has been paid during the year.

On July 15, 2016 we entered into Securities Purchase Agreement with our President, Chief Executive Officer and Director, Ho Kang-Wing, pursuant to which we issued to Mr. Ho a Convertible Promissory Note (the "Note") in consideration of \$1,000,000 in cash proceeds. The Note bears interest at the rate of 8% per annum and may be prepaid in whole or in part without penalty before the maturity date of July 14, 2018. At the option of the Holder, the outstanding principal and accrued interest underlying Note may be converted from time, on or following the maturity date, into common shares of our Company at the price of \$0.01 per share.

About Our Products

We supply indoor agricultural equipment to commercial producers of fruits and vegetables. Our 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.

Principal Products and Markets

Food prices in Taiwan have risen to such an extent that it is now economical to cultivate plants in under-used residential space (such as garages or basements) or to convert underutilized urban or suburban real estate into vegetable farms or so-called "plant factories". Urban greenhouse agriculture also offers the potential for greater yield and land efficiencies when compared to traditional farming because greenhouses may be stacked to maximize strata-space. Other recognized advantages of greenhouse plant cultivation include lower water consumption, diminished reliance on pest control measures, lower transport costs due to proximity to consumers, and scalability to accommodate available space. Compared to traditional greenhouses, the technology we sell allows for the creation of highly controlled environments where resources that fuel plant growth can be utilized more efficiently. "

Despite all these advantages, this new way of farming is developing slowly and sporadically, on a small scale, due to a significant initial investment required to build and equip a greenhouse. Other concerns include higher energy costs, inadequately developed cultivation technology, a limited range of crops, and blander-tasting vegetables than those grown by more traditional methods. Despite these drawbacks, demand for quality, pesticide-free and accessible produce has already led to the establishment of plant factories in Japan, mainland China and Taiwan. In Taiwan, where our operations are based and targeted, the Industrial Technology Research Institute has formed the Plant Factory Industry Development Association (TPFIDA) an industrial and academic association to develop the plant factories and indoor agriculture industry in Taiwan. Among the founding members of TPFIDA are EPISTAR Corporation, Everlight Electronics, Taiwan Fertilizer Co., Ltd., National Pingtung University of Science and Technology, and National Taiwan University. TPFIDA aims to promote cross industry collaboration platforms to build a comprehensive supply chain in Taiwan for the plant factory industry.

Manufacturing

It is not our intention to engage in the capital and management intensive endeavor of manufacturing our own products. We instead outsource our manufacturing and have spent considerable time identifying a stable of suitable engineering and manufacturing firms with proven track records. Our products are currently manufactured exclusively in China where intense competition among manufacturers provides a readily available supply of cost-effective, quality manufacturing options. In order to take advantage of the ample supply of manufacturing choices available to us in Taiwan and China, we have not entered into any formal or long-term agreements with any manufacturer for the fabrication of our products. Instead, by selecting manufacturers on an as needed basis, we are better able to take advantage of competitive pricing, ensure quality control, and maintain appropriate inventory supply levels. We do not rely on any particular manufacturer for any of our products.

Seasonality

Our products can be used all year round and are not affected by seasonal trends.

Sources and Availability of Raw Materials

All raw materials for our products are sourced from China and Taiwan. The computer components used in our products can be subject to high price volatility and to the risk of obsolescence. In order to control component costs and the risk of their obsolescence, we contract with a manufacturer at a set price for the building of our products over a number of terminals. The manufacturer becomes responsible for making sure that enough components are in stock and, if components become unavailable, to quickly implement minor product changes to allow for components to be replaced. This process is conducted for all manufacturing of our products.

Marketing Channels

For greenhouse products, we aim to align ourselves with industrial appliance retailers, home improvement and home and garden retailers, property developers, architects, and home improvement professionals in order to capitalize on all possible markets and existing distribution infrastructure. Our primary markets are Taiwan, Hong Kong, Mainland China, and Singapore.

Competition

Innovation in the indoor agriculture market is primarily focused on combining different technologies in new ways. Our management believes that our wall lamps and plant growth chamber circulation devices are examples of such innovation. Our research and development team is focused on creating similarly innovative products.

Nevertheless, our industry is undergoing a period of rapid innovation and growth, and there exists a vast number of companies which pre-date our company and which have greater financial resources and experience in our industry. In addition, the rapid expansion of the indoor agriculture industry means that our competitors are difficult to identify and assess. Nevertheless, we estimate that our current share of the indoor agriculture market is negligible, whether in our domestic market of Taiwan, or elsewhere. In order to promote our financial stability, we do not rely or intend to rely on a single revenue base for revenue generation, and will continue to develop both the agricultural technologies wing and the produce manufacturing units of our business. We also have kept our marketing, allowances or rebates to a minimum. Our management believes that these factors will allow us to effectively compete in the industry and minimize our costs, thereby allowing us to focus on intellectual property development and the construction of new plant manufacturing facilities. Our direct competitors in the Taiwan and Chinese markets include:

- **ArchEnergy Technology:** ArchEnergy Technology Holdings Group Ltd., held by precision mold parts maker Gallant Precision Machining Co., Ltd., makes such greenhouses with energy-efficient solar panels, supplying LED grow boxes for households and greenhouses for farms. The company has also begun operating greenhouse farms to cultivate profitable Chinese herbs and flowers.

- **Liladien Industrial:** Founded in 1998 to make bathtubs, Liladien Industrial Co., Ltd. integrated ultra-micro gas bubble aeration technology for Jacuzzis with LED to produce “aqua-cultural containers” in 2008, its first step into the greenhouse industry. The company's aqua-cultural equipment comes in potted plant types for educational purpose, cabinet type for households, and greenhouses for mass production. “
- **Nano Bio Light Technology:** Nano Bio Light Technology Co., Ltd. has worked with local academic institutes for over 10 years to research LED applications for horticulture. The company's LED-lit horticultural equipment comes in types for research, households, store demonstrations, condo blocks, and mass production.

Intellectual Property

We hold common law trademark rights and copyright in our corporate name and related logos and trademarks. However, we have not filed for the registration of our trademarks or copyrights in any jurisdiction.

Research and Development

No significant research and development expenses were incurred in 2016 or 2015. Any future research and development undertakings will be subject to the availability of sufficient capital.

Employees

We have 3 full time employees in Hong Kong working in various administrative and operations related capacities. These include management, accounting, product marketing, information technology, and customer service, amongst others. Our payroll costs were approximately \$136,224 and \$119,658 for the year ended December 31, 2016 and 2015, respectively. We estimate that our payroll costs for fiscal 2017 will be approximately \$115,000 based on our current business plan.

Subsidiaries

We have one wholly owned subsidiary, TransAKT (BVI) Ltd. Which holds 100% of the issued and outstanding shares of TransAKT Bio Agritech Ltd., its primary business is conducting research and development on new agricultural technology and marketing the products for the Company. Other than holding the shares of TransAKT Bio Agritech Ltd., TransAKT (BVI) Ltd. is non-active.

Legislation and Government Regulation

Our business is subject to a broad range of municipal, provincial and state regulation governing all aspects of our business and day to day operations.

We are not aware of any material violations of environmental permits, licenses or approvals that have been issued with respect to our operations. We expect to comply with all applicable laws, rules and regulations relating to our business, and at this time, we do not anticipate incurring any material capital expenditures to comply with any environmental regulations or other requirements.

While our intended projects and business activities do not currently violate any laws, any regulatory changes that impose additional restrictions or requirements on us or on our potential customers could adversely affect us by increasing our operating costs or decreasing demand for our products or services, which could have a material adverse effect on our results of operations.

Item 1A. Risk Factors

Risks Relating to our Company

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

We sustained operating loss for each of the fiscal years ended December 31, 2016 and 2015 of \$299,500 and \$302,934, respectively. We also anticipate sustaining a loss from operations for the fiscal year ended December 31, 2017. 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 current 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 the industry which could adversely affect our ability to compete.

The marketing and sale of indoor agricultural equipment is intensely competitive and involve a high degree of risk. Public acceptance of business transacted by us may never reach the magnitude required to be commercially profitable.

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 ability of their products or services.

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

Our revenues, profitability and future growth and the carrying value of assets are substantially dependent on prevailing world economic conditions and fluctuations in influencing factors such as exchange rates, rates of inflation, governmental stability and natural disasters. 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, it may be difficult to raise capital and reduce our borrowing ability. 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 capital, this may have an adverse effect on our ability to continue operations and to effectively market our products.

We are dependent on key personnel who have extensive knowledge with respect to our product 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 the loss of one or more of these individuals could have a material adverse effect. We do not maintain key-person insurance policies on any of our executive officers. Since we are a technology and equipment based company, our future success also depends on our ability to continue to attract, retain and motivate highly skilled employees in the payments and communications and equipment manufacturing industry. Competition for employees in our industry is intense. We may be unable to retain key employees or attract, assimilate or retain other highly qualified employees in the future.

The audit report included in our Annual Report on Form 10-K was prepared by auditors who are not inspected by the Public Accounting Oversight Board ("PCAOB") and as a result, our shareholders are deprived of the benefit of having PCAOB inspections.

The independent registered public accounting firm that issues the audit reports included in our annual reports filed with the SEC, as auditors of companies that are traded publicly in the United States and a firm registered with the Public Company Accounting Oversight Board (United States), or the "PCAOB", is required by the laws of the United States to undergo regular inspections by the PCAOB to assess its compliance with the laws of the United States and professional standards. Because our auditors are located in Hong Kong SAR, a jurisdiction where the PCAOB is currently unable to conduct inspections without the approval of the Hong Kong authorities, our auditors are not currently inspected by the PCAOB.

Inspections of other firms that the PCAOB has conducted outside Hong Kong SAR have identified deficiencies in those firms' audit procedures and quality control procedures, which may be addressed as part of the inspection process to improve future audit quality. The inability of the PCAOB to conduct inspections in Hong Kong SAR prevents the PCAOB from regularly evaluating our auditor's statements, audits and quality control procedures. As a result, investors may be deprived of the benefits of PCAOB inspections.

The inability of the PCAOB to conduct inspections of auditors in Hong Kong SAR makes it more difficult to evaluate the effectiveness of our auditor's quality control and audit procedures as compared to auditors outside of Hong Kong SAR that are subject to PCAOB inspections. Investors may lose confidence in our reported financial information and procedures and the quality of our financial statements.

We may be exposed to risks relating to management's conclusion that our disclosure controls and procedures and internal controls over financial reporting are ineffective.

We do not have an independent audit committee and our Board of Directors may be unable to fulfill the functions of such a committee, which may compromise the management of our business. Our Board of Directors functions as our audit committee and is comprised of four directors, none of whom are considered to be "independent" in accordance with the requirements of Rule 10A-3 under the Exchange Act. An independent audit committee plays a crucial role in the corporate governance process, assessment of the Company's processes relating to its risks and control environment, oversight of financial reporting, and evaluation of internal and independent audit processes. The lack of an independent audit committee may prevent the Company Board of Directors from being independent in its judgments and decisions and its ability to pursue the committee's responsibilities, which could compromise the management of our business.

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 operating activities of our continuing operations for the fiscal years ended December 31, 2016 and 2015 were \$277,938 and \$508,656, respectively. We have been dependent upon the proceeds of equity and non-equity financing to fund operations. No assurances can be given that our actual cash requirements will not exceed our budget or that anticipated revenues will be realized when needed, lines of credit will be available if necessary or that additional

capital will be available. We anticipate that over the next twelve months, we will need a minimum of \$1,000,000 to sustain our current operations without regard to our business plan.

Failure to obtain such additional funds on terms and conditions that we deem acceptable may materially and adversely affect our ability to effectively manufacture, 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 Relating 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 trading. If this market is not sustained or we are unable to satisfy any future trading criteria that may be imposed by the Financial Industry Regulatory Authority (“FINRA”), 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.

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

In addition, 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 covered by the penny stock rules, a Securities and Exchange Commission (“SEC”) rule that imposes additional sales practice requirements on broker-dealers who sell such securities to persons other than established customers and accredited investors, generally 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 April 17, 2017, we had 133,506,570 common shares outstanding. On that date, we had no common shares reserved for issuance under our stock option plan; and no common shares reserved for issuance under the warrants issued pursuant to various private placements.

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, cash flow and income, and our 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 by FINRA, 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.

Item 1B. Unresolved Staff Comments

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

Item 2. Properties

Our principal executive office is located at Unit 8, 3/F. Wah Yiu Industrial Centre, 30-32 Au Pui Wan Street, Fotan, N.T. Hong Kong. This office is provided by our officer and is free of charge.

Item 3. Legal Proceedings

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

Item 4. Mine Safety Disclosures

Not applicable.

PART II

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

Previously, our stock traded on the TSX Venture Exchange (“TSX-V”) which trading began on October 18, 2000. We voluntarily de-listed from the TSX-V on September 17, 2004. Our common stock began quotation on the OTC Bulletin Board on May 20, 2004 under the trading symbol “TAKDF”. On February 22, 2011 quotation of our common stock was moved to OTC Bulletin Board under the trading symbol TAKD. Our stock currently trades on the OTCQB electronic quotation service operated by OTC Markets Group, which is the successor of the OTC Bulletin Board. Trading in stocks quoted on the OTCQB is often thin and is characterized by wide fluctuations in trading prices due to many factors that may have little to do with a company’s operations or business prospects. We cannot assure you that there will be a market for our common stock in the future.

OTCQB securities are not listed or traded on the floor of an organized national or regional stock exchange. Instead, OTCQB securities transactions are conducted through a telephone and computer network connecting dealers in stocks. OTCQB issuers are traditionally smaller companies that do not meet the financial and other listing requirements of a regional or national stock exchange.

The following quotations, obtained from OTC Markets Group, reflect the high and low bids for our common shares based on inter-dealer prices, without retail mark-up, mark-down or commission and may not represent actual transactions.

The following table shows the high and low bid quotations for our common stock for each fiscal quarter during our two most recently completed fiscal years. These quotations are based on inter-dealer prices, without retail mark-up, mark-down or commission, and may not represent actual transactions.

OTC Markets Group Inc. OTCQB⁽¹⁾		
Quarter Ended	High	Low
December 31, 2016	\$0.24	\$0.01
September 30, 2016	\$0.25	\$0.03
June 30, 2016	\$0.014	\$0.0061
March 31, 2016	\$0.0125	\$0.0049
December 31, 2015	\$0.0075	\$0.0041
September 30, 2015	\$0.05	\$0.0035
June 30, 2015	\$0.041	\$0.025
March 31, 2015	\$0.06	\$0.04
December 31, 2014	\$0.085	\$0.041

(1) Over-the-counter market quotations reflect inter-dealer prices without retail mark-up, mark-down or commission, and may not represent actual transactions.

Our common shares are issued in registered form. Transfer Online, Inc., 512 SE Salmon St., Portland, OR 97214 (Telephone: (503) 227-2950) is the registrar and transfer agent for our common shares.

On April 17, 2017, the shareholders' list showed 133 registered shareholders and 133,506,570 common shares outstanding.

Dividend Policy

We have not paid any cash dividends on our common stock and have no present intention of paying any dividends on the shares of our common stock. Our current policy is to retain earnings, if any, for use in our operations and in the development of our business. Our future dividend policy will be determined from time to time by our board of directors.

Equity Compensation Plan Information

We have not approved or adopted any equity compensation plans.

Recent Sales of Unregistered Securities; Use of Proceeds from Registered Securities

We did not sell any equity securities which were not registered under the Securities Act during the year ended December 31, 2016 that were not otherwise disclosed on our quarterly reports on Form 10-Q or our current reports on Form 8-K filed during the year ended December 31, 2016.

Purchase of Equity Securities by the Issuer and Affiliated Purchasers

We did not purchase any of our shares of common stock or other securities during our fourth quarter of our fiscal year ended December 31, 2016.

Item 6. Selected Financial Data

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

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

The following discussion should be read in conjunction with our audited consolidated financial statements and the related notes for the years ended December 31, 2016 and December 31, 2015 that appear elsewhere in this annual report. The following discussion contains forward-looking statements that reflect our plans, estimates and beliefs. Our actual results could differ materially from those discussed in the forward looking statements. Factors that could cause or contribute to such differences include, but are not limited to those discussed below and elsewhere in this annual report, particularly in the section entitled "Risk Factors" beginning on page 10 of this annual report.

Our audited consolidated financial statements are stated in United States Dollars and are prepared in accordance with United States Generally Accepted Accounting Principles.

Operating Results

On July 26, 2012, we acquired 100% of the equity interests of the Vegfab Agricultural Technology Co. Ltd. (the "Vegfab") for the sum of US\$5,500,000. The acquisition was accounted for as a business combination under the purchase method of accounting. Vegfab's results of operations were included in our results beginning July 27, 2012. Due to recurring losses from operations, and in order to conserve operating resources, our management decided to sell Vegfab on June 30, 2015. The resulting adjustment to our operating losses was not reflected until fiscal 2016, when we incurred operating losses of \$258,313 compared to \$635,187 incurred during fiscal 2015.

Our plan of operations for fiscal 2017 includes the following budgeted expenditures:

12 Month Capital Requirements Forecast	USD ²
	Beginning January 1, 2017
Capital required for expansion plans ¹	\$1,000,000
Salaries	\$115,000
Accounting and Legal Expenses	\$75,000
Public company reporting costs	\$17,500
Selling, general and administrative expense	\$100,000
Contingency	\$100,000
Total	\$1,407,500

1. Capital for plan to acquire factory in China, further R&D expenses.

2. Based on 2016 average exchange rate of \$0.128625.

As of April 17, 2017 we will require additional financing of approximately \$1,400,000 to execute our business strategy for fiscal 2017. 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 Operation for the Years Ended December 31, 2016 Compared to the Year Ended December 31, 2015

Results of Operation

Our operating results for the years ended December 31, 2016 and 2015 are summarized as follows:

	Year Ended	
	December 31, 2016	December 31, 2015
Sales, net	\$ -	\$ 81,145
Cost of sales	\$ -	\$ 72,145
Gross Profit(Loss)	\$ -	\$ 9,000
Selling, general and administrative expenses	\$ 258,313	\$ 644,187
Loss from operations	\$ (258,313)	\$ (635,187)
Total Other income (expenses)	\$ (41,187)	\$ 332,253
Provision for income taxes expense (benefit)	\$ Nil	\$ Nil
Net loss	\$ (299,500)	\$ (302,934)
Net loss attributable to non-controlling interest	\$ -	\$ -
Net loss attributable to TRANSAKT LTD.	\$ (299,500)	\$ (302,934)

Revenues & Cost of Sales

There was no sales revenue for the year ended December 31, 2016 compare to \$81,145 from the same period in 2015. The decrease in net revenue was primarily due to the disposal of Vegfab on June 30, 2015.

Cost of sales was zero for the year ended December 31, 2016 since the zero sales in 2016.

Selling, general and administrative expenses

Selling, general and administrative expenses for the year ended December 31, 2016 totaled \$258,313 compared to operating expenses of \$644,187 during the year ended December 31, 2015 down by 60% The decrease in operating expenses was primarily due to the disposal of Vegfab on June 30, 2015.

Loss from Operations

Loss from operations for the year ended December 31, 2016 totaled \$258,313 compared to \$635,187 from the same period in 2015 decreased by \$376,874. The decrease was primarily due to the disposal of Vegfab on June 30, 2015.

Other Income (expenses)

Other (expense) / income increased approximately \$(373,440) to \$(41,187) for the year ended December 31, 2016 from \$332,253 for the same period in 2015. The increase in net other expense was primarily due to the increase in interest expense on convertible note and decrease of gain on disposal of investments.

Net loss

As a result of the above factors, we have net loss attributable to the Company's common stockholders of approximately \$299,500 for the year ended December 31, 2016 as compared to a loss of \$302,934 for the year ended December 31, 2015, representing a decrease of approximately \$3,434.

Inflation

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

Climate Change

Our opinion is that neither climate change, nor governmental regulations related to climate change, have had, or are expected to have, any material effect on our operations.

Liquidity

Working Capital

	At December 31, 2016	At December 31, 2015
Current assets	\$ 648,601	\$ 114,681
Current liabilities	\$ 1,063,504	\$ 234,373
Working capital	\$ (414,903)	\$ (119,692)

Cash Flows

	Fiscal year ended December 31,	
	2016	2015
Net cash used in operating activities	\$ 277,938	\$ 508,656
Net cash used in investing activities	\$ -	\$ 628
Net cash provided by financing activities	\$ 809,000	\$ 460,523

Net cash flow used in operating activities was \$277,938 in 2016, compared to \$508,656 in 2015, a decrease of \$230,718. The decrease in net cash flow used in operating activities was mainly due to the disposal of Vegfab in June 30, 2015.

There is no net cash flow used in investing activities for 2016, compared to net cash flow used in investing activities of \$628 for 2015, a decrease of \$628.

Net cash flow provided by financing activities was \$809,000 for 2016, compared to net cash flow provided by financing activities of \$460,523 for 2015, an increase of \$348,477. The increase in net cash flow provided by financing activities of continuing operations in 2016 was mainly due to the issuance of convertible note to our CEO-Mr. Ho for one million during 2016.

Our working capital was (\$414,903) as of December 31, 2016 compared to (\$119,692) as of December 31, 2015.

In management's opinion, our working capital is not currently sufficient for our present requirements. However, we will continue to evaluate alternative sources of capital to meet our growth requirements, including other asset or debt financing, issuing equity securities and entering into other financing arrangements. There can be no assurance, however, that any of the contemplated financing arrangements described herein will be available and, if available, can be obtained on terms favorable to us.

Historically, operations and short-term financing have been sufficient to meet our cash needs. We believe that we will be able to raise capital through private placement offerings of our equity securities to provide the necessary cash flow to meet anticipated working capital requirements. However, our actual working capital needs for the long and short-term will depend upon numerous factors, including operating results, competition, and the availability of credit facilities, none of which can be predicted with certainty. Future expansion will be limited by the availability of financing products and raising capital.

Capital Expenditure

Total capital expenditures were \$0 and \$628 for the years ended December 31, 2016 and 2015, respectively.

Currency Exchange Fluctuations

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), Canadian Dollar (CAD), 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, CAD, and HKD into U.S. dollar are recorded in stockholders' equity as part of accumulated other comprehensive income.

Cash Requirements

We used cash in operations of \$277,938 for the year ended December 31, 2016. 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 \$1,400,000 to sustain our current operations and market our products effectively.

Research and Development

No significant research and development expenses were incurred in 2016 or 2015.

Off-Balance Sheet Arrangements

We have no 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.

Critical Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of TransAKT Bio Agritech Ltd., collectively referred to within as the Company. All material inter-company accounts, transactions, and profits have been eliminated in consolidation.

Going Concern

We has incurred a net loss attributable to the Company's common stockholders of \$299,500 and \$302,934 during the years ended December 31, 2016 and 2015, respectively, and has an accumulated deficit of \$22,129,586 and \$21,830,086 as of December 31, 2016 and December 31, 2015, respectively.

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 December 31, 2016, 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 2017; (3) Cooperate with local partners in Guangdong province, China to research and develop new products. (4) The Company plans to continue actively seeking 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 years ended December 31, 2016 and 2015, the transactions of TransAKT Bio Agritech Ltd. were denominated in foreign currency and were recorded in 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 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 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

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 un-collectible 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.

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.

Goodwill and intangible assets

Goodwill is calculated as the purchase premium after adjusting for the fair value of net assets acquired. Goodwill is not amortized but is reviewed for potential impairment on an annual basis, or when events or circumstances indicate a potential impairment, at the reporting unit level. A reporting unit, as defined under applicable accounting guidance, is a business segment or one level below a business segment. Under applicable accounting guidance, the goodwill impairment analysis is a two-step test. The first step of the goodwill impairment test involves comparing the fair value of each reporting unit with its carrying amount including goodwill. If the fair value of the reporting unit exceeds its carrying amount, goodwill of the reporting unit is considered not impaired; however, if the carrying amount of the reporting unit exceeds its fair value, the second step must be performed to measure potential impairment.

The second step involves calculating an implied fair value of goodwill for each reporting unit for which the first step indicated possible impairment. The implied fair value of goodwill is determined in the same manner as the amount of goodwill recognized in a business combination, which is the excess of the fair value of the reporting unit, as determined in the first step, over the aggregate fair values of the assets, liabilities and identifiable intangibles as if the reporting unit was being acquired in a business combination. Measurement of the fair values of the assets and liabilities of a reporting unit is consistent with the requirements of the fair value measurements accounting guidance, which defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market

participants at the measurement date. The adjustments to measure the assets, liabilities, and intangibles at fair value are for the purpose of measuring the implied fair value of goodwill and such adjustments are not reflected in the consolidation balance sheet. If the implied fair value of goodwill exceeds the goodwill assigned to the reporting unit, there is no impairment. If the goodwill assigned to a reporting unit exceeds the implied fair value of goodwill, an impairment charge is recorded for the excess. An impairment loss recognized cannot exceed the amount of goodwill assigned to a reporting unit. An impairment loss establishes a new basis in the goodwill and subsequent reversals of goodwill impairment losses are not permitted under applicable accounting guidance.

The goodwill in the amount of \$5,163,739 recorded in the consolidated balance sheet as of December 31, 2012 (see Note 15) was generated from the acquisition of Vegfab by TransAKT Taiwan Limited on July 26, 2012. In 2013, the Company recorded a goodwill write-down of \$5,163,739, which eliminated all remaining goodwill of the Company. Goodwill was determined to have been impaired because of the current financial condition of the Company and the Company's inability to generate future operating income without substantial sales volume increases, which are highly uncertain. Furthermore, the Company's anticipated future cash flows indicate that the recoverability of goodwill is not reasonably assured. The goodwill write-down was included as a component of operating expense in 2013.

For intangible assets subject to amortization, an impairment loss is recognized if the carrying amount of the intangible asset is not recoverable and exceeds fair value. The carrying amount of the intangible asset is considered not recoverable if it exceeds the sum of the undiscounted cash flows expected to result from the use of the asset.

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

The FASB has issued Accounting Standards Update (ASU) No. 2016-01, Financial Instruments – Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities. The new guidance is intended to improve the recognition and measurement of financial instruments. The ASU affects public and private companies, not-for-profit organizations, and employee benefit plans that hold financial assets or owe financial liabilities.

The new guidance makes targeted improvements to existing U.S. GAAP by:

- Requiring equity investments (except those accounted for under the equity method of accounting, or those that result in consolidation of the investee) to be measured at fair value with changes in fair value recognized in net income;
- Requiring public business entities to use the exit price notion when measuring the fair value of financial instruments for disclosure purposes;
- Requiring separate presentation of financial assets and financial liabilities by measurement category and form of financial asset (i.e., securities or loans and receivables) on the balance sheet or the accompanying notes to the financial statements;
- Eliminating the requirement to disclose the fair value of financial instruments measured at amortized cost for organizations that are not public business entities;
- Eliminating the requirement for public business entities to disclose the method(s) and significant assumptions used to estimate the fair value that is required to be disclosed for financial instruments measured at amortized cost on the balance

sheet; and

-Requiring a reporting organization to present separately in other comprehensive income the portion of the total change in the fair value of a liability resulting from a change in the instrument-specific credit risk (also referred to as “own credit”) when the organization has elected to measure the liability at fair value in accordance with the fair value option for financial instruments.

The new guidance is effective for public companies for fiscal years beginning after December 15, 2017, including interim periods within those fiscal years. For private companies, not-for-profit organizations, and employee benefit plans, the new guidance becomes effective for fiscal years beginning after December 15, 2018, and for interim periods within fiscal years beginning after December 15, 2019.

The new guidance permits early adoption of the own credit provision. In addition, the new guidance permits early adoption of the provision that exempts private companies and not-for-profit organizations from having to disclose fair value information about financial instruments measured at amortized cost.

The FASB has issued Accounting Standards Update No. 2016-09, *Compensation - Stock Compensation (Topic 718): Improvements to Employee Share-Based Payment Accounting*. The amendments are intended to improve the accounting for employee share-based payments and affect all organizations that issue share-based payment awards to their employees.

Several aspects of the accounting for share-based payment award transactions are simplified, including: (a) income tax consequences; (b) classification of awards as either equity or liabilities; and (c) classification on the statement of cash flows.

The amendments also simplify two areas specific to private companies:

1. **Practical Expedient for Expected Term:** In lieu of estimating the period of time that a share-based award will be outstanding, private companies can now apply a practical expedient to estimate the expected term for all awards with performance or service conditions that have certain characteristics.
2. **Intrinsic Value:** Private companies can now make a one-time election to switch from measuring all liability-classified awards at fair value to measuring them at intrinsic value. Previously, private companies were provided an option to measure all liability-classified awards at intrinsic value, but some private companies were unaware of that option.

Accounting for employee share-based awards was identified by the Private Company Council (PCC) as an area of concern among private company stakeholders. The PCC worked with the FASB to discuss and analyze the issues that private companies have encountered in this area when applying the standard. The PCC also asked the FASB staff to conduct outreach with users as a part of the FASB’s pre-agenda research on the topic.

The FASB also considered the conclusions in the Financial Accounting Foundation’s Post-Implementation Review Report on Statement 123(R), *Share-Based Payment*. Though the report concluded that the prior standard achieved its purpose, it noted that certain areas within Statement 123(R) may be costly and difficult to apply.

For public companies, the amendments are effective for annual periods beginning after December 15, 2016, and interim periods within those annual periods. For private companies, the amendments are effective for annual periods beginning after December 15, 2017, and interim periods within annual periods beginning after December 15, 2018. Early adoption is permitted for any organization in any interim or annual period.

The FASB has issued Accounting Standards Update (ASU) No. 2016-15, *Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments*, to address diversity in how certain cash receipts and cash payments are presented and classified in the statement of cash flows.

The amendments provide guidance on the following eight specific cash flow issues:

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- Debt Prepayment or Debt Extinguishment Costs;
- Settlement of Zero-Coupon Debt Instruments or Other Debt Instruments with Coupon Interest Rates That Are Insignificant in Relation to the Effective Interest Rate of the Borrowing;
- Contingent Consideration Payments Made after a Business Combination;
- Proceeds from the Settlement of Insurance Claims;
- Proceeds from the Settlement of Corporate-Owned Life Insurance Policies, including Bank-Owned;
- Life Insurance Policies;
- Distributions Received from Equity Method Investees;
- Beneficial Interests in Securitization Transactions; and
- Separately Identifiable Cash Flows and Application of the Predominance Principle.

The amendments are effective for public business entities for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. For all other entities, the amendments are effective for fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019. Early adoption is permitted, including adoption in an interim period.

The amendments should be applied using a retrospective transition method to each period presented. If it is impracticable to apply the amendments retrospectively for some of the issues, the amendments for those issues would be applied prospectively as of the earliest date practicable.

FASB Amends the Accounting for Intra-Entity Transfers of Assets. The FASB has issued Accounting Standards Update No. 2016-16, *Income Taxes (Topic 740): Intra-Entity Transfers of Assets Other Than Inventory*. Current GAAP prohibits the recognition of current and deferred income taxes for an intra-entity asset transfer until the asset has been sold to an outside party. This prohibition on recognition is an exception to the principle of comprehensive recognition of current and deferred income taxes in GAAP.

The amendments require an entity to recognize the income tax consequences of an intra-entity transfer of an asset other than inventory when the transfer occurs. The amendments eliminate the exception for an intra-entity transfer of an asset other than inventory. Two common examples of assets included in the scope of the amendments are intellectual property and property, plant, and equipment.

The amendments do not include new disclosure requirements; however, existing disclosure requirements might be applicable when accounting for the current and deferred income taxes for an intra-entity transfer of an asset other than inventory.

The amendments align the recognition of income tax consequences for intra-entity transfers of assets other than inventory with International Financial Reporting Standards. IAS 12, *Income Taxes*, requires recognition of current and deferred income taxes resulting from an intra-entity transfer of any asset (including inventory) when the transfer occurs.

The amendments are effective for public business entities for annual reporting periods beginning after December 15, 2017, including interim reporting periods within those annual reporting periods. For all other entities, the amendments are effective for annual reporting periods beginning after December 15, 2018, and interim reporting periods within annual periods beginning after December 15, 2019. Early adoption is permitted for all entities in the first interim period if an entity issues interim financial statements.

The amendments should be applied on a modified retrospective basis through a cumulative-effect adjustment directly to retained earnings as of the beginning of the period of adoption.

The FASB has issued Accounting Standards Update (ASU) No. 2016-19, *Technical Corrections and Improvements*. The amendments cover a wide range of Topics in the Accounting Standards Codification. The amendments generally fall into one of the types of categories listed below.

- Amendments related to differences between original guidance (e.g., FASB Statements, EITF Issues, etc.) and the Codification. These amendments principally carry forward pre-Codification guidance or subsequent amendments into the Codification. Many times, either the writing style or phrasing of the original guidance did not directly translate into the Codification format and style. As a result, the meaning of the guidance might have been unintentionally altered. Alternatively, amendments in this category may relate to guidance that was codified without some text, reference, or phrasing that, upon review, was deemed important to the guidance.
- Guidance clarification and reference corrections that provide clarification through updating wording, correcting references, or a combination of both. In most cases, the feedback suggested that, without these enhancements, guidance may be misapplied.
- Simplification amendments that streamline or simplify the Codification through minor structural changes to headings or minor editing of text to improve the usefulness and understandability of the Codification.
- Minor improvements to the guidance that are not expected to have a significant effect on current accounting practice or create a significant administrative cost to most entities.

Tabular Disclosure of Contractual Obligations

Operating Leases

We were not party to any leases agreement during the year ended December 31, 2016.

Contractual Obligations

As a “smaller reporting company”, we are not required to provide tabular disclosure obligations.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

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

Item 8. Financial Statements and Supplementary Data

TRANSAKT LTD. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED
DECEMBER 31, 2016 AND 2015 AND
REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors
TransAKT Ltd.

We have audited the accompanying consolidated balance sheets of TransAKT Ltd. and its subsidiaries (the "Company") as of December 31, 2016 and 2015, and the related consolidated statements of operations and comprehensive income (loss), change in shareholders' deficit, and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, such financial statements present fairly, in all material respects, the consolidated financial positions of TransAKT Ltd. as of December 31, 2016 and 2015, and the consolidated results of their operations and their consolidated cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2 to the consolidated financial statements, the Company has accumulated deficit of \$(22,129,586) at December 31, 2016, including net loss of \$299,500 during the years ended December 31, 2016. Management's plans in regard to these matters are also described in Note 2. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/ Centurion ZD CPA Limited

Hong Kong, SAR
April 17, 2017

**TRANSAKT LTD.
CONSOLIDATED BALANCE SHEETS**

	December 31, 2016	December 31, 2015
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 638,601	\$ 103,250
Prepayments	10,000	11,431
Total Current Assets	648,601	114,681
Total Assets	\$ 648,601	\$ 114,681
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Accrued expenses	\$ 63,504	\$ 43,373
Amount due to a director	-	191,000
Convertible Promissory Note	1,000,000	-
Total Current Liabilities	1,063,504	234,373
Total liabilities	1,063,504	234,373
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, 28,439,904 shares and 30,672,404* shares issued and outstanding at December 31, 2016 and 2015*, respectively	28,440	30,672
Additional paid-in capital	23,319,411	25,117,179
Accumulated deficit	(22,129,586)	(21,830,086)
Other comprehensive income	(433,168)	(437,457)
Stock subscription receivable	(1,200,000)	(1,200,000)
Treasury stock, common stock, at cost, 0 share and 2,232,500* shares at December 31, 2016 and 2015*, respectively	-	(1,800,000)
Total Stockholders' Equity	(414,903)	(119,692)
Total Equity	(414,903)	(119,692)
Total Liabilities and Equity	\$ 648,601	\$ 114,681

The accompanying notes are an integral part of the financial statements

* All shares outstanding for all periods have been retroactively restated to reflect TransAKT's 1-for-20 reverse stock split, which was effective on June 23, 2016.

TRANSAKT LTD.
CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
Sales, net	\$ -	\$ 81,145
Cost of sales	-	72,145
Gross profit	-	9,000
Selling, general and administrative expenses	258,313	644,187
Loss from operations	<u>(258,313)</u>	<u>(635,187)</u>
Other income (expense)		
Interest expense	(37,333)	(38)
Loss on disposal of investments	-	(1,000,000)
Gain on disposal of investments	-	1,283,275
Gain on written-off of non-controlling interest	-	12,930
Currency exchange loss	(3,854)	(13)
Other income	-	36,099
Total other income	<u>(41,187)</u>	<u>332,253</u>
Loss before income taxes	<u>(299,500)</u>	<u>(302,934)</u>
Provision for income taxes expense (benefit)	-	-
Net loss	<u>(299,500)</u>	<u>(302,934)</u>
Net loss attributable to TRANSAKT LTD.	<u>\$ (299,500)</u>	<u>\$ (302,934)</u>
Loss per share:		
Basic and diluted income (loss) common stockholders per share*	\$ (0.01)	\$ (0.01)
Weighted average number of shares outstanding:		
Basic and diluted	<u>22,670,938</u>	<u>30,672,404</u>
Other Comprehensive Income (Loss)		
Net profits (loss)	\$ (299,500)	\$ (302,934)
Foreign currency translation adjustment	4,289	47,178
Comprehensive income (loss)	<u>(295,211)</u>	<u>(255,756)</u>
Comprehensive income (loss) attributable to TRANSAKT LTD.	<u>\$ (295,211)</u>	<u>\$ (255,756)</u>

The accompanying notes are an integral part of the financial statements

* All shares outstanding for all periods have been retroactively restated to reflect TransAKT's 1-for-20 reverse stock split, which was effective on June 23, 2016.

TRANSAKT LTD.
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' DEFICIT
FOR THE YEARS ENDED DECEMBER 31, 2016

	<u>Common Stock</u> <u>Shares*</u>	<u>Amount*</u>	<u>Additional</u> <u>Paid-in</u> <u>Capital*</u>	<u>Stock</u> <u>Subscription</u> <u>Receivable</u>	<u>Accumulated</u> <u>Deficit</u>	<u>Other</u> <u>Comprehensi</u> <u>ve Income</u> <u>(loss)</u>	<u>Treasury</u> <u>Shares*</u>	<u>Stock at Cost</u> <u>Amount</u>	<u>Non-</u> <u>controllin</u> <u>g Interest</u>	<u>Total</u>
Balance at December 31, 2014	30,672,404	\$30,672	\$25,117,179	\$(1,200,000)	\$(21,514,222)	\$ (484,635)	(2,232,500)	\$(1,800,000)	\$ (12,930)	\$ 136,064
Disposal of subsidiary					(12,930)				12,930	-
Net loss					(302,934)	47,178				(255,756)
Balance at December 31, 2015	30,672,404	\$30,672	\$25,117,179	\$(1,200,000)	\$(21,830,086)	\$(437,457)	(2,232,500)	\$(1,800,000)	\$ -	\$(119,692)
Cancellation of treasury shares	(2,232,500)	(2,232)	(1,797,768)	-	-	-	2,232,500	1,800,000	-	-
Net loss	-	-	-	-	(299,500)	4,289	-	-	-	(295,211)
Balance at December 31, 2016	28,439,904	\$28,440	23,319,411	\$(1,200,000)	\$(22,129,586)	\$(433,168)	-	\$-	\$-	(414,903)

* All shares outstanding for all periods have been retroactively restated to reflect TransAKT's 1-for-20 reverse stock split, which was effective on June 23, 2016.

The accompanying notes are an integral part of the financial statements

TRANSAKT LTD.
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

	2016	2015
Cash flows from operating activities		
Net profits (loss) available to common stockholders	\$ (299,500)	\$ (302,934)
Adjustments to reconcile net loss to net cash used in operating activities:		
Loss on disposal of investments	-	1,000,000
Gain on disposal of investments	-	(1,283,275)
Bad debt expense	-	401,55
Changes in assets and liabilities:		
Decrease (Increase) in accounts receivable	-	453,758
Decrease (Increase) Increase in other receivable	-	26,899
Decrease (Increase) in inventory	-	61,639
Decrease (Increase) in advance to suppliers	-	113,924
Decrease (Increase) in prepayments	1,431	68,867
Decrease (Increase) in deposits	-	32,029
Increase (Decrease) in accounts payable and accrued expenses	20,131	(1,081,113)
Net cash used in operating activities	<u>(277,938)</u>	<u>(508,656)</u>
Cash flows from investing activities		
Restricted cash	-	(628)
Net cash used in investing activities	<u>-</u>	<u>(628)</u>
Cash flows from financing activities		
Non-controlling interest	-	(12,930)
Repayment of loan from others	-	285,365
Net proceeds of short-term loans from shareholders	-	(2,912)
Net repayment of amount due to shareholders	(191,000)	191,000
Proceeds from issuance of Convertible Promissory Note	1,000,000	-
Net cash provided by financing activities	<u>809,000</u>	<u>460,523</u>
Effect of exchange rate changes on cash and cash equivalents	<u>4,289</u>	<u>(56,911)</u>
Net increase (decrease) in cash and cash equivalents	535,351	(105,672)
Cash and cash equivalents		
Beginning	103,250	208,922
Ending	<u>\$ 638,601</u>	<u>\$ 103,250</u>
Supplemental disclosure of cash flows		
Cash paid during the year for:		
Interest expense	<u>\$ 37,333</u>	<u>\$ 38</u>
Non-cash transactions:		
Gain on written-off of non-controlling interest	<u>\$ -</u>	<u>\$ (12,930)</u>

The accompanying notes are an integral part of the financial statements

TRANSAKT LTD.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

NOTE 1 – 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.

The Articles of Conversion of TransAKT Nevada provides that the authorized capital of the TransAKT will be 300,000,000 shares of common stock, par value \$0.001 per share and 200,000,000 shares of preferred stock, par value \$0.001 per share.

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 (see Note 12).

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 related party 50% owned by the Company’s president and director, 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.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The consolidated financial statements include the accounts of TransAKT (BVI) Limited and its wholly owned subsidiaries, TransAKT Bio Agritech Ltd., collectively referred to within as the Company. All material intercompany accounts, transactions, and profits have been eliminated in consolidation.

Disposal of subsidiaries

Certain prior period amounts have been reclassified in these consolidated financial statements to reflect the disposal of the subsidiaries, TransAKT Holding Limited and TransAKT Taiwan Limited, and their related assets and liabilities.

Going Concern

The Company has incurred a net loss of \$299,500 and \$302,934 during the years ended December 31, 2016 and 2015, respectively, and has an accumulated deficit of \$22,129,586 and \$21,830,086 as of December 31, 2016 and December 31, 2015, respectively.

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 December 31, 2016, 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 2017; (3) Cooperate with local partners in Guangdong province, China to research and develop new products. (4) The Company plans to continue actively seeking 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.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 years ended December 31, 2016 and 2015, the transactions of TransAKT Bio Agritech Ltd. were denominated in foreign currency and were recorded in 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 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 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.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 un-collectible 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.

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.

NOTE 2 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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", 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.

Recent accounting pronouncements

The FASB has issued Accounting Standards Update (ASU) No. 2016-01, Financial Instruments – Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities. The new guidance is intended to improve the recognition and measurement of financial instruments. The ASU affects public and private companies, not-for-profit organizations, and employee benefit plans that hold financial assets or owe financial liabilities.

The new guidance makes targeted improvements to existing U.S. GAAP by:

- Requiring equity investments (except those accounted for under the equity method of accounting, or those that result in consolidation of the investee) to be measured at fair value with changes in fair value recognized in net income;
- Requiring public business entities to use the exit price notion when measuring the fair value of financial instruments for disclosure purposes;

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recent accounting pronouncements

- Requiring separate presentation of financial assets and financial liabilities by measurement category and form of financial asset (i.e., securities or loans and receivables) on the balance sheet or the accompanying notes to the financial statements;
- Eliminating the requirement to disclose the fair value of financial instruments measured at amortized cost for organizations that are not public business entities;
- Eliminating the requirement for public business entities to disclose the method(s) and significant assumptions used to estimate the fair value that is required to be disclosed for financial instruments measured at amortized cost on the balance sheet; and
- Requiring a reporting organization to present separately in other comprehensive income the portion of the total change in the fair value of a liability resulting from a change in the instrument-specific credit risk (also referred to as “own credit”) when the organization has elected to measure the liability at fair value in accordance with the fair value option for financial instruments.

The new guidance is effective for public companies for fiscal years beginning after December 15, 2017, including interim periods within those fiscal years. For private companies, not-for-profit organizations, and employee benefit plans, the new guidance becomes effective for fiscal years beginning after December 15, 2018, and for interim periods within fiscal years beginning after December 15, 2019.

The new guidance permits early adoption of the own credit provision. In addition, the new guidance permits early adoption of the provision that exempts private companies and not-for-profit organizations from having to disclose fair value information about financial instruments measured at amortized cost.

The FASB has issued Accounting Standards Update No. 2016-09, *Compensation - Stock Compensation (Topic 718): Improvements to Employee Share-Based Payment Accounting*. The amendments are intended to improve the accounting for employee share-based payments and affect all organizations that issue share-based payment awards to their employees.

Several aspects of the accounting for share-based payment award transactions are simplified, including: (a) income tax consequences; (b) classification of awards as either equity or liabilities; and (c) classification on the statement of cash flows.

The amendments also simplify two areas specific to private companies:

1. **Practical Expedient for Expected Term:** In lieu of estimating the period of time that a share-based award will be outstanding, private companies can now apply a practical expedient to estimate the expected term for all awards with performance or service conditions that have certain characteristics.
2. **Intrinsic Value:** Private companies can now make a one-time election to switch from measuring all liability-classified awards at fair value to measuring them at intrinsic value. Previously, private companies were provided an option to measure all liability-classified awards at intrinsic value, but some private companies were unaware of that option.

Accounting for employee share-based awards was identified by the Private Company Council (PCC) as an area of concern among private company stakeholders. The PCC worked with the FASB to discuss and analyze the issues that private companies have encountered in this area when applying the standard. The PCC also asked the FASB staff to conduct outreach with users as a part of the FASB’s pre-agenda research on the topic.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recent accounting pronouncements

The FASB also considered the conclusions in the Financial Accounting Foundation's Post-Implementation Review Report on Statement 123(R), *Share-Based Payment*. Though the report concluded that the prior standard achieved its purpose, it noted that certain areas within Statement 123(R) may be costly and difficult to apply.

For public companies, the amendments are effective for annual periods beginning after December 15, 2016, and interim periods within those annual periods. For private companies, the amendments are effective for annual periods beginning after December 15, 2017, and interim periods within annual periods beginning after December 15, 2018. Early adoption is permitted for any organization in any interim or annual period.

The FASB has issued Accounting Standards Update (ASU) No. 2016-15, *Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments*, to address diversity in how certain cash receipts and cash payments are presented and classified in the statement of cash flows.

The amendments provide guidance on the following eight specific cash flow issues:

- Debt Prepayment or Debt Extinguishment Costs;
- Settlement of Zero-Coupon Debt Instruments or Other Debt Instruments with Coupon Interest Rates That Are Insignificant in Relation to the Effective Interest Rate of the Borrowing;
- Contingent Consideration Payments Made after a Business Combination;
- Proceeds from the Settlement of Insurance Claims;
- Proceeds from the Settlement of Corporate-Owned Life Insurance Policies, including Bank-Owned;
- Life Insurance Policies;
- Distributions Received from Equity Method Investees;
- Beneficial Interests in Securitization Transactions; and
- Separately Identifiable Cash Flows and Application of the Predominance Principle.

The amendments are effective for public business entities for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. For all other entities, the amendments are effective for fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019. Early adoption is permitted, including adoption in an interim period.

The amendments should be applied using a retrospective transition method to each period presented. If it is impracticable to apply the amendments retrospectively for some of the issues, the amendments for those issues would be applied prospectively as of the earliest date practicable.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recent accounting pronouncements

FASB Amends the Accounting for Intra-Entity Transfers of Assets. The FASB has issued Accounting Standards Update No. 2016-16, *Income Taxes (Topic 740): Intra-Entity Transfers of Assets Other Than Inventory*. Current GAAP prohibits the recognition of current and deferred income taxes for an intra-entity asset transfer until the asset has been sold to an outside party. This prohibition on recognition is an exception to the principle of comprehensive recognition of current and deferred income taxes in GAAP.

The amendments require an entity to recognize the income tax consequences of an intra-entity transfer of an asset other than inventory when the transfer occurs. The amendments eliminate the exception for an intra-entity transfer of an asset other than inventory. Two common examples of assets included in the scope of the amendments are intellectual property and property, plant, and equipment.

The amendments do not include new disclosure requirements; however, existing disclosure requirements might be applicable when accounting for the current and deferred income taxes for an intra-entity transfer of an asset other than inventory.

The amendments align the recognition of income tax consequences for intra-entity transfers of assets other than inventory with International Financial Reporting Standards. IAS 12, *Income Taxes*, requires recognition of current and deferred income taxes resulting from an intra-entity transfer of any asset (including inventory) when the transfer occurs.

The amendments are effective for public business entities for annual reporting periods beginning after December 15, 2017, including interim reporting periods within those annual reporting periods. For all other entities, the amendments are effective for annual reporting periods beginning after December 15, 2018, and interim reporting periods within annual periods beginning after December 15, 2019. Early adoption is permitted for all entities in the first interim period if an entity issues interim financial statements.

The amendments should be applied on a modified retrospective basis through a cumulative-effect adjustment directly to retained earnings as of the beginning of the period of adoption.

The FASB has issued Accounting Standards Update (ASU) No. 2016-19, *Technical Corrections and Improvements*. The amendments cover a wide range of Topics in the Accounting Standards Codification. The amendments generally fall into one of the types of categories listed below.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recent accounting pronouncements

- Amendments related to differences between original guidance (e.g., FASB Statements, EITF Issues, etc.) and the Codification. These amendments principally carry forward pre-Codification guidance or subsequent amendments into the Codification. Many times, either the writing style or phrasing of the original guidance did not directly translate into the Codification format and style. As a result, the meaning of the guidance might have been unintentionally altered. Alternatively, amendments in this category may relate to guidance that was codified without some text, reference, or phrasing that, upon review, was deemed important to the guidance.
- Guidance clarification and reference corrections that provide clarification through updating wording, correcting references, or a combination of both. In most cases, the feedback suggested that, without these enhancements, guidance may be misapplied.
- Simplification amendments that streamline or simplify the Codification through minor structural changes to headings or minor editing of text to improve the usefulness and understandability of the Codification.
- Minor improvements to the guidance that are not expected to have a significant effect on current accounting practice or create a significant administrative cost to most entities.

NOTE 3 – CONVERTIBLE PROMISSORY NOTE

Convertible Promissory Note consists of the following:

	<u>December 31, 2016</u>	<u>December 31, 2015</u>
Convertible Promissory Note	1,000,000	-
	<u>\$ 1,000,000</u>	<u>\$ -</u>

On July 15, 2016, the Company entered into Securities Purchase Agreement with the President, Chief Executive Officer and Director, Mr. Ho Kang-Wing, Pursuant to the agreement the Company issued to Mr. Ho a Convertible Promissory Note in consideration of \$1,000,000 in cash. An interest rate is 8% per annum. Maturity date is July 14, 2018. The fair value measurement of the convertible promissory note was recorded in carrying amount because the convertible promissory note was issued to the existing shareholder, the current fair value calculation models did not reflect the fair value of the note in this transaction and this note was subsequently converted to common stock on February 28, 2017.

NOTE 4 – PREPAYMENTS

Prepayments consist of the following:

	<u>December 31, 2016</u>	<u>December 31, 2015</u>
Prepaid expenses	10,000	11,431
	<u>\$ 10,000</u>	<u>\$ 11,431</u>

NOTE 5 – ACCRUED EXPENSES

Accrued expenses consist of the following:

	December 31, 2016	December 31, 2015
Accrued payroll	\$ -	\$ 11,355
Accrued employee benefits and pension expenses	-	386
Accrued professional fees	26,171	30,030
Accrued interest expenses	37,333	-
Others	-	1,602
	<u>\$ 63,504</u>	<u>\$ 43,373</u>

NOTE 6 - RELATED PARTY TRANSACTIONS

Related party transaction

On July 15, 2016, the Company entered into Securities Purchase Agreement with the President, Chief Executive Officer and Director, Mr. Ho Kang-Wing, Pursuant to the agreement the Company issued to Mr. Ho a Convertible Promissory Note in consideration of \$1,000,000 in cash. An interest rate is 8% per annum. Maturity date is July 14, 2018. (see Note 3)

There was no related party transaction for the year ended December 31, 2016.

Due to related parties

The Company's officers and shareholders have advanced funds to the Company for working capital purposes. The Company has not entered into any agreement on the repayment terms for these advances. As of December 31, 2016 and 2015, there was \$Nil and \$191,000 advances outstanding.

Interest expense of \$37,333 for convertible promissory note was accrued under accrued expenses as of December 31, 2016. The interest expense was payable to Mr. Ho Kang-Wing, the President, Chief Executive Officer and Director of the Company.

NOTE 7 – INCOME TAXES

The Company is registered in the State of Nevada and has operations in primarily two tax jurisdictions -The United States and Hong Kong. For the operations in the U.S., the Company has incurred net accumulated operating losses for income tax purposes. The Company believes that it is more likely than not that these net accumulated operating losses will not be utilized in the future. Therefore, the Company has provided full valuation allowance for the deferred tax assets arising from the losses in the U.S. as of December 31, 2016 and 2015. Accordingly, the Company has no net deferred tax assets on the U.S. operations.

United States of America

For the year ended December 31, 2016, the Company had net operating loss carry-forwards of approximately \$1,281,924 that may be available to reduce future years' taxable income through 2035, Future tax benefits which may arise as a result of these losses have not been recognized in these financial statements, as their realization is determined not likely to occur and accordingly, the Company has recorded a valuation allowance for the deferred tax asset relating to these tax loss carry-forwards.

The provision for Federal income tax consists of the following years ended December 31:

	2016	2015
Federal income tax benefit attributable to:		
Current Operations	\$ 146,326	\$ 478,497
Less: Valuation allowance	(146,326)	(479,497)
Net provision for Federal income taxes	<u>\$ -</u>	<u>\$ -</u>

Deferred taxes:

The tax effect of temporary differences that give rise to the Company's deferred tax asset as of December 31, 2016 and 2015 are as follows:

U.S:	2016	2015
Deferred tax asset – non-current:		
Net operating loss carry forward	\$ 1,281,924	\$ 1,135,598
Valuation allowance	(1,281,924)	(1,135,598)
Net deferred tax asset	<u>\$ -</u>	<u>\$ -</u>

The following is a reconciliation of the statutory tax rate to the effective tax rate for the years ended December 31, 2016 and 2015:

	2016	2015
U.S. Federal tax at statutory rate	34%	34%
Valuation allowance	(34%)	(34%)
Foreign income tax- HK	16.5%	16.5%
Other (a)	(16.5%)	(16.5%)
Effective tax rate	<u>0%</u>	<u>0%</u>

(a) Other represents expenses incurred by the Company that are not deductible for HK income taxes and changes in valuation allowance for HK entities for the years ended December 31, 2016 and 2015.

NOTE 8 – 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 \$0 and \$2,078 for the years ended December 31, 2016 and 2015, respectively.

Effective June 30, 2015, the Company sold its subsidiaries, Transakt Taiwan Ltd., Vegfab Agricultural Technology Co. Ltd., and TransAKT Holdings Ltd. (Turks & Caicos), which held the leases. As a result of the disposal, the Company has no further lease commitments.

Sale-leaseback Transaction:

As of December 31, 2016, the Company did not have any sale-leaseback transaction.

NOTE 9- – COMMON STOCK

On June 21, 2011, the Company issued 55,500,000 shares of its common stock for \$0.015 per share to individuals for aggregate gross proceeds of \$832,500.

On June 21, 2011, the Company converted its outstanding related party notes payable totaling \$523,908 into 34,927,218 shares of Common Stock. The deemed price of the shares issued was \$0.015.

On June 21, 2011, the Company issued an aggregate of 266,667 shares of common stock, at a deemed price of \$0.015 per share, to pay \$4,000 for services.

On May 17, 2012, the Company issued an aggregate of 39,854,567 shares of common stock at a price of \$0.03 per share, pursuant to the closing of a private placement, for aggregate gross proceeds of approximately \$1,200,000.

On June 25, 2012, the Company amended its articles of incorporation to increase the authorized number of shares of common stock from 300,000,000 to 700,000,000 shares of common stock, par value of \$0.001 per share.

On July 26, 2012, the Company issued 150,000,000 shares of common stock as a part of consideration for acquisition of Vegfab Agricultural Technology Co., Ltd. (Note 12).

In July, 2012, the Company issued 18,333,333 shares of common stock to the Company's president, pursuant to the acquisition of Vegfab Agricultural Technology Co., Ltd. The Company agreed to pay its president share compensation of 10% of the value of the acquisition that he secured for the company.

On January 4, 2013, the Company entered into a Share Purchase and Sale Agreement with Mr. Pan Yen Chu pursuant to which the Company sold to Mr. Pan 100% of all issued and outstanding securities of its wholly owned subsidiary Taiwan Halee International Corporation ("HTT"). In consideration of the sale of HTT, Mr. Pan 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. The transfer of common shares was completed on January 7, 2013. In connection with the sale HTT, the 45,000,000 common shares of the Company received as consideration will be returned to treasury. The 45,000,000 shares constitute approximately 11.5% of the Company's currently issued and outstanding 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;

On June 23, 2016, the company made a stock reverse split of 20 to 1. The issued and outstanding common stock was consolidated from 613,447,306 shares to 30,672,404 shares with fractional share round up to 1 share.

On October 4, 2016, the company cancelled the treasury stock of common shares 2,232,500.

NOTE 10 – 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		19-Apr-13
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)		1.50
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

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 December 31, 2016 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, 2016	-	\$ -	
Granted- Before reverse split	1,000,000	0.03	
Granted- After reverse split	50,000	0.6	
Expired	-	-	
Forfeited	-	-	
Outstanding as of December 31, 2016	<u>50,000</u>	0.6	1.5
Exercisable as of December 31, 2016	<u>50,000</u>	0.6	1.5
Vested and expected to vest	<u>50,000</u>	0.6	1.5

As of December 31, 2016, the aggregate intrinsic value of options outstanding was \$0.

NOTE 11 – 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. During 2015, Million Talented Ltd. transferred the 40% TransAKT H.K.

back to the Company. The Company recorded a gain on non-controlled interest written-off and non-controlling interest was no longer exist.

	<u>December 31, 2016</u>	<u>December 31, 2015</u>
Beginning Balance	\$ -	\$ (12,930)
Gain on written-off of non-controlling interest	-	12,930
	<u>\$ -</u>	<u>\$ -</u>

NOTE 12 – BUSINESS ACQUISITION AND DISPOSAL

On July 26, 2012, TransAKT Ltd. acquired 100% of the equity interests of the Vegfab Agricultural Technology Co. Ltd. (the “Vegfab”) for for the sum of US\$5,500,000. The purchase price is being paid by the delivery to Vegfab of: (i) US\$1,000,000 in cash; and (ii) 150,000,000 common voting shares issued by TransAKT Ltd., with a deemed value of US\$0.03 per share. The acquisition was accounted for as a business combination under the purchase method of accounting. Vegfab’s results of operations were included in the Company’s results beginning July 27, 2012. The purchase price has been allocated to the assets acquired and the liabilities assumed based on their fair value at the acquisition date as summarized in the following:

<u>Purchase price</u>	<u>\$ 5,500,000</u>
Allocation of the purchase price:	
Cash and cash equivalents	9,468
Accounts receivable, net	21,929
Inventory	107,267
Due from related party	187,912
Prepaid expenses	343,019
Property, plant, and equipment, net	313,586
Other assets	8,300
Short-term loan	(126,971)
Accounts payable	(97,084)
Advance from customers	(265,090)
Capital lease obligation	(166,075)
Fair value of net assets acquired	<u>336,261</u>
Goodwill	<u>\$ 5,163,739</u>

Vegfab contributed net revenues of \$335,164 and \$195,323, and net loss of \$3,559,087 and \$483,330 for the year ended December 31, 2013 and for the period from July 27, 2012 through December 31, 2012, respectively.

In 2013, the Company recorded a goodwill write-down of \$5,163,739, which eliminated all remaining goodwill of the Company. Goodwill was determined to have been impaired because of the current financial condition of the Company and the Company’s inability to generate future operating income without substantial sales volume increases, which are highly uncertain. Furthermore, the Company’s anticipated future cash flows indicate that the recoverability of goodwill is not reasonably assured. The goodwill write-down was included as a component of operating expense in 2013.

On June 24, 2015, the Company disposed the investments on the above subsidiaries, TransAKT Taiwan Ltd. and Vegfab Agricultural Technology Co. The Company received \$100,000 and got rid of all assets and liabilities from

these subsidiaries. Since these subsidiaries provided negative equity of \$1,183,275, the Company recorded \$1,283,275 gain on disposal of investment.

On June 24, 2015, the company also disposed another investment with a prepaid deposit of \$1,000,000. This investment became valueless and was fully written-off with \$1,000,000 loss on disposal of investment.

NOTE 13 – EARNINGS PER SHARE

The Company calculates earnings per share in accordance with ASC 260, Earnings Per Share, which requires a dual presentation of basic and diluted earnings per share. Basic earnings per share are computed using the weighted average number of shares outstanding during the fiscal year. The following table sets forth the computation of basic and diluted net income per common share:

The following table sets forth the computation of basic and diluted net income per common share:

	<u>December 31, 2016</u>	<u>December 31, 2015</u>
Numerator		
Net (loss)/income	\$ (299,500)	\$ (302,934)
Denominator		
Weighted average shares – Basic EPS	22,670,938	30,672,404
Weighted average shares – Diluted EPS	22,670,938	30,672,404
Net income (loss) per share – Basic and Diluted		
EPS - basic and diluted	<u>\$ (0.01)</u>	<u>\$ (0.01)</u>

NOTE 14 – SUBSEQUENT EVENTS

The Company evaluated all events or transactions that occurred after December 31, 2016 up through the date the Company issued these financial statements.

On February 28, 2017, Mr. Ho Kang-wing (the holder of convertible promissory note) elected to convert the entire outstanding amount of the Note into 105,066,666 common shares of the Company including the accumulated interest. Therefore, the issued and outstanding common shares of the Company were increased to 133,506,570 shares at that date.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

On April 30, 2016, AWC (CPA) Limited ("AWC") resigned as the Company's independent registered public accounting firm. The reports of AWC on the Company's consolidated financial statements as of and for the fiscal years ended December 31, 2015 and 2014 did not contain an adverse opinion or a disclaimer of opinion, and were not qualified or modified as to uncertainty, audit scope or accounting principles. During the fiscal years ended December 31, 2015 and 2014, and the subsequent interim period through May 5, 2016, there were no (i) "disagreements" (as that term is defined in Item 304(a)(1)(iv) of Regulation S-K) with AWC on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, which disagreements, if not resolved to AWC's satisfaction, would have caused AWC to make reference to the subject matter thereof in its reports for such fiscal years and interim period, or (ii) "reportable events" as that term is described in Item 304(a)(1)(v) of Regulation S-K.

On May 5, 2016, the Company engaged Centurion ZD CPA Limited ("CZD") (previously named as DCAW (CPA) Limited) as our new independent registered public accounting firm to audit the Company's financial statements for the fiscal year ended December 31, 2016

This was reported in a Current Report on Form 8-K filed with the Securities and Exchange Commission on May 6, 2016.

Item 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures, as defined in Rule 13a-15(e) and Rule 15d-15(e) promulgated under the Securities Exchange Act of 1934 (the "Exchange Act"), that are designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC, and that such information is accumulated and communicated to our management, including our chief executive officer and chief financial officer, as appropriate to allow timely decisions regarding required disclosure.

As of the end of the period covered by this report, our management, with the participation of our chief executive officer and chief financial officer (our principal executive officer, principal financial officer and principal accounting officer), carried out an evaluation of the effectiveness of our disclosure controls and procedures. Based upon this evaluation, and the material weaknesses outlined in our Management Report on Internal Control Over Financial Reporting, our management concluded that our disclosure controls and procedures were not effective.

Management's Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Under the supervision and with the participation of our management, including our chief executive officer and chief financial officer (our principal executive officer, principal financial officer and principal accounting officer), we conducted an evaluation of the effectiveness of our internal control over financial reporting as of December 31, 2016 using the criteria established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis. In our assessment of the effectiveness of internal control over financial reporting as of December 31, 2016, we determined that there were control deficiencies that constituted material weaknesses, as described below:

1. We do not have an audit committee or a financial expert on our board of directors – While not being legally obligated to have an audit committee, it is management’s view that such a committee, including a financial expert member, is an utmost important entity level control over our financial statements. Currently, the board of directors acts in the capacity of the audit committee, and does not include a member that is considered to be independent of management to provide the necessary oversight over management’s activities.
2. We did not implement appropriate information technology controls – As of December 31, 2016, we retain copies of all financial data and material agreements; however, there is no formal procedure or evidence of normal backup of our data or off-site storage of the data in the event of theft, misplacement or loss due to unmitigated factors.

Accordingly, we concluded that these control deficiencies resulted in a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis by our internal controls.

As a result of the material weaknesses described above, management has concluded that we did not maintain effective internal control over financial reporting as of December 31, 2016 based on criteria established in *Internal Control—Integrated Framework* issued by COSO.

Centurion ZD CPA Ltd., an independent registered public accounting firm, was not required to and has not issued a report concerning the effectiveness of our internal control over financial reporting as of December 31, 2016.

Continuing Remediation Efforts to Address Deficiencies in our Internal Control Over Financial Reporting

Once we are engaged in a business of merit and have sufficient personnel available, then our board of directors, in particular and in connection with the aforementioned deficiencies, will establish the following remediation measures:

1. Our board of directors will nominate an audit committee and audit committee financial expert.
2. We will implement formal procedures to ensure that appropriate backup of off-site storage of our data is implemented.

Changes in Internal Control

During the fiscal year ended December 31, 2016 there were no changes in our internal control over financial reporting (as defined in Rule 13a-15(e) and Rule 15d-15(e) under the Exchange Act) that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information

None.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

The following table sets forth the directors, executive officers, promoters and control persons, their ages, and all offices and positions held within our company as of December 31, 2016. Directors are elected for a period of one year and thereafter serve until their successor is duly elected by the stockholders and qualified. Officers and other employees serve at the will of the board of directors.

Name	Age	Position	Date First Elected or Appointed
Ho Kang-Wing	54	Chairman, Chief Executive Officer, President and Director	March 12, 2015
Yam Chi-Wah	54	Chief Financial Officer	March 12, 2015
He Jiaxian	30	Director	March 12, 2015
He Jingtian	62	Director	March 12, 2015
Tam Yuk-Ching	50	Director	March 12, 2015

Business Experience

The following is a brief account of the education and business experience during at least the past five years of each director, executive officer and key employee of our company, indicating the person's principal occupation during that period, and the name and principal business of the organization in which such occupation and employment were carried out.

Ho Kang-Wing – Chairman, Chief Executive Officer, President and Director

Since 1993 Ho Kang Wing has served and the managing director of Guangdong Dongrong Metal Products Co., Ltd., Foshan, Guangdong, China based company specializing in the design and production of metal and wood products. Under his direction Guangdong Dongrong has achieved annual revenues in excess of USD\$100,000,000. Mr. Ho has served on TransAKT's board of directors since July 2013. Mr. Ho has committed to help TransAKT to develop and promote our product mix in China and other Asian countries. He is 54 years of age and resides in Kowloon City, Hong Kong.

Yam Chi-Wah – Chief Financial Officer

Mr. Yam holds a BA (Honors) of Business Finance from Napier University of Edinburgh, and brings more than 20 years of industry experience in the accounting field. Prior to joining TransAKT Mr. Yam Served as financial controller of Legend Hardware Ltd. from 2006 to 2015, a company specializing in the manufacture, processing, and distribution of office & home furnishings.

He Jingtian – Director

In 1993 Mr. He Jingtian founded Guangdong Dongrong Metal Products Co., Ltd. He has served as general manager of Guangdong Dongrong since its inception. He is 62 years of age and resides in Shunde City, Guangdong, China.

He Jiaxian – Director

Mr. He Jiaxian obtained a Bachelors of Arts degree in International Economics and Trade from South China University of Technology in 2010, and a Master of Science in Management from Loughborough University (UK) in 2012. In 2013 he joined Guangdong Dongrong Metal Products Co., Ltd. as a project manager. He is also the founder and director of Guangdong Chuansuo Agricultural Science and Technology Co. Ltd. Mr. He is 30 years of age and resides in Shunde City, Guangdong, China.

Tam Yuk-Ching – Director

Since 2004 Ms. Tam Yuk Ching has served as the managing director of Legend Hardware Ltd., a Hong Kong based manufacturer of furniture hardware which employs over 2,500 workers at its 100,000 square meters factory in Foshan, China. Ms. Tam brings more than 20 years of experience in corporate finance and will assist the Company in all financing and capital raising activities in the future. She is 50 years of age and resides in Hong Kong.

Employment Agreements

We have no formal employment agreements with any of our employees, directors or officers.

Family Relationships

Our Chairman, Chief Executive Officer, President and Director, Mr. Ho Kang-Wing and our Director, He Jingtian, are brothers. Our Chairman, Chief Executive Officer, President and Director, Mr. Ho Kang-Wing and our Director, Ms Tam Yuk-Ching are married. Our Director, He Jiaxian is the son of Mr. He Jingtian. There are no other family relationships amongst our directors or officers.

Involvement in Certain Legal Proceedings

To the best of our knowledge, none of our directors or executive officers has, during the past ten years:

1. been convicted in a criminal proceeding or been subject to a pending criminal proceeding (excluding traffic violations and other minor offences);
2. had any bankruptcy petition filed by or against the business or property of the person, or of any partnership, corporation or business association of which he was a general partner or executive officer, either at the time of the bankruptcy filing or within two years prior to that time;
3. been subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction or federal or state authority, permanently or temporarily enjoining, barring, suspending or otherwise limiting, his involvement in any type of business, securities, futures, commodities, investment, banking, savings and loan, or insurance activities, or to be associated with persons engaged in any such activity;
4. been found by a court of competent jurisdiction in a civil action or by the SEC or the Commodity Futures Trading Commission to have violated a federal or state securities or commodities law, and the judgment has not been reversed, suspended, or vacated;

5. been the subject of, or a party to, any federal or state judicial or administrative order, judgment, decree, or finding, not subsequently reversed, suspended or vacated (not including any settlement of a civil proceeding among private litigants), relating to an alleged violation of any federal or state securities or commodities law or regulation, any law or regulation respecting financial institutions or insurance companies including, but not limited to, a temporary or permanent injunction, order of disgorgement or restitution, civil money penalty or temporary or permanent cease-and-desist order, or removal or prohibition order, or any law or regulation prohibiting mail or wire fraud or fraud in connection with any business entity; or
6. been the subject of, or a party to, any sanction or order, not subsequently reversed, suspended or vacated, of any self-regulatory organization (as defined in Section 3(a)(26) of the Exchange Act (15 U.S.C. 78c(a)(26)), any registered entity (as defined in Section 1(a)(29) of the Commodity Exchange Act (7 U.S.C. 1(a)(29)), or any equivalent exchange, association, entity or organization that has disciplinary authority over its members or persons associated with a member

Compliance with Section 16(a) of the Securities Exchange Act of 1934

Section 16(a) of the Securities Exchange Act of 1934 requires our executive officers and directors and persons who own more than 10% of our common stock to file with the Securities and Exchange Commission initial statements of beneficial ownership, reports of changes in ownership and annual reports concerning their ownership of our common stock and other equity securities, on Forms 3, 4 and 5 respectively. Executive officers, directors and greater than 10% shareholders are required by the SEC regulations to furnish us with copies of all Section 16(a) reports that they file.

Based solely on our review of the copies of such forms received by us, or written representations from certain reporting persons, we believe that during fiscal year ended December 31, 2016, all filing requirements applicable to our officers, directors and greater than 10% percent beneficial owners were complied with.

Code of Ethics

We have adopted a code of ethics as part of a broader “code of conduct”, which addresses ethical issues as well as broader corporate governance issues. Our code of conduct has been approved by our board of directors and is applicable to all our directors, officers, employees and consultants, including but not limited to our principle executive officer, our principal financial officer and principal accounting officer, and any persons performing similar functions. No amendments have been made or waivers granted in respect of any provision of our code of ethics during the most recently completed fiscal year.

In addition, we practice corporate governance in accordance with rules and regulations in Canada.

Corporate governance relates to the activities of our directors who are elected by and accountable to the shareholders and takes into account the role of management who are appointed by the board and who are charged with our on-going management. Our board of directors encourages sound corporate governance practices designed to promote our well being and on-going development, having always as its ultimate objective the best long-term interests of us and the enhancement of value for all shareholders. The board also believes that sound corporate governance benefits our employees and the communities in which we operate. The board is of the view that our corporate governance policies and practices, outlined in our code of ethics, are appropriate and substantially consistent with the guidelines for improved corporate governance in Canada as adopted by the Toronto Stock Exchange.

Board and Committee Meetings

Our board of directors held no formal meetings during the year ended December 31, 2016. All proceedings of the board of directors were conducted by resolutions consented to in writing by all the directors and filed with the minutes of the proceedings of the directors. Such resolutions consented to in writing by the directors entitled to vote on that resolution at a meeting of the directors are, according to the Alberta Corporations Act and our Bylaws, as valid and effective as if they had been passed at a meeting of the directors duly called and held.

Nomination Process

As of December 31, 2016, we did not effect any material changes to the procedures by which our shareholders may recommend nominees to our board of directors. Our board of directors does not have a policy with regards to the consideration of any director candidates recommended by our shareholders. Our board of directors has determined that it is in the best position to evaluate our company's requirements as well as the qualifications of each candidate when the board considers a nominee for a position on our board of directors. If shareholders wish to recommend candidates directly to our board, they may do so by sending communications to the president of our company at the address on the cover of this annual report.

Audit Committee

We have no formal audit committee, and thus, we have no audit committee financial expert. Our board is responsible for reviewing our financial reporting procedures, internal controls, and the performance of our auditors. Our board is also responsible for reviewing all disclosure with respect to financial matters prior to filing or release. Mr. Yam Chi-wah is our chief financial officer. Mr. Yam reports to our board in his capacity as chief financial officer.

Audit Committee Financial Expert

Our board of directors has determined that it does not have an audit committee and so have no audit committee member that qualifies as an "audit committee financial expert" as defined in Item 407(d)(5)(ii) of Regulation S-K.

Compensation Committee

We have no formal compensation committee. Our board determines the terms of the compensation packages provided to our senior executive officers, including salary, bonus and awards under our stock option plan and any other compensation plans that we may adopt in the future.

Corporate Governance Committee

We have no formal corporate governance committee. Our board meets with and discusses current disclosure issuances with our management personnel and with our legal counsel, in order to not only report any matters which should be the subject of either public disclosure or remedial action, but also to assist in establishing reporting and disclosure procedures to ensure that we are in compliance with our disclosure and compliance obligations under applicable laws, rules and obligations.

Item 11. Executive Compensation

The particulars of the compensation paid to the following persons:

- (a) our principal executive officer;
- (b) each of our two most highly compensated executive officers who were serving as executive officers at the end of the years ended December 31, 2016 and 2015; and
- (c) up to two additional individuals for whom disclosure would have been provided under (b) but for the fact that the individual was not serving as our executive officer at the end of the years ended December 31, 2016 and 2015,

who we will collectively refer to as the named executive officers of our company, are set out in the following summary compensation table, except that no disclosure is provided for any named executive officer, other than our principal executive officers, whose total compensation did not exceed \$100,000 for the respective fiscal year:

SUMMARY COMPENSATION TABLE									
Name and Principal Position	Year	Salary (\$)	Bonus (\$)	Stock Awards (\$)	Option Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	Change in Pension Value and Nonqualified Deferred Compensation Earnings (\$)	All Other Compensation (\$)	Total (\$)
Ho Kang Wing ⁽¹⁾ Chairman, Chief Executive Officer, President and Director	2016	89,230	Nil	Nil	Nil	Nil	Nil	Nil	89,230
	2015	66,923	Nil	Nil	Nil	Nil	Nil	Nil	66,923
Yam Chi-Wah ⁽²⁾ Chief Financial Officer	2016	23,076	Nil	Nil	Nil	Nil	Nil	Nil	23,076
	2015	17,308	Nil	Nil	Nil	Nil	Nil	Nil	17,308

(1)

(1) Mr. Ho Kang-Wing was appointed as chairman, chief executive officer, president and a director of our company on March 12, 2015.

(2) Mr. Yam Chi-Wah was appointed as chief financial officer of our company on March 12, 2015.

(1)

(1) There are no arrangements or plans in which we provide pension, retirement or similar benefits for directors or executive officers. Our directors and executive officers may receive share options at the discretion of our board of directors in the future. We do not have any material bonus or profit sharing plans pursuant to which cash or non-cash

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compensation is or may be paid to our directors or executive officers, except that share options may be granted at the discretion of our board of directors.

2014 Grants of Plan-Based Awards

There were no grants of plan based awards during the year ended December 31, 2016.

Outstanding Equity Awards at Fiscal Year End

There were no outstanding equity awards at the year ended December 31, 2016.

Option Exercises and Stock Vested

During our fiscal year ended December 31, 2016 there were no options exercised by our named officers.

Compensation of Directors

We do not have any agreements for compensating our directors for their services in their capacity as directors, although such directors are expected in the future to receive stock options to purchase shares of our common stock as awarded by our board of directors.

Pension, Retirement or Similar Benefit Plans

There are no arrangements or plans in which we provide pension, retirement or similar benefits for directors or executive officers. We have no material bonus or profit sharing plans pursuant to which cash or non-cash compensation is or may be paid to our directors or executive officers, except that stock options may be granted at the discretion of the board of directors or a committee thereof.

Indebtedness of Directors, Senior Officers, Executive Officers and Other Management

None of our directors or executive officers or any associate or affiliate of our company during the last two fiscal years, is or has been indebted to our company by way of guarantee, support agreement, letter of credit or other similar agreement or understanding currently outstanding.

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

The following table sets forth, as of April 17, 2017, certain information with respect to the beneficial ownership of our common shares by each shareholder known by us to be the beneficial owner of more than 5% of our common shares, as well as by each of our current directors and executive officers as a group. Each person has sole voting and investment power with respect to the shares of common stock, except as otherwise indicated. Beneficial ownership consists of a direct interest in the shares of common stock, except as otherwise indicated.

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership (Common Shares)	Percentage of Class⁽¹⁾
Ho Kang-Wing <i>President, Chief Executive Officer, and Director</i> 23 Sam Mun Tsai Road, The Beverly Hills Boulevard Du Lac, House 212, Tai Po, NT Hong Kong	71,250,000	53.37%
Tam Yuk-Ching Director 23 Sam Mun Tsai Road, The Beverly Hills Boulevard Du Lac, House 212, Tai Po, NT Hong Kong	1,400,000	1.05%
He Jingtian Director 11 Jinghong Road Hujing Garden Daliang Shunde 528300 Foshan Gd China	1,400,000	1.05%
He Jiaxian Director 11 Jinghong Road Hujing Garden Daliang Shunde 528300 Foshan Gd China	750,000	(2)
Yam Chi-Wah Chief Financial Officer Flat E 7/F Block 21 Laguna City Kwun Tong Kowloon, Hong Kong	125,000	(2)
<i>Directors and Executive Officers as a Group⁽¹⁾</i>	<i>74,925,000 Common Shares</i>	<i>56.12%</i>
Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership (Common Shares)	Percentage of Class⁽¹⁾
Au Yeung Kam-Hung Room 1306 Lai Ming House, Wah Ming Estate, Fanling, Hong Kong	36,401,666	27.26%
<i>Other holders of 5% or more</i>	<i>36,401,666 Common Shares</i>	<i>27.26%</i>

(1) Under Rule 13d-3, a beneficial owner of a security includes any person who, directly or indirectly, through any contract, arrangement, understanding, relationship, or otherwise has or shares: (i) voting power, which includes the power to vote, or to direct the voting of shares; and (ii) investment power, which includes the power to dispose or direct the disposition of shares. Certain shares may be deemed to be beneficially owned by more than one person (if, for example, persons share the power to vote or the power to dispose of the shares). In addition, shares are deemed to be beneficially owned by a person if the person has the right to acquire the shares (for example, upon exercise of an option) within 60 days of the date as of which the information is provided. In computing the percentage ownership of any person, the amount of shares outstanding is deemed to include the amount of shares beneficially owned by such person (and only such person) by reason of these acquisition rights. As a result, the percentage of outstanding shares of any person as shown in this table does not necessarily reflect the person's actual ownership or voting power with respect to the number of shares of common stock actually outstanding on April 17, 2017. As of April 17, 2017 there were 133,506,570 shares of our company's common stock issued and outstanding.

(2) Less than 1%

Changes in Control

We are unaware of any contract or other arrangement the operation of which may at a subsequent date result in a change in control of our company.

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

The Company's officers and shareholders have advanced funds to the Company for working capital purposes. The Company has not entered into any agreement on the repayment terms for these advances. The advance had been paid off during the year.

In 2013, the Company advanced funds bearing interest rate of 8% per annum from a shareholder in an aggregate amount of NTD 28,780,933, or equivalent to \$969,630. The Company has repaid both principal and interest during the same year. The interest expense of \$60,765 was recorded under other expense from continuing operations before income taxes.

In July, 2012, our Company issued 18,333,333 shares of common stock to our Former President, Mr. James Wu, in relation to our acquisition of Vegfab Agricultural Technology Co., Ltd. We agreed to pay Mr. Wu share compensation of 10% of the value of the acquisition that he secured for our Company. The aggregate value of the issuance was \$550,000, being 10% of the \$5,500,000 purchase price paid for the acquisition of Vegfab.

Except as disclosed herein, no director, executive officer, shareholder holding at least 5% of shares of our common stock, or any family member thereof, had any material interest, direct or indirect, in any transaction, or proposed transaction since the year ended December 31, 2016, in which the amount involved in the transaction exceeded or exceeds the lesser of \$120,000 or one percent of the average of our total assets at the year-end for the last three completed fiscal years.

Director Independence

We currently act with four directors, consisting of Ho Kang-Wing, He Jingtian, He Jiaxian, and Tam Yuk-Ching. We have not made any determination as to whether any of our directors are independent directors, as that term is used in Rule 4200(a)(15) of the Rules of National Association of Securities Dealers.

Item 14. Principal Accounting Fees and Services

The aggregate fees billed for the most recently completed fiscal year ended December 31, 2016 and for fiscal year ended December 31, 2015 for professional services rendered by the principal accountant for the audit of our annual financial statements and review of the financial statements included in our quarterly reports on Form 10-Q and services that are normally provided by the accountant in connection with statutory and regulatory filings or engagements for these fiscal periods were as follows:

	Year Ended	
	December 31, 2016	December 31, 2015
Audit Fees	\$21,000	\$35,000
Audit Related Fees	\$Nil	\$Nil
Tax Fees	\$Nil	\$Nil
All Other Fees	\$Nil	\$Nil
Total	\$21,000	\$35,000

Our board of directors pre-approves all services provided by our independent auditors. All of the above services and fees were reviewed and approved by the board of directors either before or after the respective services were rendered.

Our board of directors has considered the nature and amount of fees billed by our independent auditors and believes that the provision of services for activities unrelated to the audit is compatible with maintaining our independent auditors' independence.

PART IV

Item 15. Exhibits, Financial Statement Schedules

(a) Financial Statements

- (1) Financial statements for our company are listed in the index under Item 8 of this document
- (2) All financial statement schedules are omitted because they are not applicable, not material or the required information is shown in the financial statements or notes thereto.

(b) 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 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)

Exhibit Number	Description
10.10	Share Purchase and Sale Agreement dated January 4, 2013 with Pan Yen Chu (incorporated by reference from our Current Report on Form 8-K filed on January 14, 2013)
10.11	Share transfer agreement dated June 30, 2015 with James Wu and share transfer agreement between TransAKT Taiwan Ltd. And Peng Yuchi (incorporated by reference from our current report on form 8-K filed on July 6, 2015)
10.12	Form of Convertible Promissory Note and Securities Purchase Agreement (incorporated by reference from our current report on Form 8-K filed on July 19, 2016)
(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 (BVI) Ltd.(Wholly owned), a BVI company
21.2	TransAKT BIO Agritech Ltd. (Wholly owned), a Hong Kong company
(31)	Rule 13a-14(a)/15d-14(a) Certifications
31.1*	Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 of the Principal Executive Officer
31.2*	Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 of the Principal Financial Officer and Principal Accounting Officer
(32)	Section 1350 Certifications
32.1*	Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 of the Principal Executive Officer
32.2*	Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 of the Principal Financial Officer and Principal Accounting Officer
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, thereto duly authorized.

TransAKT Ltd.
(Registrant)

Dated: April 17, 2017

/s/ Ho Kang-Wing

Ho Kang-Wing
President, Chief Executive Officer, and Director
(Principal Executive Officer)

Dated: April 17, 2017

/s/ Yam Chi-Wah

Yam Chi-Wah
Chief Financial Officer
(Principal Financial Officer and Principal
Accounting Officer)

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

Dated: April 17, 2017

/s/ Ho Kang-Wing

Ho Kang-Wing
President, Chief Executive Officer, and Director
(Principal Executive Officer)

Dated: April 17, 2017

/s/ He Jingtian

He Jingtian
Director

Dated: April 17, 2017

/s/ He Jiaxian

He Jiaxian
Director

Dated: April 17, 2017

/s/ Tam Yuk-Ching

Tam Yuk-Ching
Director