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SINORAMA CORPORATION
CONSOLIDATED BALANCE SHEETS
(EXPRESSED IN US DOLLARS)

	September 30, 2016 (Unaudited)	December 31, 2015
Assets		
Current Assets:		
Cash and cash equivalents	\$ 3,285,140	\$ 3,265,776
Restricted cash	934,856	2,560,354
Short term investment	128,069	901,663
Accounts receivable	417,307	57,624
Amount due from related parties	1,976,669	655,853
Prepayments & deferred expenses	17,953,950	9,318,623
Other receivable	80,068	162,050
Total current assets	24,776,059	16,921,943
Long term deposits	2,112,619	2,079,926
Property and Equipment, net	230,647	149,675
Total assets	\$ 27,119,325	\$ 19,151,544
Liabilities and shareholders' equity		
Current Liabilities:		
Accounts payable and accrued liabilities	\$ 4,299,775	\$ 1,225,328
Customer deposits	19,090,432	13,353,708
Payroll payable	100,009	120,500
Amount due to related party	7,055,000	6,761,508
Taxes payable	12,499	1
Other payable	-	14,450
Total current liabilities	30,557,715	21,475,495
Total liabilities	\$ 30,557,715	\$ 21,475,495
Shareholders' deficit		
Common stock; \$0.001par value, 100,000,000 shares authorized; 11,000,000 and 11,000,000 and issued and outstanding at September 30, 2016 and December 31, 2015, respectively	11,000	11,000
Additional Paid-in capital	786,802	786,802
Accumulated deficit	(3,215,455)	(2,060,763)
Accumulated other comprehensive income	880,217	558,973
Total shareholders' deficit of the Company	(1,537,436)	(703,988)
Non-controlling interest	(1,900,954)	(1,619,963)
Total shareholders' deficit	(3,438,390)	(2,323,951)
Total liabilities and shareholders' deficit	\$ 27,116,325	\$ 19,151,544

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

SINORAMA CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)
(EXPRESSED IN US DOLLARS)
(Unaudited)

	Nine Months Ended	
	September 30,	
	2016	2015
Revenue:		
Asian Tours	\$ 41,390,673	\$ 19,207,577
Bus Tours	7,866,572	6,125,481
Third party product sales	5,680,878	5,430,249
Total revenue	54,938,123	30,763,307
Cost of Sales	49,070,761	27,610,469
Gross Profit	5,867,362	3,152,838
Operating costs and expenses:		
Salaries and employee benefits	2,788,733	1,870,556
Advertising and promotion	3,027,017	734,027
Rent and occupancy charges	229,670	182,889
Office and general	250,613	173,684
Bank charge and interest	983,460	711,219
Business taxes and licenses	5,410	21,489
Professional fees	104,327	137,348
Depreciation of property and equipment	28,494	27,124
Insurance	25,192	17,268
Other expense	4,870	6,023
Total operating costs and expenses	7,447,786	3,881,627
Losses from operations before other income and income taxes	(1,580,424)	(728,789)
Other income	51,299	29,883
Losses from operations before income taxes	(1,529,125)	(698,906)
Income tax	131,485	13,989
Net loss	(1,660,610)	(712,895)
Less: net loss attributable to non-controlling interests	(505,918)	(459,938)
Net loss attributable to the Company	\$ (1,154,692)	\$ (252,957)
Other comprehensive loss:		
Foreign currency translation adjustment	(546,171)	(213,407)
Foreign currency translation adjustment attributable to non-controlling interests	(224,927)	(39,775)
Foreign currency translation adjustment attributable to the Company	(321,243)	(173,632)
Comprehensive income/loss	\$ (1,114,439)	\$ (499,488)
Less: Comprehensive income/loss attributable to non-controlling interests	(280,991)	(420,163)
Comprehensive income/loss attributable to the Company	\$ (833,449)	\$ (79,325)
Basic and diluted earnings per share	\$ (0.11)	\$ (0.03)
Weighted average number of shares outstanding	11,000,000	9,798,148

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

SINORAMA CORPORATION
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' DEFICIT
(EXPRESSED IN US DOLLARS)

	Common Stock		Additional paid-in capital	Accumulated Deficit	Accumulated Other comprehensive Income	Non-Controlling Interest	Total Shareholders' deficit
	Shares	Amount					
Balance at January 1, 2015	<u>8,250,000</u>	<u>\$ 8,250</u>	<u>\$ 789,552</u>	<u>\$ (1,948,091)</u>	<u>\$ 192,153</u>	<u>\$ (1,098,012)</u>	<u>\$ (2,056,148)</u>
Net loss				(112,672)		(479,211)	(591,883)
June 3, 2015 Shares issued	2,750,000	2,750	(2,750)				-
Foreign currency translation adjustment					366,820	(42,740)	324,080
Balance at December 31, 2015	<u>11,000,000</u>	<u>\$ 11,000</u>	<u>\$ 786,802</u>	<u>\$ (2,060,763)</u>	<u>\$ 558,973</u>	<u>\$ (1,619,963)</u>	<u>\$ (2,323,951)</u>
Net loss	-	-		(1,154,692)	-	(505,918)	(1,660,610)
Foreign currency translation adjustment	-	-		-	321,244	224,927	546,171
Balance at September 30, 2016 (unaudited)	<u>11,000,000</u>	<u>\$ 11,000</u>	<u>\$ 786,802</u>	<u>\$ (3,215,455)</u>	<u>\$ 880,217</u>	<u>\$ (1,900,954)</u>	<u>\$ (3,438,390)</u>

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

SINORAMA CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(EXPRESSED IN US DOLLARS)
(UNAUDITED)

	Nine Months Ended September 30,	
	2016	2015
Cash Flows from Operating Activities		
Net loss	\$ (1,660,610)	(712,895)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:	-	-
Depreciation	28,494	27,124
Changes in operating assets and liabilities:		
Accounts receivable	(353,883)	(815)
Prepayments & deferred expenses	(8,815,114)	1,157,751
Other receivable	277,952	(144,690)
Due from related parties	(1,283,260)	463,286
Term deposits	54,175	(474,296)
Accounts payable and accrued liabilities	3,599,730	(8,538,610)
Customer deposits	5,082,395	11,819,446
Payroll Payable	(25,164)	34,459
Income taxes payable	12,406	(197,859)
Other payable	(15,136)	(794)
Due to related parties	(75,648)	(2,582,705)
Net cash used in (provided by) operating activities	(3,173,663)	849,402
Cash Flows from Investing Activities		
Short term investment	807,315	(232,802)
Purchases of property and equipment	(100,691)	(20,127)
Net cash (provided by) used in investing activities	706,624	(252,929)
Cash Flows from Financing Activities		
Credit card payable	-	(22,019)
Net cash used in financing activities	-	(22,019)
Effect of exchange rate fluctuation on cash and cash equivalents	860,905	(878,834)
Net decrease in cash and cash equivalents	(1,606,134)	(304,380)
Cash and cash equivalents, beginning of period	5,826,130	4,712,735
Cash and cash equivalents, ending of period	\$ 4,219,996	4,408,355
Supplemental disclosure of cash flow information		
Cash paid for income taxes	\$ (131,485)	\$ (13,989)
Cash paid for interest	\$ -	\$ -

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

SINORAMA CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(EXPRESSED IN US DOLLARS)
(UNAUDITED)

NOTE 1. NATURE OF OPERATIONS AND BASIS OF PRESENTATION

SINORAMA CORPORATION (the “Company” or “Sinorama”) was incorporated on June 30, 2016 under the laws of the United States and the State of Florida. The general nature of the business shall be to engage in any and all lawful business permitted under the laws of the United States and the State of Florida.

The Company’s subsidiaries include Sinorama Tours Co., Ltd., Simon Qian Voyages, Inc., Vacances Sinorama Inc., and Sinorama Voyages.

SINORAMA TOURS CO., LTD (“Sinorama Tours”), which is a privately held Limited Liability Company registered in Samoa on June 03, 2015. SINORAMA TOURS was authorized to issue 1,000,000 shares of a single class each with par value of \$1.00 per share to its shareholders, SINORAMA TOURS was issued 10,000 shares of a single class each with par value of \$1.00 per share to its shareholders.

Simon Qian Voyages Inc. (“Simon Qian Voyages”) was established on October 12, 2012 under the laws of Canada. Ms. JING Wenjia was 100% holding controlling interest of Simon Qian Voyages.

Vacances Sinorama Inc. (“Vacances Sinorama”), which was a privately held, for-profit travel producer and seller, incorporated in Montreal, Quebec, Canada on December 2004. Vacances Sinorama is a large integrated tour company providing Bus Tour, Asian Tour, Air Tickets, Hotel Reservation, Cruise and other solutions to its customers worldwide. Vacances Sinorama facilitate travel commerce with online and offline travel business, Vacances Sinorama is providing both business to customer (B2C) and business to business (“B2B”) travel commerce marketplace.

Sinorama Voyages (“Sinorama Voyages”) was a privately held, for-profit travel producer and seller, incorporated in Paris, France on February 2012, Mr. QIAN Hong owned 51% of Sinorama Voyages. Sinorama Voyages is an integrated travel company providing Bus Tour, Asian Tour, Air Tickets and other solutions to its customers worldwide. Sinorama Voyages facilitate travel commerce with online and offline travel business, Sinorama Voyages providing both business to customer (B2C) and business to business (“B2B”) travel commerce marketplace.

Reorganization

On June 30, 2016, the Company engaged in a corporate reorganization to roll several controlled entities (now referred to as the subsidiaries) into one legal corporation (the Company). The specific transactions related to this reorganization are outlined below. During the years presented in these financial statements, the control of the entities has never changed (always under the control of husband (Mr. QIAN Hong) and/or wife (Ms. JING Wenjia). Accordingly, the combination has been treated as a corporate restructuring (reorganization) of entities under common control and thus the current capital structure has been retroactively presented in prior periods as if such structure existed at that time and in accordance with ASC 805-50-45-5, the entities under common control are presented on a combined basis for all periods to which such entities were under common control. Since all of the subsidiaries were under common control for the entirety of the years ended December 31, 2014 and 2015, the results of these subsidiaries are included in the financial statements for both periods. Non-controlling interests in the subsidiaries are related parties and thus were not adjusted to fair value as a result of the reorganization.

The transactions leading up to and including the reorganization are as follows:

On December 31, 2014, Mr. QIAN Hong was holding 100% of controlling interest of Vacances Sinorama. Mr. QIAN Hong transferred 66.67% of controlling interest to Simon Qian Voyages. Therefore, 66.67% of Vacances Sinorama is owned by Simon Qian Voyages owns and 33.33% is owned by Mr. QIAN Hong.

On May 09, 2016 QIAN Hong transferred 51% controlling interest of Sinorama Voyages to Sinorama Tours Co., Ltd.

On June 09, 2016, the sole Shareholder of Simon Qian Voyages Inc. Ms. JING Wenjia has transferred 100% controlling interest to Sinorama Tours Co., Ltd.

On June 30, 2016, the Company issued a total of 11,000,000 shares of its common stock, par value \$0.001(the Sinorama Corporation shares) to the shareholders of Sinorama Tours Co., Ltd (“Sinorama Tours”), a company which was incorporated in Samoa on June 03, 2015, in exchange for 100% of Sinorama Tours Co., Ltd shares owned by the shareholders. Upon this completion of this transaction, all the shareholders had exchanged 100% of their shares for the shares of Sinorama, Sinorama Tours become a 100% owned subsidiary of Sinorama.

Sinorama, Sinorama Tours, Simon Qian Voyages, Vacances Sinorama and Sinorama Voyages are collectively referred as the “Group”.

Basis of presentation

The Company's consolidated financial statements are expressed in U.S. Dollars and are presented in accordance with the United States generally accepted accounting principles ("U.S. GAAP") and the rules and regulations of the Securities and Exchange Commission ("SEC").

Principles of consolidation

The consolidated financial statements include the accounts of the Company and its subsidiaries. All inter-company transactions and balances have been eliminated in consolidation. Non-controlling interests represent the equity interest in Vacances Sinorama and Sinorama Voyages that are not attributable to the Company. Non-controlling interest is reported in the consolidated financial position within equity, separately from the Company's equity and that net income or loss and comprehensive income or loss are attributable to the Company's and the non-controlling interest.

SINORAMA CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(EXPRESSED IN US DOLLARS)

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of estimates

The preparation of audited consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting periods. Management makes these estimates using the best information available at the time the estimates are made; however actual results could differ from those estimates. Significant items subject to such estimates and assumptions include valuation allowances for receivables and recoverability of carrying amount and the estimated useful lives of long-lived assets. These estimates are often based on complex judgments and assumptions that management believes to be reasonable but are inherently uncertain and unpredictable. Actual results could differ from these estimates.

Reclassification

The comparative figures have been reclassified to conform to current year presentation.

Revenue recognition

The Group's revenues are primarily derived from sale of our self-developed products, including Bus Tour Products and Asian Tour Products and the group is also selling Third Party Products (Air tickets/hotel and etc). Revenue is recognized only when the persuasive evidence of an arrangement exists, the service has been performed, the price is fixed or determinable, and the collectability of the related fee is reasonably assured in accordance with ASC 605, Revenue Recognition, or ASC 605. Specifically, contracts are signed to establish significant terms such as the price and specific services to be provided. The Group assesses the creditworthiness of our customers prior to signing the contracts to ensure collectability is reasonably assured. Non-refundable payments received before all of the relevant criteria for revenue recognition are satisfied are recorded as customer advances and deposits.

Bus Tour Products Sales

Revenues from bus tours are recognized when customers depart from the trips. Revenues from bus tour services are recognized on gross basis, which represent amounts charged to and received from customers, as the Group is the primary obligor in the arrangement and bear the risks and rewards, including the customers' acceptance of products and services delivered.

Asian Tour Products Sales

The Company recognize Asian tour services revenues and other travel-related services such as visa processing services on the date that tours or the flights departure, provided that evidence of an arrangement exists, the fees are fixed and determinable, no significant obligations remain at the end of the period, and collection of the resulting receivable is reasonably assured. The full payment needs to be paid before flights departure.

Third Party Products Sales

Revenue from sales of the third party products reservations is recognized at the time of the booking of the reservation, the third party products sales are non-refundable. The third party products are normally derived from air ticket, hotel reservation, cruise, insurance and so on.

SINORAMA CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(EXPRESSED IN US DOLLARS)

NOTE 2. SUMMARIES OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUING)

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and bank deposits and other liquid investments, which are unrestricted as to withdrawal and use. All highly liquid investments with original stated maturity of three months or less are classified as cash equivalents. Cash and cash equivalents approximates or equals fair value due to their short term nature. The Group's cash and cash equivalents consist of cash on hand and cash in bank, including bank term deposits. As of September 30, 2016, and December 31, 2015, the cash on hand and cash in bank were \$1,977,295 and \$1,844,904, respectively. As of September 30, 2016, and December 31, 2015, the term deposits for IATA were \$183,992 and \$8,672, respectively, the interest rate were between 0.3% and 0.95%, and maturity was three months or less. As of September 30, 2016, and December 31, 2015, the short term deposits for Credit Du North were \$1,123,854 and \$1,412,200, respectively, the interest rate was Nil, and maturity was three months or less. Therefore, the total cash and cash equivalents, as of September 30, 2016 and December 31, 2015, were \$3,285,140 and \$3,265,776 respectively.

Restricted cash

In accordance with the Quebec Consumer Protection Act and the Travel Agents Act, the Company is required to deposit into trust certain customer deposits until suppliers are paid for their services. The company can access the trust account only to administer it as trustee, cannot use funds from this account for personal or corporate purposes until the supplier is paid. As of September 30, 2016, and December 31, 2015, the restricted cash in the trust account was \$934,856 and \$2,560,354, respectively.

Short term investments

Short-term investments are comprised of investments in financial products issued by banks or other financial institutions, which contain a fixed or variable interest rate and a term to maturity of greater than 3 months but less than 12 months. Such investments are generally not permitted to be redeemed early or are subject to non interest for redemption prior to maturity. The Company classifies these investments as held-to-maturity as it has both the positive intent and ability to hold them until maturity. These investments are classified as short-term investments based on the maturity date. The short term investments maturities are exceeding three months. As of September 30, 2016 and December 31, 2015, the short term investments were \$128,069 and \$901,663, respectively, the interest rate were between 0.65% to 1.50%, the maturity was exceeding three months.

Fair Value Measurement

The Company applies the provisions of ASC Subtopic 820-10, Fair Value Measurements, for fair value measurements of financial assets and financial liabilities and for fair value measurements of nonfinancial items that are recognized or disclosed at fair value in the financial statements. ASC 820 also establishes a framework for measuring fair value and expands disclosures about fair value measurements.

Fair value is defined as the price that would be received when selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In determining the fair value for the assets and liabilities required or permitted to be recorded, the Company considers the principal or most advantageous market in which it would transact and it considers assumptions that market participants would use when pricing the asset or liability.

ASC 820 establishes a fair value hierarchy that requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. ASC 820 establishes three levels of inputs that may be used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

Level 1: Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2: Quoted prices in markets that are not active, or inputs that is observable, either directly or indirectly, for substantially the full term of the asset or liability;

Level 3: Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

There were no transfers between level 1, level 2 or level 3 measurements for the nine months ended September 30, 2016 and 2015.

Financial assets and liabilities of the Company primarily comprise of cash and cash equivalents, restricted cash, accounts receivable, amount due from related parties, other receivable, accounts payable, short-term loan, payroll payable, amount due to related party and other payable. As at September 30, 2016 and December 31, 2015, the carrying values of these financial instruments approximated to their fair values due to the short-term maturity of these instruments.

SINORAMA CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(EXPRESSED IN US DOLLARS)

Accounts receivable

Accounts receivable are recognized and carried at original invoiced amount less an allowance for any potential uncollectible amounts. An estimate for doubtful debts is made when the collection of the full amount is no longer probable. Bad debts are written off as incurred.

The Company maintains allowances for doubtful accounts for estimated losses resulting from the failure of customers to make payments on time. The Company reviews the accounts receivable on a periodic basis and makes allowances when there is doubt as to the collectability of individual balances. In evaluating the collectability of individual receivable balances, the Company considers many factors, including the age of the balance, the customer's historical payment history, its current credit-worthiness and current economic trends.

As of September 30, 2016 and December 31, 2015, the Company experienced nil and nil bad debts, respectively.

Property and equipment

Property and equipment are stated at cost. Computer Equipment, Furniture & Fixtures and Office Equipment are depreciated using the declining balance depreciation method basis reflective of the useful lives of the assets. Leasehold Improvement are stated at cost and are depreciated using the straight-line method over the shorter of the estimated useful lives of the asset or the term of the related lease, as follows:

Computer Equipment	Declining Balance Method at rate 30% per year
Furniture & Fixtures	Declining Balance Method at rate 20% per year
Office Equipment	Declining Balance Method at rate 20% per year
Leasehold Improvement	10 years

Repair and maintenance costs are charged to expenses as incurred, whereas the cost of renewals and betterment that extends the useful lives of property and equipment is capitalized as additions to the related assets. Retirements, sales and disposals of assets are recorded by removing the cost and accumulated depreciation from the assets and accumulated depreciation accounts with any resulting gain or loss reflected in the consolidated statements of comprehensive loss.

Functional currency and foreign currency translation

As of September 30, 2016, and December 31, 2015, all foreign subsidiaries use the local currency of their respective countries as their functional currency, which is the U.S. Dollars for Sinorama and Sinorama Tours, and the Canadian dollar ("Canada dollar") for Simon Qian Voyages and Vacances Sinorama and the Euro ("€") for Sinorama Voyages.

The Company's reporting currency is U.S. dollars. Assets and liabilities of Simon Qian Voyages, Vacances Sinorama and Sinorama Voyages are translated into U.S. dollars at the exchange rates set forth in the Bank of Canada at the balance sheet dates, revenues and expenses are translated into U.S. dollars at average exchange rates set forth in the Bank of Canada for the reporting periods. Gains and losses resulting from translation are recorded as a component of accumulated other comprehensive income (loss).

Realized gains and losses from foreign currency transactions are recognized as gain or loss on foreign currency in the consolidated statements of operations.

The exchange rates used for foreign currency translation are as follows:

		September 30, 2016 (CAD to USD/EUR to USD)	September 30, 2015 (CAD to USD/EUR to USD)
Assets and liabilities	period end exchange rate	0.7624/1.1239	0.7493/1.1203
Revenue and expenses	period weighted average	0.7568/1.1163	0.7937/1.1143

SINORAMA CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(EXPRESSED IN US DOLLARS)

NOTE 2. SUMMARIES OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUING)

Income taxes

The Company adopts FASB ASC Topic 740, "Income Taxes," which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred income taxes are recognized for the tax consequences in future years of differences between the tax bases of assets and liabilities and their financial reporting amounts at each period end based on enacted tax laws and statutory tax rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established, when necessary, to reduce deferred tax assets to the amount expected to be realized.

In July 2006, the FASB issued FIN 48(ASC 740-10), Accounting for Uncertainty in Income Taxes-An Interpretation of FASB Statement No. 109 (ASC 740), which requires income tax positions to meet a more-likely-than-not recognition threshold to be recognized in the financial statements. Under FIN 48(ASC 740-10), tax positions that previously failed to meet the more-likely-than-not threshold should be recognized in the first subsequent financial reporting period in which that threshold is met. Previously recognized tax positions that no longer meet the more-likely-than-not threshold should be derecognized in the first subsequent financial reporting period in which that threshold is no longer met.

The application of tax laws and regulations is subject to legal and factual interpretation, judgment and uncertainty. Tax laws and regulations themselves are subject to change as a result of changes in fiscal policy, changes in legislation, the evolution of regulations and court rulings. Therefore, the actual liability may be materially different from our estimates, which could result in the need to record additional tax liabilities or potentially reverse previously recorded tax liabilities or deferred tax asset valuation allowance.

As a result of the implementation of FIN 48 (ASC 740-10), the company made a comprehensive review of its portfolio of tax positions in accordance with recognition standards established by FIN 48 (ASC 740-10). The Company recognized no material adjustments to liabilities or shareholder's equity as a result of the implementation. The adoption of FIN 48 did not have a material impact on the Company's unaudited consolidated financial statements.

The Company income tax was \$131,485 and 13,989 for the nine months ended September 30, 2016 and 2015, respectively.

Earnings per share

The Company computes earnings per share ("EPS") in accordance with ASC 260, Earnings Per Share. ASC 260 requires companies with complex capital structures to present basic and diluted EPS. Basic EPS is measured as net income divided by the weighted average common shares outstanding during the period.

Diluted EPS is similar to basic EPS but presents the dilutive effect on a per share basis of contracts to issue ordinary common shares (e.g., convertible securities, options and warrants) as if they had been converted at the beginning of the periods presented, or issuance date, if later. The computation of diluted EPS includes the estimated impact of the exercise of contracts to purchase common stocks using the treasury stock method and the potential shares of converted common stock associated with the convertible debt using the if-converted method. Potential common shares that have an anti-dilutive effect (i.e., those that increase earnings per share or decrease loss per share) are excluded from the calculation of diluted EPS.

Comprehensive Income (Loss)

Comprehensive income (loss) is comprised of net income (loss) and other comprehensive income (loss). Other comprehensive income (loss) includes unrealized gains or losses resulting from translating Simon Qian Voyages, Vacances Sinorama and Sinorama Voyages' functional currency, the Canadian dollar and Euro dollar to its reporting currency, U.S. dollar.

SINORAMA CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(EXPRESSED IN US DOLLARS)

Segment Reporting

Segment Information and Geographic Data

The Company reports segment information based on the “management” approach. The management approach designates the internal reporting used by management for making decisions and assessing performance as the source of the Company’s reportable operating segments.

The Company manages its business primarily on a geographic basis. The Company’s reportable operating segments consist of the Vacances Sinorama (Canada) and Sinorama Voyages (France). Although each reportable operating segment provides similar travel products and similar services, they are managed separately to better align with the location of the Company’s customers and distribution partners and the unique market dynamics of each geographic region. The accounting policies of the various segments are the same as those described in Note 2, “Summary of Significant Accounting Policies” of the Notes to Consolidated Financial Statements in this report.

The Company evaluates the performance of its reportable operating segments based on net sales and operating income. Net sales for geographic segments are generally based on the location of customers and sales through the Company’s office located in those geographic locations. Operating income for each segment includes net sales to third parties, related cost of sales and operating expenses directly attributable to the segment. Advertising expenses and salaries and employee benefits are generally included in the geographic segment in which the expenditures are incurred. Operating income for each segment excludes other income and expense and certain expenses managed outside the reportable operating segments. Costs excluded from segment operating income include income taxes and foreign currency translation adjustment. The Company does not include intercompany transfers between segments for management reporting purposes.

The following table shows information by reportable operating segment for the nine ended September 30, 2016 and 2015:

	The Nine Months Ended September 30,	
	2016	2015
	(unaudited)	(unaudited)
Vacances Sinorama (Canada)		
Net sales	\$ 43,335,919	\$ 22,056,280
Operating income	(1,807,596)	717,013
Sinorama Voyages (France):		
Net sales	11,602,204	8,707,027
Operating income	227,172	(1,445,802)

A reconciliation of the Company’s segment operating income to the Consolidated Statements of Operations for the nine months ended September 30, 2016 and 2015:

	The Nine Months Ended September 30,	
	2016	2015
	(unaudited)	(unaudited)
Segment operating loss	\$ (1,529,125)	\$ (698,906)
Income tax expense	131,485	13,989
Foreign currency translation adjustment	(546,171)	(213,407)
Total operating income	\$ (1,114,439)	\$ (499,488)

SINORAMA CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(EXPRESSED IN US DOLLARS)

Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk are cash and cash equivalents, restricted cash, accounts receivable, prepayments and deferred expenses and other receivables arising from its normal business activities. The carrying amounts of these financial instruments represent the maximum amount of loss due to credit risk. The deposits placed with financial institutions are not protected by statutory or commercial insurance. In the event of bankruptcy of one of these financial institutions, the Company may be unlikely to claim its deposits back in full. Management believes that these financial institutions are of high credit quality and continually monitors the credit worthiness of these financial institutions. The Company places its cash in what it believes to be credit-worthy financial institutions. The Company has a diversified customer base. The majority of sales are cash receipt in advance. For those credit sales, the Company routinely assesses the financial strength of its customers and, based upon factors surrounding the credit risk, establishes an allowance, if required, for uncollectible accounts and, as a consequence, believes that its accounts receivable credit risk exposure beyond such allowance is limited.

Recently accounting pronouncements

In August 2014, the FASB issued an accounting standard update that requires management to perform interim and annual assessments of an entity's ability to continue as a going concern within one year of the date the financial statements are issued and provides guidance on determining when and how to disclose going concern uncertainties in the financial statements. Certain disclosures will be required if conditions give rise to substantial doubt about an entity's ability to continue as a going concern. This accounting standard update applies to all entities and is effective for the annual period ending after December 15, 2016, and for annual periods and interim periods thereafter, with early adoption permitted. This accounting standard update will be effective for the Company on January 1, 2017. The adoption of this accounting standard update is not expected to have a material impact on the Company's consolidated results of operations, financial position or cash flows.

In April 2015, the FASB issued ASU 2015-03, Interest- Imputation of Interest, which requires that debt issuance costs related to a recognized debt liability be presented in the balance sheet as a direct deduction from the carrying amount of that debt liability. The new standard is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2015. Early adoption is permitted. This accounting standard update will be effective for the Company on January 1, 2017. The adoption of this standard is not expected to have a material impact on the Company's consolidated statement of financial position.

In November 2015, the FASB issued ASU No. 2015-17, "Income Taxes (Topic 740): Balance Sheet Classification of Deferred Taxes" ("ASU 2015-17"), which simplifies the presentation of deferred income taxes by requiring deferred tax assets and liabilities be classified as noncurrent on the balance sheet. ASU 2015-17 is effective for annual and interim periods beginning after December 15, 2016 and early adoption is permitted. The group early adopted the new standard on a retrospective basis as of December 31, 2015. The early adoption has no impact on the consolidated financial statements as there was a fully valuation allowance on the deferred tax assets.

In January 2016, the FASB issued ASU 2016-01 Financial Instruments Overall (Subtopic 825-10) Recognition and Measurement of Financial Assets and Liabilities. ASU 2016-01 amends the guidance in US GAAP on classification, measurement and disclosure of financial instruments. It revises an entity's accounting related to: 1) classification and measurement of investments in equity securities; 2) presentation of certain fair value changes for financial liabilities measured at fair value; and, 3) amends disclosure requirements associated with the fair value of financial instruments. ASU 2016-01 is effective for years beginning after December 15, 2017 and early adoption is permitted. The adoption of ASU 2016-01 is not expected to have a material effect on the Company's consolidated financial statements.

In February 2016, the FASB issued ASU 2016-02 Leases (Topic 842). ASU 2016-02 establishes new guidance for the recording and disclosure of assets and liabilities that arise from leasing activity. ASU 2016-02 will require most lessees to record lease assets and lease liabilities that arise from leases on the statement of financial condition and disclose qualitative and quantitative information related to lease transactions such as variable lease payments and options to renew and terminate leases. ASU 2016-02 is effective for years beginning after December 18, 2018 and early adoption is permitted. The Company is evaluating ASU 2016-02 to determine its impact, if any, on the consolidated financial statements.

In March 2016, the FASB issued ASU No. 2016-08, Revenue from Contracts with Customers (Topic 606): Principal versus Agent Considerations (Reporting Revenue Gross versus Net). The amendment in this update affect entities with transactions included within the scope of Topic 606, The scope of that Topic includes entities that enter into contracts with customers to transfer goods or services (that are an output of the entity's ordinary activities) in exchange for consideration. The amendments are intended to improve the operability and understandability of the implementation guidance on principal versus agent considerations. In April 2016, the FASB issued ASU No. 2016-10, The amendments in ASU 2016-10 provide more detailed guidance, including additional implementation guidance and examples in the following key areas: 1) identifying performance obligations and 2) licenses of intellectual property. In May 2016, the FASB issued ASU No. 2016-12 a proposed Update, Revenue from Contracts with Customers (Topic 606): Narrow-Scope Improvements and Practical Expedients, on September 30, 2015. The amendments do not change the core principles of the standard, but clarify the guidance on assessing collectability, presenting sales taxes, measuring noncash consideration and certain transition matters. This update becomes effective concurrently with ASU

No. 2014-09. The Company is currently evaluating the effect of this new standard, including the transition method, to determine the impact on the Company's consolidated financial position, results of operations, cash flows, or related disclosures.

As of October 31, 2016, except for the above, there are no recently issued accounting standards not yet adopted that would have a material effect on the Company's financial statements.

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NOTE 3. PREPAYMENTS & DEFERRED EXPENSES

Our travel suppliers require prepayments for reserving tour availabilities. The prepayment is record in prepayments and deferred expenses on the consolidated balance sheets. Deferred expenses include prepaid insurance and advertising fees. The Company prepayments and deferred expenses for reserving tour availabilities were \$17,794,570 and \$9,134,229 as of September 30, 2016 and December 31, 2015, respectively. The Company prepayments and deferred expenses for income tax were \$159,380 and \$184,394 as of September 30, 2016 and December 31, 2015, respectively.

NOTE 4. OTHER RECEIVABLE

At September 30, 2016 and December 31, 2015, other receivable consists of the following:

	September 30, 2016 (Unaudited)	December 31, 2015
Value Added Tax	79,860	162,050
Others	208	-
Total taxes and other receivable	\$ 80,068	\$ 162,050

NOTE 5. LONG TERM DEPOSITS

Long term deposits are the deposits made by the Company held at third institutions for operation purposes. The Company has \$1,123,854 air ticket security deposit with CAGEP, who is a member of the International Air Transport Association (IATA), CAGEP has the license to sale the air ticket to Sinorama Voyages. As of September 30, 2016, and December 31, 2015, the Company has \$660,707 and \$626,129 security deposits with JP Morgan Chase, which is the security deposit for credit card usage without any interest. As of September 30, 2016, and December 31, 2015, the Company has \$17,532 and nil insurance deposit with GROUPAMA as security, without any interest. As of September 30, 2016, and December 31, 2015, the Company has \$nil and \$272,113 bank deposit with Bank of China Paris Branch as travel company bankruptcy guarantee, without any interest. As of September 30, 2016, and December 31, 2015, the Company has \$171,540 and \$54,188 deposit with OPC as travel company bankruptcy guarantee, without any interest.

NOTE 6. PROPERTY AND EQUIPMENT, NET

At September 30, 2016 and December 31, 2015, property and equipment, at cost, consist of:

	September 30, 2016 (Unaudited)	December 31, 2015
Computer equipment	\$ 20,571	\$ 16,391
Furniture & Fixture	5,823	5,518
Office equipment	81,950	77,662
Leasehold Improvement	351,360	240,026
Total property and equipment at cost	459,704	339,597
Accumulated depreciation	(229,057)	(189,922)
Total property and equipment, net	\$ 230,647	\$ 149,675

The Company recorded depreciation expense of \$28,494 and \$27,124 for the nine months ended September 30, 2016 and 2015, respectively.

NOTE 7. CUSTOMER DEPOSITS

Customer deposits are the deposits made by all customers for reservation or the full payment must be paid by either check, debit card, credit card or cash before it can be confirmed. Customers must settle the total of all sums (due three months before departure). Otherwise, The Company reserves the right to cancel the reservation and retain the full amount of the initial deposit. Cancellation of a reservation can only be made through the Company as the following conditions will apply: more than 90 days prior to the departure date: 50% refund of the balance per-person, including taxes and service charge. If its marked "Final Sale", which is non-refundable, nor changeable, nor transferable, whenever the purchase is made. Customer deposits are recognized as revenue on departure date, when services are provided to the customers. Customer deposits from all customers were \$19,090,432 and \$13,353,708 as of September 30, 2016 and December 31, 2015, respectively, and were recorded as a current liability in the consolidated balance sheets.

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NOTE 8. NON-CONTROLLING INTERESTS

Vacances Sinorama Inc. and Sinorama Voyages are the Company's majority-owned subsidiary which is consolidated in the Company's financial statements with a non-controlling interest recognized.

33.33% of Vacances Sinorama interest held by QIAN Hong is subjecting to non-controlling interest ("NCIs"), which was stated under ASC810-10-45, the ownership interest in the subsidiary that are held by owners other than the parent is a non-controlling interest. 66.67% of Vacances Sinorama interest held by Simon Qian Voyages Inc.

39% of Sinorama Voyages interest held by YANG Ming, 10% of Sinorama Voyages interest held by ZHAO Hongxi is subjecting to non-controlling interest, which was stated under ASC810-10-45, the ownership interest in the subsidiary that are held by owners other than the parent is a non-controlling interest. 51% of Sinorama Voyages interest held by Sinorama Tours.

According to ASC 810-10-50 requirements, the group have separately disclosed amounts attributable to shareholders' equity and NCIs in the financial statements. As of September 30, 2016, and December 31, 2015, NCI in the consolidated balance sheet was \$(1,900,954) and \$(1,619,963), respectively. For the nine months ended September 30, 2016, the comprehensive income attributable to shareholders' equity and NCIs is \$(833,449) and \$(280,991), respectively. For the nine months ended September 30, 2015, the comprehensive income attributable to shareholders' equity and NCI is \$(79,325) and \$(420,163), respectively.

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NOTE 9. RELATED PARTY TRANSACTIONS

Amount due from related parties

Amount due from related parties consisted of the following as of the periods indicated:

	September 30, 2016 (Unaudited)	December 31, 2015
Name of related parties		
Sinorama Reisen GmbH,	\$ 823,331	\$ 600,502
Sinorama Group LLC	1,382	807
Sinorama Holiday Limited	1,009,867	-
Sinorama Corporation	80,125	-
9270 - 5177 Quebec Inc.	71	-
ZHAO Hongxi	6,403	4,496
QIAN Hong & JING Wenjia	51,243	42,344
YANG Ming	2,547	6,004
Shareholders (SAMOA)	1,700	1,700
Total	\$ 1,976,669	\$ 655,853

As of September 30, 2016, and December 31, 2015, the Company has a balance due from Sinorama Reisen GmbH, which is 65% owned by the Chief Executive Officer (JING Wenjia) of the Company, of \$823,331 and \$600,502, respectively. The amount is the prepayment for the supplier in China, in order to reserving tour availabilities. The prepayment was non-interest bearing, payable on demand.

As of September 30, 2016, and December 31, 2015, the Company has a balance due from Sinorama Group LLC., which is 100% owned by the Chairman (QIAN Hong) of the Company, of \$1,382 and \$807, respectively.

As of September 30, 2016, and December 31, 2015, the Company has a balance due from Sinorama Holiday Limited, which is 51% owned by the Chairman (QIAN Hong) of the Company, of \$1,009,867 and Nil, respectively. The prepayment was to vendor in China for reserving tour availabilities. The prepayment was non-interest bearing, payable on demand.

As of September 30, 2016, and December 31, 2015, the Company has a balance due from Sinorama Corporation, which is 75% by the Chief Executive Officer (JING Wenjia) of the Company, of \$80,125 and \$nil, respectively. The amount is the prepayment for the supplier, the prepayment was non-interest bearing, payable on demand.

As of September 30, 2016, and December 31, 2015, the Company has a balance due from 9270 - 5177 Quebec Inc, which is 100% by the Chief Executive Officer (JING Wenjia) of the Company, of \$71 and \$nil, respectively. The amount is the prepayment for the supplier, the prepayment was non-interest bearing, payable on demand.

As of September 30, 2016, and December 31, 2015, the Company has a balance due from ZHAO Hongxi, who is the Director of the Company, of \$6,403 and \$4,496. The amount was temporary borrowing from Sinorama voyages, and Sinorama Tours, it was non-interest bearing and due on demand. As of November 07, 2016, the Company has received the balance due from ZHAO Hongxi.

As of September 30, 2016, and December 31, 2015, the Company has a balance due from QIAN Hong, who is the Chairman of the Company, and JING Wenjia, who is the Chief Executive Officer of the Company, of \$51,243 and \$42,344. These amounts were temporary borrowing from Sinorama voyages, and Sinorama Tours, it was non-interest bearing and due on demand. As of November 07, 2016, the Company has received the balance due from QIAN Hong.

As of September 30, 2016, and December 31, 2015, the Company has a balance due from YANG Ming, who is one shareholder of the Company, of \$2,547 and \$6,004. It was temporary borrowing from Sinorama voyages, and Sinorama Tours, without interest bearing and due on demand. As of October 14, 2016, the Company has received the balance due from YANG Ming.

As of September 30, 2016, and December 31, 2015, the shareholders of SAMOA owed Sinorama Tours \$1,700 and \$1,700 for paid-in capital respectively. As of October 18, Sinorama Tours has received the balance from all shareholders.

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Amount due to related parties

Amount due to related parties consisted of the following as of the periods indicated:

Name of related parties	September 30, 2016 (Unaudited)	December 31, 2015
Sinorama Holiday Limited	\$ -	\$ 33,050
Sinorama Travel Vancouver Inc.	4,790,021	5,993,970
Sinorama Holiday Inc.	2,257,149	734,488
QIAN Hong and JING Wenjia	7,830	-
Total	\$ 7,055,000	\$ 6,761,508

As of September 30, 2016, and December 31, 2015, the Company has a balance due to Sinorama Holiday Limited, of Nil and \$33,050, respectively. The amount was prepayment for securing tour availabilities to the supplier in China, without interest charge and it was due on demand.

As of September 30, 2016, and December 31, 2015, the Company has a balance due to Sinorama Travel Vancouver Inc., which is 51% owned by the Chairman (QIAN Hong) of the Company, of \$4,790,021 and \$5,993,970, respectively. The supplier in China is required us to pay in advance, in order to booking tour availabilities. The amount was non-interest bearing; it was due on demand.

As of September 30, 2016, and December 31, 2015, the Company has a balance due to Sinorama Holiday Inc., which is 40% owned by the Chairman (QIAN Hong) of the Company, 20% owned by the Chief Executive Officer (JING Wenjia) of the Company, of \$2,257,149 and \$734,488, respectively. It was the payment made to vendor in China, to reserving tour availabilities. It was due on demand, without interest.

As of September 30, 2016, and December 31, 2015, the Company has balance due to the Chairman (QIAN Hong) and the Chief Executive Officer (JING Wenjia) of the Company, of \$7,830 and Nil, respectively. It was a temporary borrowing between the company and the management. The amount was non-interest bearing; it was due on demand.

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NOTE 10. Basic and Diluted Earnings Per Share

Basic net income per share is computed using the weighted average number of common shares outstanding during the period. Diluted net income per share is computed using the weighted average number of common shares and, if dilutive, potential common shares outstanding during the period. Potential common shares comprise shares issuable upon the exercise of share based awards, using the treasury stock method. The reconciliation of the numerators and denominators of the basic and diluted earnings per share computations for income from continuing operations is shown as follows:

	<u>Nine Months Ended September 30,</u>	
	<u>2016</u>	<u>2015</u>
	<u>(Unaudited)</u>	<u>(Unaudited)</u>
Numerator:		
Net income available to common stockholders	\$ (1,154,692)	\$ (252,957)
Denominator:		
Basic and diluted weighted-average number of shares outstanding	11,000,000	9,798,148
Net income per share:		
Basic and diluted	\$ (0.11)	\$ (0.03)

NOTE 11. CONTINGENCIES AND COMMITMENT

Certain conditions may exist as of the date the consolidated financial statements are issued, which may result in a loss to the Company but which will only be resolved when one or more future events occur or fail to occur. The Company's management and legal counsel assess such contingent liabilities, and such assessment inherently involves an exercise of judgment. In assessing loss contingencies related to legal proceedings that are pending against the Company or unasserted claims that may result in such proceedings, the Company's legal counsel evaluates the perceived merits of any legal proceedings or unasserted claims as well as the perceived merits of the amount of relief sought or expected to be sought. There was no contingency of this type as of September 30, 2016 and December 31, 2015.

If the assessment of a contingency indicates that it is probable that a material loss has been incurred and the amount of the liability can be estimated, then the estimated liability would be accrued in the Company's financial statements. If the assessment indicates that a potential material loss contingency is not probable but is reasonably possible, or is probable but cannot be estimated, then the nature of the contingent liability, together with an estimate of the range of possible loss if determinable and material would be disclosed. There was no contingency of this type as of September 30, 2016 and December 31, 2015.

Loss contingencies considered to be remote by management are generally not disclosed unless they involve guarantees, in which case the guarantee would be disclosed.

Vacances Sinorama leases office space under non-cancellable operating lease agreements that expire on various dates through 2016. Under the terms of the lease, Vacances Sinorama paid approximately \$21,401 in lease deposits and is committed to lease and management fee payments of approximately \$12,514 per month for 60 months.

In March 2016, entered into renew lease agreement which replaced its expired operating lease agreements. Under terms of the lease, Vacances Sinorama is committed to lease and management fee payments of approximately \$16,072 per month for 60 months.

In July 2015, Vacances Sinorama entered into a new lease agreement for bus tour department office. Under terms of the lease, Vacances Sinorama paid approximately \$14,739 in lease deposits is committed to lease and management fee payments of approximately \$5,318 per month for 60 months.

In February, 2015 Sinorama Voyages leases office space under non-cancellable operating lease agreements. Under the terms of the lease, Sinorama Voyages paid approximately \$14,640 in lease deposits, lease expense payments of approximately \$4,880 per month. Under terms of the lease agreement, from February, 2015, Sinorama Voyages is committed to lease expense payments of approximately \$4,925 per month for 96 months.

Future annual minimum lease payments, for non-cancellable operating leases obligation as of September 30, 2016 are as follows:

	Amount (Unaudited)
Year ending December 31,	\$

2016	78,445
2017	313,780
2018	313,780
2019	313,780
2020	313,780

NOTE 12. SUBSEQUENT EVENT

As of October 14, 2016, the Company has received the balance due from YANG Ming.

As of November 07, 2016, the Company has received the balance due from ZHAO Hongxi.

As of November 07, 2016, the Company has received the balance due from QIAN Hong.

As of October 18, the Company has received the balance from all shareholders of Sinorama Tours.

From July 1, 2016 to November 10, 2016, there were 3,700,000 shares of the Company's common stock issued and outstanding held by 105 shareholders. As of November 10, 2016, there were 14,700,000 shares of the Company's common stock issued and outstanding held by 116 shareholders

The Management of the Company determined that there were no other reportable subsequent events to be disclosed.