



Reference No : 462500065334798
 Date Filed : April 14, 2025 11:01 AM
 Batch Number : 0



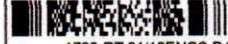
Republic of the Philippines
 Department of Finance
 Bureau of Internal Revenue

For BIR
 Use Only: BCS/
 Item:

BIR Form No. 1702-RT January 2018(ENCS) Page 1	Annual Income Tax Return For Corporation, Partnership and Other Non-Individual Taxpayer Subject Only to REGULAR Income Tax Rate <i>Enter all required information in CAPITAL LETTERS. Mark applicable boxes with an "X". Two Copies MUST be filed with the BIR and one held by the taxpayer.</i>				
1 For <input checked="" type="checkbox"/> Calendar <input type="checkbox"/> Fiscal 2 Year Ended (MM/20YY) 12/2024	3 Amended Return? <input type="radio"/> Yes <input checked="" type="radio"/> No	4 Short Period Return? <input type="radio"/> Yes <input checked="" type="radio"/> No	5 Alphanumeric Tax Code (ATC) IC055 Minimum Corporate Income Tax (MCIT)		
Part I - Background Information					
6 Taxpayer Identification Number (TIN) 009 - 757 - 925 - 000				7 RDO Code 081	
8 Registered Name (Enter only 1 letter per box using CAPITAL LETTERS) SYSTEMHUB DISTRIBUTION INC.					
9A Registered Address (Indicate complete registered address) 1519 15/F BPI CORPORATE CENTR CEBU BUSINESS PARK BRGY LUZ CEBU CITY					
9B Zipcode 6000					
10 Date of Incorporation/Organization (MM/DD/YYYY) 07/26/2017					
11 Contact Number 032-2670417		12 Email Address enalyn.ccv@gmail.com			
13 Method of Deductions Itemized Deductions [Section 34 (A-J), NIRC] Optional Standard Deduction (OSD) - 40% of Gross Income [Section 34(L), NIRC as amended by RA No. 9504]					
Part II - Total Tax Payable (Do NOT enter Centavos)					
14 Total Income Tax Due (Overpayment) (From Part IV Item 43)		1,684,490			
15 Less: Total Tax Credits/Payments (From Part IV Item 55)		972,372			
16 Net Tax Payable (Overpayment) (Item 14 Less Item 15) (From Part IV Item 56)		712,118			
Add Penalties					
17 Surcharge		0			
18 Interest		0			
19 Compromise		0			
20 Total Penalties (Sum of Items 17 to 19)		0			
21 TOTAL AMOUNT PAYABLE (Overpayment) (Sum of Item 16 and 20)		712,118			
If Overpayment, mark "X" one box only (Once the choice is made, the same is irrevocable)					
To be refunded <input type="checkbox"/> To be issued a Tax Credit Certificate (TCC) <input type="checkbox"/> To be carried over as tax credit next year/quarter					
We declare under the penalties of perjury that this annual return has been made in good faith, verified by us, and to the best of our knowledge and belief, is true and correct pursuant to the provisions of the National Internal Revenue Code as amended, and the regulations issued under authority thereof. (If Authorized Representative, attach authorization letter and indicate TIN)					
JANICE C. MERILD <small>Signature over printed name of President/Principal Officer/Authorized Representative</small>		SED J. MERILD <small>Signature over printed name of Treasurer/Assistant Treasurer</small>		22 Number of Attachments 4	
Part III - Details of Payment					
Particulars	Drawee Bank/Agency	Number	Date (MM/DD/YYYY)	Amount	
23 Cash/Bank Debit Memo				0	
24 Check				0	
25 Tax Debit Memo				0	
26 Others (Specify Below)				0	
Machine Validation/Revenue Official Receipts Details (If not filed with an Authorized Agent Bank)				Stamp of receiving Office/AAB and Date of Receipt (RO's Signature/Bank Teller's Initial)	

BIR Form No. 1702-RT January 2018(ENCS) Page 2	Annual Income Tax Return Corporation, Partnership and Other Non-Individual Taxpayer Subject Only to REGULAR Income Tax Rate		 1702-RT 01/18ENCS P2
Taxpayer Identification Number (TIN) 009 - 757 - 925 - 000		Registered Name SYSTEMHUB DISTRIBUTION INC.	
Part IV - Computation of Tax (Do NOT enter Centavos)			
27 Sales/Receipts/Revenues/Fees		41,846,947	
28 Less: Sales Returns, Allowances and Discounts		0	
29 Net Sales/Receipts/Revenues/Fees (Item 27 Less Item 28)		41,846,947	
30 Less: Cost of Sales/Services		29,226,527	
31 Gross Income from Operation (Item 29 Less Item 30)		12,620,420	
32 Add: Other Taxable Income Not Subjected to Final Tax		0	
33 Total Taxable Income (Sum of Items 31 and 32)		12,620,420	
Less: Deductions Allowable under Existing Law			
34 Ordinary Allowable Itemized Deductions (From Part VI Schedule I Item 18)		5,882,459	
35 Special Allowable Itemized Deductions (From Part VI Schedule II Item 5)		0	
36 NOLCO (only for those taxable under Sec. 27(A to C); Sec. 28(A)(1) & (A)(6)(b) of the tax Code) (From Part VI Schedule III Item 8)		0	
37 Total Deductions (Sum of Items 34 to 36)		5,882,459	
<i>OR [in case taxable under Sec 27(A) & 28(A)(1)]</i>			
38 Optional Standard Deduction (40% of Item 33)		0	
39 Net Taxable Income/(Loss) (If Itemized: Item 33 Less Item 37; If OSD: Item 33 Less Item 38)		6,737,961	
40 Applicable Income Tax Rate			
41 Income Tax Due other than Minimum Corporate Income Tax (MCIT) (Item 39 x Item 40)		1,684,490	
42 MCIT Due (2% of Item 33)		252,408	
43 Tax Due (Normal Income Tax Due in Item 41 OR the MCIT Due in Item 42, whichever is higher) (To Part II Item 14)		1,684,490	
Less: Tax Credits/Payments (attach proof)			
44 Prior Year's Excess Credits Other Than MCIT		0	
45 Income Tax Payment under MCIT from Previous Quarter/s		788,359	
46 Income Tax Payment under Regular/Normal Rate from Previous Quarter/s		0	
47 Excess MCIT Applied this Current Taxable Year (From Part VI Schedule IV Item 4)		0	
48 Creditable Tax Withheld from Previous Quarter/s per BIR Form No. 2307		72,483	
49 Creditable Tax Withheld per BIR Form No. 2307 for the 4th Quarter		111,530	
50 Foreign Tax Credits, if applicable		0	
51 Tax Paid in Return Previously Filed, if this is an Amended Return		0	
52 Special Tax Credits (To Part V Item 58)		0	
Other Credits/Payments (Specify)			
53		0	
54		0	
			
55 Total Tax Credits/Payments (Sum of Items 44 to 54) (To Part II Item 15)		972,372	
56 Net Tax Payable / (Overpayment) (Item 43 Less Item 55) (To Part II Item 16)		712,118	
Part V - Tax Relief Availment			
57 Special Allowable Itemized Deductions (Item 35 of Part IV x Applicable Income Tax Rate)		0	
58 Add: Special Tax Credits (From Part IV Item 52)		0	
59 Total Tax Relief Availment (Sum of Items 57 and 58)		0	

BIR Form No. 1702-RT January 2018(ENCS) Page 3	Annual Income Tax Return Corporation, Partnership and Other Non-Individual Taxpayer Subject Only to REGULAR Income Tax Rate	 1702-RT 01/18ENCS P3
Taxpayer Identification Number (TIN)		Registered Name
009 - 757 - 925 - 000		SYSTEMHUB DISTRIBUTION INC.
Schedule I - Ordinary Allowable Itemized Deductions (Attach additional sheet/s, if necessary)		
1 Amortizations		8,668
2 Bad Debts		0
3 Charitable Contributions		0
4 Depletion		0
5 Depreciation		446,388
6 Entertainment, Amusement and Recreation		156,562
7 Fringe Benefits		0
8 Interest		22,384
9 Losses		0
10 Pension Trust		0
11 Rental		452,858
12 Research and Development		19,998
13 Salaries, Wages and Allowances		3,459,082
14 SSS, GSIS, Philhealth, HDMF and Other Contributions		403,797
15 Taxes and Licenses		70,448
16 Transportation and Travel		18,342
17 Others (Deductions Subject to Withholding Tax and Other Expenses) [Specify below; Add additional sheet/s, if necessary]		
a Janitorial and Messengerial Services		0
b Professional Fees		0
c Security Services		0
d EMPLOYEE BENEFITS AND SUPPLIES		184,989
e LIGHT AND WATER AND COMMUNICATION AND SUPPLIES		173,735
f POSTAGE AND FREIGHT AND ADVERTISING		124,554
g INSURANCE AND GASOLINE		168,824
h ACCOMMODATION AND MISCELLANEOUS AND OTHER EXPENSES		171,830
i		0
		
18 Total Ordinary Allowable Itemized Deductions (Sum of Items 1 to 17) (To Part IV Item 34)		5,882,459
Schedule II - Special Allowable Itemized Deductions (Attach additional sheet/s, if necessary)		
Description		Legal Basis
1		0
2		0
3		0
4		0
		
5 Total Special Allowable Itemized Deductions (Sum of Items 1 to 4) (To Part IV Item 35)		0

BIR Form No. 1702-RT January 2018(ENCS) Page 4	Annual Income Tax Return Corporation, Partnership and Other Non-Individual Taxpayer Subject Only to REGULAR Income Tax Rate	 1702-RT 01/18ENCS P4															
Taxpayer Identification Number (TIN) 009 - 757 - 925 - 000		Registered Name SYSTEMHUB DISTRIBUTION INC.															
Schedule III - Computation of Net Operating Loss Carry Over (NOLCO)																	
1 Gross Income (From Part IV Item 33)		0															
2 Less: Ordinary Allowable Itemized Deductions (From Part VI Schedule I Item 18)		0															
3 Net Operating Loss (Item 1 Less Item 2) (To Schedule IIIA, Item 7A)		0															
Schedule IIIA - Computation of Available Net Operating Loss Carry Over (NOLCO) (DO NOT enter Centavos, 49 Centavos or Less drop down, 50 or more round up)																	
Net Operating Loss <table border="1" style="margin-left: auto; margin-right: auto; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Year Incurred</th> <th style="text-align: center;">A) Amount</th> <th style="text-align: center;">B) NOLCO Applied Previous Year</th> </tr> </thead> <tbody> <tr><td>4</td><td style="text-align: right;">0</td><td style="text-align: right;">0</td></tr> <tr><td>5</td><td style="text-align: right;">0</td><td style="text-align: right;">0</td></tr> <tr><td>6</td><td style="text-align: right;">0</td><td style="text-align: right;">0</td></tr> <tr><td>7</td><td style="text-align: right;">0</td><td style="text-align: right;">0</td></tr> </tbody> </table>		Year Incurred	A) Amount	B) NOLCO Applied Previous Year	4	0	0	5	0	0	6	0	0	7	0	0	
Year Incurred	A) Amount	B) NOLCO Applied Previous Year															
4	0	0															
5	0	0															
6	0	0															
7	0	0															
Continuation of Schedule IIIA (Item numbers continue from table above)																	
C) NOLCO Expired		D) NOLCO Applied Current Year <small>(E = A Less (B + C + D))</small>															
4 0		0															
5 0		0															
6 0		0															
7 0		0															
8 Total NOLCO (Sum of Items 4D to 7D) (To Part IV, Item 36)		0															
Schedule IV - Computation of Minimum Corporate Income Tax (MCIT)																	
Year		A) Normal Income Tax as adjusted															
1		0															
2		0															
3		0															
Continuation of Schedule IV (Item numbers continue from table above)																	
D) Excess MCIT Applied/Used in Previous Years		E) Expired Portion of Excess MCIT															
1 0		0															
2 0		0															
3 0		0															
Total Excess MCIT Applied (Sum of Items 1F to 3F) (To Part IV Item 47)		0															
Schedule V - Reconciliation of Net Income per Books Against Taxable Income (attach additional sheet/s, if necessary)																	
1 Net Income/(Loss) per books		6,737,961															
Add: Non-deductible Expenses/Taxable Other Income																	
2		0															
3		0															
(+)																	
4 Total (Sum of Items 1 to 3)		6,737,961															
Less: A) Non-Taxable Income and Income Subjected to Final Tax																	
5		0															
6		0															
(+)																	
B) Special Deductions																	
7		0															
8		0															
(+)																	
9 Total (Sum of Items 5 to 8)		0															
10 Net Taxable Income/(Loss) (Item 4 Less Item 9)		6,737,961															



Republika ng Pilipinas
Kagawaran ng Pananalapi
Kawanihan ng Rentas Internas

eFPS Payment Details

TIN : 009 - 757 - 925 - 000
Name : SYSTEMHUB DISTRIBUTION INC.
Tax Period : 12/31/2024
Reference Number : 462500065334798
Tax Type : IT - Annual Income Tax Return (REGULAR)

Payment Transaction Number : 258275384

Date : 04/14/2025

Cash Amount Paid : 712,118.00

Bank : 027000 - SBTC

Origin	Bank Code	Amount	Number	Date	Status	Message	CBR BCS No.
Pending Online Confirmation	027000	712,118.00	-		Unknown	60 - Details of Payment were redirected to the corresponding Bank. Please verify with your Bank.	58668
Batch Confirmation	027000	712,118.00	BI-041425-9065700000	04/14/2025	Authorized	0 - Successful	58668
Batch Acknowledgment	027000	712,118.00	BI-041425-9065700000	04/14/2025	Authorized	0 - Successful	58668

Total Payments (Successful/Unsuccessful): 712,118.00

Total Payments (Successful) : 712,118.00

[Print](#)

[Close](#)

juliet@gigaworkz.com.ph

From: Leo Merilo <leo.merilo@gigaworkz.com.ph>
Sent: Monday, April 14, 2025 4:09 PM
To: accounting@gigaworkz.com.ph
Subject: FW: Security DigiBanker - BIR eFPS Payment

Thanks & Best Regards,

Engr. Leo Merilo
CEO
Gigaworkz Technologies Inc.
www.gigaworkz.com <<http://www.gigaworkz.com>> leo.merilo@gigaworkz.com.ph
<<mailto:leo.merilo@gigaworkz.com.ph>>

MANILA – CEBU – DAVAO – CDO

On 4/14/25, 3:11 PM, "DigiBanker@securitybank.com.ph <mailto:DigiBanker@securitybank.com.ph>" <DigiBanker@securitybank.com.ph <mailto:DigiBanker@securitybank.com.ph>> wrote:

Dear Dorlyn Lopez,

BIR eFPS transaction with Reference Number BI-041425-90657 has been successfully processed. Details are as follows:

Taxpayer Name/Client Name: SYSTEMHUB DISTRIBUTION INC.
TIN: 009757925
DigiBanker Local Ref. No.: BI-041425-90657 BIR eFPS Filing No.: 462500065334798 BIR eFPS Payment Transaction No.: 258275384 Branch No.: 0 RDO Code: 081 Tax Type: IT Tax Period: 12/31/2024 Total Amount Paid: 712,118.00 Transacting Bank Code: 27000 Payment Date: 04/14/2025

Your tax payment instruction has been processed and submitted to BIR for posting. Kindly verify the debit to your funding account and monitor the status of your payment via the eFPS payment details page in the BIR eFPS website. This is a system-generated message and, as such, is still subject to final validation.

Should you have any inquiries, please contact our 24-Hour Customer Service hotline: (02) 888-791-88 or Digibanker.helpdesk@securitybank.com.ph <mailto:Digibanker.helpdesk@securitybank.com.ph>

** This email is system-generated. Please do not reply. **

SWORN DECLARATION

**REPUBLIC OF THE PHILIPPINES
PROVINCE OF CEBU
CITY/MUNICIPALITY OF CEBU**

I, Janice C. Merilo, Filipino, of legal age designated as President of Systemhub Distribution Inc., with business address located at BPI Corporate Center, Brgy. Luz, Cebu City do hereby certify the following:

- That in compliance with the requirements of Revenue Regulations No. 02-2015, submitted herewith is/are 1 DVD R/s) containing 6 BIR Form 2307 covering the period 12/31/24.
 - That the contents of the DVD-Rs being submitted herewith conform to the conditions/specification requirements set by the Bureau of Internal Revenue.
 - That the soft copies of the BIR Form 2307 contained in the DVD-R/S being submitted herewith are the complete and exact copies of the original thereof.

I HEREBY DECLARE UNDER THE PENALTIES OF PERJURY THAT THE FOREGOING ATTESTATIONS
ARE TRUE AND CORRECT.


JANICE C. MERILO

Name and Signature of Authorized Representative

TIN: 906-190-938-0000

CEBU CITY
SUBSCRIBED and sworn to before me, in the City/Municipality of _____, this day of
APR 07 2025, 20____ by _____ with Residence Certificate No. _____ issued at
_____, on _____ 20___.

REDACTED

Doc. No. 181
Page No. 38
Book No. 33
Series of 2023

~~Notary Public~~

ATTY. GLICERIO A. BAGUIO, CPA
NOTARY PUBLIC
FOR CEBU CITY
UNTIL DECEMBER 31, 2025
NOTARIAL COMM. NO. 015-24
ROLL NO. 46596

ROLL NO. 48590
IBP NO. 497893-1/04/2025-CEBU PROVINCE
PTR NO. 6893815-1/02/2025-CEBU CITY
#9 D. JAKOSALEM ST., STO. NINO, CEBU CITY
MCLE 8TH COMP. NO.0008299-VALID UNTIL 4/14/2028



SYSTEMHUB DISTRIBUTION INC <systemhubdistribution@gmail.com>

eSubmission Validation Report

eSubmission <esubmission@bir.gov.ph>
To: systemhubdistribution@gmail.com

Wed, Apr 16, 2025 at 4:10 AM

ACKNOWLEDGEMENT RECEIPT NUMBER: 20250416-R300960

This is to confirm receipt of the file(s) as stated below:

Total attachment/file(s) received : 1

No. of valid file(s) : 1
No. of invalid file(s) : 0

We have validated your submission in compliance with existing BIR regulations.

Find below the details of your submission:

Date of Submission: 04/14/2025 11:26:37 AM

Filename(s):

1. Attachment : 00975792500001220241702.DAT
00975792500001220241702.DAT - VALID
CONFIRMATION RECEIPT NUMBER - 2025-0000715955

VALIDATION REPORT:

1. Attachment : 00975792500001220241702.DAT

TIN of Withholding Agent TIN: 009757925-0000
Alphalist Form : 1702
Taxable Month : 12/2024

LINE NUM	SCHEDULE	ERROR DESCRIPTION
-----	-----	No Errors Encountered
-----	-----	-----

PLEASE BE INFORMED THAT THIS IS THE FINAL EMAIL ON THE VALIDATION PROCESS OF YOUR SUBMISSION. HOWEVER, A VALIDATION OF THE TIN OF THE WITHHOLDING AGENT WILL STILL BE UNDERTAKEN. ACCORDINGLY, PLEASE ENSURE THAT THE TIN IS VALID FOR A SUCCESSFUL SUBMISSION OF YOUR ALPHALIST (OR SLSP, AS THE CASE MAY BE).

Thank You.

This is a system generated report. For inquiries, please email us at contact_us@bir.gov.ph or call us at (2) 8538-3200

FOR THE MONTH OF DECEMBER, 2024

TIN : 009757925-0000

PAYEE'S NAME: SYSTEMHUB DISTRIBUTION INC

SEQ NO	TAXPAYER IDENTIFICATION NUMBER	CORPORATION (Registered Name)	INDIVIDUAL ATC CODE NATURE OF PAYMENT		AMOUNT OF INCOME PAYMENT	TAX RATE	AMOUNT OF TAX WITHHELD
			(1)	(2)			
(3)	(4)	(5)	(6)	(7)	(8)		
1	009-561-201-0000	6PASTEUR CONSTRUCTION WORKS AND SUPP	WC158	Income payment made by top withholding agents to their local/resid.	19,490.00	1.00	194.90
2	009-561-201-0000	ABN GLOBAL INFINITIES CORPORATION	WC158	Income payment made by top withholding agents to their local/resid.	75,688.00	1.00	756.88
3	010-300-612-0000	ALEXIS A MOLAYER LAW OFFICES	WC158	Income payment made by top withholding agents to their local/resid.	4,400.00	1.00	44.00
4	165-029-004-0000	AQUARIAN GLOBAL SALES PHILIPPINES INC	WC158	Income payment made by top withholding agents to their local/resid.	12,516.00	1.00	125.16
5	008-548-804-0000	ASPAC GLOBAL COMMODITIES CORP	WC158	Income payment made by top withholding agents to their local/resid.	65,360.00	1.00	653.60
6	285-839-403-0000	ASPAC GLOBAL COMMODITIES CORP	WC158	Income payment made by top withholding agents to their local/resid.	1,790.00	1.00	17.90
7	285-839-403-0000	AVZ CONSTRUCTION AND SUPPLY	WC158	Income payment made by top withholding agents to their local/resid.	1,943.00	1.00	19.43
8	128-067-809-0000	BAUEROV SYSTEM INDUSTRIES INCORPORATE	WC158	Income payment made by top withholding agents to their local/resid.	27,180.00	1.00	271.80
9	763-274-272-0000	CEMATECH INDUSTRIAL SUPPLY	WC158	Income payment made by top withholding agents to their local/resid.	16,876.00	1.00	168.76
10	290-595-714-0000	CEMATECH INDUSTRIAL SUPPLY	WC158	Income payment made by top withholding agents to their local/resid.	39,490.00	1.00	394.90
11	290-595-714-0000	CIRCUIT SOLUTIONS INC	WC158	Income payment made by top withholding agents to their local/resid.	188,392.86	1.00	1,883.93
12	004-713-217-0000	CIRCUIT SOLUTIONS INC	WC158	Income payment made by top withholding agents to their local/resid.	54,890.00	1.00	548.90
13	004-713-217-0000	CIRCUIT SOLUTIONS INC	WC158	Income payment made by top withholding agents to their local/resid.	2,200.00	1.00	22.00
14	004-713-217-0000	CIRCUIT SOLUTIONS INC	WC158	Income payment made by top withholding agents to their local/resid.	3,791.00	1.00	37.91
15	004-713-217-0000	CIRCUIT SOLUTIONS INC	WC158	Income payment made by top withholding agents to their local/resid.	18,360.00	1.00	183.60
16	008-781-704-0000	CMR PHILIPPINES INC	WC158	Income payment made by top withholding agents to their local/resid.	45,600.00	1.00	456.00
17	008-781-704-0000	EMBANG EVAN JO SUAVERDEZ	WC158	Income payment made by top withholding agents to their local/resid.	45,600.00	1.00	456.00
18	276-428-596-0000	EMBANG EVAN JO SUAVERDEZ	WC158	Income payment made by top withholding agents to their local/resid.	224,843.93	1.00	2,248.44
19	276-428-596-0000	EMBANG EVAN JO SUAVERDEZ	WC158	Income payment made by top withholding agents to their local/resid.	6,488.00	1.00	64.88
20	276-428-596-0000	EMBANG EVAN JO SUAVERDEZ	WC158	Income payment made by top withholding agents to their local/resid.	1,412.00	1.00	14.12
21	307-592-228-0000	ES SERVICES SECURITY SYSTEM SERVICES	WC158	Income payment made by top withholding agents to their local/resid.	5,406.00	1.00	54.06
22	307-592-228-0000	ES SERVICES SECURITY SYSTEM SERVICES	WC158	Income payment made by top withholding agents to their local/resid.	21,624.00	1.00	216.24
23	009-619-134-0000	ESTECH INDUSTRIAL SOLUTIONS CORPORATION	WC158	Income payment made by top withholding agents to their local/resid.	39,600.00	1.00	396.00
24	007-839-242-0000	EUTOWERS INTERNATIONAL INC	WC158	Income payment made by top withholding agents to their local/resid.	19,352.00	1.00	193.52
25	008-830-092-0000	FIREPROFESSIONALS FIREPRO INC	WC158	Income payment made by top withholding agents to their local/resid.	45,050.00	1.00	450.50
26	009-004-423-0000	FLEXNET SYSTEM INCORPORATED	WC158	Income payment made by top withholding agents to their local/resid.	15,141.00	1.00	151.41
27	009-004-423-0000	FLEXNET SYSTEM INCORPORATED	WC158	Income payment made by top withholding agents to their local/resid.	16,267.00	1.00	162.67
28	009-004-423-0000	FLEXNET SYSTEM INCORPORATED	WC158	Income payment made by top withholding agents to their local/resid.	6,306.00	1.00	63.06
29	445-075-699-0000	GIGAWORKZ TECHNOLOGIES INC	WC158	Income payment made by top withholding agents to their local/resid.	3,472,800.00	1.00	34,728.00
30	766-829-076-0000	HERO CONSTRUCTION AND DEVELOPMENT CC	WC158	Income payment made by top withholding agents to their local/resid.	192,988.00	1.00	1,929.88
31	210-402-325-0000	IHDUYAT INC	WC158	Income payment made by top withholding agents to their local/resid.	6,551.00	1.00	65.51
32	008-926-234-0000	JCKA 2014 ENTERPRISE INC	WC158	Income payment made by top withholding agents to their local/resid.	18,922.00	1.00	189.22
33	008-379-400-0000	JCKA 2014 ENTERPRISE INC	WC158	Income payment made by top withholding agents to their local/resid.	161,597.00	1.00	1,615.97

34 008-379-400-0000	JECKA 2014 ENTERPRISE INC.	WC158	Income payment made by top withholding agents to their local/résid.	5,931.52	1.00	5,931.52
35 148-900-022-0000	JEMM BUILDERS	WC158	Income payment made by top withholding agents to their local/résid.	2,223.00	1.00	22.23
36 010-108-330-0000	IM BALGAN LEASING INCORPORATED	WC158	Income payment made by top withholding agents to their local/résid.	4,600.00	1.00	46.00
37 005-105-729-0000	KER MANAGEMENT INC	WC158	Income payment made by top withholding agents to their local/résid.	2,074.00	1.00	20.74
38 449-356-165-0000	MEQ BUILDERS INDUSTRIAL CORP	WC158	Income payment made by top withholding agents to their local/résid.	3,900.00	1.00	39.00
39 449-356-165-0000	MEQ BUILDERS INDUSTRIAL CORP	WC158	Income payment made by top withholding agents to their local/résid.	73,296.00	1.00	732.96
40 449-356-165-0000	MEQ BUILDERS INDUSTRIAL CORP	WC158	Income payment made by top withholding agents to their local/résid.	5,850.00	1.00	58.50
41 449-356-165-0000	MEQ BUILDERS INDUSTRIAL CORP	WC158	Income payment made by top withholding agents to their local/résid.	3,264.00	1.00	32.64
42 449-356-165-0000	MEQ BUILDERS INDUSTRIAL CORP	WC158	Income payment made by top withholding agents to their local/résid.	3,264.00	1.00	32.64
43 005-009-542-0000	MERCADO BUILDERS DEVELOPMENT CORP/	WC158	Income payment made by top withholding agents to their local/résid.	120,164.95	1.00	1,201.65
44 223-639-098-0000	MULTIPLE J ENTERPRISES	WC158	Income payment made by top withholding agents to their local/résid.	48,837.00	1.00	488.37
45 321-656-056-0000	MYGEAR ENTERPRISES	WC158	Income payment made by top withholding agents to their local/résid.	76,089.00	1.00	760.89
46 321-656-056-0000	MYGEAR ENTERPRISES	WC158	Income payment made by top withholding agents to their local/résid.	37,981.00	1.00	379.81
47 000-059-056-0000	NEW DATCHE PHILS TRADERS CORP	WC158	Income payment made by top withholding agents to their local/résid.	60,885.00	1.00	608.85
48 009-987-0000	ONE COMMERCE INT'L CORPORATION	WC158	Income payment made by top withholding agents to their local/résid.	59,700.00	1.00	597.00
49 205-834-148-0000	POWER X SOLUTION TECHNOLOGY INC	WC158	Income payment made by top withholding agents to their local/résid.	1,402,715.00	1.00	14,027.15
50 466-329-273-0000	PRO PRIME CONCEPT AND DESIGN INC	WC158	Income payment made by top withholding agents to their local/résid.	8,991.00	1.00	89.91
51 278-931-099-0000	SAFEWAY FIRE SAFETY SPECIALIST PHILS INC	WC158	Income payment made by top withholding agents to their local/résid.	30,140.00	1.00	301.40
52 009-150-618-0000	SAFEMAW FIRE SAFETY SPECIALIST PHILS INC	WC158	Income payment made by top withholding agents to their local/résid.	282,634.00	1.00	2,826.34
53 009-150-618-0000	SARJESUS MARCO-GENERAL OR PYRO BUSTER	WC158	Income payment made by top withholding agents to their local/résid.	87,036.00	1.00	870.36
54 256-871-686-0000	SOLUTIONSXPERT INC	WC158	Income payment made by top withholding agents to their local/résid.	31,957.00	1.00	319.57
55 600-993-760-0000	STERLING SYSTEMS ENTERPRISES INC	WC158	Income payment made by top withholding agents to their local/résid.	460,734.00	1.00	4,607.34
56 230-628-878-0000	STERLING SYSTEMS ENTERPRISES INC	WC158	Income payment made by top withholding agents to their local/résid.	65,686.00	1.00	656.86
57 230-628-878-0000	SYSTEMS VARIABLE TECHNICOM INC	WC158	Income payment made by top withholding agents to their local/résid.	2,219,919.50	1.00	22,199.20
58 007-982-595-0000	TOTAL FIRE SAFETY AND TECHNOLOGIES INC	WC158	Income payment made by top withholding agents to their local/résid.	8,490.00	1.00	84.90
59 009-421-126-0000	WORKSYSTEMS INC	WC158	Income payment made by top withholding agents to their local/résid.	101,346.00	1.00	1,013.46
60 244-163-719-0000	ZERO POINT FIELD ELECTRICAL CORP	WC158	Income payment made by top withholding agents to their local/résid.	143,973.00	1.00	1,439.73
			Income payment made by top withholding agents to their local/résid.	336,154.47	1.00	3,361.54

Grand Total:

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111,529.71

END OF REPORT



SYSTEMHUB DISTRIBUTION INC <systemhubdistribution@gmail.com>

Your BIR AFS eSubmission uploads were received

eafs@bir.gov.ph <eafs@bir.gov.ph>
To: JANICE.MERILO@gigaworkz.com.ph
Cc: SYSTEMHUBDISTRIBUTION@gmail.com

Sat, Apr 26, 2025 at 1:21 PM

Hi SYSTEMHUB DISTRIBUTION INC.,

Valid files

- EAFS009757925OTHY122024.pdf
- EAFS009757925ITRTY122024.pdf
- EAFS009757925TCRTY122024-61.pdf
- EAFS009757925AFSTY122024.pdf

Invalid file

- <None>

Transaction Code: **AFS-0-4VM4W13Z0NZWSVXYMNSQTMNN40BJGJKJ6F**

Submission Date/Time: **Apr 26, 2025 01:21 PM**

Company TIN: **009-757-925**

Please be reminded that you accepted the terms and conditions for the use of this portal and expressly agree, warrant and certify that:

- The submitted forms, documents and attachments are complete, truthful and correct based on the personal knowledge and the same are from authentic records;
- The submission is without prejudice to the right of the BIR to require additional document, if any, for completion and verification purposes;
- The hard copies of the documents submitted through this facility shall be submitted when required by the BIR in the event of audit/investigation and/or for any other legal purpose.

This is a system-generated e-mail. Please do not reply.

INDEPENDENT AUDITOR'S REPORT

The Board of Directors
SYSTEMHUB DISTRIBUTION INC.
1519, 15th Floor, BPI Corporate Center, Cebu Business Park,
Arch. Reyes Ave., Brgy. Luz, Cebu City

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of SYSTEMHUB DISTRIBUTION INC., which comprise the statements of financial positions as at December 31, 2024 and 2023 and the statements of comprehensive income, changes in equity and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying financial statements of SYSTEMHUB DISTRIBUTION INC. present fairly, in all material respects, the financial position as at December 31, 2024 and the statements of comprehensive income, changes in equity and cash flows for the year then ended in accordance with Philippine Financial Reporting Standards (PFRSs).

Basis of Opinion

We conducted our audit in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section in our report. We are independent of the Company in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with ethical requirements that are relevant to our audit of the financial statements in the Philippines and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the PFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to the fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the PSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with PSAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient ad appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstance, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on the Supplementary Information Required Under Revenue Regulations 02-2014 and 15-2010

Our audit was conducted for forming an opinion on the basic financial statements taken as a whole. The supplementary information required under Revenue Regulations 02-2014 and 15-2010 for purposes of filing with the Bureau of Internal Revenue is presented schedules I and II, and is not a required part of the basic financial statements. Such information is the responsibility of management of SYSTEMHUB DISTRIBUTION INC. The information has been subjected to the auditing procedures applied in our audit of the basic financial statements. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as whole.

E.R. TIBON & CO.

202-821-774-000



EVELYN R. TIBON

PRC Certificate No. 47312

BIR AN: 13-250121-004-2024, Issued: 12/10/2024, Expiry: 12/10/2027

TIN: 107-238-060-000

BOA AN: 4636, Issued: 04/28/2022, Exp. Date: 04/24/2025

PTR No. 1990144

Issued January 06, 2025, City of Mandaue

April 08, 2025

SYSTEMHUB DISTRIBUTION INC.

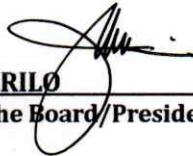
1519, 15th Floor, BPI Corporate Center, Cebu Business Park, Arch. Reyes Ave., Brgy. Luz, Cebu City

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR ANNUAL INCOME TAX RETURN

The Management of **SYSTEMHUB DISTRIBUTION INC.** is responsible for all information and representations contained in the Annual Income Tax Return for the years ended **December 31, 2024** and **2023**. Management is likewise responsible for all information and representations contained in the financial statements accompanying the Annual Income Tax Return covering the same reported period. Furthermore, the Management is responsible for all information and representations contained in all the tax returns filed for the reporting period, including, but not limited, to the value added tax/percentage tax returns, withholding tax returns, documentary stamp returns, and any and all other tax returns.

In this regard, the Management affirms that the attached audited financial statements for the years ended **December 31, 2024** and **2023**, and the accompanying Annual Tax Return are in accordance with the books and records of **SYSTEMHUB DISTRIBUTION INC.** and correct in all material respects. Management likewise affirms that:

- a) the Annual Tax Return has been prepared in accordance with the provisions of the National Internal Revenue Code, as amended, and pertinent tax regulations and other issuances of the Department of Finance and the Bureau of Internal Revenue;
- b) any disparity of figures in the submitted reports arising from the preparation of financial statements pursuant to tax accounting rules has been reported as reconciling items and maintained in the company's books and records in accordance with requirements of Revenue Regulations No. 8-2007 and other relevant issuances;
- c) the **SYSTEMHUB DISTRIBUTION INC.** has filed all applicable tax returns, reports and statements required to be filed under Philippine tax laws for the reporting period, and all taxes and other impositions shown thereon to be due and payable have been paid for the reporting period, except those contested in good faith.


JANICE C. MERILO
Chairman of the Board/President


LEO A. MERILO
Chief Financial Officer

SYSTEMHUB DISTRIBUTION INC.

1519, 15th Floor, BPI Corporate Center, Cebu Business Park, Arch. Reyes Ave., Brgy. Luz, Cebu City

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Management **SYSTEMHUB DISTRIBUTION INC.** is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the years ended **December 31, 2024** and **2023**, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors (Trustees) is responsible for overseeing the Company's financial reporting process.

The Board of Directors (Trustees) reviews and approves the financial statements including the schedules attached therein, and submits the same to the stockholders or members.

E. R. Tibon & Co., the independent auditor appointed by the stockholders, has audited the financial statements of the company in accordance with Philippine Standards on Auditing, and in her report to the stockholders, has expressed her opinion on the fairness of presentation upon completion of such audit.



JANICE C. MERILO
Chairman of the Board/President



LEO A. MERILO
Chief Financial Officer

Signed this _____ day of _____, 2025.

SYSTEMHUB DISTRIBUTION INC.**Exhibit A****STATEMENTS OF FINANCIAL POSITION****December 31, 2024***(Amounts in Philippine Pesos)*

	Note/Sch	2024	2023
ASSETS			
Current Assets			
Cash in Bank	5	11,565,249	7,389,167
Other Current Asset	8	-	25,957
Merchandise Inventory	7	1,924,502	2,420,898
Total Current Assets		13,489,751	9,836,022
Noncurrent Assets			
Property & Equipment	9	2,225,482	923,396
Total Noncurrent Assets		2,225,482	923,396
TOTAL ASSETS		15,715,233	10,759,418
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current Liabilities			
Accounts Payable	10	61,326	1,584,829
Accrued Expenses	10	1,223,251	56,928
Total Current Liabilities		1,284,577	1,641,757
Long Term Liabilities			
Long Term Liabilities	11	-	1,000,000
Loans Payable		1,259,525	-
Total Noncurrent Liabilities		1,259,525	1,000,000
TOTAL LIABILITIES		2,544,102	2,641,757
EQUITY			
Retained Earnings		6,867,661	1,874,480
Paid-in Capital		1,250,000	1,250,000
Net Income		5,053,470	4,993,181
TOTAL EQUITY		13,171,131	8,117,661
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY		15,715,233	10,759,418

See accompanying notes to financial statements

SYSTEMHUB DISTRIBUTION INC.**Exhibit B****STATEMENTS OF COMPREHENSIVE INCOME****December 31, 2024***(Amounts in Philippine Pesos)*

	<i>Note/Sch</i>	2024	2023
Revenues	12	41,846,947	39,559,969
Direct Cost	13	29,226,527	27,555,629
Gross Profit (Loss)		12,620,420	12,004,340
Expenses	14	5,882,459	5,346,765
Net Income before Income Tax		6,737,960	6,657,575
Income Tax Expense	18	1,684,490	1,664,394
Net Income after Income Tax		5,053,470	4,993,181

See accompanying notes to financial statements

SYSTEMHUB DISTRIBUTION INC.***Exhibit C*****STATEMENTS OF CASH FLOWS****December 31, 2024****(Amounts in Philippine Pesos)**

	2024	2023
Cash Flows from Operating Activities		
Net Income	5,053,470	4,993,181
Adjustments to reconcile net income to net cash provided by operating activities		
Accum Depreciation	455,056	279,134
Deferred Input Tax	25,957	28,317
Accounts Receivable	-	190,165
Merchandise Inventory	496,395	7,688,522
Accounts Payable	(51,832)	(5,667,249)
Accrued Expenses	(305,348)	1,371,627
Total Adjustments	620,229	3,890,516
Net Cash provided by Operations	5,673,700	8,883,697
Cash Flows from Investing Activities		
Used for		
Office Equipment	-	(94,990)
Transpo Equipment	(1,757,143)	-
Net Cash used in Investing	(1,757,143)	(94,990)
Cash Flows from Financing Activities		
Proceeds from		
Loans Payable	1,259,525	-
Used for		
Loans Payable	-	(191,435)
Adv from Stockholder	(1,000,000)	(4,000,000)
Net Cash used in Financing	259,525	(4,191,435)
Net Increase <Decrease> in Cash	4,176,082	4,597,272
SUMMARY		
Cash Balance at End of Period	11,565,249	7,389,167
Cash Balance at Beg of Period	(7,389,167)	(2,791,895)
Net Increase <Decrease> in Cash	4,176,082	4,597,272

SYSTEMHUB DISTRIBUTION INC.*Exhibit D***STATEMENTS OF CHANGES IN EQUITY****December 31, 2024***(Amounts in Philippine Pesos)*

	2024	2023
SHARE CAPITAL		
Par value per share		
Common	P1.00	
Authorized capital		
Common	5,000,000 shares	
Subscribed capital		
Common	1,250,000 shares	
Paid-up Capital	1,250,000	1,250,000
RETAINED EARNINGS		
Balance at beginning of year	6,867,661	1,874,480
Net Income	5,053,470	4,993,181
 Balance at end of year	11,921,131	6,867,661
TOTAL EQUITY	13,171,131	8,117,661

SYSTEMHUB DISTRIBUTION INC.**NOTES TO FINANCIAL STATEMENTS****December 31, 2024**

1. CORPORATE INFORMATION

SYSTEMHUB DISTRIBUTION INC. was registered with the Securities & Exchange Commissions (SEC) a License to Transact Business in the Philippines with license No. CS20174989/CEO42159 issued on 26th day of July 2017. The corporation's principal address is located at 1519 15th Floor, BPI Corporate Center, Cebu Business Park, Arch. Reyes Ave., Brgy. Luz, Cebu City, Philippines.

The primary purpose of the aforementioned corporation is to engage in, conduct, and carry on the business of buying, selling, distributing, and marketing, both at wholesale and retail levels, various goods, commodities, wares, and merchandise of all kinds and descriptions, including but not limited to security systems and related services. Additionally, the corporation may act as a manufacturer's representative, commission merchant, factor, or agent in relation to these activities, relative thereto.

The financial statements of the foregoing corporation as of December 31, 2024 was approved and authorized for issue by the Board of Directors on April 08, 2025. The Board of Directors are empowered to make revisions even after the date of issue.

2. FINANCIAL REPORTING FRAMEWORK**2.1 Basis of Preparation of Financial Statements and Statement of Compliance**

The financial statements of the Company have been prepared in accordance with Philippine Financial Reporting Standards for Small Entities.

On December 13, 2017, the Philippine Financial Reporting Standards Council adopted PFRS for Small Entities and which was approved by the Board of Accountancy and Professional Regulation Commission on February 20, 2018. The said framework was published in the Official Gazette on February 26, 2018.

In PFRS for SEs, many of the principles in the PFRS for SMEs for recognizing and measuring assets, liabilities, income, and expenses have been simplified, topics not relevant to Small Entities have been omitted, and the number of required disclosures has been significantly reduced.

PFRS for SEs is effective for annual periods beginning January 1, 2019. It has transition rules that apply equally to all entities on first-time adoption of the standards which are based on the requirements of PFRS 1. First time adoption of PFRS.

2.2 Presentation and Functional Currency

The financial statements have been prepared on the historical cost basis and are presented in Philippine peso which is the functional and presentation currency of the Company.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies that have been used in the preparation of these financial statements are summarized below. The policies have been consistently applied to all years presented, unless otherwise stated.

Basis of Preparation of Financial Statements and Statement of Compliance

The financial statements of the Company have been prepared in accordance with the Philippine Financial Reporting Standards (PFRS).

Functional Currency and Foreign Currency Transactions**Functional and Presentation Currency**

Items included in the financial statements of the Company are measured using currency of the primary economic environment in which the entity operates (the functional currency). The financial statements are presented in Philippine pesos, which the Company's functional and presentation currency.

Transactions and Balances

The accounting records of the Company are maintained in Philippine pesos.

Foreign currency transactions during the year are translated into the functional currency at exchange rates which are approximate to those prevailing on transaction dates. Foreign currency gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement.

Cash and Cash Equivalents

Cash and cash equivalents are defined as cash on hand, demand deposits and short-term, highly liquid investments readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value.

Receivables

Receivables are recognized and carried at original invoice amount less an allowance for any uncollectible amounts. An allowance for impairment loss is made when there is objective evidence that the Company will not be able to collect the receivables, in part or in whole. This category also includes advances to employees and other non-trade receivables.

Inventories

Inventories are valued at the lower of cost and estimated selling price less costs to sell. Cost of inventories to their present location and condition.

Periodic system is the accounting used for the company's inventories. The cost of inventories is determined using the First-In-First-Out (FIFO) method.

Other Current Assets

Other current assets include prepaid supplies which are valued at the lower of cost or net realizable value. It also includes prepayments such as prepaid taxes and prepaid expenses that are initially recorded at transaction cost and subsequently measured at cost less impairment loss, if any.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation and amortization and any impairment in value. The cost of an asset comprises its purchase price and directly attributable costs of bringing the asset to working condition for its intended use. Expenditures for additions, major improvements and renewals are capitalized; expenditures for repairs and maintenance are charged to expense as incurred.

When assets are sold, retired, or otherwise disposed of, their cost and related accumulated depreciation and amortization and impairment losses are removed from the accounts and any resulting gain or loss is charged to current operations. Depreciation is computed on a straight-line basis over the estimated useful lives of the assets.

Fully depreciated and amortized assets are retained in the accounts until they are no longer in use and no further charge for depreciation and amortization is made with respect to those assets.

Leases

Leases applies to agreements and transfer the right to use assets even though substantial services by the lessor may be called for in connection with the operation or maintenance of such assets. This section does not apply to agreements that are contracts for services that do not transfer the right to use assets from one contracting party to the other. Its objective is to prescribe, for lessees and lessors, the appropriate accounting policies and disclosure to apply in relation to leases.

Financial Liabilities

Financial liabilities, which include trade and other payables (except for return liability and tax-related liabilities), advances from stockholder and lease liabilities, are recognized when the Company becomes a party to the contractual terms of the instrument.

Trade and other payables are recognized initially at their fair value and subsequently measured at amortized cost, using effective interest method for maturities beyond one year, less settlement payments.

Advances from stockholder are availed to finance working capital requirements during the start of the Company's operations.

Financial liabilities are classified as current liabilities if payment is due to be settled within one year or less after the end of the reporting period (or in the normal operating cycle of the business, if longer), or the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period. Otherwise, these are presented as non-current liabilities.

Financial liabilities are derecognized from the statement of financial position only when the obligations are extinguished either through discharge, cancellation or expiration. The difference between the carrying amount of the financial liability derecognized and the consideration paid or payable is recognized in profit or loss.

Employee Benefits

The Company is giving short-term employee benefits to its employees in the form of social security, Philippine Health and home development mutual fund contributions, housing, transportation and allowances for those out-of-town work and projects.

Retirement Plan Benefits

The Company does not currently have a funded, noncontributory defined benefit pension plan covering all or substantially all of its employees.

Related Parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions.

It includes companies in which one or more of the directors and/or controlling shareholders of the Company either have a beneficial controlling interest or are in a position to exercise significant influence therein. The Company receives advances from its principal stockholders for use in its operations on an interest-free basis.

Revenue and Cost Recognition

Revenue is recognized to the extent that the revenue can be reliably measured, it is probable that the economic benefits will flow to the Company, and the costs incurred can be measured reliably. In addition, the following specific recognition criteria must also be met before revenue is recognized.

Sale of goods – Revenue is recognized when the risks and rewards of ownership of the goods have passed to the buyer. This is generally when the customer has taken undisputed delivery of goods.

Rendering of services – Revenue is recognized by reference to the stage of completion is measured by reference to the labor hours incurred to date as a percentage of total estimated labor hours for each contract. This is generally when the customer has approved the services

that have been provided. Where the outcome of the contract cannot be measured reliably, revenue is recognized only to the extent of the expenses recognized that are recoverable.

Interest – Revenue is recognized as the interest accrues (considering the effective yield on the asset).

Dividends – Revenue is recognized when the stockholders' right to receive the payment is established.

Revenue is measured by reference to the fair value of consideration received or receivable by the Company for goods supplied and services provided, excluding value-added tax (VAT) and trade discounts. Cost and expenses are recognized in the statement of operations upon utilization of the service or at the date they are incurred.

Expenditure for warranties is recognized and charged against the associated provision when the related revenue is recognized. Except for borrowing costs attributable to qualifying assets, all finance costs are reported on an accrual basis.

Income Tax

Current tax assets or liabilities comprise those claims from, or obligations to, fiscal authorities relating to the current or prior reporting period, that are uncollected or unpaid at the balance sheet date.

They are calculated according to the tax rates and laws applicable to the fiscal periods to which they relate, based on the taxable profit for the year. All changes to current tax assets or liabilities are recognized as a component of tax expense in the income statement.

Deferred income tax is provided, using the balance sheet liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Under the balance sheet liability method, with certain exceptions, deferred income tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences and the carry forward of unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the deferred income tax asset can be utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at balance sheet date.

Most changes in deferred tax assets or liabilities are recognized as a component of tax expense in the statement of comprehensive income. Only changes in deferred tax assets or liabilities that relate to a change in value of assets or liabilities that is charged directly to equity are charged or credited directly to equity.

Provisions and Contingencies

Provisions are recognized when present obligations will probably lead to an outflow of economic resources, and they can be estimated reliably even if the timing or amount of the outflow may still be uncertain.

A present obligation arises from the presence of a legal or constructive commitment that has resulted from past events. Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the balance sheet date, including the risks and uncertainties associated with the present obligation.

Any reimbursement expected to be received in the course of settlement of the present obligation is recognized, if virtually certain as a separate asset, not exceeding, the amount of the related provision. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

In addition, where time value of money is material, long-term provisions are discounted to their present values using a pretax rate that reflects market assessments and the risks specific to the obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

In those cases, where the possible outflow of economic resource as a result of present obligation is considered improbable or remote, or the amount to be provided for cannot be measured reliably, no liability is recognized in the financial statements. Probable inflows of economic benefits that do not yet meet the recognition criteria of an asset are considered contingent assets, hence, are not recognized in the financial statements.

Contingent liabilities are not recognized in the financial statements but are disclosed in the notes to financial statements unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the financial statements but are disclosed in the notes to financial statements when an inflow of economic benefits is probable.

Equity

Capital stock is determined using the nominal value of shares that have been issued.

Additional paid-in capital includes any premiums received on the initial issuance of capital stock. Any transaction costs associated with the issuance of shares are deducted from additional paid-in capital, net of any related income tax benefits. Treasury shares are stated at the cost of reacquiring such shares.

Revaluation reserves comprise gains and losses due to the revaluation of property, plant and equipment and certain financial assets. Retained earnings include all current and prior period results as disclosed in the income statement.

Events after the Balance Sheet Date

Post year-end events that provide additional information about the Company's position at the balance sheet date (adjusting events) are recognized in the financial statements when material. Post year-end events that are not adjusting events are disclosed in the notes when material.

On March 26, 2021, the Republic Act (RA) 11534, known as "The Corporate Recovery or Tax Incentives for Enterprise Act" (Create Act), was passed into law. The salient provisions of the Create Act applicable to the Company are as follows:

1. Effective July 01, 2020, the corporate income tax rate is reduced from 30% to 20% for domestic corporations with net taxable income not exceeding P5,000,000 and with total assets not exceeding P100,000,000.00, excluding land or which the particular business entity's office, plant, and equipment are situated during the taxable year for which the tax is imposed at 20%. All other domestic corporations and resident foreign corporations will be subject to 25% income tax.
2. Minimum corporate income tax (MCIT) rate reduced from 2% to 1% effective July 1, 2020, to June 20, 2023.
3. Percentage tax reduced from 3% to 1% effective July 01, 2020, to June 30, 2023; and
4. The imposition of improperly accumulated earnings tax is repealed.

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with PFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses.

Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

Specifically, the following are the information about substantial areas of estimates, uncertainty, and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the entity's financial statements:

Estimated useful lives of property and equipment

The Company estimates the useful lives of its property and equipment based on the period over which the assets are expected to be available for use.

The Company reviews annually the estimated useful lives of property and equipment based on factors that include asset utilization, internal technical evaluation, technological charges, environmental and anticipated use of the assets tempered by related industry benchmark information.

It is possible that the future results of operation could be materially affected by changes in these estimates brought about by changes in factors mentioned above. A reduction in the estimated useful life of any property and equipment would increase the recording of operating expenses and decrease the cost of property and equipment.

Impairment of assets

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses of continuing operations are recognized in the statements of comprehensive income in those expense categories consistent with the function of the impaired asset.

Impairment of Property and Equipment

The Company assesses at each reporting date whether there is an indication that property and equipment may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the recoverable amount of an asset.

The asset recoverable amount is the higher of an asset's fair value less costs to sell and its value in use and is determined for an individual asset. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash inflows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

5. CASH AND CASH EQUIVALENTS

Cash accounts with the banks generally earn interest at rates based on bank daily deposit rates. Short-term deposits, if any, are made for varying periods of up to one-year depending on the immediate cash requirements of the corporation and earn interest at the respective short-term deposit rates.

	2024	2023
Cash In Bank	11,565,249	7,389,167

6. TRADE AND OTHER TRADE RECEIVABLES

Trade receivables represent accounts receivable and are non-interest bearing measured initially at invoice transaction price and subsequently measured at their fair value as reduced by appropriate allowances for doubtful and impairment, if any. The allowance for doubtful accounts is the estimated amount of probable losses arising from non-collection based on past collection experience and management's review of the current status of the long-outstanding receivables. The doubtful accounts expense is recognized in the statements of income.

Other receivables are recorded initially at transaction cost and subsequently measured at cost less impairment, if any. Other receivables include advances to officers and employees, accrued income receivables and others.

7. INVENTORIES

Inventories are valued at the lower of cost and estimated selling price less costs to sell. Cost of inventories to their present location and condition.

	2024	2023
Merchandise Inventory	1,924,502	2,420,898

8. OTHER CURRENT ASSETS

Other current assets include prepaid supplies which are valued at the lower of cost or net realizable value. It also includes prepayments such as prepaid taxes and prepaid expenses that are initially recorded at transaction cost and subsequently measured at cost less impairment loss, if any.

	2024	2023
Deferred Input Tax	-	25,957

9. PROPERTY AND EQUIPMENT

A reconciliation of the carrying amounts at the beginning and end of 2024 and the gross carrying amounts and the accumulated depreciation of property and equipment are shown below:

	Beginning Balance	Additions	Carrying Value	Depreciation Expense this year	Ending Accumulated Depreciation	Net Carrying Value
Office Equipment	462,574	-	462,574	94,245	408,122	54,452
Transportation Equipment	2,062,031	1,757,143	3,819,174	352,143	1,662,135	2,157,039
Fixtures & Fixtures	144,398	-	144,398	-	144,398	-
Leasehold Improvements	39,996	-	39,996	8,668	26,005	13,991
Total	2,708,999	1,757,143	4,466,142	455,056	2,240,660	2,225,482

10. TRADE AND OTHER PAYABLES

This account consists of:

	2024	2023
Accounts Payable	61,326	113,158
Income Tax Payable	712,118	651,754
VAT Payable	494,174	864,763
Withholding Tax Expanded	33,441	15,868
Withholding Tax Compensation	-102,890	-30,714
SSS Contribution Payable	49,920	42,020
SSS Loans Payable	7,983	-
Phil health Contribution Payable	18,435	12,308
HDMF Contribution Payable	6,000	2,600
HDMF Loans Payable	4,070	-
Total	1,284,577	1,641,757

11. LONG-TERM LIABILITIES

	2024	2023
Advances from Stockholders	-	1,000,000
Loans Payable	1,259,525	-
Total	1,259,525	1,000,000

12. REVENUE

The company derived its revenue from the sale of software and services. The breakdown of the account is as follows:

	2024	2023
Sales- Vatable	41,829,547	39,401,593
Sales-Zero rated	17,400	158,376
Total	41,846,947	39,559,969

13. COST OF SALES

The breakdown of the account is as follows:

	2024	2023
Inventory, Beginning	2,420,898	10,109,149
Add: Purchases	27,407,632	19,005,997
Direct Labor	1,088,843	707,129
DL-13 th Month Pay	90,737	48,927
DL-Employer's Share SPP Contribution	142,920	105,054
Inventory, Ending	-1,924,502	-2,420,898
Total Cost of Sales	29,226,527	27,555,629

14. GENERAL AND ADMINISTRATIVE EXPENSES

Operating are recognized in the statement of income upon utilization of the service or in the date they are incurred.

	2024	2023
Salaries & Wages	3,211,036	2,908,797
Employer's Share-LGU Contribution	403,797	283,925
13 th Month Pay	248,046	214,667
Employee Benefits	39,254	6,308
Rent or Lease Expense	452,858	538,943
Repairs & Maintenance	305,092	204,704
Light & Water	741	-
Office Supplies	145,734	80,958
Communication	27,259	22,152
Postage and Freight Expense	99,685	133,093
Transportation and Travel	18,342	314,824
Taxes and Licenses	70,448	46,441
Insurance Expense	41,353	24,903
Depreciation Expense	446,388	270,466
Amortization	8,668	8,668
Gas, Fuel and Oil	127,471	132,650
Meals and Entertainment	156,562	73,933
Miscellaneous	268	-
Seminars and Trainings	19,998	1,750
Accommodation	12,205	-
Advertising Expense	24,869	40,090
Interest Expense	22,384	39,493
Total General & Administrative Expenses	5,882,459	5,346,765

15. FINANCIAL INSTRUMENTS

Financial Risk Management Objectives and Policies

The Company is exposed to a variety of financial risks in relation to financial instruments consisting of cash and cash equivalents. The Company's risk management is in close cooperation with the Board of Directors.

The main purpose of these financial instruments is to finance the Company's operations. The most significant financial risks to which the Company is exposed to are described below:

Credit Risk

Generally, the maximum credit risk exposure of financial assets is the carrying amount of the financial assets as shown on the face of the balance sheet (or in the detailed analysis provided in the notes to the financial statements), as summarized below.

	Notes	2024	2023
Cash and Cash Equivalents	5	11,565,249	7,389,167

The credit risk for cash and cash equivalents is considered negligible since the counter parties are reputable banks with high quality external credit ratings.

Liquidity Risk

Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a 6-month and one-year period are identified monthly.

The Company maintains cash to meet its liquidity requirements for up to 60-day periods. Excess cash are invested in time deposits, mutual funds, or short-term marketable securities.

Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the ability to sell long-term financial assets.

As of December 31, 2024 and 2023, the Company's financial liabilities have contractual maturities which are presented below.

	Notes	Carrying Values	Fair Values	Carrying Values	Fair Values
Accounts Payable and Other Payables	10	1,198,169	1,198,169	1,584,829	1,584,829
SSS/PHIC/HDMF payables	10	74,355	74,355	56,928	56,928
SSS & HMDF loans payable	10	12,053	12,053	-	-
Total		1,284,577	1,284,577	1,641,757	1,641,757

16. CATEGORIES AND FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

The carrying amounts and fair values of the categories of assets and liabilities presented in the balance sheets are shown below:

		2024		2023	
	Note	Carrying Values	Fair Values	Carrying Values	Fair Values
Financial Assets					
Cash & cash equivalents	5	11,565,249	11,565,249	7,389,167	7,389,167
Financial Liabilities at amortized cost					
Current					
Accounts Payable and Other Payables	10	1,198,169	1,198,169	1,584,829	1,584,829
SSS/PHIC/HDMF payables	10	74,355	74,355	56,928	56,928
SSS & HMDF loans payable	10	12,053	12,053	-	-
Total		1,284,577	1,284,577	1,641,757	1,641,757
Non-current					
Loan Payable	11	1,259,525	1,259,525	-	-
Advances from Stockholders	11	-	-	1,000,000	1,000,000
Total		1,259,525	1,259,525	1,000,000	1,000,000

See Notes 3 and 4 for description of the accounting policies for categories of the financial instrument. A description of the Company's risk management objectives and policies for financial instruments is provided in Note 12.

17. CAPITAL MANAGEMENT OBJECTIVES, POLICIES AND PROCEDURES

The company's capital management objectives are to ensure its ability to continue as a going concern and to provide adequate returns to shareholders by pricing products and services commensurate with the level of risk. The company monitors capital based on the carrying amount of equity as presented on the face of the balance sheets. Capital for the reporting periods under review is summarized as follows:

	2024	2023
Total Liabilities	2,544,102	2,641,757
Total Equity	13,171,131	8,117,661
Debt to equity ratio	nil	nil

The company's capital management aims to maintain a debt-to-equity structure ratio ranging from 1:1 to 1:2 on a monthly basis.

18. TAXES

The components of tax expense as reported in profit or loss follow:

	2024	2023
Current tax expense:		
Regular corporate income tax (RCIT)	6,737,960	6,657,575
Application of minimum corporate income tax (MCIT)	12,620,420	12,004,340
RCIT at 25% & 20%	1,684,490	1,664,394
MCIT at 1% & 2%	252,408	240,087

The company is subject to the MCIT which is computed at an average of 30% in 2024 and 30% in 2023 of gross income, as defined under the tax regulations or RCIT, whichever is higher. The MCIT may be claimed as tax credit against the Company's future income tax payable within three years from the year it was incurred. In 2024 and 2023, the Company reported RCIT as it is higher than MCIT.

	2024	2023
Income Tax (whichever is higher between RCIT or MCIT)	1,684,490	1,664,394
Less: Tax credits		
RCIT Payment 1 st to 3 rd Quarter	788,359	821,277
Creditable Withholding Tax 1 st to 3 rd Quarter	72,483	70,563
Creditable Withholding Tax 4 th Quarter	111,530	120,800
Income Tax Payable	712,118	651,754

19. BIR REVENUE REGULATION (RR) NO. 15-2010

BIR Revenue Regulation No. 15-2010 required that the notes to the financial statements accompanying the tax returns of taxpayers should contain detailed information on taxes, duties and license fees paid or accrued by the taxpayer during the taxable year, including pending BIR assessments and tax cases in court. The following are the specific disclosures enumerated in the regulations.

1. The company is VAT registered and has filed value-added tax returns during the year ended December 31:

	2024	2023
	Amount	Amount
Sales- Vatable	41,829,547	39,401,593
Sales-Zero rated	17,400	158,376
VAT Output Tax	5,019,546	4,728,191

2. All other taxes, local and national taxes paid and accrued for the year ended:

The summary of Taxes and licenses, reported under operating expenses in the 2024 statement of comprehensive income is broken down as follows:

Municipal Licenses and permits	70,448
BIR annual registration fee	-
Total	70,448

The above local and national taxes are lodged in the Operating expenses under Taxes and Licenses.

3. The amount of withholding taxes paid for the CY 2024.

	Amount	Amount
Withholding Tax on Compensation	25,606	29,016
Withholding tax expanded	323,630	240,808

E. R. TIBON & CO.

Accountants . Auditors . Consultants

11 Mt. Arayat St., Singson Village, Subangdaku, Mandaue City

Tel. No. 032 887 0814

SUPPLEMENTARY WRITTEN STATEMENT

The Board of Directors

SYSTEMHUB DISTRIBUTION INC.

1519, 15th Floor, BPI Corporate Center, Cebu Business Park,
Arch. Reyes Ave., Brgy. Luz, Cebu City

We have examined the financial statements of SYSTEMHUB DISTRIBUTION INC. for the fiscal year ended December 31, 2024 on which I have rendered the attached report dated April 08, 2025.

In compliance with SRC Rule 68, I am stating that the said company has a total numbers of six (6) stockholders owning one hundred (100) or more shares each.

E.R. TIBON & CO.

202-821-774-000


EVELYN R. TIBON

PRC Certificate No. 47312

BIR AN: 13-250121-004-2024, Issued: 12/10/2024, Expiry: 12/10/2027

TIN: 107-238-060-000

BOA AN: 4636, Issued: 04/28/2022, Exp. Date: 04/24/2025

PTR No. 1990144

Issued January 06, 2025, City of Mandaue

April 08, 2025

CPA STATEMENT OF REPRESENTATION

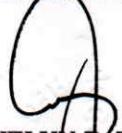
TO THE SECURITIES AND EXCHANGE COMMISSION

In connection with my examination of the financial statements of SYSTEMHUB DISTRIBUTION INC. which are to be submitted to the Commission, I hereby represent the following:

1. That I am in the active practice of the accounting profession and duly registered with the Board of Accountancy (BOA);
2. That said financial statements are presented in conformity with generally accepted accounting principles in the Philippines, in all cases where I shall express an unqualified opinion; except that in the case of any departure from such principles, I shall indicate the nature of the departure, the effects thereof; and the reasons why compliance with the principles would result in a misleading statement, if such is a fact;
3. That I shall fully meet the requirements of independence as provided for under the Code of Professional Ethics for CPA's;
4. That in the conduct of the audit, I shall comply with the generally accepted auditing standards promulgated by the Board of Accountancy; in case of any departure from such standards or any limitation in the scope of my examination, I shall indicate the nature of the departure and the extent of the limitation, the reasons thereof and the effects thereof on the expression of an opinion;
5. That I shall comply with the applicable rules and regulations of the Securities and Exchange Commission in the preparation and submission of financial statements; and
6. That relative to the expression of my opinion on said financial statements, I shall not commit any acts discreditable to the profession to the profession as provided under Code of Professional Ethics for CPA's.

E.R. TIBON & CO.

202-821-774-000



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