

How IFRS 16 Capitalisation Affects Firm Performance through Financial Leverage

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ABSTRACT

International Financial Reporting Standard 16 (IFRS 16) (adopted as MFRS 16 for Malaysia) scrapped the current operating lease accounting framework and instead companies must account for right-of-use (ROU) assets and related lease liabilities on the balance sheet. The standard-setting bodies had hoped to boost transparency and comparability, but the required capitalisation creates a foreseeable surge in reported corporate financial leverage, with a critical question remaining on how this leverage change, because of the accounting standards, will indirectly affect multi-dimensional firm performance. To fill this gap, the objective of this research is to create an integrative conceptual model with a mediating variable in between IFRS 16 lease capitalization intensity and the post-IFRS 16 firm performance, which is measured by traditional profit indicators, capital investment efficiency and general market indicators. Thematic analysis approach was used to synthesize the empirical evidence in the narrative review methodology that was used in this study, which gathered 35 articles from the peer-reviewed literature in the Scopus database. The results show that capitalization under IFRS 16 first of all leads to a mechanical rise in the calculated debt ratios and short-term profitability measures such as Return on Assets (ROA) are initially compressed, while financial leverage acts as a double-action mediator. This leverage transparency helps lower information processing costs for external stakeholders, curbs managerial over-investment and improves the perception of corporate governance, leading to an increase in capital allocation efficiency and better ESG valuations in the long term. Theoretically, this study expands upon positive accounting theory by considering debt escalation as an active signaling mechanism instead of a passive distorting signal, and it offers practical value for corporate managers dealing with debt covenants and analysts assessing structural risk.

Keywords: IFRS 16, MFRS 16, Financial Leverage, Firm Performance, Mediating Effect, Narrative Review

INTRODUCTION

Significant regulatory changes brought in with the International Financial Reporting Standards (IFRS) have completely revolutionized the corporate reporting process, globally and in emerging markets like Malaysia. One of the most dramatic structural changes in the financial accounting and reporting landscape in history is the implementation of IFRS 16 (MFRS 16 in Malaysia) which came into effect in 2019. Before adoption, entities often resorted to using off-balance sheet operating leases with IAS 17 / FRS 117, which improved the appearance of the primary financial statements. IFRS 16 eliminated this off-balance sheet treatment for lessees by capitalizing practically all operating leases as Right-of-Use (ROU) assets and lease liabilities. The accounting requirement had radically transformed a corporation's balance sheet, leading to an instant surge of identified assets and aggregate liabilities for the businesses, which are typically lease-intensive, such as retail, aviation, telecommunications and logistics listed on Bursa Malaysia and other international exchanges (Giner et al., 2019; Lopes & Penela, 2025; Onie et al., 2026; Ooi et al., 2023). While standard-setters sought to remove the arbitrary classification aspect, improve the quality of reporting, and strengthen trust in the standard-setters in the capital markets, the operational consequences of implementing the obligations onto the balance sheet have sparked significant economic and behavioral side effects throughout capital markets around the world (Chung, 2022; Săcărin, 2017).

The issue of off-balance sheet accounting (which caused problems with the previous accounting systems) has been examined in previous studies. Morales-Díaz and Zamora-Ramírez (2018) and Malaysian data by Ooi et al. (2023) show that moving to lease causes a structural increase in the financial leverage ratio of the firm. Leverage indicators like debt-to-equity and total liabilities-to-total assets are strongly affected by lease liabilities, which are classified as debt-like obligations, after adoptions (Dhokare, 2026; Giner et al., 2019; Magli et al., 2018). As a result, mixed and even contradictory effects on traditional measures of firm performance are noted by scholars. On the other hand, profitability indicators such as Return on Assets (ROA) and Return on Equity (ROE) often see mechanical drops as a result of increased asset and liability bases (Dhokare, 2026; Morales-Díaz & Zamora-Ramírez, 2018; Sbaih et al., 2023; Secinaro et al., 2020). On the contrary, the greater transparency that comes with on-balance sheet recognition has been associated with better investment efficiency (Tan & Wong, 2026) and better market perceptions, as evidenced by better Environmental, Social and Governance (ESG) disclosure ratings for those companies that have a significant lease-based business model (Henrikhaugen & Åbelvold, 2023; Sharma et al., 2025).

The stream of research has been growing, but the literature has yet to provide a clear answer to the exact way in which capitalising leases affects overall firm performance. Prior research has mostly focused on the direct bivariate relationship, either measuring the effect of IFRS 16 on financial leverage or measuring its effect when standalone. The empirical findings of these studies have been inconclusive in various geographic regions and industries (Chung, 2022; Sbaih et al., 2023; Stancheva-Todorova & Velinova-Sokolova, 2019). This remains an important research gap as it is not possible to find a conceptual framework that models financial leverage as not only a passive reflection of accounting but also as an active mediation variable between the capitalisation of IFRS 16 and multi-dimensional firm performance outcomes. This study fills this gap, and the main objective is to put forward a comprehensive conceptual framework that conceptualizes the intermediary role of financial leverage in the relationship of IFRS 16 adoption intensity on subsequent firm performance using traditional profitability indicators, capital investment efficiency, and broader market metrics.

There are several reasons why this study is important. First, it helps in the formulation of policy by giving regulators and standard-setters, like the IASB and MASB, a conceptual basis for assessing the economic impacts of accounting standards in the downstream market. Second, it increases the conceptual clarity of leasing reporting, which will help accounting and business decision makers in Malaysia and around the world to manage related reporting, contracting, and balance sheet issues. Finally, the study helps to build investor trust and capital market efficiency by encouraging good financial reporting practices. The results are consistent with global initiatives to improve capital market discipline and international financial statement comparability.

This paper follows the information asymmetry theory and focuses on the pertinence and decision usefulness of financial disclosures to external users. It is also aligned with Positive Accounting Theory and Agency Theory highlighting the impact of changes in accounting policy and covenant restrictions on management and firm governance. This theoretical perspective suggests that there is reason to suspect that financial leverage has a mediating effect and is an important factor to consider when determining performance realization. To illustrate this, a conceptual framework is developed in this paper that connects the principles of IFRS 16 / MFRS 16 in lease capitalisation, financial leverage, and performance of the firm. After this introduction, the literature review makes sense of recent empirical knowledge and provides the theoretical justification; the theoretical framework and the propositions are formalized; and the paper ends with implications, limitations and future research directions.

LITERATURE REVIEW

Financial reporting frameworks have been a great deal different in recent years, particularly as countries have continually converged on International Financial Reporting Standards (IFRS). In Malaysia, full convergence has been reached with the Malaysian Financial Reporting Standards (MFRS) framework published by the MASB which affords greater transparency and comparability to listed companies on Bursa Malaysia. Notwithstanding these developments, there were continuing difficulties in the accounting standards setting process with the reporting of complex items such as operating leases under the old standards (IAS 17 / FRS 117) which distorted the financial risk profile. Based on this background, three themes are identified in the literature relevant to this

study: IFRS 16 lease capitalization, financial leverage (as the mediating variable), and firm financial performance.

IFRS 16 Lease Capitalisation

International Financial Reporting Standard (IFRS) / MFRS 16 changed the corporate lease accounting with the elimination of the lease accounting for off-balance sheet operating lease for lessees and the introduction of the lease accounting for virtually all leases as Right-of-Use (ROU) assets & lease liabilities on the corporate balance sheet. This requirement of IAS 17 was in effect before the mandates were issued that entities would often use off-balance sheet arrangements to conceal important long-term obligations, thus understating their obligations in their accounts and causing an information asymmetry in the capital markets (Belesis et al., 2021; Durocher, 2008; Heywood, 2020). Implementing these responsibilities on the main financial statements causes a direct mechanical increase in total assets and liabilities, including in sectors dependent on leasing, like retail, aviation, maritime, telecommunications and transportation (Bennett & Bradbury, 2003; Delgado-Vaquero et al., 2022; Jari et al., 2025; Ooi et al., 2023; Tumpach et al., 2021; Zúñiga et al., 2022). The evidence shows that the adoption of MFRS 16 significantly caused an increase in the number of obligations recognised on the balance sheet of Malaysian listed firms, while the companies have not systematically cut down on their dependence on leasing activities, meaning that the core asset operational requirement is greater than the reporting frictions (AASB-MASB, 2022; Onie et al., 2026).

Financial Leverage

Financial leverage plays a central role in mediating the relationship between IFRS 16 lease capitalization and firm financial performance. IFRS 16 capitalization has a direct impact on financial leverage indicators by introducing previously off-balance-sheet operating leases directly onto corporate balance sheets, thus increasing financial leverage across firms that have adopted it (Dhokare, 2026; Sbaih et al., 2023). Recognized lease liabilities are viewed as debt-like financial obligations, with significantly higher upwards adjustments to the solvency and leverage ratios after implementation, including debt-to-equity, total liabilities-to-total assets and net debt ratios (Giner et al., 2019; Giner & Pardo, 2018; Morales-Díaz & Zamora-Ramírez, 2018; Ooi et al., 2023). This artificial leveraging is a key mechanism that shifts the perception of credit risk of the stakeholders and can influence the borrowing capabilities and the terms of the debt covenant that is regulated by commercial lending contracts (Chung, 2022; Giner et al., 2019; Stancheva-Todorova & Velinova-Sokolova, 2019). From a short-term view, higher leverage could be seen as evidence of the increased financial risks, but at the same time it can provide transparency as an opportunity to remove off-balance sheet liabilities and increase the risk assessment transparency for external financial sources (Belesis et al., 2021; Delgado-Vaquero et al., 2022; Hla et al., 2021).

Firm Financial Performance

The result affected by the transmission of capitalization of leases via financial leverage is firm financial performance. Under IFRS 16, accounting mechanics change from the current straight-line operating lease expense to front-loaded interest expense and the systematic depreciation of ROU assets, which significantly increases EBITDA but can often result in compression of net profit margins, Return on Assets (ROA) and Return on Equity (ROE) due to increased base on balance sheet (Beckman & Jervis, 2009; Goodacre, 2003; Morales-Díaz & Zamora-Ramírez, 2018; Sbaih et al., 2023). In addition to the short-term accounting distortions, the benefits of the information reduction that comes with leverage transparency are long-term and include mitigating over- and under-investment biases and significant improvements in corporate investment efficiency throughout the ASEAN economies, including Malaysia (Henrikhaugen & Åbelvold, 2023; Tan & Wong, 2026). In addition, improved reporting transparency provides greater transparency and visibility of corporate governance and audit committee effectiveness (Jatiningrum et al., 2020), which leads to positive market perceptions and increased Environmental, Social, and Governance (ESG) sustainability disclosures for companies with significant lease exposure (Sharma et al., 2025).

This review highlights three key themes emerging from literature: the challenges in capitalized lease accounting, the critical role of financial leverage, and its implications for firm financial performance. Empirical studies have

assessed the direct accounting effects, but the indirect effect via financial leverage has not yet been fully conceptualised. This disparity shows the importance of the theoretical framework that is proposed in this study, which combines IFRS 16 capitalization, financial leverage and multidimensional firm performance.

METHODOLOGY

Research design – narrative review methodology

The narrative review was used in this study as it is appropriate for conceptual research that involves synthesising literature from multiple sources into a coherent theory. Narrative reviews are more flexible than systematic reviews, which focus on empirical testing, in examining conceptual relationships, especially in developing fields like the accounting for leases standards and measures of financial performance. This approach allowed the incorporation of a wide range of literature to investigate the mediating effect of financial leverage on the link between IFRS 16 lease capitalization and firm performance. It is particularly useful in situations where there is an ongoing debate within the academic literature, like the short- and long-run economic effects of balance sheet capitalisation in international and emerging markets such as Malaysia (Hla et al., 2021; Ooi et al., 2023).

Key steps in conducting a narrative review

The selection of these reviews was based on a systematic review process by identifying, selecting and synthesising thematically the peer-reviewed journals that met the criteria. The Scopus database was selected as the main data source due to its breadth of quality journals and indexing in various accounting, finance and corporate governance areas. There were several stages involved in the review process: (i) Formulation of a clear research aim to explore the mediating role of financial leverage, (ii) Search strategy formulation using the clear research keywords and Boolean operators, (iii) eligibility screening based on the inclusion/exclusion criteria (English language, publication date 2022–2026, and relevance to IFRS 16 / MFRS 16 and firm performance), and (iv) Integrative thematic analysis of the emerging themes and concepts.



Figure 1. Key steps in conducting narrative review

Data collection and review strategy

The literature search was conducted using the following search string in the Scopus database:

("IFRS 16" OR "MFRS 16" OR "International Financial Reporting Standards" OR "lease accounting") AND ("capitalisation" OR "capitalization" OR "asset recognition" OR "financial reporting") AND ("firm performance" OR "company performance" OR "business performance" OR "organizational performance") AND ("Malaysia" OR "ASEAN" OR "Global")

Upon the application of inclusion criteria, **35 peer-reviewed articles** were selected to be reviewed in detail. This analysis used an integrative thematic approach, which enabled the identification of common concepts, contradictions, and the formation of emerging perspectives. Among the central themes were (i) shift to on-balance sheet recognition, (ii) escalation of financial leverage, (iii) divergent profitability impact, (iv) mediated capital investment efficiency, and (v) ESG and market valuation enhancement. These themes were charted to inform the formulation of the proposed conceptual framework.

Key Findings Theme	Core Description & Conceptual Mechanism	References
i. Shift to On-Balance Sheet Recognition	Full capitalisation of right-of-use (ROU) assets and corresponding lease liabilities eliminates off-balance sheet operating lease structures, causing a structural expansion of balance sheet assets and liabilities.	AASB-MASB (2022); Almubaydeen et al. (2026); Durocher (2008); Morales-Díaz & Zamora-Ramírez (2018); Onie et al. (2026); Săcărin (2017)
ii. Escalation of Financial Leverage	Recognition of mandatory lease obligations as debt-like liabilities leads to a significant structural surge in financial leverage metrics (e.g., debt-to-equity, debt-to-assets), inflating reported debt profiles.	Bennett & Bradbury (2003); Chung (2022); Dhokare (2026); Giner et al. (2019); Giner & Pardo (2018); Lopes & Penela (2025); Magli et al. (2018); Ooi et al. (2023); Sbaih et al. (2023)
iii. Divergent Profitability Impact	Accounting expense reclassifications (replacing rental expense with ROU depreciation and front-loaded interest) systematically increase EBITDA while causing short-term declines or volatility in ROA, ROE, and net profit margins.	Beckman & Jervis (2009); Dhokare (2026); Goodacre (2003); Morales-Díaz & Zamora-Ramírez (2018); Sbaih et al. (2023); Secinaro et al. (2020)
iv. Mediated Capital Investment Efficiency	Heightened reporting transparency reduces information asymmetry between managers and external capital providers, utilising leverage as a clarifying signal to optimise investment decisions and curb over-/under-investment.	Henrikhaugen & Åbelvold (2023); Mansour et al. (2025); Modigliani & Miller (1958); Myers (1977); Tan & Wong (2026)
v. ESG and Market Valuation Enhancement	Standardised balance sheet recognition of long-term lease commitments enhances stakeholder trust, corporate governance transparency, and market perceptions, driving improved ESG ratings and long-term valuation stability.	Hla et al. (2021); Jatiningrum et al. (2020); Sharma et al. (2025); Stancheva-Todorova & Velinova-Sokolova (2019)

Table 1. Key findings from narrative review

Narrative summary of key findings

The findings from the narrative review provide a few important points to consider for the relationship between IFRS 16 / MFRS 16 capitalisation and the performance of firms. The adoption of IFRS 16 / MFRS 16 has reduced the opacity, credibility and comparability of financial statements, as it has eliminated off-balance sheet lease structures (AASB-MASB, 2022; Almubaydeen et al., 2026; Morales-Díaz & Zamora-Ramírez, 2018; Onie et al., 2026; Săcărin, 2017). While some of this progress has been made, it is important to note that there is an

immediate mechanical increase in the reported leverage ratios for lease-intensive companies across the board locally and globally (Chung, 2022; Dhokare, 2026; Giner et al., 2019; Magli et al., 2018; Ooi et al., 2023; Sbaih et al., 2023). Financial leverage is identified as a major intervening variable between the performance differences and the accounting expense reclassifications since the accounting expense changes increase the OEBITDA and reduce the short-term NPM and ROA (Beckman & Jervis, 2009; Goodacre, 2003; Morales-Díaz & Zamora-Ramírez, 2018; Sbaih et al., 2023; Secinaro et al., 2020).

Furthermore, leverage transparency helps to reduce information asymmetry, thereby enabling optimal corporate capital budgeting (Henrikhaugen & Åbelvold, 2023; Tan & Wong, 2026). Capitalisation explicitly forces management to reduce their tendency to over-invest and improves the overall capital investment efficiency, consistent with classical capital structure (Mansour et al., 2025) and financing constraints (Modigliani & Miller, 1958; Myers, 1977; Tan & Wong, 2026) theories. Furthermore, greater reporting transparency boosts stakeholder trust and transparency in the corporate governance process, leading to increased ESG sustainability disclosures and positive market perceptions for lease-dependent companies in emerging markets such as Malaysia (Hla et al., 2021; Jatiningrum et al., 2020), as well as in other markets (Sharma et al., 2025; Stancheva-Todorova & Velinova-Sokolova, 2019). In conclusion, the synthesis reveals that the core activities of leasing operations are unchanged as the need for these services continues, but the explicit recognition of balance sheet debt adds clarity to the market risk signal and contributes to stable long-term values (Onie et al., 2026; Sharma et al., 2025).

Theoretical Framework Development

This research focuses on the Debt Covenant Hypothesis of Positive Accounting Theory (PAT) (Watts & Zimmerman, 1986) where the accounting policy change directly influences a firm's contracting friction and managerial utility, as well as balance sheet expansion. IFRS 16 / MFRS 16 creates a large, immediate increase in the level of debt reported on the balance sheet in the form of right-of-use assets and lease liabilities, and this event has an effect on debt covenant headroom and credit risk assessments (Chung, 2022; Giner et al., 2019; Stancheva-Todorova & Velinova-Sokolova, 2019). Moreover, Agency Theory (Jensen & Meckling, 1976) presents a framework for understanding how the debt covenants affect executive incentives and corporate governance monitoring in public listed companies.

In addition, Information Asymmetry Theory (Akerlof, 1970) offers a stakeholder-based approach, which focuses on the need to provide financial disclosure that is transparent, reliable, and decision-useful (Hla et al., 2021). Operating leases accounted for off-balance sheet will reduce the informational processing advantage that the corporate insiders enjoy over the external capital providers, which decreases borrowing constraints and enhances capital allocation (Henrikhaugen & Åbelvold, 2023; Tan & Wong, 2026). These theoretical views reinforce one another by connecting the accounting mechanics of lease capitalisation to financial leverage shifts and ultimate firm performance outcomes.

The knowledge gained from this study led to the development of a conceptual framework that suggests the impact of IFRS 16 lease capitalisation (independent variable) on firm financial performance (dependent variable) through the mediation of the variable of financial leverage. In this context, the imposed capitalisation rule enhances reported solvency ratios, thereby having an impact on the borrowing rate, investment decisions, and risk assessment by stakeholders (Dhokare, 2026; Giner et al., 2019; Morales-Díaz & Zamora-Ramírez, 2018; Ooi et al., 2023). Leverage spikes in the beginning cause contracting friction, whereas standardised and transparent debt reporting levels and the same metrics for debt and equity reporting reduce discretion, information asymmetry, and improve investment efficiency and market confidence over the long run (Sharma et al., 2025; Tan & Wong, 2026).

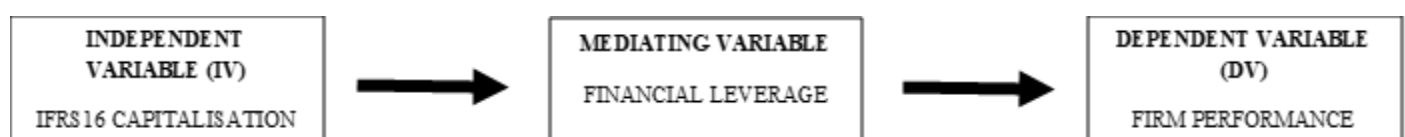


Figure 2: Proposed theoretical framework

Proposition Development

IFRS16 Lease capitalisation and financial leverage

The structural change from off-balance-sheet operating leases (as per IAS 17 / FRS 117) to on-balance-sheet capitalisation (as per IFRS 16 / MFRS 16) has a direct impact on corporate capital structure as it requires recognition of the Right-of-Use (ROU) assets and the lease liability. The new accounting standard is based on positive accounting theory, which means that previously hidden liabilities are now reported on the main financial statements, increasing the obligations but without an immediate inflow of liquid equity (Chung, 2022; Watts & Zimmerman, 1986). As a result, the financial leverage ratios (debt to equity and total liabilities to total assets) posted a substantial pullback in the moment firms add these long-term operating lease obligations to their balance sheets, especially in industries with high lease-to-sales ratios, such as retail, aviation, telecommunications, and logistics (Belesis et al., 2021; Bennett & Bradbury, 2003; Dhokare, 2026; Giner et al., 2019; Giner & Pardo, 2018; Lopes & Penela, 2025; Magli et al., 2018; Ooi et al., 2023; Sbaih et al., 2023). Lease obligations are still generally the same, but the recognition of lease obligations explicitly increases the reported leverage ratios for firms that adopt leasing in a systematic manner (AASB-MASB, 2022; Onie et al., 2026; Tumpach et al., 2021; Zúñiga et al., 2022).

Proposition 1 (P1): The capitalisation intensity of IFRS 16 positively relates to the reported financial leverage of corporations.

Financial leverage and firm performance

Financial leverage is a critical economic tool that the capital provider uses to assess corporate risk, contracting conflict, and flexibility (Jensen & Meckling, 1976; Modigliani & Miller, 1958; Myers, 1977). From Information Asymmetry Theory and Agency Theory, it is known that increased reported financial leverage has two effects: first, it would increase the perceived financial risk, making the banks have to be more strict in imposing their debt covenants, and second, it would lower the information processing costs for external investors, while short-term profitability ratios, such as ROA and ROE, would be compressed in the same time (Beckman & Jervis, 2009; Chung, 2022; Giner et al., 2019; Goodacre, 2003; Morales-Díaz & Zamora-Ramírez, 2018; Sbaih et al., 2023; Secinaro et al., 2020). As markets adapt to standardized debt reporting, eliminating hidden off-balance-sheet obligations reduces agency conflicts and managerial over-investment, ultimately improving long-term capital allocation efficiency in both emerging and developed markets (Henrikhaugen & Åbelvold, 2023; Tan & Wong, 2026). Additionally, debt transparency provides greater governance visibility (Jatiningrum et al., 2020), leading to better trust in markets and better sustainability assessments (Sharma et al., 2025; Stancheva-Todorova & Velinova-Sokolova, 2019).

Proposition 2 (P2): Financial leverage has a strong short-term profitability negative impact, but a positive long-term impact on investment efficiency and market perception.

The mediating role of financial leverage

The evaluation of financial leverage as a mediating mechanism (and not just a financial consequence) is necessary to connect regulatory mandate to ultimate firm outcomes. Based on contracting theory and information asymmetry theory, the intensity of IFRS 16 adoption does not directly impact firm performance in isolation but instead has an indirect effect through making financial leverage appear larger, resulting in a change in stakeholder behaviour and capital price dynamics (Akerlof, 1970; Chung, 2022; Giner et al., 2019). The synthetic leverage movement is a double-edged sword: it can cause accounting distortions and lead to the concern of the borrowing costs in the short term; on the other hand, it is a clarifying signal of the transparency in the reporting system, reducing information asymmetry between managers and stakeholders (Delgado-Vaquero et al., 2022; Henrikhaugen & Åbelvold, 2023; Tan & Wong, 2026). Finally, this leverage-mediated pathway connects the dots between on-balance sheet asset recognition, optimal capital investment and better market valuation (Almubaydeen et al., 2026; Sharma et al., 2025).

Proposition 3 (P3): Financial leverage is a significant mediator between the intensity of IFRS 16 lease capitalisation and firm performance.

CONCLUSION

This study can achieve the goal of constructing a comprehensive conceptual framework that can embed the corporate financial leverage as an important mediating variable between the IFRS 16 lease capitalisation intensity and multi-dimensional firm performance outcomes. The core findings show that the mandatory recognition of right-of-use assets and lease liabilities deceptively leads to a one-time, artificial increase in financial leverage initially and then to a long-term increase in economic value creation. Grounded in Positive Accounting, Agency, and Information Asymmetry theories, the proposed framework demonstrates that regulatory lease debt escalation is an active mechanism rather than a passive accounting distortion. Consequently, this shift reduces insider information advantages, mitigates agency conflicts, and provides clearer market risk signals. From a practical standpoint, these revelations have given corporate managers a way to proactively adjust bank debt covenants and allocate capital more efficiently and given credit analysts and equity investors a way to differentiate between structural expansion of the balance sheet and real trouble. Although these contributions are made, this study has conceptual limitations because it is a narrative synthesis of secondary literature from Scopus that has not been tested or cross-country dataset validated. Future studies should focus on providing empirical support to the proposed propositions by conducting quantitative mediation analysis, implementing longitudinal difference-in-differences analysis on different geographical jurisdictions (e.g. Bursa Malaysia and the capital markets of ASEAN nations) and studying the moderating effect of country-specific governance structures and industry-specific lease dependency on the relationship between leverage and firm performance.

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AI Declaration

During the preparation of this work the author(s) used Gemini AI in order to brainstorm the idea and to assist in explaining the text clearly. After using this tool/service, the author(s) reviewed and edited the content as needed and take(s) full responsibility for the content of the publication.

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