

LEAP SPIRAL

Company Number: 200901034370 (877479-K)

(Incorporated in Malaysia)

Financial Statements

Year Ended 31 December 2025

Company Number: 200901034370 (877479-K)

LEAP SPIRAL
(Incorporated in Malaysia)

AUDITED FINANCIAL STATEMENTS
AND OTHER FINANCIAL INFORMATION

DIRECTORS

Cynthia Clare Ong Gaik Suan
Philip Chin Jr

SECRETARY

Lo Lie Meng (MASC 01410)

REGISTERED OFFICE

Metro Town, Unit L-1-7, Block L,
First Floor, Lot 7, Jalan Lintas,
88300 Kota Kinabalu, Sabah.

AUDITORS

DMC

BANKER

RHB Bank Bhd
CIMB Islamic Bank Bhd

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Company Number: 200901034370 (877479-K)

LEAP SPIRAL
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DIRECTORS' REPORT

The directors have pleasure in presenting their report together with the audited financial statements of the company for the year ended 31 December 2025.

PRINCIPAL ACTIVITIES

The company is an approved organization under S44(6) of the Income Tax Act, 1967. It is engaged in non-profit activities that facilitate projects, partnerships and exchanges that promote sustainable ecological co-existence, organizing and funding educational and charitable assistance to groups and individuals.

There has been no significant change in the nature of these activities during the financial year.

	2025
	RM
Balance brought forward	710,537
Deficit for the year	(137,166)
Balance carried forward	<u>573,371</u>

In the opinion of the directors, the results of the operations of the company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

DIRECTORS

The names of the directors of the company in office from the date of the last report to the date of this report are as follows:

Cynthia Clare Ong Gaik Suan
Philip Chin Jr

The company is a company limited by guarantee and thus has no shares in which the directors could have an interest.

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the company is a party, whereby directors might acquire benefits by means of the acquisition of debentures of the company or any other body corporate.

No director has received or become entitled to receive any benefits (other than a benefit included in the aggregate amount of emoluments received or due and receivable by directors shown in the financial statements or the fixed salary of a full time employee of the company) by reason of a contract made by the company or a related corporation with any director or with a firm of which the director is a member or with a company in which the director has a substantial financial interest.

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ISSUE OF DEBENTURES

The company did not issue any debentures during the financial year.

OPTIONS GRANTED OVER UNISSUED SHARES AND DEBENTURES

No options were granted to any person to take up debentures of the company during the year.

OTHER STATUTORY INFORMATION

- (a) Before the financial statements of the company were prepared, the directors took reasonable steps:
 - (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that no known bad debts had been written-off and that no provision for doubtful debts was necessary; and
 - (ii) to ensure that any current assets which were unlikely to realise their value as shown in the accounting records in the ordinary course of business have been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the directors are not aware of any circumstances which would render:
 - (i) the amount written off for bad debts or the amount of the allowance for doubtful debts in respect of these financial statements inadequate to any substantial extent; or
 - (ii) the values attributed to current assets in the financial statements of the company misleading.
- (c) At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing method of valuation of assets or liabilities of the company misleading or inappropriate.
- (d) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the company which would render any amount stated in this financial statements misleading.
- (e) As at the date of this report, there does not exist:
 - (i) any charge on the assets of the company which has arisen since the end of the financial year which secures the liabilities of any person; or
 - (ii) any contingent liability in respect of the company which has arisen since the end of the financial year.

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OTHER STATUTORY INFORMATION – CONTD'

(f) In the opinion of the directors:

- (i) no contingent liability or other liabilities has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the liability of the company to meet its obligations when they fall due;
- (ii) the results of the operation of the company during the year were not substantially affected by any item, transaction or event of a material and unusual nature;
- (iii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the company for the financial year in which this report is made.

AUDITORS' REMUNERATIONS

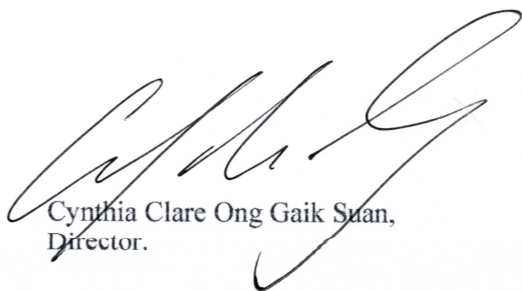
The total amount paid to or receivable by the auditors as remuneration for their services as auditors are as follows:

	2025
	RM
Statutory Audit	<u>5,500</u>

AUDITORS

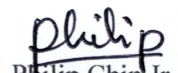
The auditors, Messrs DMC, have indicated their willingness to accept reappointment in accordance with Section 267(4) of the Companies Act, 2016.

On behalf of the Board of Directors in accordance with a resolution of the directors,


Cynthia Clare Ong Gaik Suan,
Director.

Kota Kinabalu.

Date: 15 MAY 2026


Philip Chin Jr.,
Director.

Company Number: 200901034370 (877479-K)

LEAP SPIRAL

**STATEMENT BY DIRECTORS PURSUANT TO
SECTION 251(2) OF THE COMPANIES ACT, 2016**

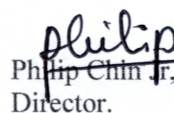
We, Cynthia Clare Ong Gaik Suan and Philip Chin Jr, being two of the directors of Leap Spiral, do hereby state that, in the opinion of the directors, the financial statements of the company set out on pages 10 to 31 are drawn up in accordance with the Malaysian Financial Reporting Standards and the requirement of Companies Act, 2016 so as to give a true and fair view of:

- (i) the financial position of the company as at 31 December 2025, and its financial performance for the year ended on that date; and
- (ii) the cash flows of the company for the year ended 31 December 2025.

On behalf of the Board of the Directors in accordance with a resolution of the Directors,



Cynthia Clare Ong Gaik Suan,
Director.



Philip Chin Jr,
Director.

Kota Kinabalu.

Date: 15 MAY 2026

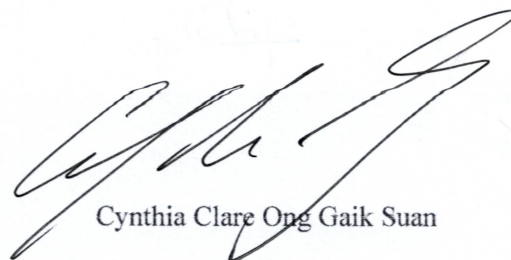
**STATUTORY DECLARATION PURSUANT TO
SECTION 251(1) OF THE COMPANIES ACT, 2016**

I, Cynthia Clare Ong Gaik Suan (NRIC No: 650423-12-5708), being the director primarily responsible for the financial management of Leap Spiral, do solemnly and sincerely declare that the financial statements set out on pages 10 to 31 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by
Cynthia Clare Ong Gaik Suan, at
Kota Kinabalu in the State of Sabah,
this 15 MAY 2026



DATUK SAMAN BIN GULAM
460829-12-5081
TEL: 088-210 086
H/P: 012-825 2974
No.16, Jalan Haji Yaakub, Kg Air,
88000 Kota Kinabalu, Sabah



Cynthia Clare Ong Gaik Suan

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

LEAP SPIRAL

Company Number: 200901034370 (877479-K)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Leap Spiral, which comprise the statement of financial position as at 31 December 2025, and the statement of comprehensive income, statement of changes in equity' fund and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 10 to 31.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the company as at 31 December 2025, and of its financial performance and its cash flows for the year then ended in accordance with Malaysian Financial Reporting Standard and the requirement of the Companies Act, 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code") and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Information Other than the Financial Statements and Auditors' Report Thereon

The directors of the company are responsible for the other information. The other information comprises the Statement by Directors but does not include the financial statements of the company and our auditors' report thereon.

Our opinion on the financial statements of the company does not cover the Statement by Directors and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the company, our responsibility is to read the Statement by Directors and, in doing so, consider whether the Statement by Directors is materially inconsistent with the financial statements of the company or our knowledge obtained in the audit or otherwise appears to be materially misstated. Based on the work we have performed, we have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

LEAP SPIRAL

Company Number: 200901034370 (877479-K)

Responsibilities of the Directors for the Financial Statements

The directors of the company are responsible for the preparation of financial statements of the company that give a true and fair view in accordance with Malaysian Financial Reporting Standard and the requirement of the Companies Act, 2016 in Malaysia.

The directors are also responsible for such internal controls as the directors determine is necessary to enable the preparation of financial statements of the company that are free from material misstatement, whether due to fraud or error. In preparing the financial statements of the company, the directors are 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Approved Standards on Auditing in Malaysia and International Standards on Auditing 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 Approved Standards on Auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our 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, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF**LEAP SPIRAL**

Company Number: 200901034370 (877479-K)

Report on Other Legal and Regulatory Requirements – Contd'

- b) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.
- c) Our audit reports on the financial statements of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

Other Matters

This report is made solely to the members of the company, as a body, in accordance with Section 266 of the Companies Act, 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

**DMC****AF: 002060**

Chartered Accountants

Kota Kinabalu.

Date: 15 MAY 2026

**CHU TET CHUNG, DESMOND****01819/04/2028 (J)**

Partner.

LEAP SPIRAL

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2025**

	NOTE	2025 RM	2024 RM
GRANTS AND PROJECTS			
Individuals, Business Contributions		-	-
		-	-
Deficit from miscellaneous projects	4	(4,210)	(35,521)
(Deficit)/Surplus from Ramsar Community Initiative	5	(4,953)	4,784
Surplus/(Deficit) from Species Conservation	6	18,514	(2,306)
Deficit from Payment for Ecosystem Services (PES)	7	(146,518)	(91,402)
		(137,167)	(124,445)
LESS: ADMINISTRATIVE EXPENSES	8	(390,714)	(169,109)
ADD: OTHER INCOME			
Interest income		940	815
Fixed deposit interest earned		-	-
Miscellaneous income		379,822	90,388
Foreign exchange gain		9,953	50,676
DEFICIT FOR THE YEAR		<u>(137,166)</u>	<u>(151,675)</u>

The notes from pages 14 to 31 form an integral part of the financial statements.

LEAP SPIRAL

**STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 DECEMBER 2025**

		2025	2024
	NOTE	RM	RM
NON-CURRENT ASSETS			
Property, plant and equipment	9	9,901	12,417
CURRENT ASSETS			
Receivables	10	225,907	102,290
Cash and cash equivalents	11	612,019	1,001,792
Fixed deposit		15,000	15,000
		<u>852,926</u>	<u>1,119,082</u>
TOTAL ASSETS		<u><u>862,827</u></u>	<u><u>1,131,499</u></u>
ACCUMMULATED FUNDS			
Balance brought forward		710,537	862,212
Deficit for the year		(137,166)	(151,675)
Balance Carried Forward		<u>573,371</u>	<u>710,537</u>
CURRENT LIABILITIES			
Payables	12	289,456	420,962
		<u>289,456</u>	<u>420,962</u>
TOTAL EQUITY & LIABILITIES		<u><u>862,827</u></u>	<u><u>1,131,499</u></u>

The notes from pages 14 to 31 form an integral part of the financial statements.

LEAP SPIRAL

**STATEMENT OF CHANGES IN ACCUMULATED FUNDS
FOR THE YEAR ENDED 31 DECEMBER 2025**

	Total RM
As at 31 December 2023	862,212
Deficit for the year	<u>(151,675)</u>
As at 31 December 2024	710,537
Deficit for the year	<u>(137,166)</u>
As at 31 December 2025	<u><u>573,371</u></u>

LEAP SPIRAL

**STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 31 DECEMBER 2025**

	2025	2024
	RM	RM
Cash flows from operating activities		
Deficit for the year before capital changes	(137,166)	(151,675)
Adjustments for:		
Depreciation of property, plant and equipment	<u>3,218</u>	<u>4,517</u>
	(133,948)	(147,158)
(Increase)/Decrease in receivables	(123,617)	51,502
(Decrease)/Increase in payables	<u>(131,506)</u>	<u>210,054</u>
Net cash (used in)/generated from operations	(389,071)	114,398
Cash flows from investing activities		
Purchase of property, plant and equipment	<u>(702)</u>	<u>(4,748)</u>
Net cash used in from investing activities	<u>(702)</u>	<u>(4,748)</u>
Net movement in cash and cash equivalents	(389,773)	109,650
Cash in hand at beginning of the year	<u>1,001,792</u>	<u>892,142</u>
Cash in hand at end of the year	<u><u>612,019</u></u>	<u><u>1,001,792</u></u>
Analysis of Cash and Cash Equivalents		
Cash at hand	167	800
Cash in bank	<u>611,852</u>	<u>1,000,992</u>
	<u><u>612,019</u></u>	<u><u>1,001,792</u></u>

LEAP SPIRAL
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENT – 31 DECEMBER 2025

1. CORPORATE INFORMATION

The company is an approved organization under S44(6) of the Income Tax Act, 1967. It is engaged in non-profit activities that facilitate projects, partnerships and exchanges that promote sustainable ecological co-existence, organizing and funding educational and charitable assistance to groups and individuals.

The company's registered office and principal place of business is located at Metro Town, Unit L-1-7, Block L, First Floor, Lot 7, Jalan Lintas, 88300 Kota Kinabalu, Sabah.

The number of employees in the company at the end of financial year was 10 (2024: 10).

The financial statements of the company are presented in Ringgit Malaysia (RM).

The financial statements were authorised for issue by the board of directors in accordance with a resolution of the directors on **15 MAY 2026**

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements have been prepared in accordance with the Malaysian Financial Reporting Standards ('MFRS'), International Financial Reporting Standards and the provisions of the Companies Act, 2016.

The financial statements have been prepared on the historical cost basis. The principal accounting policies adopted are set out below.

2.2 Adoption of new and revised standards

During the financial year, the Company have adopted the following new MFRS, new interpretation and amendments to MFRSs issued by the Malaysian Accounting Standards Board ("MASB") that are mandatory for current financial year:

Accounting pronouncements that are effective and adopted during the financial year:

Amendments to Reference to the Conceptual Framework
MFRS 3

Amendments to Property, plant and Equipment - Proceeds before Intended Use
MFRS 116

Amendments to Onerous Contracts - Cost of Fulfilling a Contract
MFRS 137

LEAP SPIRAL
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENT – 31 DECEMBER 2025

2. SIGNIFICANT ACCOUNTING POLICIES – CONTD'

2.2 Adoption of new and revised standards – contd'

Annual Improvements to MFRS 2018 – 2020 Cycle MFRS 17 Insurance Contracts:

Amendments to Insurance Contracts
MFRS 17

Amendments to Initial Application of MFRS 17 and MFRS 9 - Comparative
MFRS 17 Information

Amendments to Disclosure of Accounting Policies
MFRS 101 and

Amendments to Definition of Accounting Estimates
MFRS 108

Amendments to Deferred Tax related to Assets and Liabilities arising from a
MFRS 112 Single Transaction

Amendments to International Tax Reform - Pillar Two Model Rules
MFRS 112

The adoption of the new MFRS, new interpretation and amendments to MFRSs did not have any significant impact on the financial statements of the Company.

2.3 Standards issued but not yet effective

The following are accounting standards, interpretation and amendments to the MFRSs that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Company.

The Company has not applied the following new and amendments to MFRSs that have been issued by the MASB but are not yet effective for the Company:

	Effective dates for the financial periods beginning on or after
Amendments to Lack of Exchangeability MFRS 121	1 January 2025
Amendments to First-time Adoption of Malaysian MFRS 1 Financial Reporting Standards	1 January 2026
Amendments to Financial Instruments: Disclosures MFRS 7	1 January 2026
Amendments to Financial Instruments MFRS 9	1 January 2026

LEAP SPIRAL
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENT – 31 DECEMBER 2025

2. SIGNIFICANT ACCOUNTING POLICIES – CONTD'

2.3 Standards issued but not yet effective – contd'

	Effective dates for the financial periods beginning on or after
Amendments to Classification and Measurement of MFRS 9 and Financial Instruments MFRS 7	1 January 2026
Amendments to Consolidated Financial Statements MFRS 10	1 January 2026
Amendments to Statement of Cash Flows MFRS 107	1 January 2026
Amendments to Presentation and Disclosure in Financial MFRS 18 Statements	1 January 2027
Amendments to Subsidiaries without Public Accountability MFRS 19 Disclosures Effective date to be announced	1 January 2027
Amendments to Sale or Contribution of Assets between an MFRS 10 and Investor and its Associate or Joint MFRS 128 Venture	1 January 2027

In the opinion of the director, these MFRSs do not have significant impact on the financial statement in future period.

2.4 Property, plant and equipment

(a) Recognition and measurement

Items of property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. The cost of self-constructed assets also includes the cost of materials and direct labour. Cost also may include transfers from equity of any gain or loss on qualifying hedges of foreign currency purchases of property, plant and equipment.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

LEAP SPIRAL
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENT – 31 DECEMBER 2025

2. SIGNIFICANT ACCOUNTING POLICIES – CONTD’

2.4 Property, plant and equipment – contd’

(a) Recognition and measurement – contd’

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and is recognised net within “other income” or “other expenses” respectively in profit or loss.

(b) Subsequent costs

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the company, and its cost can be measured reliably. The carrying amount of the replaced component is de-recognised to profit or loss. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(c) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed, and if a component has a useful life that is different from the remainder of that asset, then that component is depreciated separately. Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the company will obtain ownership by the end of the lease term. Freehold land is not depreciated. Property, plant and equipment under construction are not depreciated until the assets are ready for their intended use.

The estimated useful lives for the current and comparative years are as follows:

Furniture and fittings	10 years
Office and equipment	10 years
Computer equipment	5 years

Depreciation methods, useful lives and residual values are reviewed at end of the reporting period, and adjusted as appropriate.

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NOTES TO THE FINANCIAL STATEMENT – 31 DECEMBER 2025

2. SIGNIFICANT ACCOUNTING POLICIES – CONTD'

2.5 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on the future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy.

2.6 Receivables

Receivables generally arise from transactions outside the usual operating activities of the company. If collection is expected in one year or less (or in the normal operating cycle of the business is longer), they are classified as current assets. If not, they are presented as non-current assets.

Cash flows are included in the statement of cash flows on a gross basis. After recognition, receivables are subsequently measured at amortised cost using the effective interest method, less provision for impairment.

2.7 Cash and cash equivalents

For the purpose of the statement of cash flows, cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes. Cash and cash equivalents comprise cash on hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of 3 months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk change in value.

2.8 Payables

Payables represent liabilities for goods or services provided to the company prior to the end of financial year which are unpaid. Payables are classified as current liabilities unless payment is not due within 12 months after the reporting period. If not, they are presented as non-current liabilities.

Cash flows are included in the statement of cash flows on a gross basis.

Payables are subsequently measured at amortised cost using the effective interest method.

2.9 Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

LEAP SPIRAL
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENT – 31 DECEMBER 2025

2. SIGNIFICANT ACCOUNTING POLICIES – CONTD'

2.9 Provisions – contd'

Where the company expects a provision to be reimbursed by another party, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. Provisions are not recognised for future operating losses.

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. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as finance cost expense.

2.10 Contingent assets and liabilities

The company does not recognise contingent assets and liabilities other than those arising from business combination, but discloses its existence in the financial statements. A contingent liability is possible obligation that arises from past event whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in the extremely rare case where there is a liability that cannot be recognised because it cannot be measured reliably. However, contingent liabilities do not include financial guarantee contracts.

A contingent asset is a possible asset that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company. The company does not recognise contingent assets but discloses its existence where inflows of economic benefits are probable, but not virtually certain.

2.11 Revenue and Other Income

(a) Revenue

Revenue is measured at the fair value of the consideration received or receivable net to discount and rebate on an accrual basis. Revenue is recognised to the extent that it is probable that economic benefits associated with the transaction will flow to the company.

LEAP SPIRAL
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENT – 31 DECEMBER 2025

2. SIGNIFICANT ACCOUNTING POLICIES – CONTD'

2.11 Revenue and Other Income – contd'

(b) Interest income

Interest income is recognised as it accrues using the effective interest method in profit or loss.

(c) Government and other grants

Government grants are recognised initially as deferred income at fair value when there is reasonable assurance that they will be received and the company will comply with the conditions associated with the grant and are then recognised in profit or loss as other income on a systematic basis over the useful life of the asset. Grants that compensate the company for expenses incurred are recognised in profit or loss as other income on a systematic basis in the same period in which the expenses are recognised. Grants that compensate the company for the cost of an asset are recognised in profit or loss on a systematic basis over the useful life of the asset.

(d) Donation

Donations received are recognised on receipt basis.

2.12 Financial Instruments

(a) Initial recognition and measurement

A financial asset or a financial liability is recognised in the statements of financial position when, and only when, the company becomes a party to the contractual provisions of the instrument. A financial instrument is recognised initially, at its fair value plus, in the case of a financial instrument not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial instrument.

(b) Financial instrument categorises and subsequent measurement.

The company categorise financial instruments as follows:

Financial Assets

i) Financial assets at fair value through profit or loss

Fair value through profit or loss category comprises financial assets that are held for trading, including derivatives (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument) or financial assets that are specifically designated into this category upon initial recognition.

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NOTES TO THE FINANCIAL STATEMENT – 31 DECEMBER 2025

2. SIGNIFICANT ACCOUNTING POLICIES – CONTD'

2.12 Financial Instruments – contd'

(b) Financial instrument categorises and subsequent measurement – contd'

Financial Assets – contd'

i) Financial assets at fair value through profit or loss – contd'

Other financial assets classified as fair value through profit or loss is subsequently measured at their fair values with the gain or loss recognised in profit or loss.

ii) Held-to-maturity investments

Held-to-maturity investments category comprises debt instruments that are quoted in an active market the company has the positive intention and ability to hold them to maturity. Financial assets categorised as held to maturity investments are subsequently measured at amortised cost using the effective interest method.

iii) Loans and receivables

Loans and receivables category comprises debts instruments that are not quoted in an active market. Financial assets categorised as loans and receivables are subsequently measured at amortised cost using the effective interest method.

iv) Available-for-sale financial assets

Available-for-sale category comprises investments in equity and debt securities instruments that are not held for trading.

Investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost. Other financial assets categorised as available-for-sale are subsequently measured at their fair values with the gain or loss recognised in other comprehensive income, except for impairment losses, foreign exchange gains and losses arising from monetary items and gains and losses of hedged items attributable to hedge risks of fair value hedges which are recognised in profit or loss.

On de-recognition, the cumulative gain or loss recognised in other comprehensive income is reclassified from equity into profit or loss. Interest calculated for a debt instrument using the effective interest method is recognised in profit or loss.

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NOTES TO THE FINANCIAL STATEMENT – 31 DECEMBER 2025

2. SIGNIFICANT ACCOUNTING POLICIES – CONTD'

2.12 Financial Instruments – contd'

Financial Liabilities – contd'

All financial liabilities are subsequently measured at amortised cost other than those categorised as fair value through profit and loss.

Fair value through profit and loss category comprises of financial liabilities that are held for trading, derivatives (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument) or financial liabilities that are specifically designated into this category upon initial recognition.

Other financial liabilities categorised as fair value through profit or loss are subsequently measured at their fair values with the gain or loss recognised in profit or loss.

(c) Regular way purchase or sale of financial assets

A regular way purchase or sale is a purchase or sale of a financial asset under a contract whose terms require delivery of the asset within the time frame established generally by regulation or convention in the marketplace concerned.

A regular way purchase or sale of financial assets is recognised and de-recognised, as applicable, using trade date accounting. Trade date accounting refers to:

- i) the recognition of an asset to be received and the liability to pay for it on the trade date, and
- ii) de-recognition of an asset that is sold, recognition of any gain or loss on disposal and the recognition of a receivable from the buyer for payment on the trade date.

(d) De-recognition

A financial asset or part of it is de-recognised when, and only when the contractual rights to the cash flows from the financial asset expire or the financial asset is transferred to another party without retaining control or substantially all risks and rewards of the asset. On de-recognition of a financial asset, the difference between the carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised in equity is recognised in the profit and loss.

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NOTES TO THE FINANCIAL STATEMENT – 31 DECEMBER 2025

2. SIGNIFICANT ACCOUNTING POLICIES – CONTD'

2.12 Financial Instruments – contd'

Financial Liabilities – contd'

(d) De-recognition – contd'

A financial liability or part of it is de-recognised when, and only when, the obligation specified in the contract is discharged or cancelled or expires. On de-recognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit and loss.

2.13 Employee Benefits

(a) Short-term employee benefits

Short-term employee benefit obligations in respect of salaries, annual bonuses, paid annual leave and sick leave are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(b) State plans

The company's contributions to statutory pension funds are charged to profit or loss in the financial year to which they relate. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

2.14 Foreign Currency Transaction and Operations

(a) Translation of Foreign Currency Transactions

The company transactions denominated in foreign currencies are translated and recoded at the rates of exchange prevailing at the respective dates of transactions. At the end of each reporting year, monetary items denominated in foreign currencies are retranslated at the rate prevailing at the end of the year (i.e. the closing rate). Non-monetary items carried at revalued amounts or at fair value are denominated in foreign currencies are retranslated at the rates prevailing at the dates the fair values were determined. Non-monetary items that are measured at their historical cost amounts continue to be translated at their respective historical rates and are not retranslated.

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NOTES TO THE FINANCIAL STATEMENT – 31 DECEMBER 2025

2. SIGNIFICANT ACCOUNTING POLICIES – CONTD'

2.14 Foreign Currency Transaction and Operations – contd'

(b) Translation of Foreign Operations

The function currency and the presentation currency of the company are in Ringgit Malaysia (RM). The company financial statements are presented in Ringgit Malaysia. For the purpose of presenting the company financial statement in RM, the assets and liabilities of the company operations are expressed in RM by using exchange rates prevailing at the end of a reporting period (i.e. the closing rates). Income and expenses items are translated at spot rates ruling at the dates of the respective transactions.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated by the directors and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The company makes estimates and assumptions concerning the future. The resulting estimates will, by definition, rarely equal the related actual results. To enhance the information content of the estimates, certain key variables that are anticipated to have material impact to the company's result and financial position are tested for sensitivity to changes in the underlying parameters. There are no critical accounting estimates and judgements made by the director during the year.

3.1 Estimation Uncertainty

The measurement of some assets and liabilities requires management to use estimation bases on various observable inputs and other assumptions. The areas or items that are subject to significant estimation uncertainties of the company are in measuring:

a) Provisions

The company uses a "best estimate" as the basic for measuring a provision. Management evaluates the estimates based on the company historical experience and other inputs or assumptions, current developments and future events that are reasonable possible under the particulars circumstances.

In the case when a provision relates to large population of customers (such as a warranty provision), a probability weighted estimate of the outflow required to settle the obligation is used. In the case of a single estimate (such as a provision for environmental restoration costs), a referenced contract's price or market price is used as the best estimate. If an obligation is to be settle over time, the expected outflows are discounted at a used a rate that takes into account the time value of money and the risk that the actual outcome might differ from the estimates made. The actual outcome may differ from the estimate made and this may have a significant effect on the company's financial position and results.

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NOTES TO THE FINANCIAL STATEMENT – 31 DECEMBER 2025

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

3.1 Estimation Uncertainty – contd'

a) Depreciation of Property, Plant & Equipment

The cost of an item of property, plant & equipment is depreciated on the straight-line method or another systematic method that reflect the consumption of the economic benefits of the asset over its useful life. Estimates are applied in the selection of the depreciation method, the useful lives and the residual values. The actual consumption of the economic benefits of the property, plant & equipment may differ from the estimates applied and this may lead to gain or loss on an eventual disposal of an item of property, plant & equipment.

4. MISCELLANEOUS PROJECTS

Miscellaneous project for the year included funds received for and applied to the Carbon Sovereign Sabah programme. This programme improves understanding of climate change, forest and carbon issues in Sabah through studies, events and information sharing.

	2025	2024
	RM	RM
Foreign exchange gain	-	241
Grants received	-	151,932
Interest income	-	-
Total Income	-	152,173
Less: Expenditures		
Accommodation	-	3,995
Equipment and supplies	1,185	141
Food and meals	-	2,570
Grant and allocation	-	172,744
Miscellaneous charges	-	600
Service fees	3,000	931
Transportation	25	6,713
	4,210	187,694
Deficit from projects	(4,210)	(35,521)

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NOTES TO THE FINANCIAL STATEMENT – 31 DECEMBER 2025

5. RAMSAR COMMUNITY INITIATIVE

This initiative is a partnership between Leap Spiral, Forever Sabah, and the Sabah Forestry Department to empower the Ramsar communities from the Lower Kinabatangan Segama Wetlands Ramsar site, to build capacity and effectively participate in the governance and management of resources in the wetland.

	2025	2024
	RM	RM
Grants received	437,268	238,025
Foreign exchange gain	675	-
Total income	<u>437,943</u>	<u>238,025</u>
Less: Expenditures		
Accommodation	4,540	802
Contractor fees	331,269	169,667
Equipment and supplies	42,164	31,637
Fees and allowances	3,307	400
Food and meals	10,572	3,191
Miscellaneous charges	3,921	867
Office	11,048	6,140
Printing and stationery	583	625
Service fees	5,964	6,755
Transportation	28,959	13,157
Training and workshops	569	-
	<u>442,896</u>	<u>233,241</u>
Surplus from project	<u>(4,953)</u>	<u>4,784</u>

6. SPECIES CONSERVATION

The Pangolin Rescue, Rehabilitation and Release programme focuses on developing SOPs and building capacity of stakeholders and awareness on pangolin conservation. Leap Spiral is administering the funds from the Shark Conservation Fund, for a shark and ray conservation project focusing on law and policy reform, research, conservation and livelihoods, and awareness in Sabah.

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NOTES TO THE FINANCIAL STATEMENT – 31 DECEMBER 2025

6. SPECIES CONSERVATION – CONTD'

	2025	2024
	RM	RM
Grants received	100,000	100,000
	<u>100,000</u>	<u>100,000</u>
Less: Expenditures		
Accommodation	-	454
Contractors fees	44,023	97,944
Equipment and supplies	3,878	504
Food and meals	2,512	1,323
Grant and allocations	30,000	-
Miscellaneous charges	201	216
Printing and stationery	232	101
Service fees	500	16
Training and meetings	-	371
Transportation	140	1,377
	<u>81,486</u>	<u>102,306</u>
Surplus/(Deficit) from project	<u>18,514</u>	<u>(2,306)</u>

7. PAYMENT FOR ECOSYSTEM SERVICES (PES)

Leap Spiral together with Forever Sabah, are working with stakeholders to build readiness amongst the communities and others, to use PES for growing Sabah's and Malaysia's capacity and capability to enhance water resource governance, community vitality and socio-economic opportunities.

	2025	2024
	RM	RM
Grants received	109,375	117,195
Donations received	134,907	338,778
	<u>244,282</u>	<u>455,973</u>

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NOTES TO THE FINANCIAL STATEMENT – 31 DECEMBER 2025

7. PAYMENT FOR ECOSYSTEM SERVICES (PES) – CONTD'

	2025	2024
	RM	RM
Less: Expenditures		
Accommodation	2,074	1,835
Contractors fees	126,739	125,700
Equipment and supplies	48,254	15,519
Fees and allowances	400	240
Food and meals	683	6,574
Grant and allocation	25,499	110,746
Miscellaneous charges	2,031	2,091
Printing and stationery	470	422
Service fees	81,531	120,838
Staff expenses	90,490	152,618
Training and workshops	2,251	-
Transportation	10,378	10,792
	<u>390,800</u>	<u>547,375</u>
Deficit from project	<u>(146,518)</u>	<u>(91,402)</u>

8. ADMINISTRATIVE EXPENSES

	2025	2024
	RM	RM
Attestation fee	100	100
Bank charges	206	247
Depreciation	3,218	4,517
Donation	-	210
Electricity & water	999	1,030
Filing fee	700	700
Insurance	2,221	2,159
Licence fee	35	284
Membership fees	1,239	1,252
Postage & courier	96	162
Printing and stationery	3,017	3,396
Professional services	11,279	10,740
Balance c/f	<u>23,110</u>	<u>24,797</u>

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NOTES TO THE FINANCIAL STATEMENT – 31 DECEMBER 2025

8. ADMINISTRATIVE EXPENSES – CONTD'

	2025	2024
	RM	RM
Balance b/f	23,110	24,797
Rental and management fees	6,297	10,605
Repair & maintenance	3,106	4,263
Staff amenities	1,899	5,328
Staff expenses	338,787	97,194
Stamp duty	600	-
Subscription fees	5,874	2,581
Sundry expenses	1,606	2,029
Telephone expenses	5,917	4,696
Travelling expenses	1,969	16,309
Website and related expenses	1,549	1,307
	<u>390,714</u>	<u>169,109</u>

9. PROPERTY, PLANT & EQUIPMENT

	Office Equipment RM	Computer Equipment RM	Furniture & Fittings RM	Total RM
At Cost:-				
Additions	221	-	481	702
As at 31.12.2024	<u>19,659</u>	<u>55,223</u>	<u>23,059</u>	<u>97,941</u>
As at 31.12.2025	<u>19,880</u>	<u>55,223</u>	<u>23,540</u>	<u>98,643</u>
Accumulated Depreciation:-				
Charge for 2024	<u>1,853</u>	<u>1,896</u>	<u>768</u>	<u>4,517</u>
Charge for the year	150	2,217	851	3,218
As at 31.12.2024	<u>18,627</u>	<u>47,763</u>	<u>19,134</u>	<u>85,524</u>
As at 31.12.2025	<u>18,777</u>	<u>49,980</u>	<u>19,985</u>	<u>88,742</u>
Net Book Value:-				
As at 31.12.2025	<u>1,103</u>	<u>5,243</u>	<u>3,555</u>	<u>9,901</u>
As at 31.12.2024	<u>1,032</u>	<u>7,460</u>	<u>3,925</u>	<u>12,417</u>

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NOTES TO THE FINANCIAL STATEMENT – 31 DECEMBER 2025

10. RECEIVABLES

	2025	2024
	RM	RM
Prepayments	2,462	2,759
Deposit	14,585	14,090
Sundry receivables	208,860	85,441
	<u>225,907</u>	<u>102,290</u>

11. CASH & CASH EQUIVALENTS

The company's cash management policy is to use cash and bank balances to manage cash flows to ensure sufficient liquidity to meet the company's obligations. The components of cash and equivalents consist of:

	2025	2024
	RM	RM
Cash in hand	167	800
Cash at bank	611,852	1,000,992
	<u>612,019</u>	<u>1,001,792</u>

12. PAYABLES

	2025	2024
	RM	RM
Sundry payables	<u>289,456</u>	<u>420,962</u>

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NOTES TO THE FINANCIAL STATEMENT – 31 DECEMBER 2025

13. FINANCIAL INSTRUMENTS

(a) Financial Risk

The company's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the company businesses whilst managing its interest rate, liquidity and credit risks. The company operates within clearly defined guidelines that are approved by the Board and the company's policy is to not engage in speculative transactions.

(b) Credit Risk

Credit risks, or the risk of counter parties defaulting, are controlled by the application of credit approvals, limit and monitoring procedures. Credit risks are minimised and monitored via strictly limiting the company's associations to business partners with high creditworthiness. Trade receivables are monitored on an ongoing basis via company management reporting procedures.

The company does not have any significant exposure to any individual customer or counterparty nor does it have any major concentration of credit risk related to any financial instruments.

(c) Liquidity Risk

The company actively manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that all refinancing, repayment and funding needs are met. As part of its overall prudent liquidity management, the company maintains sufficient levels of cash to meet its working capital requirement. The company strives to maintain available banking facilities of a reasonable level to its overall debt position.

(d) Foreign Exchange Risk

The company manages its foreign exchange risk at the acceptable level.

(e) Fair Value

Fair value is defined as the amount at which the financial instrument could be exchanged in a current transaction between knowledgeable willing parties in an arm's length transaction, other than in a forced or liquidation sale. It is not practical for the company to determine the fair values as at balance sheet date.