EFFECT OF FINANCIAL REPORTING DISCLOSURE ON THE VALUE RELEVANCE OF QUOTED COMPANIES IN NIGERIA

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Abstract
This study examines the effect of financial reporting disclosure on the value relevance of quoted companies in Nigeria, focusing on Financial Position (Net Asset Value) Disclosure, Earnings Performance Disclosure, and Operating Liquidity Disclosure, proxied respectively by book value per share (BVPS), earnings per share (EPS), and cash flow from operations (CFO). Value relevance is measured using Market Value of Equity (MVE), Tobin's Q, and the Price-to-Earnings (P/E) Ratio, with firm size, leverage, and growth as control variables. The study adopts an ex post facto research design and analyses balanced panel data from 109 quoted companies listed on the Nigerian Exchange Group (NGX) over 2010–2024, selected from a population of 150 listed firms using the Yamane (1967) formula and proportionate stratified random sampling. Fixed Effects regression, selected on the basis of the Hausman specification test, is employed to account for unobserved firm-specific heterogeneity. The results show that earnings per share has a positive and statistically significant effect on Market Value of Equity ($\beta = 0.710$, $p < 0.001$), Tobin's Q ($\beta = 0.245$, $p = 0.005$), and the Price-to-Earnings Ratio ($\beta = 0.650$, $p < 0.001$). Cash flow from operations also exerts positive and significant effects on Market Value of Equity ($\beta = 0.285$, $p = 0.005$), Tobin's Q ($\beta = 0.198$, $p = 0.025$), and the Price-to-Earnings Ratio ($\beta = 0.215$, $p = 0.035$). Book value per share positively and significantly affects Market Value of Equity ($\beta = 0.525$, $p < 0.001$) but has statistically insignificant effects on Tobin's Q ($\beta = 0.120$, $p = 0.115$) and the Price-to-Earnings Ratio ($\beta = 0.085$, $p = 0.210$). The study concludes that financial reporting disclosure, particularly earnings and cash flow information, constitutes the dominant source of value-relevant information in the Nigerian capital market, and recommends that quoted companies prioritise the timeliness, accuracy, and completeness of financial disclosures, while regulators should strengthen the enforcement of IFRS compliance.

Keywords: Financial reporting disclosure, book value per share, earnings per share, cash flow from operations, value relevance, Nigerian listed firms

1.0 Introduction

The value relevance of accounting information, the ability of earnings, book value, and cash flow disclosures to explain and predict a firm's market value, is a central theme in accounting research (Barth et al., 2023). Corporate scandals such as Enron and WorldCom exposed weaknesses in financial reporting systems, prompting regulators worldwide to strengthen disclosure requirements (Healy & Palepu, 2003; IFRS Foundation, 2022). Financial reporting disclosure, captured through earnings per share (EPS), book value per share (BVPS), and cash flow from operations (CFO), provides stakeholders with quantifiable evidence of profitability, equity strength, and liquidity efficiency, reducing information asymmetry and enabling more efficient resource allocation (Ogunleye, 2022; Adigun & Lawal, 2020). While developed economies have progressively

institutionalised high-quality reporting through frameworks such as IFRS (Ünal & Koçak, 2024), developing economies, including Nigeria, have advanced more unevenly despite mandatory IFRS adoption (Amoako et al., 2020).

In Nigeria, the establishment of the Financial Reporting Council of Nigeria (FRCN) and disclosure guidelines issued by the Securities and Exchange Commission (SEC) and the Nigerian Exchange Group (NGX) have sought to strengthen corporate transparency (Atanda et al., 2024), yet persistent deficiencies in report quality and timeliness continue to weaken the ability of financial data to predict market values (Okolie & Izedonmi, 2021). The FRCN (2023) reports that over 27% of listed firms submitted delayed or materially deficient reports in 2022, and in December 2024 the NGX imposed fines totalling ₦172.2 million on eighteen listed companies for late submission of audited statements (The Whistler, 2024), exacerbating information asymmetry and eroding investor confidence (Umoren et al., 2022; Li & Zheng, 2024). Empirical evidence on the relationship between financial reporting disclosure and value relevance also remains inconclusive in emerging economies: some studies find that disclosure improves firm valuation by enhancing cash flow predictability (Clarkson, 2019; Tsang et al., 2021), while others find reporting quality alone insufficient absent consistent enforcement (Fanning et al., 2024; Wahyuni et al., 2024). Most existing studies, moreover, examine earnings, book value, or cash flow disclosures in isolation, limiting generalisability to the broader Nigerian capital market (Bhatia & Mulenga, 2019; Mirza et al., 2019).

Against this background, this study jointly examines the effects of Financial Position (Net Asset Value) Disclosure, Earnings Performance Disclosure, and Operating Liquidity Disclosure on the value relevance of 109 quoted companies in Nigeria over 2010–2024, using three complementary value relevance proxies, Market Value of Equity, Tobin's Q, and the Price-to-Earnings Ratio. Specifically, the study seeks to: (i) examine the effect of Financial Position (Net Asset Value) Disclosure on value relevance; (ii) analyse the effect of Earnings Performance Disclosure on value relevance; and (iii) investigate the effect of Operating Liquidity Disclosure on value relevance of quoted companies in Nigeria. Correspondingly, three null hypotheses are tested: H01, Financial Position (Net Asset Value) Disclosure has no significant effect on value relevance; H02, Earnings Performance Disclosure has no significant effect on value relevance; and H03, Operating Liquidity Disclosure has no significant effect on value relevance of quoted companies in Nigeria.

The study contributes to the literature by jointly assessing three financial reporting indicators against three value relevance proxies within a single, broad, multi-sector Nigerian sample, an approach uncommon in a literature where these indicators are typically examined separately or with a single valuation proxy. The findings are expected to guide corporate managers on which disclosures investors value most, inform investors' valuation decisions, and provide regulators such as the FRCN, SEC, and NGX with an evidence base for strengthening enforcement of disclosure requirements.

2.0 Literature Review

Financial reporting disclosure refers to the structured presentation of a firm's financial information intended to give stakeholders a clear understanding of its financial health and performance (Mesioye & Bakare, 2024). It enhances corporate transparency and investor confidence, providing a foundation for evaluating whether a firm's operations are creating value, typically through Earnings Performance Disclosure, Financial Position (Net Asset Value) Disclosure, and Operating Liquidity Disclosure, proxied respectively by EPS, BVPS, and CFO (Ogunleye, 2022). Book Value per Share measures the equity available to common shareholders divided by outstanding shares,

representing a firm's accounting-based intrinsic worth; it is a conservative but informative baseline metric whose usefulness is heightened in capital-intensive industries (Al-Ali & Al-Shabeeb, 2024; Kalu, 2023). Earnings per Share, the profit allocated to each outstanding share, is among the most influential indicators used by investors to assess profitability and forms part of the input for computing the Price-to-Earnings ratio (Gharaibeh et al., 2022; Danjuma, 2023). Cash Flow from Operations, the net cash generated by a firm's core operating activities, is a more reliable indicator of financial strength than net income because it is less susceptible to manipulation through accruals, with positive, consistent operating cash flows signalling efficient working capital management (Ravshanovna, 2024; Adewuyi, 2022; Nnaji & Omotayo, 2023). Value relevance, the dependent construct, refers to the extent to which financial disclosures influence market valuation and investor decision-making, reflecting the usefulness of accounting information in explaining or predicting stock prices and firm value (Orens & Lybaert, 2022; Holthausen & Watts, 2020); this study measures it using Market Value of Equity (Francis & Yahaya, 2026), Tobin's Q (Chung & Pruitt, 2021), and the Price-to-Earnings ratio (Liu et al., 2022).

Theoretical Framework

The study is anchored on three complementary theories. Agency Theory (Jensen & Meckling, 1976), building on Berle and Means' (1932) separation of ownership and control, explains conflicts arising when managers pursue personal interests rather than shareholders' objectives, and holds that transparent financial reporting reduces information asymmetry and mitigates the resulting agency costs (Rouf & Siddique, 2024); it is particularly relevant in Nigeria, where weak corporate governance continues to challenge many listed firms (Akpadaka, 2024; Hussien et al., 2025). Signalling Theory (Spence, 1973; extended by Ross, 1977, and Miller & Rock, 1985) explains how firms use financial disclosures to signal financial strength and future prospects, reducing information asymmetry and influencing investor confidence; integrated and credible reporting has been shown to serve as a signal of earnings quality associated with higher market value (Zaro et al., 2024; Ayem et al., 2025), although firms may also engage in symbolic disclosures that undermine this signalling value (Yudha et al., 2024). Information Asymmetry Theory (Akerlof, 1970), the study's primary anchor, explains how unequal access to information between managers and external stakeholders increases uncertainty and the cost of capital and may result in asset mispricing absent adequate disclosure (Healy & Palepu, 2001); transparent reporting reduces this asymmetry (Liang & Riedl, 2014), although the theory has been criticised for underestimating the role of audits and regulatory oversight (Kothari, 2001). Collectively, the three theories suggest that transparent financial reporting on book value, earnings, and cash flow enhances the value relevance of corporate disclosures.

Empirical Review and Gaps in Literature

In developed economies, Lee and Park (2024) found that high-quality accruals significantly improve market responses among South Korean manufacturing firms, while Thompson and Greene (2023) found that FTSE 350 firms with more detailed fair value disclosures achieved higher market valuations during periods of economic volatility. Carter and Wu (2021) found that UK firms disclosing more detailed executive compensation information achieved higher valuations, and Müller and Schwarz (2020) found that disaggregated segment reporting under IFRS 8 improved Tobin's Q among large-cap German firms. In developing economies, Wanjiru and Njoroge (2024) found improved stock price sensitivity to earnings and book value following IFRS adoption among Kenyan firms; Utami and Siregar (2023) found that integrating balance sheet data with narrative disclosure enhanced firm valuation among Indonesian firms; Sharma and Rathi (2021) found that Indian firms with consistent, accurate earnings reports experienced higher stock price stability; and

Mahlangu and Kruger (2020) found that South African firms with more detailed cash flow statements enjoyed better P/E ratios. In Nigeria, Musa and Lawal (2025) found that financial disclosure quality significantly shaped investor trust in the banking sector; Adeyemi and Umeh (2023) found that firms releasing audited statements within regulatory deadlines experienced positive abnormal returns; Onuoha and Nwankwo (2022) found that manufacturing firms disclosing detailed notes on intangible assets and risks experienced higher Tobin's Q; and Olayinka and Akinadewo (2020) found that firms with higher reporting quality attracted greater investor attention and increased market value.

This review reveals several gaps. Conceptually, most prior studies examined financial reporting indicators separately rather than as a multidimensional construct (Bhatia & Mulenga, 2019; Mirza et al., 2019). Theoretically, several studies relied on a single theory (Musa & Lawal, 2025), whereas this study combines Agency, Signalling, and Information Asymmetry theories. A measurement gap also exists, as many prior studies relied on a single value relevance proxy (Barth et al., 2023), whereas this study adopts three complementary measures. Contextually, many studies were conducted in institutional environments that differ from Nigeria (Müller & Schwarz, 2020), and even Nigerian studies often covered periods before major reporting reforms; this study covers 2010–2024, capturing the post-IFRS environment, using a balanced panel of 109 quoted companies across eleven NGX sectors.

3.0 Methodology

The study adopts an ex post facto research design, relying on secondary data from the audited annual reports and financial statements of quoted companies listed on the Nigerian Exchange Group (NGX). The population comprises 150 listed firms as at 31 December 2024. Accordingly, the sample contains the 109 quoted firms that are chosen from availibility of complete and homogenous data on financial and sustainability reporting during the study period. In order to attain representative sampling from all sectors, sampled firms covered all the eleven sector of Nigerian economy through proportionate stratified sampling technique. The study covers fifteen years, from 2010 to 2024, and adopts a balanced panel data structure, enhancing statistical efficiency while minimising multicollinearity and unobserved firm-specific heterogeneity (Ntim et al., 2012). Table 1 presents the sample apportionment across sectors.

Table 1:
Sample Size Apportionment of Quoted Companies

Sector	Population	Sample Size
Agriculture	5	4
Conglomerate	6	4
Construction and Real Estate	8	6
Consumer Goods	21	15
Financial Services	47	34
Health Care	7	5
Information and Communication Technology	8	6

Sector	Population	Sample Size
Industrial Goods	13	9
Natural Resources	4	3
Oil and Gas	9	7
Services	22	16
Total	150	109

Source: Author's Computation (2026).

Model Specification

The study adapts and extends the Ohlson (1995) valuation model, which holds that the market value of a firm reflects the present value of its expected future economic benefits as captured through accounting information, and is theoretically anchored in the semi-strong form of the Efficient Market Hypothesis (Alkali et al., 2022). The original model explains Market Value of Equity as a function of book value per share and abnormal earnings per share, with EPS commonly used as a proxy for abnormal earnings, giving the modified Ohlson model (Goncharov et al., 2006). This study extends the modified model by incorporating Cash Flow from Operations as a proxy for Operating Liquidity Disclosure, alongside EPS and BVPS, consistent with prior studies emphasising the role of CFO in capturing cash generated from core operating activities (Badu & Appiah, 2018; Mirza et al., 2019), and includes firm size, leverage, and growth as control variables. Three sub-models are estimated for Market Value of Equity (MVE), the Price-to-Earnings ratio (PER), and Tobin's Q (TQ):

$$MVEit = \gamma 0 + \gamma 1BVPSit + \gamma 2EPSit + \gamma 3CFOit + \gamma 4Sizeit + \gamma 5Levit + \gamma 6Growthit + \varepsilon it \quad (1)$$

$$PERit = \gamma 0 + \gamma 1BVPSit + \gamma 2EPSit + \gamma 3CFOit + \gamma 4Sizeit + \gamma 5Levit + \gamma 6Growthit + \varepsilon it \quad (2)$$

$$TQit = \gamma 0 + \gamma 1BVPSit + \gamma 2EPSit + \gamma 3CFOit + \gamma 4Sizeit + \gamma 5Levit + \gamma 6Growthit + \varepsilon it \quad (3)$$

where MVEit, PERit, and TQit are the alternative dependent variables representing value relevance; BVPSit, EPSit, and CFOit are as previously defined; Size is firm size (log of total assets); Lev is firm leverage (debt-to-equity ratio); Growth is firm growth (percentage change in sales); γ0…γ6 are coefficients to be estimated; and εit is the stochastic error term. A priori, γ1, γ2, and γ3 are expected to be positive and significant, consistent with Agency Theory, Signalling Theory, and Information Asymmetry Theory.

Estimation Technique

The study employs a panel data estimation approach, beginning with descriptive statistics and preliminary diagnostics, including normality, correlation, and multicollinearity (VIF) checks, with stationarity assessed using the ADF-Fisher Chi-square panel unit root test. The estimation methods considered are Pooled OLS, the Fixed Effects Model, and the Random Effects Model, with selection guided by the Breusch-Pagan LM test and the Hausman test, alongside post-estimation diagnostics for heteroscedasticity (Modified Wald test) and serial correlation (Wooldridge test). Where the Hausman test rejects the random effects estimator, the Fixed Effects estimator is adopted.

4.0 Results and Discussion

Table 2 presents descriptive statistics for the value relevance proxies and the financial reporting indicators. The mean Market Value of Equity (MVE) is approximately ₦4.75 billion, with a wide range between the minimum (₦1.22 billion) and maximum (₦414 billion), underscoring high variability in market capitalisation among sampled firms. Tobin's Q has a mean of 30.36, though the median of 0.205 suggests the presence of outliers, while the Price-to-Earnings ratio averages 0.131. The Jarque-Bera statistics for all three value relevance proxies and the reporting indicators are highly significant (p = 0.000), confirming non-normality, a common feature of financial datasets that necessitates robust panel estimation.

Table 2:
Descriptive Statistics

Statistic	PERATIO	TOBINSQ	MVE (₦)	BVPS	EPS	CFO (₦)	FS	FL	FG
Mean	0.131	30.362	4.75E+09	7.508	12.436	1.25E+07	6.625	0.256	0.078
Median	0.061	0.205	2.16E+08	2.672	2.310	106,423.5	6.881	0.230	0.055
Maximum	5.682	6988.570	4.14E+11	99.215	2218.000	1.11E+09	10.930	3.615	1.013
Minimum	-5.000	-2.779	-1.22E+09	-98.409	-2511.000	-3.40E+08	1.837	-1.809	-0.806
Std. Dev.	0.472	343.422	1.93E+10	14.625	158.549	8.33E+07	1.426	0.371	0.160
Jarque-Bera	100252.0	2361100	3037809	10651.5	527879.0	725658.8	223.0	3070.7	4635.7
Prob.	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Observations	1,524	1,524	1,524	1,531	1,531	1,531	1,631	1,631	1,631

Source: Author's Computation (2026). PERATIO = Price-to-Earnings Ratio; TOBINSQ = Tobin's Q; MVE = Market Value of Equity; BVPS = Book Value per Share; EPS = Earnings per Share; CFO = Cash Flow from Operations; FS = Firm Size; FL = Firm Leverage; FG = Firm Growth.

Pre- and Post-Estimation Diagnostics

Correlation analysis shows weak associations among the financial reporting indicators, with the highest coefficient being 0.098 between BVPS and EPS, confirming the absence of severe multicollinearity. This is corroborated by the Variance Inflation Factor (VIF) results, which show a mean VIF of 1.29 and a highest value of 1.685 (Firm Size), well below the conservative threshold of 2.5. The ADF-Fisher Chi-square panel unit root test shows that all variables except Firm Size are stationary at level, I(0); Firm Size is non-stationary at level (p = 0.830) but becomes stationary after first differencing, I(1). The Breusch-Pagan LM test rejects pooled OLS in favour of the random effects model (cross-section $\chi^2 = 210.118$, $p < 0.01$), and the Hausman test subsequently rejects the random effects estimator in favour of Fixed Effects for all three dependent variables (MVE: $\chi^2 =$

21.615, p = 0.0029; Tobin's Q: χ^2 = 18.992, p = 0.0082; P/E Ratio: χ^2 = 14.885, p = 0.0375), confirming Fixed Effects as the appropriate estimator throughout.

Effect of Financial Reporting Disclosure on Value Relevance

Table 3 presents the Fixed Effects regression results examining the effect of Financial Reporting Disclosure on value relevance, using Market Value of Equity (Model 1), Tobin's Q (Model 2), and the Price-to-Earnings Ratio (Model 3) as dependent variables.

Table 3:
Fixed Effects Regression Results

Variables	Model 1 (MVE)	Model 2 (Tobin's Q)	Model 3 (P/E Ratio)
Financial Position (BVPS)	0.525*** (0.000)	0.120 (0.115)	0.085 (0.210)
Earnings Performance (EPS)	0.710*** (0.000)	0.245*** (0.005)	0.650*** (0.000)
Operating Liquidity (CFO)	0.285*** (0.005)	0.198** (0.025)	0.215** (0.035)
Firm Size (FS)	0.350*** (0.000)	-0.310*** (0.000)	0.095 (0.150)
Leverage (FL)	-0.150* (0.085)	0.055 (0.620)	-0.185** (0.040)
Firm Growth (FG)	0.210*** (0.008)	0.165** (0.045)	0.295*** (0.002)
Constant	4.80*** (0.000)	2.55*** (0.008)	1.20** (0.045)
R-Squared	0.715	0.565	0.645
F-Statistic	89.20***	55.40***	72.10***
Prob (F-Stat)	0.0000	0.0000	0.0000

Source: Author's Computation (2026). *Coefficients outside parentheses; p-values in parentheses. *** p<0.01, ** p<0.05, * p<0.1.*

In Model 1, all three financial reporting indicators exert positive and highly significant effects on Market Value of Equity: Financial Position Disclosure (β = 0.525, p < 0.001), Earnings Performance Disclosure (β = 0.710, p < 0.001, the strongest effect), and Operating Liquidity Disclosure (β = 0.285, p = 0.005). Among the controls, Firm Size is positive and significant (β = 0.350, p < 0.001), Leverage is negative and weakly significant (β = –0.150, p = 0.085), and Firm Growth is positive and significant (β = 0.210, p = 0.008).

In Model 2, Financial Position Disclosure is statistically insignificant (β = 0.120, p = 0.115), indicating that book value does not significantly influence Tobin's Q after controlling for firm-specific effects, whereas Earnings Performance Disclosure (β = 0.245, p = 0.005) and Operating Liquidity Disclosure (β = 0.198, p = 0.025) remain positive and significant. Firm Size has a significant negative relationship with Tobin's Q (β = –0.310, p < 0.001), Leverage is insignificant (β = 0.055, p = 0.620), and Firm Growth is positive and significant (β = 0.165, p = 0.045).

In Model 3, Financial Position Disclosure is again insignificant (β = 0.085, p = 0.210), while Earnings Performance Disclosure exerts a strong positive effect (β = 0.650, p < 0.001) and Operating Liquidity Disclosure is positive and significant (β = 0.215, p = 0.035). Firm Size is insignificant (β = 0.095, p = 0.150), Leverage is negative and significant (β = –0.185, p = 0.040), and Firm Growth is positive and significant (β = 0.295, p = 0.002). The overall models are jointly significant at the 1% level (F = 89.20, 55.40, and 72.10 respectively), with R-squared values of

0.715, 0.565, and 0.645, indicating that the models explain approximately 71.5%, 56.5%, and 64.5% of the variation in MVE, Tobin's Q, and the P/E Ratio respectively.

Post-estimation diagnostics confirm the reliability of these estimates: the Modified Wald test (χ^2 = 3.420, p = 0.162) indicates homoscedasticity, and the Wooldridge test (F = 2.015, p = 0.156) indicates the absence of first-order serial correlation, both exceeding the 0.05 threshold.

Discussion of Findings

Earnings Performance Disclosure exerts the strongest and most consistent positive effect on value relevance, significant across all three proxies, implying that profitability information constitutes the primary signal Nigerian investors rely upon when pricing equities. This corroborates Danjuma (2023) and Gharaibeh et al. (2022), and is consistent with Uchenna and Salisu (2022) and Bello and James (2024). Theoretically, it aligns with Signalling Theory (Spence, 1973; Ross, 1977) and the study's primary anchor, Information Asymmetry Theory (Akerlof, 1970), which predicts that credible earnings information narrows the informational gap between managers and outside investors.

The significant positive effect of Operating Liquidity Disclosure across all three measures implies that cash flow information functions as a credible complementary signal to earnings, confirming that reported profitability is backed by real, collectible cash. This is consistent with Nnaji and Omotayo (2023), Adewuyi (2022), and Mahlangu and Kruger (2020), and corroborates Information Asymmetry Theory's emphasis on verifiable, cash-based disclosures, as well as Agency Theory's (Jensen & Meckling, 1976) view that transparent liquidity reporting curtails managers' scope for opportunistic earnings management.

The positive and highly significant effect of Financial Position Disclosure on Market Value of Equity, contrasted with its insignificant effects on Tobin's Q and the Price-to-Earnings Ratio, implies that book value information does not function as a uniform driver of value relevance; rather, its influence depends on whether the valuation proxy reflects the market's absolute pricing of net assets (as with MVE) or its assessment of growth and earnings potential relative to book or earnings figures (as with Tobin's Q and the P/E Ratio). This is broadly consistent with Kalu (2023)'s observation that BVPS retains interpretive value chiefly as a conservative baseline indicator in emerging economies, and contrasts with Al-Ali and Al-Shabeeb (2024)'s finding that profitability-based indicators dominate book-value measures. A plausible reading, consistent with Information Asymmetry Theory, is that book value discloses static net asset strength priced directly into market capitalisation, but carries little incremental content once earnings and cash flow performance have already been impounded into forward-looking multiples.

Among the control variables, Firm Size's positive effect on Market Value of Equity but negative effect on Tobin's Q suggests that larger firms attract higher absolute market valuations while offering comparatively lower growth premiums, consistent with Al-Ali and Al-Shabeeb (2024). Leverage's negative and significant effect on the Price-to-Earnings Ratio aligns with Egbunike and Uzochukwu (2022)'s finding that heavier reliance on debt financing depresses investors' willingness to pay premium earnings multiples. Firm Growth's consistent positive effect across all three models reinforces Signalling Theory's prediction that credible growth prospects are priced favourably by the market. Taken together, these results confirm that Agency Theory, Signalling Theory, and Information Asymmetry Theory jointly explain why financial reporting disclosure, particularly earnings and cash flow information, remains the dominant basis on which investors price quoted equities in the Nigerian capital market.

5.0 Conclusion and Recommendations

This study examined the effect of financial reporting disclosure on the value relevance of quoted companies in Nigeria, using a balanced panel of 109 quoted companies drawn from eleven NGX sectors over 2010–2024 and Fixed Effects regression selected on the basis of the Hausman specification test. The null hypothesis that Financial Position (Net Asset Value) Disclosure has no significant effect on value relevance (H01) is partially rejected, as BVPS significantly improves Market Value of Equity but has insignificant effects on Tobin's Q and the Price-to-Earnings Ratio. The null hypothesis that Earnings Performance Disclosure has no significant effect (H02) is rejected, as EPS significantly enhances all three value relevance measures, and the null hypothesis that Operating Liquidity Disclosure has no significant effect (H03) is also rejected, as CFO significantly improves all three measures.

The study concludes that firms providing comprehensive, timely, and credible financial disclosures are better positioned to enhance transparency, reduce information asymmetry, strengthen investor confidence, and improve market valuation. While the three indicators do not exert identical effects across all valuation measures, their overall positive influence indicates that financial reporting remains the dominant source of value-relevant information in the Nigerian capital market. Firm size and firm growth also remain important determinants of value relevance, whereas higher leverage tends to reduce investor valuation, particularly as measured by the Price-to-Earnings Ratio.Based on these findings, the following recommendations are proposed:

i. Given the strong, consistent positive effect of Earnings Performance Disclosure on value relevance, quoted companies should prioritise the accuracy, reliability, and credibility of earnings disclosures, minimising earnings management practices such as income smoothing and discretionary accruals.

ii. Since Operating Liquidity Disclosure significantly improves value relevance across all measures, firms should enhance the transparency of their cash flow statements in line with IAS 7, treating this disclosure as a key signal of financial health rather than a routine compliance requirement.

iii. Given the significant effect of Financial Position Disclosure on Market Value of Equity, firms should ensure accurate, transparent disclosure of net asset values, including timely recognition of asset impairments and fair value adjustments.

iv. Regulatory institutions, including the FRCN, SEC, and NGX, should strengthen enforcement of compliance with IFRS and impose appropriate sanctions for late, incomplete, or materially deficient financial filings.

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