CEO's Statement

Third Quarter 2026 — October 2026

Macroeconomic Context

Nigeria's macroeconomic environment in the third quarter of 2026 reflected continued progress in economic adjustment, with improvements in growth, inflation and external stability. Real GDP grew by 4.43% year on year in Q2, up from 3.89% in Q1, while the Central Bank's Composite PMI rose to 53.0 points in September, marking a fourth consecutive month of private-sector expansion. These developments are encouraging, but sustaining progress will require continued reforms, stronger institutions and the effective allocation of capital to productive opportunities.

Inflation moderated from 15.91% in June to 14.63% in September, although food prices remained a concern. The Central Bank reduced the Monetary Policy Rate by 350 basis points to 23% in September, following a hold in July. Meanwhile, oil prices rose above US$100 per barrel amid Middle East tensions, supporting external reserves, which reached US$54.9 billion, and contributing to a firmer naira at approximately ₦1,329 to the US dollar. However, higher oil prices also pose risks to domestic fuel and transport costs. For financial institutions, these developments reinforce the need to remain disciplined in capital allocation, responsive to changing market conditions and focused on delivering appropriate solutions for clients.

Nigeria's capital markets maintained strong momentum, with the NGX All-Share Index gaining 9.5% during the quarter to close September at 251,211.67 points, representing a year-to-date return of 61.4%. Fixed-income yields declined, with the 364-day Treasury bill stop rate falling from 17.70% in July to 15.89% in September. The Dangote refinery's ₦2.15 trillion IPO, insurance-sector recapitalisation and continued regulatory reforms further shaped market activity. These developments present opportunities across financial services, but the depth and effectiveness of the market will ultimately depend on investor confidence, credible investment opportunities and the institutions responsible for connecting capital to them.

Group Performance

The nine months ended 30 September 2026 mark an important milestone for AVA Capital Plc. These are our first nine-month results as an integrated group, bringing together AVA Global Asset Managers, AVA Trustees and AVA Securities. The results demonstrate the potential of our combined operations and the value of bringing complementary financial services businesses together. Our objective is to build a stronger, more diversified and enduring financial institution that connects capital to credible opportunities and creates sustainable value.

The Group generated revenue of ₦5.87 billion and profit before tax of ₦2.63 billion, with profit after tax of ₦1.84 billion and the cost-to-income ratio at 39.9%. These results reflect the scale of our combined operations and our priority is to sustain this performance through disciplined execution, effective cost management and a continued focus on earnings quality

At the Company level, AVA Capital Plc recorded revenue of ₦1.99 billion and profit before tax of ₦1.35 billion, representing a margin of 67.5%. Fees and commission income of ₦0.88 billion, supported by our advisory business, contributed significantly to this performance. This performance reinforces the importance of a diversified income base and the ability to convert business growth into sustainable earnings.

We continued to make progress against our long-term strategic priorities, with our customer base expanding to more than 6,000. Group net profit margin stood at 31.4%, while return on equity was 28.3%. These indicators reflect our earnings performance and the efficiency with which we deploy our resources. As we expand, our focus remains on building the operational capabilities and institutional discipline required to sustain growth over time.

Client Investment Funds increased to ₦77.79 billion at 30 September 2026, from ₦9.24 billion at 31 December 2025, while total assets grew to ₦94.43 billion. Total equity, including non-controlling interests, rose to ₦13.39 billion. This growth reflects the expanding scale of our operations and the confidence clients place in us. That confidence comes with responsibility: to manage resources prudently, maintain effective risk controls and uphold the governance standards expected of an institution entrusted with clients' capital.

We currently manage four investment funds and are developing additional offerings to achieve our target of ten funds by 2030. We remain focused on sustaining our position as the top-3 Transaction Sponsor in the FMDQ Private Markets Noting Transaction Sponsor League Table (Inception–December 2025), while strengthening our transaction execution capabilities and expanding our participation in Nigeria's capital market. Our ambition is not simply to maintain a ranking, but to build the expertise, relationships and execution capabilities required to remain competitive over the long term.

We have now added a fourth location to our physical network, bringing our branch count to four. Our target remains ten branches by 2030. This expansion will extend our market reach and support closer client engagement as we broaden access to our services.

In asset management, we are ranked 33rd by Funds Under Management (FUM), based on the weekly Net Asset Value of Nigerian Collective Investment Schemes published by the Securities and Exchange Commission. Our ambition is to enter and sustain a position among the industry's top ten by 2030. Achieving this will require continued growth in assets under management, relevant investment offerings and disciplined execution. We will pursue this objective by building client confidence and delivering consistently on our commitments.

Outlook

Our priorities for the final quarter of 2026 are clear. Nigeria's evolving capital markets and growing demand for professional wealth management present opportunities for AVA Capital Plc. Our responsibility is to identify these opportunities carefully, execute effectively and ensure that growth strengthens the institution we are building.

We will focus on strengthening recurring income and realising the benefits of our integrated financial services platform. We will also optimise the deployment of our assets while growing fee-based income. This includes strengthening our advisory capabilities through investment in talent, technology and processes, broadening our investment offerings and improving operational execution. Our objective is to build a more diversified and resilient earnings base without compromising capital discipline.

Across the Group, we will continue to deepen client relationships, strengthen recurring earnings, optimise capital deployment and improve operational efficiency. These priorities are interdependent: strong client relationships support sustainable revenue, disciplined capital allocation supports responsible growth, and effective governance underpins trust. We remain focused on sustainable returns, accountability and long-term value creation for our shareholders and other stakeholders.

While near-term economic conditions may remain uncertain, we see meaningful opportunities in the continued development of Nigeria's financial markets. Structural reforms, greater market sophistication and increasing demand for professional financial services create opportunities for institutions equipped to serve clients effectively. AVA Capital Plc intends to participate in this growth by strengthening its capabilities, maintaining disciplined execution and building an institution that earns trust through consistent performance.

I thank our clients for their continued confidence, our shareholders for their support, our Board for its guidance and our employees for their commitment. I also appreciate our regulators, business partners and other stakeholders for their continued engagement. Building an enduring institution is a collective effort, and we remain committed to earning the trust placed in AVA Capital through responsible management, sound governance and consistent delivery.

Kayode Fadahunsi
Managing Director/Chief Executive Officer
AVA Capital Plc
October 2026