



# Integrated Report

for the year ended 28 February 2025



# Contents

## **ABOUT COOI STUDIOS**

Organisational Overview  
Mission, Vision & Values  
Capabilities

## **EXECUTIVE SUMMARY** - Letter from the Director

## **GOVERNANCE**

Our Business Model  
Leadership Structure  
Organisational Culture & Ethics

## **STRATEGIC & FINANCIAL PERFORMANCE**

## **EXTERNAL AND RISK LANDSCAPE**

External Landscape & PESTLE Analysis  
Risk Management & Compliance  
Key Risks to Value Realisation

## **OUTLOOK**

Strategy & Resource Allocation  
FY26 Strategic Objectives

## **BASIS OF PREPARATION & PRESENTATION**



# About COOi Studios

# 01

COOi Studios

3

Integrated Report for the year ended 28 February 2025

# About COOi Studios

Founded in 2019, COOi Studios is an innovation advisory firm established with the strategic intent to support large enterprises in transforming their business and operating models through a human-centric lens. What began in a Rivonia apartment-turned-innovation-studio has grown into a dynamic force for change, now operating from a space designed to foster creativity and breakthrough thinking. Today, COOi remains 100% black female owned and partners with enterprises and institutions to drive regional innovation through open innovation projects, feasibility studies, and business cases. With data insights and emerging technologies at the heart of our work, we empower organisations to build sustainable, people-focused solutions for a rapidly evolving world.

**To know our business starts with gaining insights and a deeper understanding of our Why, How, and What.**



## Mission and Vision (our WHY)

**Mission:** To deliver innovative, agile solutions for large enterprises on their digital transformation journey

**Vision:** To be a leading partner of choice in resilience and inclusive thinking, leveraging emerging technology solutions



## Values (our HOW)

- Agility
- Respect
- Integrity
- Entrepreneurial
- Tenacity



## Certifications and Memberships

- Microsoft Azure
- Amazon Web Services
- United Nations Global Compact



## Sectors we Serve

- Financial Services
- Resources
- Telecommunications



## Core Capabilities (our WHAT)



**Strategy & Sustainability:** Developing sustainable business models, data-driven innovation strategies, and optimising operations using emerging technologies.



**Design:** Applying human-centered design and service design methodologies to cultivate ideas and develop innovative products.



**Data & Technology:** Utilising advanced analytics, cloud-powered automation, and emerging technologies such as Generative AI and the Metaverse to enhance business operations.





# Executive Summary

Letter from the Director

# 02

# Executive Summary

This letter is written with a spirit of deep gratitude, to first and foremost, God who has proven Himself to be faithful at every corner of the journey. As the Director, reflecting on the journey of building this business, I recall a conversation with my mother last year where she asked me if I would embark on the journey all over again, now that success has been achieved. This moment encapsulated the resilience, sacrifices, and hard-earned growth that have defined our story to date. We recognise the excitement and rewarding journey that FY2025 afforded us, however, it has been filled with many challenges. Our biggest challenge this past year has been our talent attraction and retention. We started off the year with stability in the team, but in the last 2 quarters, we encountered unexpected setbacks, inclusive, however not exhaustive of key personnel resignations, as well as new hires or replacements. Whilst we remained resilient on delivery confirmed by our impressive 85% client satisfaction score, it was achieved under great pressure, personal sacrifices and some adverse organisational impact in the process.



**SANDISO  
SIBISI**

Studios Director

This past year we executed many of our strategic priorities. Firstly, our client base is 100% private sector based, this transition has addressed our cashflow challenges, the types of innovative projects (i.e. Generative AI) that we deliver for our mainly JSE Top 40 listed clients that are hungry for growth, and the better aligned speed to market we prefer. Secondly, due to the procurement nature of our client base our conversion rate has improved meaning we were able to sell more projects, allowing for a 167% revenue growth, which is unparalleled in this challenging macro and micro economic climate. Lastly, maturing our operational excellence internally, building policies and processes that allow us to govern better; our people and spending, preparing ourselves for fundraising in FY26 H2.

## 167% - Revenue Growth



Looking forward, we will lead with our market penetration growth strategy, focusing on a lean client base and look to deliver our service offering across multiple business units within our existing client base. We will implement better attraction measures for our talent, whilst continuously revisiting our compensation and benefits. Our technology delivery centre being based in KwaZulu Natal, compels us to incorporate market development as a growth strategic priority. And lastly client experience improvements, to support the delivery teams with onboarding and issue resolution whilst carrying out projects, bringing the best service to our clients.





We cannot ignore the geopolitical and economic challenges we operate in, but I am certain that we will arise, tested by the recent pandemic. We strongly believe that we still have lots of room for growth, and our targets are equally aggressive, which I believe the team will deliver on. We are fully aware of the increasingly competitive landscape, but that is met with our innovative nature, client intimacy, talented workforce and resilience which is unmatched. We vow to embrace what we cannot change and evolve where required to achieve another year of exponential growth.

With 2025 marking 6 years in operation for COOi Studios, I would like to express my gratitude to every individual that made this year, for what it was; our people, our clients and partners, we are because you are.

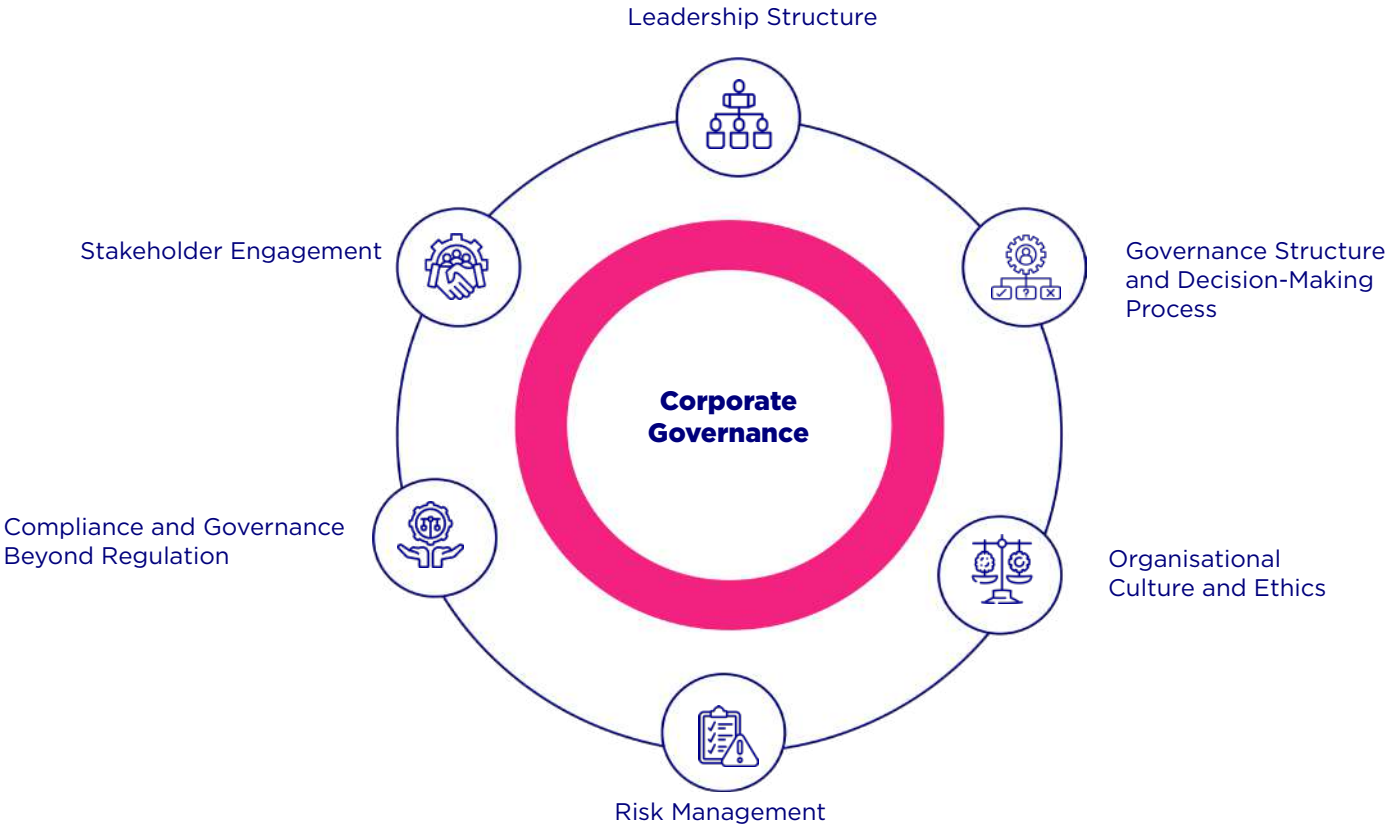
Sandiso Sibisi  
COOi Studios Director



# Governance

# 03

# Governance



## Leadership Structure

Our governance is led by a black female executive director, supported by two principals in technology and people & culture. The leadership team includes senior leads who oversee and bring expertise to the organisation's core capabilities: Strategy & Sustainability, Design, Data & Technology. The core capabilities are supported by Operations, Business Development, Marketing, Finance, and People & Culture. The broader team consists of mainly young professionals, from previously disadvantaged groups, reflecting our strong commitment to transformation, inclusive leadership, and collaborative decision-making.

## Governance Structure and Decision-Making Process

Client-related decisions are made by the Director in close collaboration with capability leads. The director also drives the organisation's growth strategy alongside the business development team. Internal operations, such as supplier management, are handled by the operations team with strategic input from the Director to ensure alignment and efficiency.

## Organisational Culture and Ethics

Our culture is anchored in five values: Agility, Respect, Integrity, Entrepreneurship, and Tenacity. These principles shape our decisions and support a healthy, positive working environment. Our ethics policies promote accountability, transparency, and professional conduct, creating trust within the team and with our stakeholders.

## Risk Management

Risk management is led by our Firm Infrastructure team. We regularly use tools like SWOT, PESTLE and competitive analysis to assess risks across External, Strategic, and Enabler categories. To support proactive risk identification and tracking, we are developing a formal Risk Register and will be conducting Quarterly Reviews.

## Compliance and Governance Beyond Regulation

We do not just meet the minimum standards—we aim to exceed them. Our approach to governance emphasises ethical leadership, transparency, and inclusive decision-making. We're deeply committed to youth empowerment, diversity, and values-driven practices. For legal and employee external matters, we consult an external expert. We are proud to be a Level 1 BBBEE contributor, and most of our preferred suppliers are small, black-owned businesses in their early stages of growth.

## Stakeholder Engagement

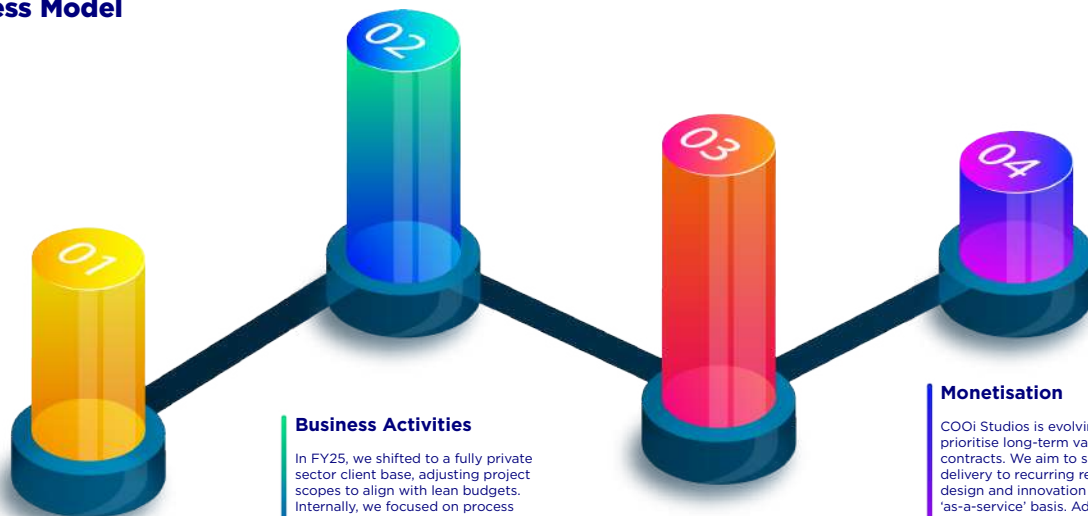
We stay closely connected to our clients through regular communication, a dedicated Partnerships Day, and events such as the Mining Indaba, where we host to share trends, updates and insights. Internally, we foster team spirit through First Thursdays, team-building activities, and bootcamps. Suppliers operate under clear Service-Level Agreements, and we honour fair terms, including payment advances when needed.



## Remuneration and Value Creation

Our compensation framework has been externally benchmarked, and we have updated our career ladder to include consulting industry market related salary ranges. Our Employee Value Proposition (EVP) guides our incentive structures and reflects the value we place on recognising and rewarding our team's contribution. However, our compensation and benefits continue to be a work in progress in a talent competitive market.

## Business Model



### Client Acquisition

In FY25, COOi Studios strengthened client acquisition through attending and running strategic events, launching thought leadership reports, and digital targeting through marketing efforts. While relationship-building remained an area for growth, we leveraged existing client knowledge and business unit connections to forge a sustainable path for our business.

### Business Activities

In FY25, we shifted to a fully private sector client base, adjusting project scopes to align with lean budgets. Internally, we focused on process improvements, upskilled our team through targeted training, and strengthened relationship management to build resilience and deliver value in an ever-changing business environment.

### Outputs and Outcomes

We delivered digital platforms, research reports, and design systems across the financial, health, information and technology, resources, and telecommunications sectors. Outcomes included improved team morale, stronger brand positioning, sustained cash flows, and enhanced client satisfaction.

### Monetisation

COOi Studios is evolving its monetisation model to prioritise long-term value through service-based contracts. We aim to shift from once-off project delivery to recurring revenue streams by offering design and innovation services on a retainer or 'as-a-service' basis. Additionally, we are developing marketplaces that enable clients to access experimental technologies and creative tools built by COOi, offered as scalable Software-as-a-Service (SaaS) solutions. This approach supports sustainable growth, deepens client relationships, and extends the commercial lifespan of our intellectual property.

# Operating Model



# Strategic & Financial Performance

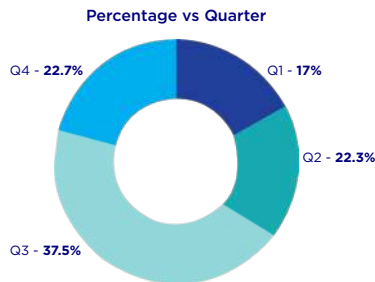
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# Strategic & Financial Performance

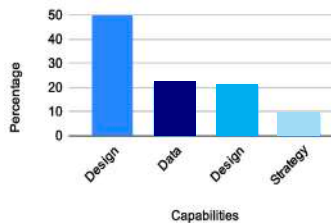
## Business Output



## Financials



Revenue Distribution by Capabilities





## Financial Performance Overview

Our financial performance in 2025 reflects not only significant growth but also a deliberate and disciplined approach to managing that growth. We focused on delivering high-quality services, investing in our team and infrastructure, and strengthening relationships with clients — all while keeping a close eye on efficiency and sustainability.

### Revenue Growth

**2024: 25% | 2025: 167%**

The 167% revenue growth in 2025 represents a strong acceleration in business activity. This surge is primarily driven by the return of a long-standing client, the acquisition of a new client through a strategic partnership, and increased project value from existing clients. The significant rise in project volume and value reflects growing client confidence in our ability to deliver high-quality work that meets standards agreed upon. In essence, this performance signals strong business growth rooted in client satisfaction and deepening of trust.

### Operating Income (EBIT)

**2024: 25.96% | 2025: 25.6%**

Even as the business grew, we managed to maintain a stable EBIT, which speaks to how well we've balanced growth with cost control. Compared to the previous year, we increased our staff to keep up with the growing workload. We also moved into our own office space, having previously been in a shared office space. To support our team's development, we invested in events that explored emerging technologies like Generative AI — these made up approximately 2% of our operating expenses. We also recognised our team's hard work with year-end bonuses. Despite these increased costs, we were able to hold our EBIT steady, reflecting sound financial management and a commitment to growing responsibly whilst investing in our people.

### Net Profit Margin

**2024: 18.86% | 2025: 18.68%**

While revenue grew significantly, our net profit margin remained relatively stable, with only a slight decline. This reinforces an important financial principle: increased revenue does not automatically lead to higher margins, particularly when accompanied by growth-related expenses. In our case, investments in infrastructure, talent, and strategic initiatives supported long-term scalability but also increased operating costs. Despite this, we maintained strong profitability levels, highlighting our financial discipline and ability to manage growth sustainably.

### Return on Assets (ROA)

**2024: 124% | 2025: 83%**

Although ROA decreased, it remains exceptionally high. The drop is a result of deliberate investments in our asset base—including setting up our own office, purchasing new equipment, and increasing our headcount to meet growing operational demands. These investments are expected to support long-term efficiency and service delivery, aligning with our growth trajectory.

## Retention Ratio

**2024: 18.8% | 2025: 18.6%**

Our earnings retention has remained consistent year-on-year, reinforcing a balanced strategy between reinvesting in future growth and maintaining reserves. This also reflects our commitment to responsible financial stewardship while supporting business expansion.

## Operating Expense Ratio

**2024: 105% | 2025: 73%**

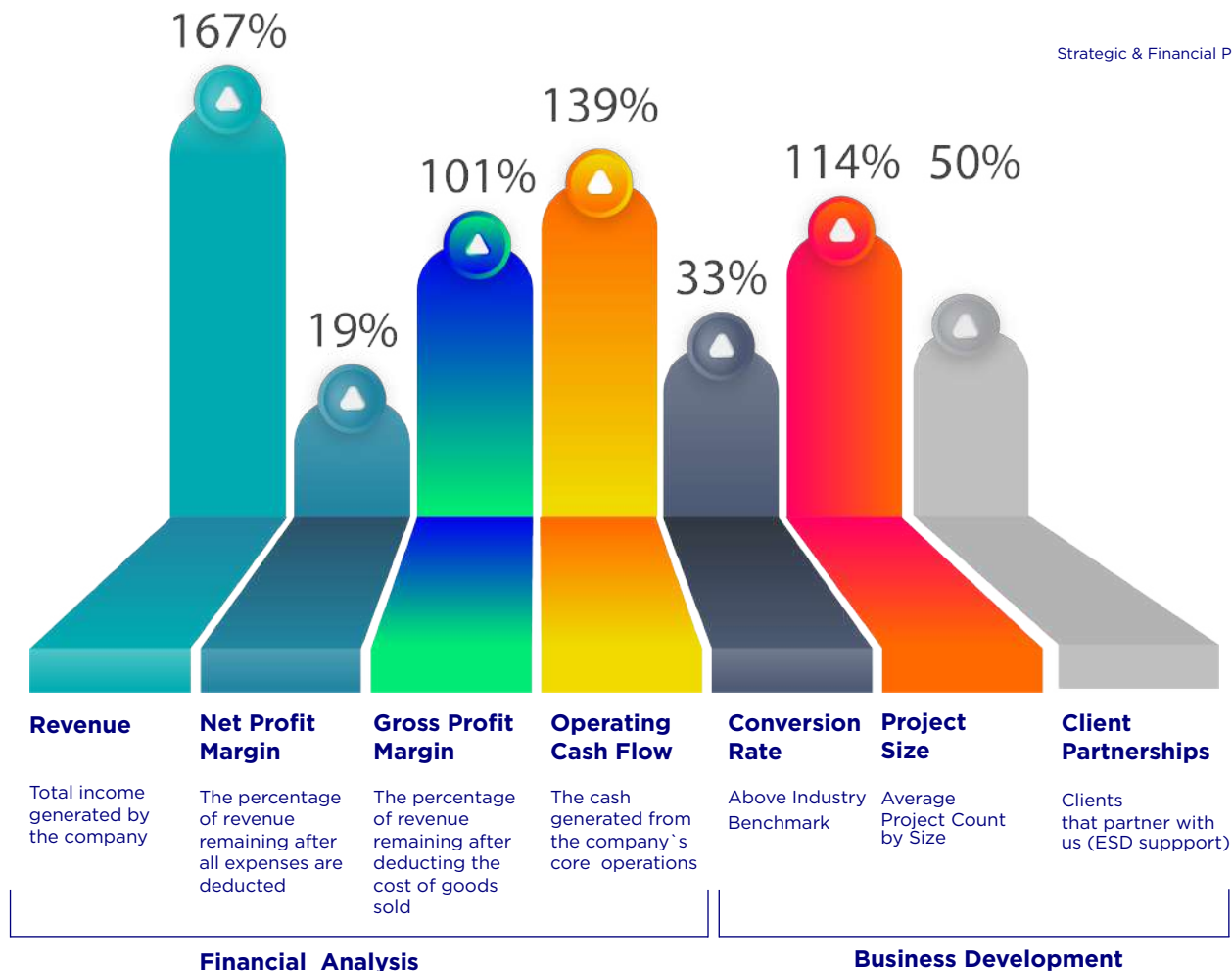
We achieved a significant improvement in cost efficiency, reducing our operating expense ratio from 105% to 73%. This was achieved despite increased spending on infrastructure, talent, and staff development. The improvement validates that our growth was not only top-line driven, but also underpinned by stronger cost control and smarter operational decisions.

## Non-Capital Expenditure Ratio

**2024: 1.2% | 2025: 2.7%**

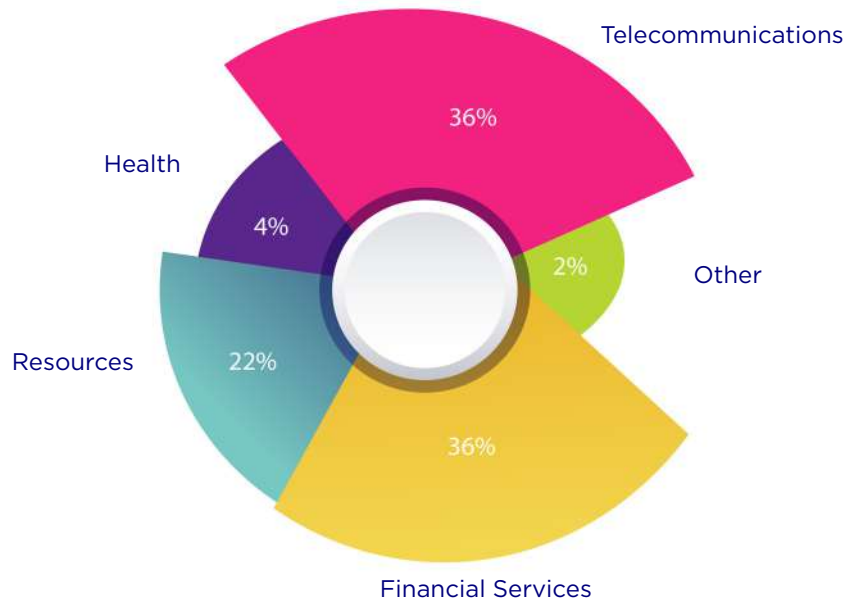
The increase in non-capital expenditure reflects our growth investments—such as moving into our own office space and procuring new furniture, equipment, and computers. These operational costs support our ability to scale effectively and improve internal capabilities and form an essential part of building long-term organisational capacity.





## Sales

The distribution identifies the main sources of income for our business, with the Financial Services and Telecommunications sectors at the top. Whilst the Health and Other sectors make lower contributions, the Resources sector offers more assistance. Our strategic focus across the key sectors is reflected in the following breakdown:







# External and Risk Landscape

# 05

# External and Risk Landscape

## External Landscape

COOi Studios operates in a complex and evolving external environment characterised by:

**Economic Challenges:** Our client base is exclusively South African large enterprises, operating within a challenging macroeconomic environment i.e. stagflation and shrinking economic activity exacerbated by ongoing power cuts. These challenges impact our ability to operate effectively, imposing challenges on our growth and sustainability.

**Technological Advancements:** The rapid advancement of technologies, namely Generative Artificial Intelligence and Quantum Computing present both challenges and opportunities for businesses. For our clients, they present us with changing needs meaning, we often have to reskill our workforce under our developing talent management systems within our business.

**Regulatory Pressures:** There is growing pressure from regulators, investors, and customers for businesses to adopt sustainable practices and deliver environmentally oriented solutions. This necessitates greater collaboration across business value chains, which require unaccounted for, budget and effort from our team throughout the year.

**Competitive Landscape:** Similar innovation, technology and design advisory firms are being established, we anticipate an oversupply and lower demand for the services we offer in the future. In addition, with our clients building internal capabilities, namely artificial intelligence teams, it will become more difficult to differentiate our offering.



## PESTLE Analysis



### Political

- Government incentives for innovation and SMEs
- Evolving digital regulations and data protection laws
- Potential political instability affecting business confidence



### Economic

- Growing demand for digital transformation services
- Economic volatility impacting client budgets
- Opportunities in emerging African markets but high in risk



### Social

- Youthful, tech-savvy population driving digital adoption
- Increasing emphasis on diversity and inclusion
- Shift towards remote and flexible work models



### Technological

- Rapid advancements in AI and other emerging technologies
- Need for continuous upskilling in emerging technologies
- Opportunities in developing proprietary digital solutions



### Legal

- Compliance with South African labor and IP laws
- Adherence to international data protection standards
- Navigating industry-specific regulatory requirements



### Environmental

- Growing client focus on sustainable practices
- Potential to develop eco-friendly digital Alignment with global ESG (Environmental, Social, Governance) trends



## Risk Management & Compliance

External Risks	Internal Risks		
	Strategic	Operational	Enablers
Demand	Governance	Access to Services	People
Regulatory	Strategic Planning	Processes	Financial
Economical			
Socio- Political	Ethics & Values	Business Interruption	Technology
Environment	Stakeholder Relations	Emergency Response	Infrastructure

## Risks and opportunities

We believe that managing risk is not just about avoiding problems, it is also about spotting opportunities for growth. By taking a thoughtful and balanced approach, we aim to build a business that is resilient, forward-looking, and aligned with the needs of our people, clients, and partners.



## 1. Business & Strategic Risks

These relate to how we work, make decisions, and build capacity internally.

### Attracting and Keeping the Right Talent

Risk: It is becoming increasingly challenging to attract and retain skilled people in a fast-changing digital environment.

Opportunity: Our employee value proposition (EVP) on meaningful work, opportunities for growth and inclusive culture gives us an advantage in attracting a diverse and talented team. We are also embracing flexible work models and constantly revisiting our compensation and benefits.

### Differentiating COOi Studios in a Competitive Market

Risk: Offering digital solutions within the consulting space could pose a challenge when making efforts to continue differentiating ourselves within the market.

Opportunity: By focusing on large, JSE-listed companies, we can sharpen our expertise and become known for solving complex, high-impact problems.

### Overreliance on a Few Key Personnel within the Organization

Risk: When only a few individuals hold vital knowledge, it makes the business susceptible to the risk of losing critical technical know-how, thus making it vulnerable.

Opportunity: We are addressing this by encouraging cross-collaboration, training across teams, and placing top performers on accelerated growth programmes.

## 2. Financial Risks

These are challenges linked to the organisation's financial health, funding, and the broader economy.

### Unstable Economy and Budget Pressures

Risk: Economic fluctuations — including those highlighted in the latest Budget Speech — can affect client budgets as well as slow and/or prudent decision-making.

Opportunity: The majority of our client base operates within the global business landscape, thus giving us an opportunity to expand into other markets through serving them first in other regions.

### Tax and Policy Shifts

Risk: Tax changes, including VAT adjustments and potential digital tax reforms, could impact our margins.

Opportunity: On the upside, sustainability and innovation-linked tax incentives provide us with an opportunity to reinvest in projects that create long-term value.

### Access to Growth Funding

Risk: Inadequate funding presents significant obstacles to scaling efforts.

Opportunity: The strength of our balance sheet affords us an opportunity to seek funding from angel investors, venture capitalists or credit financing to fuel our growth objectives.

### 3. External Risks

These include broader social, political, and environmental factors we cannot control, but can still prepare for.

#### Changing Regulations

Risk: Laws around digital privacy, data protection, and IP are constantly evolving.

Opportunity: Staying ahead means we can stay compliant, build client trust, and avoid penalties.

#### Political and Social Uncertainty

Risk: Political instability and shifts in public sentiment can affect confidence.

Opportunity: We're staying close to our stakeholders and monitoring these changes carefully, so we can adapt and respond quickly when needed.

#### Environmental Expectations

Risk: There's growing pressure to act responsibly when it comes to climate and sustainability.

Opportunity: We may leverage digital tools to help clients and ourselves meet ESG goals while reducing our own environmental impact.

#### Our Enablers

Risk: While we face challenges around funding and lack of capital backing, access to top talent, technology, and limited resources, these are also the tools we use to grow.

Opportunity: With the right partnerships, training, and smart investment, we can turn limitations into strengths — and build a business that lasts.



# Outlook

# 06

# Outlook

## Strategy and Resource Allocation

### FY26 Strategic Objectives:

#### 1. Market Penetration

COOi Studios aims to deepen its presence in South Africa's core economic sectors by expanding client relationships, increasing project scale, and leveraging proven case studies. A key focus is penetrating Tier 1 Resources, Telecommunications, and Financial Services firms through tailored innovation offering and strategic partnerships. By targeting specific business units within existing accounts and showcasing ROI-driven outcomes, COOi plans to grow market share in the short and medium-term, while exploring Pan-African expansion via our reputable network and referrals.

#### 2. Talent Attracting and Retention

Attracting and retaining top-tier creative and strategic talent is essential to COOi's differentiated offering. The firm prioritises a culture of ownership, learning, and creative autonomy, supported by competitive remuneration, flexible work structures, and access to cutting-edge tools. Retention efforts also include clear growth paths, and embedding purpose into everyday work. With an aim to improve our retention rate to be at 70%. We are exploring various interventions as it relates to compensation and benefits as well as accelerated growth plans for our top performing talents.



### 3. Client Experience

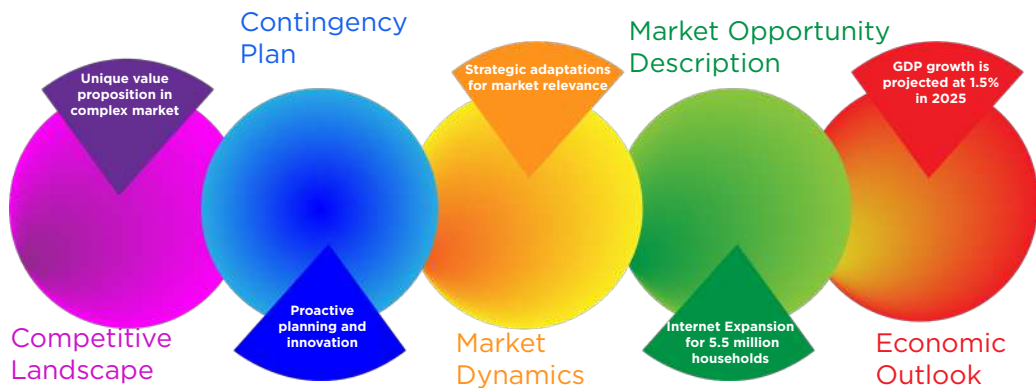
Exceptional client experience is a cornerstone of COOi's growth model. The studio focuses on creating collaborative, transparent engagements that move beyond transactional consulting. Through immersive workshops, rapid prototyping, and continuous feedback loops, clients are treated as co-creators. COOi is enhancing its client experience strategy by installing pre-engagement activities for better project initiation and a post-engagement review framework to strengthen our delivery seamlessly in future client engagements.

### 4. Market Development

Opening a delivery centre in KwaZulu Natal is at the heart of market development as a strategic priority. It is being developed as an on-shore technology delivery hub to support a blended operating model. This approach combines local responsiveness with international technical expertise, enabling COOi Studios to scale efficiently, optimise costs, and offer seamless client support while strengthening our presence in new talent regions.







## Competitive Landscape

COOi Studios operates in a competitive environment alongside global and local consulting giants such as McKinsey & Company, Bain & Company, and South Africa-based Letsema Consulting. These firms offer broad strategic and operational consulting services, often targeting the same resource-heavy and transformation-driven sectors. While they bring scale and legacy methodologies, COOi differentiates itself through nimble, design-led innovation, cross-sector expertise, and implementation agility. As clients increasingly demand tangible outcomes and innovation beyond Powerpoint, COOi's human-centered, co-creation approach offers a distinct value proposition in an evolving consulting landscape.

## Contingency Plan

In response to potential disruptions such as power outages and market volatility, companies are investing in alternative energy sources and digital infrastructure. Developing adaptive strategies ensures business continuity and resilience. Collaborations with government and industry stakeholders are essential to address systemic challenges and mitigate risks. Proactive planning and innovation are key to navigating uncertainties.

## Market Dynamics

The mining industry is grappling with logistics and transportation limitations, power shortages, rising electricity tariffs, and regulatory uncertainties, impacting productivity and global competitiveness. Telecommunications companies are expanding internet access to underserved areas, aiming to close the digital divide in an increasingly growing competitive landscape. Financial institutions are embracing fintech innovations to enhance service delivery and customer experience with a priority to improve market share. These dynamics necessitate strategic adaptations to maintain market relevance, thus an opportunity for us to serve our clients with deepened expertise and help guide them operate efficiently even in new territory.

## Market Opportunity Description

Opportunities abound in digital transformation, renewable energy adoption, and financial technology. The government's initiative to extend internet access to 5.5 million households presents a significant growth avenue for Telecom providers. The mining sector's shift towards electrification and hybrid power solutions offers avenues for innovation and sustainability. Financial services can leverage AI and other emerging technologies to streamline operations and enhance security.

## Economic Outlook

South Africa's GDP growth is projected at 1.5% in 2025, influenced by global trade tensions and domestic challenges. Inflation is expected to average 3.6%, supported by declining fuel costs and moderated tuition hikes. The South African Reserve Bank is anticipated to maintain the repo rate at 7.5%, with potential cuts later in the year. These economic indicators create a conducive environment for investment and innovation where COOi Studios plans to continue being an innovation strategic advisor and thought leader of choice for key existing and prospective clients.



# Basic Of Preparation & Presentation

# 07

# Basis Of Preparation & Presentation

This integrated report was created to present a clear, honest, and impartial summary of COOi studio's performance, position, and strategic direction from 1 March 2024 to 28 February 2025. While no formal reporting frameworks were followed, the emphasis has been on delivering information that is practical, relevant, and consistent with how COOi Studios operates.

The report provides insights into COOi Studios' overview and external environment, competitive landscape and market positioning, operating model, critical quantitative information, governance, and strategic objectives for FY26. This method aims to provide stakeholders with a clear knowledge of who COOi Studios is, what it does, and where it is going. All content was compiled internally, with input from relevant teams. Our Financial Statements has been externally reviewed for accuracy, correctness and reliability. Internal analyses were used to assess non-financial information such as operational, governance, and people-related content. Any forward- looking information or predictions reflect our best estimates based on the data available at the time.





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