



DAMSTRA

TRACK • MANAGE • PROTECT

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AFR - Workplace fever detection demand soars for Damstra

By Simon Evans
Senior Reporter

The coronavirus pandemic has triggered a big spike in demand for employee temperature checks and traceability of workers, with workplace software group Damstra accelerating a roll-out of new walk-in booths at mining sites as part of access control measures.

The company's software is used as a one-stop shop for about 400,000 workers on sites around the world, with customers including gold miner Newmont, mining giant Glencore, telco NBN Co, energy firm AGL and construction groups CPB and John Holland.

Damstra chief executive Christian Damstra said on Tuesday that revenues for 2019-2020 were expected to increase by between 30 per cent and 40 per cent.

The solid outlook prompted a 20 per cent rise in the company's share price to 93¢ by noon AEST on Tuesday. Damstra listed on the ASX late last year. Its shares had been trading at \$1.10 on February 20 and by March 23 had tumbled to 45¢ amid the sharp market plunge by the ASX as the coronavirus pandemic caused governments to partially freeze economies.

Workplace temperature checks are being added to existing access control procedures at many sites which already use swipe cards, breath tests and fingerprint identification.

Mr Damstra said there had been a jump in demand from existing customers and from outsiders.

A new shipment of 10 "booths" to be stationed outside mine site entrances and other production sites was being readied in Australia to bolster the workplace management suite of products the company runs.

"Walk in, look at the camera, then walk out," he said.

He said companies were also interested in being able to trace the workplace history of employees, and have detailed knowledge of who had been working on particular days amid the coronavirus pandemic.

"It's about traceability," Mr Damstra said.

The company announced on Tuesday that it had a cash balance of \$10.4 million at the end of March, and that during the March quarter there had been no reduction in the number of users of its services at its 10 biggest customers.

That trend had continued in early April.

Mr Damstra said while demand for its services was increasing, there had been some delays in new contracts because of COVID-19. "We have felt some effects," he said.

Damstra was cast aside in early 2016 by contract maintenance and labour hire company Programmed when it merged with Skilled Group in a \$750 million-plus deal.

Programmed sold Damstra for \$7 million after deciding it was a "non-core" asset. Damstra now has a share market capitalisation of \$140 million and has made several bolt-on acquisitions in the past two years.

Mr Damstra relocated to Denver, Colorado, in late 2017 to help drive expansion into North America. The group's cloud-based workplace software enables real-time reporting, compliance, induction training and site access systems.

Mr Damstra said there had also been a substantial uptake in e-learning by companies, which did not want to risk having large groups of staff in the same room.

"There's a lot of interest in e-learning at the moment," he said.