



## These 2 Mid-Cap Stocks Have Seen Sales Double in the Past 3 Years

### Description

Dividends are a great way to earn passive income with minimal risk, but sometimes dividends aren't enough. Stocks that offer growth offer much greater returns than dividends because a high-growth stock will have much more upside in its price. However, a high-growth stock will also be riskier than a no-growth dividend stock. If you have many investing years left and time is not an issue, you can certainly afford to wait for a stock to grow, rather than require stability and consistency in your returns.

The two stocks listed here are mid-cap companies that have shown strong growth early on and still have a lot of upside left.

**Amaya Inc. ([TSX:AYA](#))(NASDAQ:AYA)** is involved in the online gaming industry and provides technology-based products, specifically in online poker and casino games. The company has been trading for fewer than four years and has seen its stock price triple since going public.

Amaya has grown from just \$106 million in sales in 2013 to \$1.1 billion in 2016 for amazing growth of over 989%. However, in its most recent year, the company was only able to grow sales by 7%. A big reason for the company's explosive growth was its acquisition of PokerStars, which occurred in the middle of 2014. In 2015, the company had a full year of the PokerStars brand in its operations, and the results showed: the company broke \$1 billion in sales that year and saw revenues almost triple from the prior year.

Poker has been the main source of revenue for Amaya, making up \$887 million in revenue for 2015, or over 82% of total sales. The other main segment is casino and sportsbook, which contributed \$136 million and represented over 12% of revenue. In 2016, Amaya saw its poker revenue drop by 4.6%, while the casino and sportsbook segment almost doubled for a total of \$264 million. The company looks to continue its expansion by offering more social gaming and fantasy sports products online, while also growing its flagship PokerStars brand.

In Q1 2017 the company continued to see sales grow by 10% year over year. Poker revenue was flat, but the casino and sportsbook segment made up all of the growth with its sales climbing by \$26 million for a year over year increase of over 44%. With a strong and growing brand like PokerStars in addition

to its growing casino and sportsbook segment, Amaya is well poised for future growth. It is unlikely it can replicate the explosive growth it saw as a result of the PokerStars acquisition, but there are still many opportunities in this industry for growth.

**Alamos Gold Inc.** ([TSX:AGI](#))([NYSE:AGI](#)) is another company that has seen its revenues climb significantly over the years, although it's climbed a bit more steadily than Amaya. Alamos has had revenue growth of about 25-35% year over year for the past three years. In 2016, the company's revenues totaled \$482 million — more than double its 2013 tally of \$227 million.

The gold-producing company operates three mines in North America and has many other projects in development, including in Turkey. Alamos has been growing sales by increasing production at its mines. Its Mulatos mine in Mexico had output increase by over 10% from the prior year. As the company develops more opportunities and mines more gold, sales and profits will follow. Alamos presents an excellent opportunity for long-term growth for investors willing to be patient with the company.

## CATEGORY

1. Dividend Stocks
2. Investing
3. Metals and Mining Stocks

## TICKERS GLOBAL

1. NYSE:AGI (Alamos Gold Inc.)
2. TSX:AGI (Alamos Gold Inc.)

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## Date

2025/07/02

## Date Created

2017/08/02

## Author

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