



## Disruptive Technology: There's Still Time to Buy This Growth Stock That Popped 10%

### Description

The fuel cell market continues to build momentum, as clean air becomes an increasingly important goal for countries across the world. From China to Europe to California, governments and automotive companies are showing more interest and activity in fuel cell vehicles.

And **Ballard Power Systems Inc.** ([TSX:BLDP](#)) ([NASDAQ:BLDP](#)) is increasingly well positioned to reap the rewards of this burgeoning industry.

The company recently reported [yet another strong quarter](#), which tells me that the company continues to gain strategic and financial momentum. The stock rallied 10% off of this result, as investors were clearly pleased with it.

Here are the key points to focus on which drive my bullish thesis on the company and the stock.

### Revenue growth

Revenue increased 54% in the quarter and 48% in the first nine months of the year. This was driven by the company's heavy-duty motive business (buses, trucks, and even railways in the future), and the technology solutions business.

### Increasing profitability...

The company's gross margin came in at 32% for the quarter — one basis point higher than the same quarter last year — and at 36% for the first nine months of the year — nine basis points higher than the same period last year.

### ... and so close to turning a profit

Furthermore, Ballard achieved a positive adjusted EBITDA of \$0.9 million versus a loss of \$1.5 million last year. In the nine months ended September 30, 2017, adjusted EBITDA was \$1.2 million compared to a loss of \$11.6 million last year.

### **Strong backlog**

Ballard reported that backlog currently stands at \$236.8 million. The 12-month order book, which represents orders expected to be fulfilled by September 30, 2017, is \$82.4 million.

### **Global movement towards decarbonization**

Some countries and states are moving towards banning all internal combustion vehicles. Britain, France, India, Norway, Germany, and California are some examples.

This is driving demand for a variety of applications for fuel cell-powered engines in a variety of geographies internationally.

### **Disruptive technology**

According to Ballard's CEO Randy MacEwen, Ballard is uniquely positioned to deliver value with its [disruptive technology](#).

Electric vehicles with fuel cells and batteries have key benefits, such as zero emissions, low noise and vibration, and fast, smooth acceleration. They also address battery limitations by offering long range, fast refueling, and full route flexibility.

The company has maintained a strong balance sheet with \$60 million of cash and limited debt.

In summary, Ballard Power continues to gain momentum, and with an opportunity this big, investors still have time to get into the shares, because there is plenty of upside that still exists.

### **CATEGORY**

1. Energy Stocks
2. Investing

### **TICKERS GLOBAL**

1. NASDAQ:BLDP (Ballard Power Systems Inc.)
2. TSX:BLDP (Ballard Power Systems Inc.)

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**Date**

2025/08/18

**Date Created**

2017/11/04

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