



Aurora Cannabis (TSX:ACB) Revenues Disrupt Cannabis Stocks

Description

Mark your calendars. **Aurora Cannabis** ([TSX:ACB](#))(NYSE:ACB) will release official fourth-quarter earnings on September 15. The stock should bounce when the company announces record revenues.

On Tuesday, Aurora released preliminary estimates of quarterly net revenue above \$100 million for the fourth quarter ended June 30. Fiscal year revenue estimates total over \$250 million — a substantial increase from 2018.

Aurora tracks company performance based on gross margins, kilograms of cannabis sold, and cash costs per gram produced. Shareholders can expect the yearly report to highlight the data surrounding these measures. Preliminary cannabis production figures hint at annual sales of nearly 30,000 kg.

Although growth and investment remain the number one priority, Aurora will soon integrate positive adjusted EBITDA from cannabis operations into the company's key performance goals. Last year, Aurora announced adjusted EBITDA of negative \$205.82 million.

Aurora Cannabis

Aurora Cannabis is Canada's top cannabis cultivator and distributor with an expansive business network throughout the European Union. To date, Aurora operates under 17 subsidiaries including Aurora Deutschland, MED Colombia, and Chemi Pharmaceutical.

Aurora's expansive [international reach](#) and strategic partnerships distinguish it from its competitors. In fact, Aurora already has exclusive partnerships with pharmacies in Germany and the U.K. to sell medical marijuana by prescription.

Moreover, top cannabis innovators, such as Capcium, Evio Beauty Group, and Wagner Dimas, have partnered with Aurora to develop quality cannabis brands.

Capcium

Capcium is a market leader in softgel encapsulation of cannabis extracts, providing pharmaceutical-grade manufacturing to the cannabis industry. Aurora launched softgel capsules for both medical and adult-use cannabis markets at the end of 2018 under the CanniMed brand.

The softgel capsules contain equal proportions of CBD and THC in a six mg discrete pill format. The tablets are designed to balance the effects of CBD and THC and produce a long-lasting and enjoyable experience.

Evio Beauty

In partnership with Evio Beauty, Aurora Cannabis produces the cannabis skincare brand, Evio Skin. Products in the EvioSkin/Aurora Cannabis Collection include a hemp seed oil rejuvenating mask, hemp fibre wipes, and Omega 3-6-9 revitalizing serum. The partnership gives Aurora Cannabis access to high-end cosmetics consumers through popular Sephora retail outlets.

The skincare line also gives Aurora a brand-recognition advantage among female consumers who shop directly through EvioBeauty.com. Evio gives a mention to the Aurora Cannabis brand under every EvioSkin product listed on the website.

Wagner Dimas

Aurora Cannabis announced a partnership with Wagner Dimas in the summer of 2018. That summer marked Aurora Cannabis's entrance into high-margin products.

The association granted Aurora Cannabis exclusive licence over Wagner's "pre-roll" technology. Wagner Dimas developed ground-breaking technology to mass-produce pre-filled cannabis cigarettes. Pre-roll styles go beyond traditional cigarette-style rolls — cone-shaped and cigar-sized options are best sellers among California and [Las Vegas adult-use consumers](#).

Foolish takeaway

Aurora Cannabis is a real winner on the Toronto Stock Exchange. The stock's market value may be below that of **Canopy Growth**, but day trading in cannabis stocks has left many of the cannabis stocks mispriced.

Aurora Cannabis trades at 80% of Canopy Growth's price, even though Aurora's equity and net receivables are growing at a much faster rate. For these reasons, investors should consider investing in shares of Aurora Cannabis — a stock left severely neglected during the cannabis speculation-palooza.

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