Canada's Best Technology Stock Could Make You $1,000,000

Description

Calian Group ([TSX:CGY](#)) is a [technology company based in Canada](#) and offers systems engineering, manufacturing, training, information technology (IT), and healthcare solutions to corporations and governments in Canada, the United States, Europe, and internationally.

The company's systems engineering division plans, designs, and implements solutions in space communications; it provides contract manufacturing services for industrial and military customers. It offers gateway, capacity planning and management, and radio systems; it also offers radio frequency earth stations and communication products for communications and control of spacecraft for industrial and government applications. This division also provides technological services to design, modify, or enhance commercial, military, and aerospace equipment; it supplies in-orbit test systems for commercial satellites; and it operates space missions.

The business and technology services division provides services and solutions in healthcare, education, engineering, and IT professional services. It offers clinic management, occupational health, and clinician services; training development and training delivery in the areas of emergency preparedness, trades training, simulation-based training, and career development leveraging e-learning and instructor-led training delivery methods; technology security, enterprise resource planning, and general IT technologies; and services in the areas of radiation and nuclear safety, air worthiness, and other technical skills.

This division also provides project management, human resource, and contract and workforce management services. It serves defence, government, northern and remote communities, corrections, nuclear, oil and gas, information and communications technology, satellite communications, broadcast, telecom, cable, and wireless industries. The company has been operating for over three decades and is headquartered in Ottawa, Canada.

The company is fairly valued with a price-to-earnings ratio of 18.75, a price-to-book ratio of 2.73, and market capitalization of 296 million. The company has excellent performance metrics with an operating margin of 6.43% and a return on equity of 15.25%.

Calian's primary services offerings are Systems Engineering, Contract Manufacturing, Health Services, Training and Engineering Services, and IT Professional Services. Management looks to increase the percentage of revenues derived from new business in non-government markets. The company invests in service offerings to increase differentiation and improve net margin attainment. A big focus of the company has been to streamline processes and provide for a scalable back office support capability. Calian's divisions operate in very specific, niche areas within global markets.

Last year, Calian's five distinct service lines had more than $1 billion in contract backlog. Calian also pays an attractive dividend and recently reported the company's 68th consecutive profitable quarter. So far in 2019, the company has closed out two acquisitions and formalized a process to streamline mergers and acquisitions. The company is focused on service delivery excellence and wants to pursue global opportunities.

Calian is an under-the-radar name in the Canadian technology industry. Yet this company has produced incredible shareholder value of excess of 15% returns over the last several decades. Management are prudent capital allocators, and the stock pays a respectable dividend. The company also repurchases shares opportunistically when the business is trading for below intrinsic value. The company has been profitable for the last 17 years and is one of the top value stocks on the TSX.

CATEGORY

1. Investing

POST TAG

1. dividend

TICKERS GLOBAL

1. TSX:CGY (Calian Group Ltd.)

PARTNER-FEEDS

1. Business Insider
2. Msn
3. Newscred
4. Sharewise
5. Yahoo CA

Category

1. Investing

Tags

1. dividend

Date
2025/08/18
Date Created

2019/11/17
Author
nikhilwaterloo

Footer Tagline

Footer Tagline