



## This TSX Stock Will Explode if the 2nd COVID-19 Hits Canada

### Description

COVID-19 cases are on the rise again in Canada and the government has been urging its citizens to stay indoors. If the pandemic threatens to get out of control, the population could be locked indoors for quite some time. And that has the possibility of bringing back the same scenario the country faced in March this year, when cases surged for the first time.

This also means people will start relying on the virtual world to diagnose their problems in the real world, bringing stocks such as **WELL Health** ([TSX:WELL](#)) back into focus. WELL is an omnichannel digital health company that also owns 20 primary healthcare clinics. It is Canada's third-largest digital Electronic Medical Records (EMR) supplier serving over 2,000 medical clinics.

The company's EMR business covers over 2,000 clinics and supports more than 10,000 general practitioners and over 15 million registered patients. WELL has around 15% of the total EMR business in Canada. Its VirtualClinic+ can support over 1,000 appointments a day.

### Growth pipeline for WELL Health

WELL's ambition doesn't stop at Canada. The company announced an investment of \$14.3 million in a San Francisco-based primary health and telecare provider, Circle Medical. This gives it access to over 200 million people across 35 states in the U.S. who can use its facilities. It was a good move that gave WELL a strong foothold in the U.S. healthcare market that is significantly larger than Canada's.

WELL has a war chest of around \$35 million-\$40 million that will be used to acquire assets. The company recently raised \$23 million in a private placement round with a group of investors led by Hong Kong businessman Li Ka-Shing. While the private placement is expected to be primarily used to fund the Circle Medical acquisition, WELL is also on the lookout for other acquisitions.

The company says it has 10 LOIs (letter of intent) currently, and if things go according to plan, it could see a boost in revenues that is a lot closer to \$100 million by 2021 compared to current projections of \$70 million in 2021. For 2020, analysts have projected \$44 million in revenue. The LOIs include deals for more EMR acquisitions and healthcare clinics.

WELL announced the launch of apps.health, a marketplace for digital health that enables digital health technology companies and/or third-party software developers to collaborate with it to promote and accelerate the adoption of the latter's products and services.

The company currently has approximately 20 digital health applications by 12 app publishers. Applications on the marketplace are related to telehealth, online patient booking, referral handling, and AI workflow automation to help enhance clinical efficiency.

## The final takeaway

I had [first written about this stock](#) when its share price was below \$2. I had recommended a buy on WELL for long-term investors who wouldn't be bothered if the price fell due to market volatility. The stock has gained over 300% to trade at \$7.77 now. I think this stock is a keeper. Its market capitalization is over a billion dollars now, and there are a lot of catalysts in the road ahead that could drive further business and growth.

### CATEGORY

1. Investing
2. Tech Stocks

### TICKERS GLOBAL

1. TSX:WELL (WELL Health Technologies Corp.)

### PARTNER-FEEDS

1. Business Insider
2. Koyfin
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