



3 High-Growth TSX Stocks Available at a Discount

Description

Growth stocks offer substantially higher growth prospects compared to the average market growth rate. So, these companies help investors in growing their investments at a faster pace. Amid the recent pullback in equity markets due to concerns over increased speculative trading activities and weakening global economic outlook, some high-growth stocks are trading at discounts, providing excellent buying opportunities. We will look at three such companies in this article.

Lightspeed POS

The pandemic-infused lockdown has increased the adoption of digital strategies, which has benefited companies, such as **Lightspeed POS** ([TSX:LSPD](#))([NYSE:LSPD](#)). The company's top line grew 62% in the [September-ending quarter](#), driven by new customer additions and higher GTV (gross transaction value). Further, the company's Payments division is witnessing robust growth, with its revenue growing at 300% year over year.

Meanwhile, e-commerce sales still form a smaller percentage in Canada's retail sales, representing a significant expansion opportunity. Further, the shift to omnichannel solutions has created a long-term growth potential for Lightspeed POS. The company is making new acquisitions to expand its business geographically and increase its customer base. The company is also developing innovative products and expanding its portfolio of services, which could drive its average revenue per user.

Amid the recent pullback, Lightspeed POS is trading at close to a 13% discount from its 52-week high, offering a good entry point for long-term investors.

Docebo

Amid the increased demand for e-learning solutions, **Docebo** ([TSX:DCBO](#))([NASDAQ:DCBO](#)) had delivered an impressive 387% returns last year. The company, which provides configurable cloud-based e-learning platforms, had reported an outstanding third-quarter performance, with its revenue growing at 52%. The company also posted positive adjusted EBITDA for the first time since going

public.

Docebo is adding new customers at a faster pace. At the end of the third quarter, the company had 2,025 customers, representing year over year growth of 24%. Meanwhile, the company earns 94% of its revenue through recurring sources, and 76% of the company's customers have signed multi-year contracts, which is encouraging. The company's average contract value has increased by 2.8 times since 2016.

With businesses looking to upskill their employees, I believe the demand for e-learning solutions could sustain even in the post-pandemic world. With e-learning solutions, employees can receive learning and developmental support while still doing their day-to-day activities. So, Docebo's growth-prospects look healthy. However, amid the recent selloff in equity markets, the company is trading at over 26% lower than its 52-week high, [proving an excellent buying opportunity](#).

Dye & Durham

The temporary closure of courts and the expectation of strict lockdown amid the rising COVID-19 cases worldwide has weighed heavily on **Dye & Durham** ([TSX:DND](#)), with its stock price trading around 20% lower than its 52-week high. However, its long-term growth prospects remain intact, given its large customer base, low customer churn rate, and appetite for accretive acquisitions.

This month, the company completed SAI Global's Property Division's acquisition, expanding its operations to Australia. The company hopes that SAI Global's acquisition could act as a base for future purchases creating a larger Australian business. Last month, the company had completed the acquisition of DoProcess, which provides practice-specific software for legal professionals.

It also acquired a significant stake in Courthouse Solutions, which would help the company provide end-to-end court records and case management solutions. These acquisitions could serve to drive the company's financials in the coming years, thus boosting its stock price.

CATEGORY

1. Investing
2. Tech Stocks

TICKERS GLOBAL

1. NASDAQ:DCBO (Docebo Inc.)
2. NYSE:LSPD (Lightspeed Commerce)
3. TSX:DCBO (Docebo Inc.)
4. TSX:DND (Dye & Durham Limited)
5. TSX:LSPD (Lightspeed Commerce)

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