Value Investors: 3 Tech Stocks That Are Still a Massive Deal!

Description

If you want to invest like a billionaire, you have to think like a billionaire. No, you do not have to have billions to invest. The way the greats like Warren Buffett get there is through one investment strategy: value investing.

By finding companies with strong balance sheets and strong future outlooks, you can find value stocks that any one can afford! You don't have to own a majority stake in the company to see huge returns. You just have to find the right companies.

Right now, the tech industry is still booming. Yet there are companies that still offer value for investors willing to get in soon. If you're looking for tech stocks with a massive discount, I would strongly consider **Enghouse Systems** (TSX:ENGH), **Dye & Durham** (TSX:DND), and **Kinaxis** (TSX:KXS) today.

Enghouse

Enghouse provides its customers with interactive and asset management for enterprise customers worldwide. The company recently corrected by about 30%, providing a stellar opportunity from this value stock.

The company continues to outperform, delivering annualized returns of about 29% in the last decade through both acquisitions and organic growth. The company has a strong balance sheet, generating cash flow and earnings that can continue to support its growing business. It's also a Dividend Aristocrat with a decade of dividend growth at a rate of 21%!

It's not going to be long before other investors realize the deal this company continues to be. As the rebound continues, you'll have less and less time to get in on this stock. Shares are up 116% in the last five years for a compound annual growth rate (CAGR) of 17%.

Dye & Durham

Dye & Durham's cloud-based software technology remains a fantastic investment. It mainly provides solutions for legal firms, financial service institutions and government organizations. So, needless to say, these are all sectors that aren't going to disappear any time soon.

The company's large customer base, high client retention, and long-term contracts create a perfect opportunity for investors seeking long-term, solid growth. But this growth will then be bolstered by further acquisitions made by this company, which is why the company expects EBITDA to jump 116% this year and 150% in 2022.

Yet a recent pullback from the company provides the perfect opportunity for investors to jump in on this long-term tech stock. Shares are up almost 200% since it came on the market but down about 18% from the pullback.

Kinaxis

Finally, for solid growth with diversity in the tech sector, Kinaxis's supply-chain management has been boosted during the pandemic. As customers change their consumption to online, supply chain management has become a necessity for large businesses. That's the bread and butter of Kinaxis. The company has a shocking 100% client retention rate, a 20% CAGR in sales, and consistent free cash flow. It's a balance sheet any company would drool over.

Yet the company continues to be undervalued. Many weren't sure whether to buy the company during the pandemic. But if you're looking for a long-term buy with solid growth now and in the future, Kinaxis stock is a solid choice. As the world returns to normal, there will be even more growth opportunities rather than less for other tech stocks.

Shares are up 49% in the last year, with a recent pullback of about 23%. Shares in the last five years are up 328% for a CAGR of 34% as of writing.

CATEGORY

1. Coronavirus
2. Investing
3. Tech Stocks

TICKERS GLOBAL

1. TSX:DND (Dye & Durham Limited)
2. TSX:ENGH (Enghouse Systems Ltd.)
3. TSX:KXS (Kinaxis Inc.)

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