



## This 1 Canadian Stock Has Soared in 2021

### Description

We have seen plenty of high-flying stocks that surpassed the Canadian equity market's 3% return last year. While the global pandemic persisted through most of the year, some companies managed to pivot to the changing situation and have impressed with substantial growth.

With 2021 well underway, we are undoubtedly going to see several companies continue to perform well. As vaccines continue to be distributed, we might even see rallying market conditions.

If you are looking for a Canadian stock that has soared this year so far and might continue to perform well, **Absolute Software** (TSX:ABT) could be worth a closer look.

### Endpoint security solution provider

Absolute Software is a [tech company](#) that began in the early 1990s. Originally called the “LoJack for Laptops,” the company was created to provide a viable solution to the theft and loss of laptops – a growing concern at the time.

A few decades on, Absolute Software has become the only endpoint security solution installed by every major PC manufacturer. The company's security software solutions are factory-installed in billions of devices worldwide. Absolute began partnering with manufacturers in the 2000s, and its software is virtually impossible to remove from the devices.

With cybersecurity threats increasing each day, the company is making inroads into multiple industries, including education, financial services, healthcare, and education.

### Earnings release

Absolute Software's Q2 2021 earnings report showed that the company's top line grew 16%. Its adjusted EBITDA improved to 27%, up 3% from the previous quarter. The average recurring revenue for the company grew by 17% year over year. The company also launched several new products in Q2

2021, providing a wide range of security solutions for devices.

Absolute also launched multiple software inventory capabilities and web use analytics, providing organizations with better insights on endpoint devices' software and web use.

## A tech stock that made a comeback

It has not always been easy sailing for Absolute Software. The recession of 2008 saw the company decline dramatically. Its shares were trading at \$17 per share by the end of 2007 and fell as far down as \$4 per share during the market crash.

The company suffered great losses over the next few years after the crash. Its revenue from operations activities fell, and several problematic reasons led to the company being in a compromised position. The company also relied heavily on its revenue from original equipment manufacturer channels. The recession led to declining computer sales, affecting Absolute's earnings.

2012 saw Absolute Software turn things around by expanding into several other markets. The company generated \$88.7 million in sales contracts in fiscal 2012.

## Foolish takeaway

Absolute Software's growth during 2020 is attributed to several reasons. With more people staying at home and working remotely, computer sales picked up the pace, [boosting its performance](#). The sale of personal computers soared to their highest levels in six years.

Absolute Software could have plenty of room to grow in an increasingly digital world that will most likely see a permanent shift to work-from-home requirements in most of the professional world.

### CATEGORY

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