



Next Shopify (TSX:SHOP)! 2 TSX Tech Stocks That Could Grow Huge

Description

The tech titan in Canada is none other than **Shopify**. This \$178 billion e-commerce platform was on the TSX's Top 30 List in 2019 (second) and 2020 (first) for its phenomenal growth. However, it's too pricey for growth investors with limited financial resources. Fortunately, there are upcoming tech superstars that can deliver outsized gains.

Your alternative choices, or [the next Shopifys](#) in the tech sector are **Absolute Software** (TSX:ABT)([NASDAQ:ABST](#)) and **Lightspeed POS** (TSX:LSPD)([NYSE:LSPD](#)). Shopify dwarfs both in terms of market capitalization, but the growth potentials of each in the road ahead are equally fantastic. Would-be investors can snag them today and ride on the momentum of the thriving businesses.

Industry leader

Absolute Software is a \$906.2 million company that provides cloud-based device management and security platform. Its Software-as-a-Service (SaaS) solution supports the management and security of computing devices, applications, and data for organizations and governments worldwide.

Today, Absolute Software is the acknowledged leader in endpoint security and data risk management. The company caters to sectors such as banking, education, and healthcare. Most of the devices by top device manufacturers like **Microsoft**, **Verizon**, **Samsung**, and **Hewlett-Packard** are factory-embedded with Absolute's SaaS solution.

On the stock market, Absolute has returned 205.65% in three years (45.03% CAGR). In the recent 12 months, the total return is 145.03%. For Q2 fiscal 2021 (quarter ended December 30, 2020), total revenue and annual recurring revenue (ARR) grew by 16% and 17% versus Q2 fiscal 2020.

Unlike Shopify, Absolute Software is a [dividend stock](#). If you were to invest today, the dividend yield is 1.81%. The potential price appreciation and the dividend income should drive your earnings higher.

Expanding and growing

Lightspeed is undeniably well positioned to scale new heights. The \$10.57 billion company provides a commerce-enabling SaaS platform for small and midsize businesses, retailers, and restaurants. It was also one of the biggest IPOs on the NYSE in 2020.

It was a successful IPO across the border resulted in gross proceeds of US\$332.3 million. The net proceeds strengthened Lightspeed's financial position. Management also had funds to pursue the company's growth strategies. Aside from Montreal, you can find Lightspeed offices in Amsterdam, Ghent, New York, and other key locations worldwide. The company caters to various sectors, including business, hospitality, restaurant, and retail.

Lightspeed's exponential growth is sure, given its smart, scalable, and dependable point-of-sale systems. Its all-in-one solutions help drive innovation and digital transformation within the space it operates. Because of Lightspeed's suite, small- and medium-sized businesses can sell across channels and manage operations efficiently. These enterprises can engage with consumers, accept payments, and grow their businesses.

Expect Lightspeed to establish a footprint in the Asia-Pacific region after Vend's acquisition for \$350 million. Vend is a cloud-based retail management software provider. Its founder and CEO, Dax Dasilva, said, "Lightspeed's mission is to ignite the potential of businesses to enrich the communities they serve."

Thriving amid the pandemic

Over the last two years, the tech sector in Canada has outpaced other sectors. Despite the worst economic conditions in a pandemic environment, Absolute Software and Lightspeed POS thrived. There's no question that either one is the best bet if you find Shopify expensive at this point.

CATEGORY

1. Dividend Stocks
2. Investing
3. Tech Stocks

TICKERS GLOBAL

1. NYSE:LSPD (Lightspeed Commerce)
2. TSX:ABST (Absolute Software)
3. TSX:LSPD (Lightspeed Commerce)

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