



3 Canadian Stocks That Could Deliver +500% Returns in Next 10 Years

Description

Investing in high-growth stocks for an extended period could create significant wealth for shareholders. An investment of \$1,000 in **Constellation Software** would have become over \$32,000 in the last 10 years. Meanwhile, identifying the right stocks is also equally important. So, if you are looking for stocks that can deliver explosive returns in the long run, here are three such Canadian stocks with substantial growth potential.

WELL Health

Given its accessibility, convenience, and cost effectiveness, the demand for telehealthcare services has been rising. Meanwhile, *Fortune Business Insights* has [estimated](#) that the global telehealth market could grow at a CAGR of 25.2% from 2020 to 2027. So, given the sector's high-growth potential, **WELL Health Technologies** ([TSX:WELL](#)) is my first pick.

It has embraced an aggressive acquisition strategy to expand its footprint. In the December-ending quarter alone, the company completed seven transactions. Meanwhile, this year, it has signed agreements to acquire **CRH Medical** and **Intrahealth Systems**, increasing its annual revenue to over \$300 million. In February, the company had raised above \$300 million through new equity offerings, which could support its future acquisition.

So, given the sectoral tailwind, aggressive acquisitions, strong financial position, and improving margins, I believe WELL Health could deliver explosive returns over the next 10 years.

Lightspeed POS

The pandemic has hastened the digitization process. A growing number of small- and medium-scale businesses are adopting omnichannel solutions. This secular shift has created a long-term growth potential for **Lightspeed POS** ([TSX:LSPD](#))([NYSE:LSPD](#)). As of December 31, the company's products and services were running at 115,000 customer locations. Meanwhile, *AMI Partners* has projected that there are 47 million retailers and restaurants worldwide, which are Lightspeed's potential customers.

So, the company has significant scope for expansion.

Lightspeed focuses on launching innovative products to capture the growing addressable market and increase its revenue per user. Apart from organic growth, the company also relies on acquisition to expand its geographical footprint and strengthen its market share. The company has completed seven acquisitions since May 2019. Further, the company has also raised approximately \$676 million in February, which could support its future acquisitions.

So, given the favourable trend, its aggressive acquisition strategy, and strong balance sheet, I believe [Lightspeed can deliver superior returns](#) over the next 10 years.

Canopy Growth

With more countries warming up to cannabis usage, the global cannabis market offers high-growth potential. *Markets and Markets* projects the global cannabis market to reach US\$90.4 billion by 2027, representing a CAGR of 28%. So, given the significant growth potential, **Canopy Growth** ([TSX:WEED](#))(NYSE:CGC) is my final pick. It is one of the financially strong cannabis companies, with its liquidity standing at \$1.59 billion as of December 31.

Canopy Growth had recently conducted market research to understand the needs of the customers. Based on those insights, the company has planned to launch innovative products at various price points, expanding its market share. In the United States, the company is building its infrastructure and working on improving the distribution of its strategic business units. Further, with its agreement to acquire **Acreage Holdings** once cannabis is legalized at the federal level, the company is well equipped to expand its footprint in the lucrative U.S. market.

Meanwhile, Canopy Growth has not broken even yet. However, the company's management has taken significant initiatives to move towards profitability and hopes to post positive adjusted EBITDA by the second half of fiscal 2022. Further, the management expects its adjusted EBITDA margin to improve to 20% for fiscal 2024. So, I believe Canopy Growth would be an excellent buy right now.

CATEGORY

1. Cannabis Stocks
2. Investing
3. Tech Stocks

POST TAG

1. Editor's Choice

TICKERS GLOBAL

1. NASDAQ:CGC (Canopy Growth)
2. NYSE:LSPD (Lightspeed Commerce)
3. TSX:LSPD (Lightspeed Commerce)
4. TSX:WEED (Canopy Growth)
5. TSX:WELL (WELL Health Technologies Corp.)

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