



2 Top TSX Growth Stocks Set to Run

Description

Lightspeed ([TSX:LSPD](#))([NYSE:LSPD](#)) stock and **Cargojet** ([TSX:CJT](#)) are two top **TSX growth stocks** that are poised to outperform. These two companies have beat the market in the long run and are likely to reward their long-term shareholders with incredible returns.

Lightspeed stock

Lightspeed is one of the best stocks to buy now to gain from the long-term e-commerce growth trend. Since its initial public offering in March 2019, the growth stock has appreciated more than 300%, turning a \$10,000 investment into about \$42,000 in the period!

Today, it reported a strong finish to its fiscal 2021 results, which sent LSPD stock about 11% higher at writing. For fiscal Q4 2021 that ended March 31, Lightspeed's revenue was US\$82.4 million — an increase of 127% from US\$36.3 million in the quarter of the prior year. The reopening of the global economies and government stimulus measures helped boost e-commerce sales around the world.

Recurring subscription and transaction-based revenue was 91% of total revenue. This quality revenue climbed 137% year over year to US\$75.3 million. An adjusted EBITDA loss of \$9.6 million improved to (11.7)% of revenue versus (17.0)% a year ago. Lightspeed also had ample liquidity, including US\$807.2 million in unrestricted cash and cash equivalents, to help the company grow.

For full-year fiscal 2021, Lightspeed reported revenue growth of 84% to US\$221.7 million. Recurring subscription and transaction-based revenue climbed 89% to US\$202.3 million. Adjusted EBITDA loss of \$21.2 million improved to (9.6)% of revenue versus (18.0)% in fiscal 2020.

Lightspeed is integrating Google tools on its platform to help retailers increase local shopping revenue. This move is in support of new data from Google that searches for local businesses have increased by +80% year over year. This integration will undoubtedly increase businesses' stickiness to the Lightspeed platform.

Cargojet

TSX growth stock Cargojet has been nothing short of amazing. It has delivered returns of more than 500% in the last five years. With more concrete numbers, that's turning a \$10,000 investment into \$61,800 — a six-bagger!

Cargojet is a time-sensitive overnight air cargo services provider that has a monopoly in Canada and is poised to continue benefiting from the e-commerce trend. Additionally, its commitment to on-time reliable and safe delivery and aim to exceed customer expectations make it the go-to name for overnight air cargo services.

Earlier this month, the company reported its first-quarter results that ended March 31. Revenue climbed 30% to \$160.3 million from \$123.0 million a year ago. Its gross margins increased to 28% from 26%. And its adjusted free cash flow climbed 18% to \$64.2 million from \$44.6 million.

"With a fundamental shift in consumer shopping habits in several key categories, Cargojet has spent the last few quarters laying the foundation to capture the next phase of e-commerce growth. We strengthened our balance sheet, invested in fleet expansion, broadened our portfolio of services and are investing in attracting and retaining top talent," [said](#) Dr. Ajay Virmani, president & CEO.

After a meaningful correction of as much as 36%, the TSX growth stock has been grinding steadily higher. Currently, at about \$185 per share at writing, it trades at a compelling valuation with no downside risk. Specifically, the most bearish analyst thinks CJT stock is undervalued by 16%.

Cargojet stock's 0.56% yield is a bonus and actually quite attractive compared to some "high"-interest savings accounts, given that it also provides strong price-appreciation potential.

According to the analyst consensus price target, the growth stock is attractive with a 28% margin of safety and 40% upside potential over the next 12 months! Cargojet's international expansion plans could set the growth stock soaring!

CATEGORY

1. Investing
2. Tech Stocks

TICKERS GLOBAL

1. NYSE:LSPD (Lightspeed Commerce)
2. TSX:CJT (Cargojet Inc.)
3. TSX:LSPD (Lightspeed Commerce)

PARTNER-FEEDS

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