



4 Top Canadian Tech Stocks to Buy Right Now

Description

After delivering solid returns last year, Canadian tech stocks have been under pressure this year amid rising inflation and high valuation concerns. However, the pullback provides an excellent buying opportunity in these four stocks, given their high-growth prospects.

Lightspeed POS

Lightspeed POS ([TSX:LSPD](#))([NYSE:LSPD](#)) is one of the top Canadian companies to have in your portfolio. The secular shift towards an omnichannel selling model and rising adoption of online shopping have created multi-year growth prospects for the company. The company focuses on launching innovative products to expand its customer base and increase its revenue per customer.

Apart from organic growth, Lightspeed POS also focuses on acquisitions. Over the last few months, it has acquired Upserve, ShopKeep, and Vend. The company today has [signed a definitive agreement](#) to acquire Ecwid and NuORDER. These acquisitions could provide Lightspeed POS's customers an entry point to the digital economy and improve supply chain management. However, the company is trading at a 17.4% discount from its February highs, [offering an excellent buying opportunity](#).

Nuvei

Amid the shift towards online shopping, digital payments are becoming popular. This shift could benefit companies like **Nuvei** ([TSX:NVEI](#)), which provides payment technology solutions to its partners and merchants. In its recently reported quarter, its revenue grew 80%, driven by volume growth from current customers and accelerated new customer acquisitions.

Meanwhile, Nuvei also has significant exposure to the online gaming and sports betting industry. It has the approval to serve licensed and regulated online sports betting and iGaming operators across 10 U.S. states. The company is focusing on acquiring Mazooma Technical Services, which could strengthen its position in this industry. Amid the growing popularity of cryptocurrency, the company is looking to acquire Simplex, expanding its alternative payment methods portfolio.

WELL Health Technologies

Amid the recent selloff, **WELL Health Technologies** ([TSX:WELL](#)) is trading at over 27% lower from its February highs. The correction offers an excellent entry point for long-term investors, given the favourable industry trend, improving operating metrics, and acquisition pipeline.

Subsequent to the March-ending quarter, the company acquired CRH Medical, ExecHealth, and IntraHealth. CRH Medical could deliver an adjusted EBITDA and free cash flow of US\$60 million and US\$40 million this year, respectively. So, these acquisitions have increased the company's annualized revenue run rate closer to \$300 million while raising its EBITDA to \$80 million.

Further, WELL Health strengthened its financial position by raising around \$300 million in April through various debt facilities. So, the company is well funded to continue with its future M&A activities.

Docebo

After a selloff of close to 35% in the first quarter, **Docebo** ([TSX:DCBO](#))([NASDAQ:DCBO](#)) has witnessed a strong buying this quarter, with its stock price rising 16%. Meanwhile, the uptrend could continue, given its growing customer base and average contract value and growing recurring revenue.

More businesses are adopting digital tools to upskill their employees, given their convenience and cost effectiveness. The company is focusing on introducing innovative products to deliver more useful business insights to its customer. Last month, it also announced four key international partnerships to grow and expand its market reach. So, given its high growth prospects and the recent pullback in its stock price, I expect Docebo to deliver superior returns this year.

CATEGORY

1. Investing
2. Tech Stocks

TICKERS GLOBAL

1. NASDAQ:DCBO (Docebo Inc.)
2. NYSE:LSPD (Lightspeed Commerce)
3. TSX:DCBO (Docebo Inc.)
4. TSX:LSPD (Lightspeed Commerce)
5. TSX:NVEI (Nuvei Corporation)
6. TSX:WELL (WELL Health Technologies Corp.)

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