



## Well Health Stock (TSX:WELL) vs. CloudMD Stock (TSXV:DOC)

### Description

**Well Health Technologies** ([TSX:WELL](#)) has become the virtual healthcare company to beat these days. The company has seen a sharp rise in share price since the pandemic hit over a year ago. Since its initial public offering, Well Health stock has delivered over 5,000% in returns. It makes the dreams of some to get rich quick seem possible.

But then there's **CloudMD Software & Services** ([TSXV:DOC](#)). CloudMD stock has also become a powerhouse of the virtual healthcare industry in Canada. It too has seen a sharp uptake because of the pandemic, and it's likely to continue thanks to its many acquisitions. In the last three years, it has delivered 3,540% in returns.

While one might seem to be the obvious choice, let's take a closer look. Then we can see whether Well Health stock or CloudMD stock deserve your attention.

### Is the growth in Well Health stock justified?

Some writers at the Motley Fool have identified Well Health stock as a potential target for the next [short squeeze](#), and rightly so. It has a strong short-term interest ratio. The majority of its growth comes from its many, and I mean *many*, acquisitions. After its most recent \$206 million acquisition, it has become the large outpatient medical clinic in the country.

But it's the United States acquisitions that investors are really interested in. A recent \$372.9 million acquisition of CRH Medical creates a significant footprint across the border. This increased the company's existing credit line as well. All of these acquisitions and credit movements have led to the company potentially becoming the leading multi-channel digital healthcare operation.

What's really exciting for future investors is Well Health stock may have an IPO on the NASDAQ in the fourth quarter of 2021. Digital health companies continue to trade far higher compared to Well Health stock. That means you can pick it up at a discount today trading at 6.2 times book value and see far higher returns in the year to come.

## What about CloudMD stock?

Yes, CloudMD stock is far slower than Well Health stock to ramp up. The company is breaking ground in a new industry, just as Well Health stock is, but without the financial backing. But while Well Health stock could very well hold the market share in Canada, CloudMD stock won't be far behind.

CloudMD stock may be a touch younger than Well Health stock, but it's done a lot in that short time. It has also taken on the growth-through-acquisition strategy, starting with just \$33.2 million in 2018 and currently at a market capitalization of \$368.15 million!

While the company may be taking on debt, just like Well Health stock, it has grown its revenue substantially. And debt is not that high at just \$7 million as of writing. Not compared to revenue increasing 187% year over year during its latest earnings. During this earnings report, the company closed five acquisitions, which added \$13 million in annual revenue, and expects to close two more this month for an additional \$79 million!

CloudMD stock also has plenty of cash on hand for further acquisitions, as does Well Health stock. So, the company believes it will be profitable by the second half of 2021.

## Motley Fool: The bottom line

Virtual healthcare may seem like a way to get rich quick, and it very well might be. The problem here is attention. If Well Health stock continues to get attention, shares are only going to rise at a rapid pace that could very well lead to a downfall. CloudMD stock frankly doesn't have that attention, so if you're worried about a pump-and-dump scheme, maybe choose CloudMD stock today.

However, Well Health stock is likely to take on the market share, leading investors to a bright future in virtual healthcare. This industry will continue to rise, so investors would do well to simply get in on the market while it's still cheap.

### CATEGORY

1. Coronavirus
2. Investing
3. Personal Finance
4. Tech Stocks

### TICKERS GLOBAL

1. TSX:WELL (WELL Health Technologies Corp.)
2. TSXV:DOC (CloudMD Software & Services Inc.)

### PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn

4. Newscred
5. Quote Media
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