



Better Than Reddit Stocks: 2 Canadian Growth Stocks to Buy Right Now

Description

Reddit stocks are often pumped to sky-high valuations. Here are two [Canadian growth stocks](#) that are much better buys right now!

A Canadian growth stock to buy right now

After making a year-to-date low of \$1.17 per share last week, **Greenlane Renewables** ([TSX:GRN](#)) stock has quickly rebounded 29%. This could be the start of a new rally.

You might not have heard of Greenlane Renewables that just graduated from the **TSX Venture Exchange** to the **TSX** in February. In 2020, it was a top-performing TSXV stock that appreciated about 450%, growing a \$10,000 investment into almost \$55,000. So, it's very normal for it to experience a substantial pullback earlier this year.

The renewable gas company provides biogas upgrading systems globally, helping waste producers, gas utilities, and project developers turn a low-value product into a high-value, low-carbon renewable resource.

Greenlane's Renewables's 2020 revenue growth was 146%. Its Q1 2021 revenue growth of 316% shows an acceleration of growth. Its last-12-month revenue was \$32 million, while its sales order backlog was \$37.7 million at the end of Q1 2021.

Importantly, the small-cap stock with a market cap of \$226.5 million has a robust balance sheet that includes \$37 million in cash and no debt. The strong balance sheet was thanks primarily to the company completing a bought deal offering, which raised \$26.5 million at \$2.17 per share when the growth stock was trading at a high price.

Today, the stock trades at an attractive discount of 30% from the bought deal level! Analysts are highly optimistic about the growth stock, believing it could appreciate another 83% over the next 12 months to \$2.76 per share.

A tech stock to buy right now

Converge Technology Solutions ([TSX:CTS](#)) is a superb growth stock to own. It has been a 10-bagger since its inception in 2018!

Converge offers hybrid IT solutions to the mid-market and has been employing a successful M&A strategy due to its cross-selling and integration capabilities.

Because of its focus on the mid-market, it's able to provide more customized technical workshops and executive briefings for its clients and potential customers, which helps it excel in cross-selling.

The IT company's trailing-12-month revenue stands at \$1 billion. It expects to double revenue by year-end, while its market cap is just over \$1.8 billion today. Notably, it's been growing adjusted EBITDA at a faster rate than revenue.

Analysts have raised the [tech stock's](#) price target over time. Unless the company experiences missteps in its growth strategy, it's unlikely the stock will experience a big correction. First, the stock has excellent price momentum. Second, it trades at a decent valuation versus the highly expensive stock market.



CTS data by YCharts. A \$10,000 investment grew to +\$100,000 since its inception.

So, investors who have researched the Canadian growth stock and like it should consider initiating a position at current levels and add to it opportunistically.

Keep in mind that the stock's future growth prospects will highly depend on the success of its

continuing M&A strategy in North America, which it's replicating in Europe.

It brought in Thomas Volk, a senior executive with unique experience leading global enterprises and mid-market companies in both CEO and Officer roles in the U.S. and Europe, to join its board of directors, which will help with the expansion into Europe. This business line of growth has yet to be proven.

CATEGORY

1. Energy Stocks
2. Investing
3. Tech Stocks

TICKERS GLOBAL

1. TSX:GRN (Greenlane Renewables Inc.)

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Date

2025/07/17

Date Created

2021/06/28

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