



3 Top Tech Stocks That Could Explode Higher

Description

Tech stocks are still a great place to invest your money for wealth creation in the long haul. Here are three top [tech stocks](#) that have the potential to explode higher down the road.

Converge Technology Solutions

Converge Technology Solutions ([TSX:CTS](#)) is a superb tech stock that's experiencing explosive growth. The growth stock is a four-bagger from a year ago. It is making acquisitions here and there, which is translating to growth in its revenue, gross profit, and adjusted EBITDA — a cash flow proxy. For example, last quarter, its revenue jumped 52% year over year to \$345 million, its gross profit climbed 43% to \$78 million, and its adjusted EBITDA rose 86% to close to \$22 million.

Recently, on a market correction in growth stocks, investors could have picked up shares at a discount of as much as 19% from its recent bought deal financing that priced shares at \$10.55 per share. If you believe in the management's ability to scale the business through an M&A and cross-selling strategy, the tech stock remains a good deal, despite recovering to \$11 per share. In the near term, analysts believe an upside of approximately 25% is possible.

Nuvei

A little more than a year ago, **Nuvei** ([TSX:NVEI](#))([NASDAQ:NVEI](#)) closed the largest tech initial public offering (IPO) on the **TSX** until that point in time. The tech stock did not disappoint. Since then, Nuvei stock has been roughly a three-bagger. The company followed with an IPO in the United States earlier this month that raised more cash. The upsized offering pushed out 3,000,000 subordinate voting shares for US\$123.14 per share, providing gross proceeds of approximately US\$369 million to the company.

The payment-processing company provides a flexible platform for its clients, so that they can pay for what they need and add new functionality when they're ready. The Nuvei platform markets itself as a "single point of connectivity for in-app, e-commerce, in-store and mobile payments." It can also

amazingly handle more than 500 payment methods and about 150 currencies.

The tech company's trailing 12-month (TTM) revenue was US\$537 million, up almost 70% year over year! Additionally, its gross profit margin remained high at north of 81%. [Nuvei](#) is growing in scale and with strong insider ownership, more great results could very well follow.

WELL Health Technologies

WELL Health Technologies ([TSX:WELL](#)) stock could explode higher once it turns a profit, which could be a year or two away. Positive adjusted EBITDA is a good start. In the first half of the year, the tech company reported adjusted EBITDA of \$12.4 million. Its TTM revenue of almost \$117 million was a massive jump of just over 200% from a year ago thanks primarily to acquisitions.

The company is digitizing the traditional healthcare industry and making strategic acquisitions along the way. Particularly, management projects annualized revenue run-rate of approximately \$400 million and adjusted EBITDA run-rate to approach \$100 million from the full contributions of CRH Medical and MyHealth Partners acquisitions starting in the third quarter.

According to analysts, the tech stock trades at a big bargain with a discount of more than 40%. Therefore, it has near-term upside potential of over 70%, which is incredible. The stock has been trading in a sideways channel since October 2020 and seems to be waiting for a big event (like turning a profit) that could move the stock.

CATEGORY

1. Investing
2. Tech Stocks

TICKERS GLOBAL

1. TSX:NVEI (Nuvei Corporation)
2. TSX:WELL (WELL Health Technologies Corp.)

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