



## Aurora Cannabis (TSX:ACB) Stock Releases Earnings Bomb!

### Description

**Aurora Cannabis** ([TSX:ACB](#))(NYSE:ACB) finally had some good news for investors on Nov. 9, after Aurora stock announced its earnings on Tuesday after the market closed. This came after the company saw more activity in its [shares](#) than it has in months.

### What happened?

Aurora stock reported a significant comeback in earnings, demolishing estimates by analysts. True, the company still reported a loss of \$11.9 million. However, this is far from the \$101.4 million loss the same quarter last year.

But the real growth can be seen in Aurora stock's earnings per share (EPS). At the same time last year, the company announced a loss of \$0.85 EPS. This quarter, estimates came in at an average loss of \$0.21 EPS. Instead, Aurora stock announced an EPS loss of just \$0.06, beating analyst estimates for the first time in the last several quarters.

Management claims it's all about focus. Aurora stock now focuses on its premium products as recreational use grows. Aurora has always been known as the company producing pot at the cheapest price. It seems that's about to change. And it already has. In fact, its average net selling price per gram of dried cannabis increased to \$4.67 per gram from \$3.86 the same quarter last year, though this is still shy of the \$5.11 in the last quarter.

Aurora stock now claims revenue of \$60.1 million from the quarter, down from \$67.6 million the year before. However, as it streamlines its business, identifying cash savings between \$60 and \$80 million, management believes it's finally running full steam ahead.

### So what?

This news comes on top of the share growth experienced by Aurora stock after an announcement by management on Nov. 8. The company announced it would acquire Growery for an undisclosed price.

It's hoped that this new investment would see more recreational sales, as Aurora continues to lag [behind](#) in this area.

What's more, Aurora stock will fund a new facility and early operations for support for Growery. This would help with a new "experiment" by the Dutch government. Here, they will be working with Growery to provide 80 coffee shops with marijuana to consume in a controlled environment over the next four years.

Such news is amazing for Aurora stock, as the company would have a foothold in a pioneering study. The Netherlands is set to be a leading consumer of cannabis, so having a strong presence here can only be good news for investors.

## Now what?

So, is it too late to buy Aurora stock? Hardly. The company came down to below \$1 per share on the **NYSE**, causing the company to perform a reverse stock split. So, if you want to see the numbers of 2018, you'll need to wait quite some time. Whether Aurora stock can even get there is the question.

The main issue is that Aurora lacks a presence in the United States, despite having a presence in dozens of other countries. On top of that, it lacks a major partnership like the other big brands. While this leaves it room to do what it believes is best for the company, it also risks diluting shares, which it has ... [numerous](#) times.

But there is hope for Aurora stock. Clearly, investors are still keen to watch the stock and will buy it back if there are signs of life. And this week, there were. The question now is whether Aurora stock can keep it up and continue to be the cheapest producer the cannabis world has to offer.

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