These 3 TSX Growth Stocks Are Poised to Soar in December

Description

If you're seeking capital appreciation, you should buy growth stocks, as those stocks are growing at faster rates than the market. **Shopify** (TSX:SHOP)(NYSE:SHOP), **Trulieve Cannabis** (TSX:TRUL), and **WELL Health Technologies** (TSX:WELL) are three growth stocks that are poised to soar in December. Let's look at each of these Canadian growth stocks in more detail.

Shopify

Lockdowns during the pandemic have meant shoppers have taken the online route like never before, making e-commerce stock Shopify one of the best growth stocks to buy right now. The Shopify e-commerce platform provides a space where more than 1,700,000 businesses in approximately 175 countries can sell their products online.

Shopify has become the largest publicly traded company in Canada by market capitalization and continues to grow.

Shopify's revenue reached US$1.1 billion for the quarter ended September 30 — an increase of 46% from US$767.4 million in the previous year's quarter.

Net income was US$1.15 billion (US$9.00 per share) in the third quarter of 2021, improving from a net income of US$191.1 million (US$1.54 per share) in the third quarter of 2020. On an adjusted basis, Shopify earned US$0.81 per share, up from US$1.13 the year before.

Shopify generated US$336.2 million in subscription solutions revenue, up 37% year over year, with the growth primarily driven by the increased number of merchants joining the platform. In addition, Merchant Solutions revenue was US$787.5 million, up 51%, primarily driven by growth at GMV. GMV stood at US$41.8 billion in the third quarter, up 35% from the previous year.

Trulieve Cannabis

The American cannabis company dominates the medical cannabis market in Florida.

Revenue increased sharply in the third quarter thanks to the growing demand for cannabis. Total revenue was US$224.1 million for the quarter ended September 30, an increase of 64% from US$136.3 million a year earlier. Net profit was US$18.6 million in the third quarter of 2021, up 7% from US$17.4 million in the third quarter of 2020. The multi-state cannabis operator achieved adjusted EBITDA of US$98 million, a 43% year-over-year increase from US$68.7 million.

Trulieve CEO Kim Rivers said, “We continue to deliver on our promise to pursue profitable growth while executing on our hub strategy.”

The cannabis company completed the Harvest acquisition in fewer than five months while simultaneously achieving expansion goals in multiple markets.

Trulieve currently operates 155 dispensaries and 3.5 million square feet of treatment and cultivation capacity in the United States.

For fiscal 2021, revenue is expected to increase 134.8% to US$1.22 billion, while EPS is expected to increase 117% to US$1.15.

Well Health Technologies

The pandemic has accelerated the use of technology in healthcare, which WELL seeks to capitalize on. WELL Health Technologies is a leader in the field, also owning and operating ambulatory care clinics across Canada and the United States.

However, WELL Health Technologies has also diversified into clinical database management, billing, digital applications, cybersecurity, etc., and has grown through several mergers and acquisitions this year.

WELL Health reported strong revenue growth in the third quarter of 2021, primarily driven by the acquisitions of CRH and MyHealth.

The omnichannel digital health company’s revenue for the third quarter of 2021 was $99.3 million, roughly eight times the reported revenue of $12.2 million in the third quarter of 2020.

Adjusted EBITDA was $22.3 million for the quarter ended September 30, compared to a loss in adjusted EBITDA of $0.2 million in the prior-year quarter.

The company reported a net loss of $10.4 million ($0.06 per share) in the third quarter compared to a loss of $14.1 million ($0.08 per share) in the same quarter a year earlier.

WELL expects to continue growing in the fourth quarter through healthy organic growth in its two business lines, omnichannel patient services, and virtual services. The company expects to end the year with annualized sales of approximately $450 million and adjusted EBITDA of approximately $100 million.

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