3 High-Growth Stocks I'd Buy With $300 for 2022

Description

Compressed valuations following the recent selloff and multiple growth vectors make me bullish on the shares of **Docebo** (TSX:DCBO)(NASDAQ:DCBO), **goeasy** (TSX:GSY), and **WELL Health** (TSX:WELL). So, if you are sitting on extra cash and plan to invest in high-growth stocks, consider buying these shares at current levels.

Docebo

Docebo offers cloud-based corporate e-learning solutions. While its business is growing rapidly, the overall selling in high-growth stocks has driven its valuation lower, making it attractive at current price levels. It's worth noting that Docebo stock has corrected about 57% from its high and is trading at an EV/sales (NTM) multiple of 11.3, which is lower than its historical average of 17.1.

Besides trading at a discount, Docebo stock has multiple growth catalysts, which will likely support the recovery in Docebo stock and drive it higher. Its strong annual recurring revenues, growing enterprise customer base, and higher contract value augur well for future growth.

Moreover, its focus on new product launches, multi-year contracts, opportunistic acquisitions, and geographic expansion will likely accelerate its growth in the coming years.

Overall, Docebo's strong recurring subscription revenues, expanding deal size, and productivity savings will set the stage for profitable growth in the future and support my bullish view.

goeasy

goeasy has consistently outpaced the benchmark index over the past decade. However, profit-taking and uncertainty related to the newer variants of the virus have led to a 27% pullback in its stock from its peak, representing an excellent opportunity for buying.

goeasy has multiple catalysts that could continue to drive strong double-digit growth in its top and bottom line in the coming quarters and, in turn, drive its stock price higher. An increase in loan originations, higher loan ticket size, new products, channel expansion, and strategic acquisitions position it well to deliver robust sales in the coming years.

Furthermore, operating leverage from higher sales, strong payments volumes, and efficiency savings could cushion its earnings. It's worth noting that goeasy's earnings have had a CAGR of 31% since 2001. Meanwhile, its earnings will likely grow rapidly in the coming years.

Thanks to goeasy's strong earnings growth, it has raised its dividend for seven years in a row. Looking ahead, strength in its base business, large subprime lending market, and earnings growth indicate that goeasy will return a substantial amount of capital to its shareholders.

WELL Health

WELL Health continues to deliver strong financial performance. However, its stock is down about 57% from its 52-week high. The massive correction in its price has driven its valuation lower. Notably, its forward EV/sales multiple of 2.7 is significantly lower than its historical average, thus offering an excellent opportunity to long-term buyers.

WELL Health's extensive omnichannel patient services and a large network of outpatient medical clinics position it well to capitalize on the growing digital penetration in the healthcare sector.

Overall, the ongoing strength in its base business, accretive acquisitions, positive adjusted EBITDA, expansion into high-growth markets, and low valuation make it a solid long-term bet to outperform the benchmark index.

CATEGORY

1. Investing
2. Tech Stocks

TICKERS GLOBAL

1. NASDAQ:DCBO (Docebo Inc.)
2. TSX:DCBO (Docebo Inc.)
3. TSX:GSY (goeasy Ltd.)
4. TSX:WELL (WELL Health Technologies Corp.)

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