



## None of the 3 Rising Growth Stocks Are Tech Giants

### Description

The TSX would be lower than 19,000 to start this week if not for the 6.57% advance of [tech stocks](#) in the last five trading days. While the sector is still deep in the red (-35.86% year to date), some of its constituents have positive gains already. However, tech giants like **Shopify**, **Lightspeed Commerce**, and **Nuvei** aren't the rising growth stocks.

**Absolute Software** ([TSX:ABST](#))([NASDAQ:ABST](#)) and **Softchoice** ([TSX:SFTC](#)) are up more than 5% year to date, while **Evertz Technologies** ([TSX:ET](#)) is likely to turn green very soon. It seems their slump is over, and they could be the tech winners in 2022.

### Cybersecurity champion

Absolute Software trades higher at \$12.30 per share on account of a 10.81% advance in 10 days. While the trailing one-year price return is -28.15%, the year-to-date gain is now 5.33%. The \$627.77 million dividend-paying company (2.64%) provides self-healing endpoint and secure access solutions to help customers strengthen their cyber resilience.

After three quarters in fiscal 2022 (nine months ended March 31, 2022), total revenue is US\$144.8 million or 63% higher than in the same period in fiscal 2021. However, net loss reached US\$19.1 million compared to the net income of US\$6.7 million a year ago.

Christy Wyatt, Absolute Software's president and CEO, said, "We continued to deliver strong financial results in Q3, achieving record Enterprise and Government ARR growth and breaking the \$200 million ARR mark." She added that Absolute is strongly positioned to address the challenges of endpoint-centric security posture in this next chapter of hybrid work.

### Solid organic growth

Softchoice is an obscure name in the tech sector, but it's a winner thus far in 2022. At \$22.79 per share, current investors enjoy a 7.55% gain on top of a 1.58% dividend. The \$1.35 billion company

provides software-focused IT solutions that equips and trains customers to be agile and innovative.

In Q1 2022, management reported a 7.3% sales growth versus Q1 2021. Net income reached US\$3.7 million compared to the \$2 million net loss in the same quarter last year. Softchoice's president & CEO Vince De Palma said, "We experienced a solid first quarter of organic growth including double-digit growth in our Software & Cloud solutions."

For the full year 2022, Softchoice projects an 11% growth in gross profit to US\$320 million. The margin of the adjusted EBITDA as a percentage of gross profit should be around 30%.

## Niche play

Evertz Technologies impressed investors with its earnings results for fiscal 2022. In the year ended April 30, 2022, revenue and net earnings increased 29% and 73% versus fiscal 2021. This \$968.88 million company designs, manufactures and markets video and audio infrastructure solutions for the television, telecommunications and new-media industries.

Broadcasters, content creators, specialty channels and television service providers form the customer base of Evertz. This tech stock pays dividends like Softchoice, although the payout is more generous (5.66% dividend yield). Market analysts recommend a buy rating. They forecast the current share price of \$12.71 (-0.83% year to date) to climb 28.5% to \$16.33 in 12 months.

## Earn two ways

Absolute Software, Softchoice, and Evertz Technologies are proving more resilient than TSX's non-dividend paying tech giants. Would-be investors can earn from price appreciation and receive recurring income streams.

### CATEGORY

1. Investing
2. Tech Stocks

### TICKERS GLOBAL

1. NASDAQ:ABST (Absolute Software)
2. TSX:ABST (Absolute Software)
3. TSX:ET (Evertz Technologies Limited)

### PARTNER-FEEDS

1. Business Insider
2. Koyfin
3. Msn
4. Newscred
5. Quote Media
6. Sharewise
7. Smart News

8. Yahoo CA

**PP NOTIFY USER**

1. cliew
2. kduncombe

**Category**

1. Investing
2. Tech Stocks

**Date**

2025/06/28

**Date Created**

2022/07/17

**Author**

cliew

default watermark

default watermark