



## 3 TSX Tech Stocks That Could Soar

### Description

The once mighty [technology sector](#) is down almost 40% year-to-date, but that doesn't mean there are no exciting investment prospects right now. **Absolute Software** ([TSX:ABST](#))([NASDAQ:ABST](#)) is beating the market with its 20.55% year-to-date gain. **Descartes Systems Group** ([TSX:DSG](#))([NASDAQ:DSGX](#)) and **Evertz Technologies** ([TSX:ET](#)) also deserve to be on your buy list, notwithstanding the [current headwinds](#).

### Well-positioned for success

Absolute Software provides self-healing, intelligent security solutions that organizations and enterprises need to counter the ever-growing threats of cyberhackers. According to its President and CEO, Christy Wyatt, Absolute Software is well-positioned for success in fiscal 2023 because of strong customer demand for cyber defense and cyber resilience.

The fiscal 2022 financial results reflect in the stock's impressive performance so far this year. Wyatt said the top line results were the strongest in the company's history. In the 12 months ended June 30, 2022, total revenue increased 63% to US\$197.3 million versus fiscal 2021.

Notably, the Enterprise & Government portions of total annual recurring revenue (ARR) in Q4 fiscal 2022 jumped 99% year-over-year. In the same quarter, the active endpoints across Absolute's global customer base increased 18% compared to Q4 fiscal 2021.

Wyatt adds the industry is becoming increasingly aware of the value in Absolute's unique intelligent, self-healing security solutions. Thus, management will continue investing in growth through fiscal 2023. This top performing tech stock currently trades at \$13.99 per share and pays a 2.23% dividend.

### Growing revenues

Descartes Systems reported remarkable revenue growth in Q2 fiscal 2023. The \$7.41 billion company provides on-demand, software-as-a-service (SaaS) solutions, mainly to logistics-intensive businesses.

The SaaS solutions help customers improve their productivity, performance, and security.

In the three months ended July 31, 2022, revenues climbed 18% to US\$123 million versus Q2 fiscal 2022. Its CEO, Edward J. Ryan, said, “Descartes had a very successful quarter helping customers navigate the complexities of global supply chains and logistics.”

Ryan adds, “Our Global Logistics Network (GLN) is designed to help these shippers, carriers, and logistics service providers connect and collaborate to plan and execute shipments in an efficient and sustainable manner.” You can take advantage of this tech stock as it trades at a discount (-16.4% year-to-date).

Market analysts covering Descartes have a 12-month average price target of \$126.36, or a potential 44.5% increase from the current share price of \$87.47.

## Rare gem

Evertz is a rare gem for its generous dividend yield of 5.15%. Also, at \$13.98 per share, the tech stock outperforms the **TSX** year-to-date (+9.08% versus -8.66%). The \$1.05 billion company designs, manufactures, and markets video and audio infrastructure solutions for the television, telecommunications, and new-media industries.

Total revenue in Q1 fiscal 2022 rose 5% to \$101.5 million versus Q1 fiscal 2021, although net earnings dropped by 5.4% to \$13.9 million. Moreover, sales grew 21% year-over-year to \$78 million. Management believes the solid quarterly financial performance indicates the growing adoption of Evertz’s new technologies and products.

Brian Scott Campbell, the company’s EVP of Business Development, is optimistic about the business outlook because of the robust demand environment and strong backlog heading into fiscal 2023. Evertz will continue to build upon its leadership position in the broadcast and technology sectors.

## Growth potentials

Don’t count out the tech sector yet in 2022. Absolute Software, Descartes Systems, and Evertz Technologies have visible growth potential and could deliver considerable capital gains.

### CATEGORY

1. Dividend Stocks
2. Investing
3. Tech Stocks

### TICKERS GLOBAL

1. NASDAQ:ABST (Absolute Software)
2. NASDAQ:DSGX (Descartes Systems Group)
3. TSX:ABST (Absolute Software)
4. TSX:DSG (The Descartes Systems Group Inc)
5. TSX:ET (Evertz Technologies Limited)

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