



## 3 AI Stocks That are Too Cheap to Ignore

### Description

Companies that help transform businesses through automation and artificial intelligence (AI) are good prospects for growth investors. Unfortunately, [technology](#) (-34.65%) is the second-worst performing sector thus far in 2022 after healthcare (-46.67%). Amid the downturn, many of its constituents are trading at deep discounts.

However, if you're interested in AI stocks, **Tecsys Inc.** ([TSX:TCS](#)), **Coveo Solutions** ([TSX:CVO](#)), and **VIQ Solutions** ([TSX:VIQ](#)) are too cheap to ignore. These companies have very bright futures, given the vast addressable market in the AI industry. Fortune Business Insights projects the AI market size to grow at a compound annual growth rate (CAGR) of 20.1% to US\$1.4 trillion by 2029.

### Supply chain AI technologies

Tecsys is an implementation partner for practical supply chain AI technologies. The \$430.3 million company develops solutions integrating warehouse management systems (WMS) and other digital infrastructure. Currently, this AI stock trades at \$29.54 per share (-43.5% year to date) and pays a modest 0.95% dividend.

AI's role in modern warehouse management operations is ever-growing. Crucially, the AI warehouse AI applications that Tecsys provides in the supply chain augment human decision-making. For example, the AI technology enables warehouse operators to become more competitive.

In Q1 fiscal 2023, software-as-a-service (SaaS) revenue and annual recurring revenue (ARR) increased 42% and 21% year over year to \$8 million and \$65.1 million, respectively. Peter Brereton, President and CEO of Tecsys, said the company's SaaS solution is well-suited to the demands of a market ripe for transformation.

According to its CFO, Mark Bentler, the record SaaS revenue during the quarter indicates solid topline growth and substantial SaaS ARR bookings (256% growth). Because of demand signals and buyer intent for more robust supply chain software, management said it is fully prepared with the right software and market position. Going forward, investors can expect Tecsys to deliver customer and

shareholder value.

## Digital experience economy

Coveo Solutions takes pride in its AI-powered relevance platform that helps businesses compete and win in the new digital experience economy. Specifically, the \$644.8 million company provides solutions for commerce, services, websites, and workplace applications.

The solutions help drive conversion and revenue growth while increasing profitability and reducing support costs. In Q2 fiscal 2023, total revenue and SaaS subscription revenue increased 43% and 47% year over year to US\$19.5 million and US\$25.5 million, respectively.

Notably, the net loss improved to US\$9.9 million from US\$61.9 million in Q2 fiscal 2022. Its Chairman and CEO, Louis Têtu, said management had built a firm foundation to help the AI company execute its growth plans. Coveo trades at \$6.16 per share (-62.7% year to date).

## Ultra-cheap AI stock

VIQ Solutions is [ideal for newbies](#) or investors with limited capital to invest. At only \$0.445 per share, the tech stock is down 85.1% year to date. VIQ's integrated suite of AI-driven voice and video capture technology and services helps individuals and teams in a niche market operate more efficiently.

Its customers include lawyers, police officers, investigators, court reporters, and insurance adjusters. Importantly, VIQ's sophisticated, user-friendly workflow solutions help these people focus on their time-sensitive, higher-value tasks. CEO, Sebastien Paré, said VIQ is still transitioning towards a subscription-based ARR model. However, he expects higher revenue and overall margins in due time.

## High-growth stocks

Tecsys, Coveo, and VIQ are promising high-growth stocks. As noted, demand for AI business solutions is rapidly accelerating. These firms should rise to prominence as more clients adopt and use their critical AI technologies.

### CATEGORY

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2. Stocks for Beginners
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