



Why I Own WELL Health Stock

Description

WELL Health Technologies ([TSX:WELL](#)) could be seen as one of those unlucky companies of the last few years. While at first it seemed it came around just at the perfect time, lately that doesn't seem as true.

WELL Health stock came on the market just a few years before the pandemic. It started as a records platform, then grew into virtual healthcare. It's this latter business that motivated investors to pick it up in bulk when COVID-19 threatened the world.

Today, that's no longer the case. Shares are down 38% year to date, and 42% from all-time highs. But here's why I continue to hold WELL Health stock.

Bad circumstances, not a bad stock

The primary point to note about WELL Health stock is that while it may be doing poorly right now, it's not because of anything the company has done. While this isn't true for all [tech stocks](#), it certainly is for this one.

WELL Health stock had two problems hit it one after another. First, a vaccine led to many investors believing there would be a sudden drop in the use of telehealth companies like this one. Then, the growth in tech stocks led to a massive sell-off with even a hint of increasing inflation and interest rates coming.

Did WELL Health stock see any drop? Or indeed poorer performance? Absolutely not.

Record-setting results

WELL Health stock recently came out with its earnings, and results were yet again setting records. The company achieved record quarterly revenue of \$145.8 million, a 47% increase year over year. And this wasn't just from acquisitions, but instead from organic growth.

WELL Health stock also achieved record adjusted earnings before interest, taxes, depreciation and amortization (EBITDA) growth of \$27.5 million, up 23% year over year. Virtual services were up 75%, and all this combined motivated the company to increase its guidance for 2022.

The virtual health platform now expects revenue to exceed \$565 million, up from \$550 million. And this is the *fourth* consecutive increase in guidance for WELL. All while during what should have been a "poor" performance period for the stock.

More to come

But here's the thing. This isn't even why I hold WELL Health stock right now. Yes, I want growth. Yes, I want to see strong performance. But all that doesn't matter if there isn't a future for this company, which there absolutely is.

The [pandemic](#) created an opportunity for massive growth in virtual healthcare, and this is needed now more than ever. Rural communities that cannot reach a physician can now reach one virtually. It saves time, and just as importantly money. And with our country continuing to face a healthcare crisis, virtual visits will remain of incredible importance for the foreseeable future.

With all that in mind, WELL Health stock is a top buy in my opinion. I continue to pick up the stock at low levels knowing full well this record performance will eventually lead to a stock turnaround. This outlook is especially promising for long-term investors, which is what I plan to be.

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