# Chegg, Inc.

**CHGG**

NYSE; other; SIC 8200, Services-Educational Services; CIK 0001364954

# E

**weakest fifth of 334 graded peers in other**

rank 313 of 334; percentile 93.7; sampling error 2.7 points; lower is stronger

A B C D E

**E, the bear**



## Scoreboard

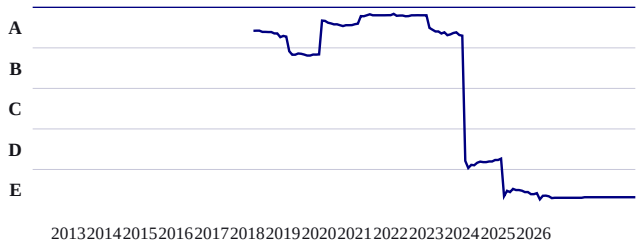
| | |
|---|---|
| **Profitability** | B<br>percentile 28.9 |
| **Solvency** | E<br>percentile 84.4 |
| **Growth and financing** | E<br>percentile 92.4 |
| **Reliability** | 0.87 AUC<br>filers with $120M to $591M assets; 95% interval 0.83 to 0.90; 206 events, 2020 to 2025 |
| **Peer failure rate** | 1.03% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | $120M to $591M assets<br>total assets $278.0M |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | none triggered<br>not computable: fortress balance sheet |
| **Inputs computable** | 9 of 14 |
| **Graded from** | filings received through Mar 9, 2026<br>230 days before the rescan; latest periodic filing 10-Q received Aug 6, 2026 |
| **Last close** | $0.70<br>2026-10-23; market equity $77.9M; no price enters the letter |

**Share price, twelve months to the rescan**




*Split-adjusted close. Each lollipop is a rescan and carries the letter held then.*

**Letter at every rescan, 2012 to 2026**




*Sector percentile at each rescan, stronger toward the top; facts filed by each date only.*

## Business, in the company's words

*opening of Item 1 of the 10-K received Mar 9, 2026*

Chegg is a learning platform helping businesses bring new skills to their workforce and giving lifelong learners and students the skills and confidence to succeed. Focused on the large and growing skilling market, Chegg offers innovative tools for workplace readiness, professional upskilling, and language learning. Chegg also continues to offer students artificial intelligence (AI)-driven, personalized support. Chegg remains committed to its mission of improving learning outcomes and career opportunities for millions of people around the world.

## The fourteen inputs

*lower percentile is stronger; sleeves and inputs within a sleeve carry equal weight*

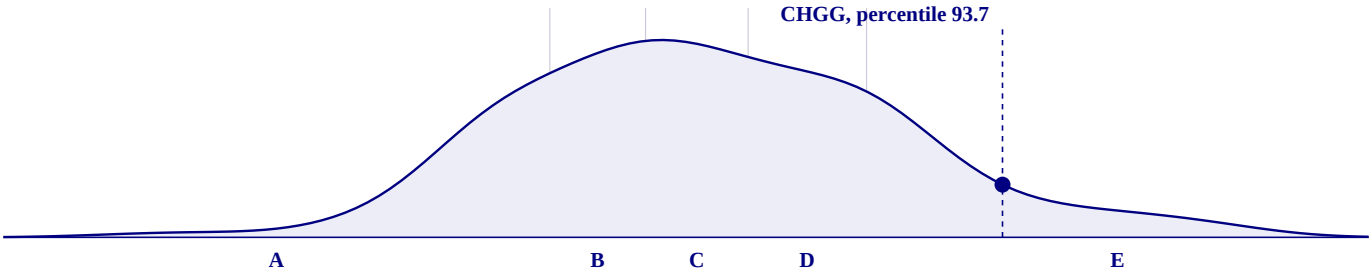
| Input | Value | Peer median | Percentile, 0 to 100 | Pct | Peers | Period end |
|---|---|---|---|---|---|---|
| **Profitability, sleeve percentile 28.9** | | | | | | |
| Gross profitability | 80.8% | 27.1% | | 3.2 | 286 | 2025-12-31 |
| Return on invested capital | not computable | 10.0% | | | | |
| *one or more required annual facts are missing* | | | | | | |

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| | | | | | |
|---|---|---|---|---|---|
| Accruals ratio | (20.7%) | (5.8%) | 11.0 | 502 | 2025-12-31 |
| Gross margin stability, five years | 4.8 pts | 2.2 pts | 72.5 | 205 | 2025-12-31 |
| **Solvency, sleeve percentile 84.4** | | | | | |
| Twelve-month failure probability | 0.19% | 0.04% | 88.6 | 45 | 2026-06-30 |
| Altman Z double-prime | (14.13) | 2.05 | 92.7 | 384 | 2025-12-31 |
| Net debt to EBITDA | not computable | 2.52x | | | |
| *one or more required annual facts are missing* | | | | | |
| Interest coverage | not computable | 2.18x | | | |
| *latest aligned inputs end 2014-12-31; latest annual assets end 2025-12-31* | | | | | |
| Current ratio | 0.86x | 1.33x | 71.8 | 504 | 2025-12-31 |
| **Growth and financing, sleeve percentile 92.4** | | | | | |
| Revenue growth, three-year compound | (21.1%) | 5.1% | 95.5 | 399 | 2025-12-31 |
| Free cash flow growth, three-year compound | not computable | 8.9% | | | |
| *current FCF must be positive and base FCF must exceed $100,000* | | | | | |
| Reinvestment rate | not computable | 11.9% | | | |
| *NOPAT must exceed $100,000* | | | | | |
| Asset growth, three years | (51.7%) | 4.1% | 100.0 | 435 | 2025-12-31 |
| Net share issuance, one year | 6.4% | (0.5%) | 81.9 | 354 | 2026-02-28 |

## Among 334 peers

*other; letters are fifths of this list*




*Composite score of every graded peer, smoothed; vertical rules are the letter band edges; stronger to the left.*

| Rank | Company | Percentile | Letter | Warnings |
|---|---|---|---|---|
| 308 | Cleveland-Cliffs Inc. (CLF) | 92.2 | E | |
| 309 | Greenpro Capital Corp. (GRNQ) | 92.5 | E | short runway, late filer |
| 310 | Amentum Holdings, Inc. (AMTM) | 92.8 | E | |
| 311 | Claritev Corp. (CTEV) | 93.1 | E | |
| 312 | Perma FIX Environmental Services Inc. (PESI) | 93.4 | E | fortress balance sheet |
| 313 | Chegg, Inc. (CHGG) | 93.7 | E | |
| 314 | Boxlight Corp. (BOXL) | 94.0 | E | dilution, late filer |
| 315 | Madison Square Garden Sports Corp. (MSGS) | 94.3 | E | |
| 316 | CRA International, Inc. (CRAI) | 94.6 | E | |
| 317 | Clear Channel Outdoor Holdings, Inc. (CCO) | 94.9 | E | |
| 318 | Altisource Portfolio Solutions S.A. (ASPS) | 95.5 | E | |

## What the price implies

*at the 2026-10-23 close; none of these enters the grade*

| Measure | Value | Peer median | Percentile |
|---|---|---|---|
| Twelve-month price change, skipping the latest month | (44.0%) | 2.0% | 13 |
| Distance from 52-week high | (54.7%) | (25.2%) | 18 |
| EBIT to enterprise value | not computable | 4.3% | |
| Free cash flow yield | (16.2%) | 4.1% | 10 |
| Book value to price | 1.52 | 0.34 | 94 |

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| | | | |
|---|---|---|---|
| Sales to price | 4.83 | 0.72 | 92 |
| Composite equity issuance, five years | (15.3%) | (8.8%) | 38 |
| Relative strength against the sector, log excess return | (0.73) | (0.13) | 13 |

## Diagnostics

*shown on every report; none enters the grade*

| Measure | Value |
|---|---|
| **Piotroski F-score None of 9, period end 2025-12-31** | |
| Return on assets above zero | fail |
| Operating cash flow above zero | pass |
| Return on assets improved | pass |
| Operating cash flow exceeds net income | pass |
| Long-term leverage fell | fail |
| Current ratio improved | pass |
| No new shares issued | fail |
| Gross margin improved | fail |
| Asset turnover improved | pass |
| **Cash, filings, liquidity** | |
| Cash and equivalents | $44.6M |
| Operating cash flow, four quarters | $10.0M |
| Months of runway | not finite |
| Days since last periodic filing | 80 (10-Q received Aug 6, 2026) |
| Median daily dollar volume, 63 sessions | $512,613 |

## Sources

*every fact behind the inputs; each row links to its filing index on sec.gov*

| # | Concept | XBRL tag | Value | Period end | Received | Form | Accession |
|---|---|---|---|---|---|---|---|
| 1 | gross profit | us-gaap:GrossProfit | $224.8M | 2025-12-31 | 2026-03-09 | 10-K | 26-000021 |
| 2 | assets | us-gaap:Assets | $278.0M | 2025-12-31 | 2026-03-09 | 10-K | 26-000021 |
| 3 | net income | us-gaap:NetIncomeLoss | -$103.4M | 2025-12-31 | 2026-03-09 | 10-K | 26-000021 |
| 4 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $15.5M | 2025-12-31 | 2026-03-09 | 10-K | 26-000021 |
| 5 | assets | us-gaap:Assets | $869.0M | 2024-12-31 | 2026-03-09 | 10-K | 26-000021 |
| 6 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $376.9M | 2025-12-31 | 2026-03-09 | 10-K | 26-000021 |
| 7 | gross profit | us-gaap:GrossProfit | $436.6M | 2024-12-31 | 2026-03-09 | 10-K | 26-000021 |
| 8 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $617.6M | 2024-12-31 | 2026-03-09 | 10-K | 26-000021 |
| 9 | gross profit | us-gaap:GrossProfit | $490.4M | 2023-12-31 | 2026-03-09 | 10-K | 26-000021 |
| 10 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $716.3M | 2023-12-31 | 2026-03-09 | 10-K | 26-000021 |
| 11 | gross profit | us-gaap:GrossProfit | $569.5M | 2022-12-31 | 2025-02-24 | 10-K | 25-000013 |
| 12 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $766.9M | 2022-12-31 | 2025-02-24 | 10-K | 25-000013 |
| 13 | gross profit | us-gaap:GrossProfit | $521.4M | 2021-12-31 | 2024-02-20 | 10-K | 24-000009 |
| 14 | revenue | us-gaap:RevenueFromContractWithCustomerIncludingAs... | $776.3M | 2021-12-31 | 2023-02-21 | 10-K | 23-000013 |
| 15 | current assets | us-gaap:AssetsCurrent | $121.6M | 2025-12-31 | 2026-03-09 | 10-K | 26-000021 |
| 16 | current liabilities | us-gaap:LiabilitiesCurrent | $140.9M | 2025-12-31 | 2026-03-09 | 10-K | 26-000021 |
| 17 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | -$992.9M | 2025-12-31 | 2026-03-09 | 10-K | 26-000021 |
| 18 | operating income | us-gaap:OperatingIncomeLoss | -$116.9M | 2025-12-31 | 2026-03-09 | 10-K | 26-000021 |
| 19 | book equity | us-gaap:StockholdersEquity | $119.6M | 2025-12-31 | 2026-03-09 | 10-K | 26-000021 |
| 20 | liabilities | us-gaap:Liabilities | $158.4M | 2025-12-31 | 2026-03-09 | 10-K | 26-000021 |
| 21 | operating income | us-gaap:OperatingIncomeLoss | -$65.1M | 2014-12-31 | 2017-02-23 | 10-K | 17-000031 |
| 22 | interest expense | us-gaap:InterestExpense | $317,000 | 2014-12-31 | 2015-03-06 | 10-K | 15-000009 |
| 23 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $28.1M | 2025-12-31 | 2026-03-09 | 10-K | 26-000021 |
| 24 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $125.2M | 2024-12-31 | 2026-03-09 | 10-K | 26-000021 |
| 25 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $75.0M | 2024-12-31 | 2026-03-09 | 10-K | 26-000021 |
| 26 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $246.2M | 2023-12-31 | 2026-03-09 | 10-K | 26-000021 |
| 27 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $83.1M | 2023-12-31 | 2026-03-09 | 10-K | 26-000021 |

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| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 28 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $255.7M | 2022-12-31 | 2025-02-24 | 10-K | 25-000013 |
| 29 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $103.1M | 2022-12-31 | 2025-02-24 | 10-K | 25-000013 |
| 30 | depreciation amortization | us-gaap:DepreciationDepletionAndAmortization | $105.3M | 2023-12-31 | 2024-02-20 | 10-K | 24-000009 |
| 31 | operating income | us-gaap:OperatingIncomeLoss | -$67.7M | 2023-12-31 | 2026-03-09 | 10-K | 26-000021 |
| 32 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | $50.3M | 2023-12-31 | 2026-03-09 | 10-K | 26-000021 |
| 33 | income tax | us-gaap:IncomeTaxExpenseBenefit | $32.1M | 2023-12-31 | 2026-03-09 | 10-K | 26-000021 |
| 34 | current assets | us-gaap:AssetsCurrent | $414.8M | 2023-12-31 | 2025-02-24 | 10-K | 25-000013 |
| 35 | current liabilities | us-gaap:LiabilitiesCurrent | $518.5M | 2023-12-31 | 2025-02-24 | 10-K | 25-000013 |
| 36 | current assets | us-gaap:AssetsCurrent | $1.1B | 2022-12-31 | 2024-02-20 | 10-K | 24-000009 |
| 37 | current liabilities | us-gaap:LiabilitiesCurrent | $138.9M | 2022-12-31 | 2024-02-20 | 10-K | 24-000009 |
| 38 | assets | us-gaap:Assets | $1.7B | 2023-12-31 | 2025-02-24 | 10-K | 25-000013 |
| 39 | assets | us-gaap:Assets | $2.5B | 2022-12-31 | 2024-02-20 | 10-K | 24-000009 |
| 40 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 111,798,694 | 2026-02-28 | 2026-03-09 | 10-K | 26-000021 |
| 41 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 105,109,136 | 2025-01-31 | 2025-02-24 | 10-K | 25-000013 |

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