Duolingo, Inc.

DUOL

Nasdaq; business equipment; SIC 7372, Services-Prepackaged Software; CIK 0001562088

A

strongest fifth of 497 graded peers in business equipment

rank 14 of 497; percentile 2.6; sampling error 2.2 points; lower is stronger

A B C D E

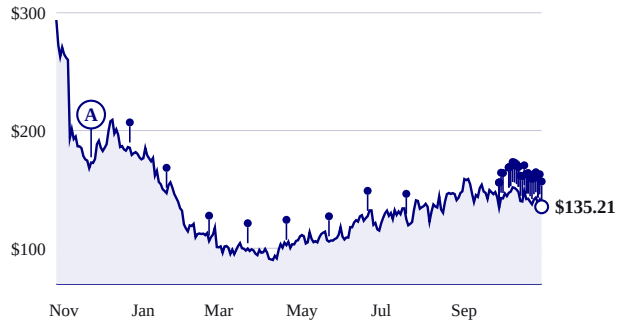
A, the bull



Scoreboard

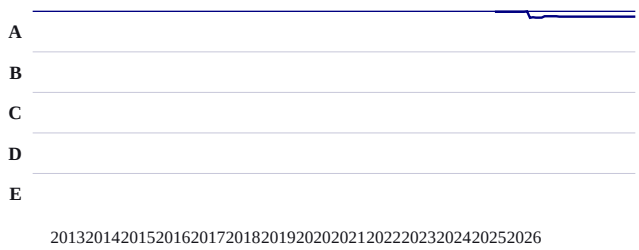
Profitability	B/C percentile 40.3
Solvency	B percentile 27.9
Growth and financing	A percentile 7.5
Reliability	0.91 AUC filers with $591M to $2.67B assets; 95% interval 0.88 to 0.94; 160 events, 2020 to 2025
Peer failure rate	1.01% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	$591M to $2.67B assets total assets $2.0B
Standard universe	inside revenue above $1M and assets above $10M
Warnings	none triggered not computable: dilution, distress, fortress balance sheet
Inputs computable	8 of 14
Graded from	filings received through Feb 27, 2026 244 days before the rescan; latest periodic filing 10-Q received Aug 6, 2026
Last close	$135.19 2026-10-28; market equity $2.3B; 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 Feb 27, 2026

Our mission is to develop the best education in the world and make it universally available. Although education can open the door to economic opportunity, it is also among the principal sources of inequality: the privileged can get the best education in the world, while those with fewer resources, especially in developing countries, may not be able to get even basic schooling. That is why we started Duolingo. We believe that everyone, regardless of how wealthy they are, should have access to high quality education. And today, the technology necessary to enable this is in the hands of billions of people, in the form of a smartphone.

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 40.3						
Gross profitability	37.6%	28.6%		31.9	555	2025-12-31
Return on invested capital	not computable	11.2%				
one or more required annual facts are missing						

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Accruals ratio	1.6%	(7.4%)	87.7	618	2025-12-31
Gross margin stability, five years	0.4 pts	2.3 pts	1.4	426	2025-12-31
Solvency, sleeve percentile 27.9					
Twelve-month failure probability	not computable	0.05%			
liabilities and a nearby cover-page share count are required at 2026-06-30					
Altman Z double-prime	6.04	2.16	19.0	565	2025-12-31
Net debt to EBITDA	not computable	1.11x			
one or more required annual facts are missing					
Interest coverage	not computable	3.77x			
one or more required annual facts are missing					
Current ratio	2.61x	2.01x	36.8	662	2025-12-31
Growth and financing, sleeve percentile 7.5					
Revenue growth, three-year compound	41.1%	6.3%	6.7	535	2025-12-31
Free cash flow growth, three-year compound	97.4%	18.0%	8.0	265	2025-12-31
Reinvestment rate	not computable	14.3%			
pretax income must exceed the validity floor and imply a 0%-100% tax rate					
Asset growth, three years	38.7%	5.1%	7.9	560	2025-12-31
Net share issuance, one year	not computable	0.5%			
two annual share counts are required; found 0					

Among 497 peers

business equipment; 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
9	BK Technologies Corp. (BKTI)	1.6	A	fortress balance sheet
10	Doximity, Inc. (DOCS)	1.8	A	
11	Meta Platforms, Inc. (META)	2.0	A	
12	Palantir Technologies Inc. (PLTR)	2.2	A	
13	Innodata Inc. (INOD)	2.4	A	fortress balance sheet
14	Duolingo, Inc. (DUOL)	2.6	A	
15	Toast, Inc. (TOST)	2.8	A	
16	Nvidia Corp. (NVDA)	3.0	A	fortress balance sheet
17	Gitlab Inc. (GTLB)	3.2	A	late filer
18	Arista Networks, Inc. (ANET)	3.4	A	
19	Five9, Inc. (FIVN)	3.6	A	

What the price implies

at the 2026-10-28 close; none of these enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	(53.9%)	2.2%	9
Distance from 52-week high	(54.0%)	(30.5%)	25
EBIT to enterprise value	not computable	1.5%	
Free cash flow yield	16.4%	2.8%	94

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Book value to price	0.63	0.25	79
Sales to price	0.46	0.31	62
Composite equity issuance, five years	not computable	4.1%	
Relative strength against the sector, log excess return	(1.06)	(0.26)	9

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	pass
Operating cash flow above zero	pass
Return on assets improved	pass
Operating cash flow exceeds net income	fail
Long-term leverage fell	fail
Current ratio improved	fail
No new shares issued	fail
Gross margin improved	fail
Asset turnover improved	pass
Cash, filings, liquidity	
Cash and equivalents	$1.2B
Operating cash flow, four quarters	$430.5M
Months of runway	not finite
Days since last periodic filing	84 (10-Q received Aug 6, 2026)
Median daily dollar volume, 63 sessions	$140.1M

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	$749.5M	2025-12-31	2026-02-27	10-K	26-012494
2	assets	us-gaap:Assets	$2.0B	2025-12-31	2026-02-27	10-K	26-012494
3	net income	us-gaap:NetIncomeLoss	$414.1M	2025-12-31	2026-02-27	10-K	26-012494
4	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$387.8M	2025-12-31	2026-02-27	10-K	26-012494
5	assets	us-gaap:Assets	$1.3B	2024-12-31	2026-02-27	10-K	26-012494
6	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$1.0B	2025-12-31	2026-02-27	10-K	26-012494
7	gross profit	us-gaap:GrossProfit	$544.4M	2024-12-31	2026-02-27	10-K	26-012494
8	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$748.0M	2024-12-31	2026-02-27	10-K	26-012494
9	gross profit	us-gaap:GrossProfit	$389.0M	2023-12-31	2026-02-27	10-K	26-012494
10	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$531.1M	2023-12-31	2026-02-27	10-K	26-012494
11	gross profit	us-gaap:GrossProfit	$270.1M	2022-12-31	2025-02-28	10-K	25-000042
12	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$369.5M	2022-12-31	2025-02-28	10-K	25-000042
13	gross profit	us-gaap:GrossProfit	$181.6M	2021-12-31	2024-02-29	10-K	24-000050
14	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$250.8M	2021-12-31	2024-02-29	10-K	24-000050
15	current assets	us-gaap:AssetsCurrent	$1.4B	2025-12-31	2026-02-27	10-K	26-012494
16	current liabilities	us-gaap:LiabilitiesCurrent	$551.1M	2025-12-31	2026-02-27	10-K	26-012494
17	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	$288.2M	2025-12-31	2026-02-27	10-K	26-012494
18	operating income	us-gaap:OperatingIncomeLoss	$135.6M	2025-12-31	2026-02-27	10-K	26-012494
19	book equity	us-gaap:StockholdersEquity	$1.3B	2025-12-31	2026-02-27	10-K	26-012494
20	liabilities	us-gaap:Liabilities	$645.2M	2025-12-31	2026-02-27	10-K	26-012494
21	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$18.1M	2025-12-31	2026-02-27	10-K	26-012494
22	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$285.5M	2024-12-31	2026-02-27	10-K	26-012494
23	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$12.1M	2024-12-31	2026-02-27	10-K	26-012494
24	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$153.6M	2023-12-31	2026-02-27	10-K	26-012494
25	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$3.2M	2023-12-31	2026-02-27	10-K	26-012494
26	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$53.7M	2022-12-31	2025-02-28	10-K	25-000042

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27	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$5.6M	2022-12-31	2025-02-28	10-K	25-000042
28	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	$14.4M	2025-12-31	2026-02-27	10-K	26-012494
29	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	$182.4M	2025-12-31	2026-02-27	10-K	26-012494
30	income tax	us-gaap:IncomeTaxExpenseBenefit	-$231.7M	2025-12-31	2026-02-27	10-K	26-012494
31	current assets	us-gaap:AssetsCurrent	$1.1B	2024-12-31	2026-02-27	10-K	26-012494
32	current liabilities	us-gaap:LiabilitiesCurrent	$422.2M	2024-12-31	2026-02-27	10-K	26-012494
33	assets	us-gaap:Assets	$954.0M	2023-12-31	2025-02-28	10-K	25-000042
34	assets	us-gaap:Assets	$747.3M	2022-12-31	2024-02-29	10-K	24-000050

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