

Duolingo, Inc. (DUOL)

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

Duolingo, Inc. DUOL; business equipment	
Grade  strongest fifth of 497 graded peers percentile 2.6; sampling error 2.2 points; lower is stronger	 A, the bull strongest fifth of its sector; letters are fifths of the 497 graded peers
Rank 14 of 497	
Profitability B/C  percentile 40.1	
Solvency B  percentile 27.9	
Growth and financing A  percentile 7.3	
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 active not computable: dilution, distress, fortress balance sheet	
Inputs computable 8 of 14	
Graded from filings received through Feb 27, 2026 224 days before the rescans; latest periodic filing 10-Q received Aug 6, 2026	
Last close \$151.29 2026-10-08; market equity \$2.5B	
Price used in grade None	
Share price, twelve months to the rescans <i>split-adjusted close; the letter is fixed at the rescans that set it</i>  Rescans on file: A from Mar 21, 2025	

Letter at every rescan

Jan 21, 2012 to Oct 9, 2026; sector percentile, stronger toward the top; facts filed by each date only

[illegible]

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.

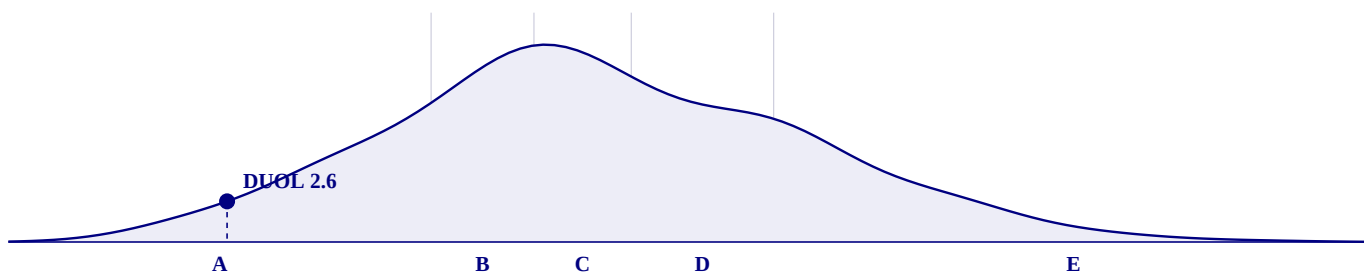
The fourteen inputs

lower percentile is stronger; equal-weighted sleeves

Input	Percentile, 0 to 100	Value	Peer median	Percentile	Peers	Period end
Profitability, sleeve percentile 40.1						
Gross profitability		37.6%	28.5%	31.2	558	2025-12-31
Return on invested capital		not computable	10.9%			one or more required annual facts are missing
Accruals ratio		1.6%	(7.4%)	87.7	621	2025-12-31
Gross margin stability, five years		0.4 pts	2.4 pts	1.4	429	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	2.18	19.1	566	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	2.02x	36.7	666	2025-12-31
Growth and financing, sleeve percentile 7.3						
Revenue growth, three-year compound		41.1%	6.4%	6.5	538	2025-12-31
Free cash flow growth, three-year compound		97.4%	17.2%	7.9	268	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%	5.0%	7.7	563	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	Doximity, Inc. (DOCS)	1.6	A	
10	Meta Platforms, Inc. (META)	1.8	A	
11	BK Technologies Corp. (BKTI)	2.0	A	fortress
12	Innodata Inc. (INOD)	2.2	A	balance sheet fortress
13	Palantir Technologies Inc. (PLTR)	2.4	A	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 2026-10-08 close; none 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	(56.5%)	(30.0%)	20
EBIT to enterprise value	not computable	1.5%	
Free cash flow yield	14.7%	2.7%	92
Book value to price	0.56	0.23	77
Sales to price	0.41	0.30	59
Composite equity issuance, five years	not computable	3.9%	
Relative strength against the sector, log excess return	(1.06)	(0.26)	9

Diagnostics

not in 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

64 (10-Q received Aug 6, 2026)

Median daily dollar volume, 63 sessions

\$140.9M

Sources

each row links to the 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	0001628280-26-012494
2	assets	us-gaap:Assets	\$2.0B	2025-12-31	2026-02-27	10-K	0001628280-26-012494
3	net income	us-gaap:NetIncomeLoss	\$414.1M	2025-12-31	2026-02-27	10-K	0001628280-26-012494
4	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$387.8M	2025-12-31	2026-02-27	10-K	0001628280-26-012494
5	assets	us-gaap:Assets	\$1.3B	2024-12-31	2026-02-27	10-K	0001628280-26-012494
6	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$1.0B	2025-12-31	2026-02-27	10-K	0001628280-26-012494
7	gross profit	us-gaap:GrossProfit	\$544.4M	2024-12-31	2026-02-27	10-K	0001628280-26-012494
8	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$748.0M	2024-12-31	2026-02-27	10-K	0001628280-26-012494
9	gross profit	us-gaap:GrossProfit	\$389.0M	2023-12-31	2026-02-27	10-K	0001628280-26-012494
10	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$531.1M	2023-12-31	2026-02-27	10-K	0001628280-26-012494
11	gross profit	us-gaap:GrossProfit	\$270.1M	2022-12-31	2025-02-28	10-K	0001562088-25-000042
12	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$369.5M	2022-12-31	2025-02-28	10-K	0001562088-25-000042
13	gross profit	us-gaap:GrossProfit	\$181.6M	2021-12-31	2024-02-29	10-K	0001562088-24-000050
14	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$250.8M	2021-12-31	2024-02-29	10-K	0001562088-24-000050
15	current assets	us-gaap:AssetsCurrent	\$1.4B	2025-12-31	2026-02-27	10-K	0001628280-26-012494
16	current liabilities	us-gaap:LiabilitiesCurrent	\$551.1M	2025-12-31	2026-02-27	10-K	0001628280-26-012494
17	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	\$288.2M	2025-12-31	2026-02-27	10-K	0001628280-26-012494
18	operating income	us-gaap:OperatingIncomeLoss	\$135.6M	2025-12-31	2026-02-27	10-K	0001628280-26-012494
19	book equity	us-gaap:StockholdersEquity	\$1.3B	2025-12-31	2026-02-27	10-K	0001628280-26-012494
20	liabilities	us-gaap:Liabilities	\$645.2M	2025-12-31	2026-02-27	10-K	0001628280-26-012494
21	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$18.1M	2025-12-31	2026-02-27	10-K	0001628280-26-012494
22	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$285.5M	2024-12-31	2026-02-27	10-K	0001628280-26-012494
23	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$12.1M	2024-12-31	2026-02-27	10-K	0001628280-26-012494
24	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$153.6M	2023-12-31	2026-02-27	10-K	0001628280-26-012494
25	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$3.2M	2023-12-31	2026-02-27	10-K	0001628280-26-012494
26	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$53.7M	2022-12-31	2025-02-28	10-K	0001562088-25-000042
27	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$5.6M	2022-12-31	2025-02-28	10-K	0001562088-25-000042
28	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	\$14.4M	2025-12-31	2026-02-27	10-K	0001628280-26-012494
29	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeIncomeTaxesExtraordinaryItemsDeductibleItems	\$134.4M	2025-12-31	2026-02-27	10-K	0001628280-26-012494
30	income tax	us-gaap:IncomeTaxExpenseBenefit	-\$231.7M	2025-12-31	2026-02-27	10-K	0001628280-26-012494
31	current assets	us-gaap:AssetsCurrent	\$1.1B	2024-12-31	2026-02-27	10-K	0001628280-26-012494
32	current liabilities	us-gaap:LiabilitiesCurrent	\$422.2M	2024-12-31	2026-02-27	10-K	0001628280-26-012494
33	assets	us-gaap:Assets	\$954.0M	2023-12-31	2025-02-28	10-K	0001562088-25-000042
34	assets	us-gaap:Assets	\$747.3M	2022-12-31	2024-02-29	10-K	0001562088-24-000050