

****Investment Memo****

****Company Name: Duolingo****

****Product/Services Overview:****

Duolingo is a leading digital language learning platform with over 100 million monthly active users. The platform offers a unique gamified, freemium model and AI-powered personalized learning tools, making language learning engaging and effective.

****Value Proposition:****

Duolingo's core value proposition lies in its strong fundamentals and unit economics, similar to the Costco business model. By focusing on providing high-quality language learning experiences, Duolingo positions itself as a valuable solution in the education technology market.

****Customer Segment:****

Duolingo targets a wide range of customer segments, including individuals seeking to learn new languages for personal or professional development. Its user base comprises diverse demographics and industries, highlighting the platform's broad appeal.

****Revenue Model:****

Duolingo generates revenue primarily through in-app purchases, subscriptions, and partnerships. Its pricing strategy is designed to offer accessible language learning solutions while maintaining a

sustainable revenue stream for the company.

****Number of Employees and Department:****

Duolingo has a dedicated workforce with a focus on engineering, product development, sales, and customer support. The company employs a significant number of professionals across various departments to ensure seamless operations and customer satisfaction.

****Key Management Team:****

The key members of Duolingo's management team bring diverse backgrounds and extensive experience to the table. Their roles are crucial in driving the company's growth strategy, innovation, and market positioning. The management team's strengths include a track record of success and leadership in the education technology sector.

****Market Overview:****

The current market environment for language learning platforms is characterized by significant growth trends and technological advancements. Duolingo faces competition from key players such as Chegg and Nerdy, but its unique offerings and strong user base set it apart in the market landscape.

****Investment Thesis:****

Duolingo presents an attractive investment opportunity due to its robust business model, scalable platform, and innovative approach to language learning. The company's strengths align with

potential market expansion, revenue growth, and profitability improvements, positioning it for long-term success.

****Risks:****

Investing in Duolingo is not without risks, including market competition, regulatory challenges, operational complexities, and potential disruptive technologies. It is crucial to monitor these risks and implement effective mitigation strategies to safeguard the company's financial performance and market position.

In conclusion, Duolingo's consistent focus on delivering value to users and its strategic positioning in the education technology sector make it a compelling investment opportunity with significant growth potential.

***Disclaimer:** This investment memo is for informational purposes only and does not constitute financial advice. Investors should conduct their own research and consult with a financial advisor before making investment decisions.*