UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2026
OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from ___ to ___
Commission file number 001-40653

Duolingo, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**45-3055872**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

5900 Penn Avenue
Pittsburgh, Pennsylvania 15206
(412) 567-6602
(Address, Including Zip Code, and Telephone Number, Including
Area Code, of Registrant's Principal Executive Offices)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	**Trading Symbol(s)**	**Name of each exchange on which registered**
Class A common stock, $0.0001 per share	DUOL	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports); and (2) has been subject to such filing requirements for the past 90 days.
Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).
Yes ☒ No ☐
Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer", "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐
Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

As of August 4, 2026, 40,387,012 shares of the registrant's Class A common stock were outstanding, and 6,399,257 shares of the registrant's Class B common stock were outstanding.

Table of Contents **Page**

Special Note Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. We intend such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in Section 27A of the Securities Act of 1933, as amended (the “Securities Act”) and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). All statements other than statements of historical facts contained in this Quarterly Report on Form 10-Q including without limitation, statements regarding our business model and strategic plans, including the introduction of new products, and our implementation thereof; statements regarding our expectations, beliefs, plans, objectives, prospects, assumptions, future events or expected performance, including our ability to compete in our industry; the sufficiency of our cash, cash equivalents and investments; and the plans and objectives of management for future operations and capital expenditures are forward-looking statements.

Without limiting the generality of the foregoing, you can identify forward-looking statements because they contain words such as “may,” “will,” “shall,” “should,” “expects,” “plans,” “anticipates,” “could,” “intends,” “target,” “projects,” “contemplates,” “believes,” “estimates,” “predicts,” “potential,” “goal,” “objective,” “seeks,” or “continue” or the negative of these words or other similar terms or expressions that concern our expectations, strategy, plans, or intentions. Such forward-looking statements are neither promises nor guarantees, but involve a number of known and unknown risks, uncertainties and assumptions that may cause our actual results, performance or achievements to differ materially from those expressed or implied in the forward-looking statements due to various factors, including, but not limited to:

- our ability to retain and grow our users and sustain their engagement with our products;
- competition in the online language learning industry;
- our ability to maintain profitability;
- the impact on our income as a result of the release of valuation allowances on deferred tax assets;
- our expectations regarding fluctuations in our effective tax rate, including changes to valuation allowances, and the adequacy of our reserves;
- our ability to manage our growth and operate at such scale;
- the success of our investments;
- our ability to accurately predict our quarterly operating results and other operating metrics;
- our ability to accurately measure our user metrics and other operating metrics;
- our reliance on third-party platforms to store and distribute our products and collect revenue;
- the success of our development, implementation and use of artificial intelligence and machine learning technologies;
- our reliance on third-party hosting, cloud computing providers and Artificial Intelligence (“AI”) vendors;
- our ability to compete for advertisements;
- acceptance by educational organizations of technology-based education;
- changes in our business and macroeconomic conditions;

- the accuracy of market research published about the Company by third-party data scraping services;
- those identified in Part I, Item 2. “Management’s Discussion and Analysis of Financial Condition and Results of Operations in this Quarterly Report on Form 10-Q; and
- those identified in Part I, Item 1A. “Risk Factors” and Part II, Item 7. “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025 (the “Annual Report on Form 10-K”).

We caution you that the foregoing list does not contain all of the forward-looking statements made in this Quarterly Report on Form 10-Q.

You should not rely upon forward-looking statements as predictions of future events. We have based the forward-looking statements contained in this Quarterly Report on Form 10-Q primarily on our current expectations, estimates, forecasts, and projections about future events and trends that we believe may affect our business, financial condition, results of operations and prospects. These statements are based upon information available to us as of the date of this Quarterly Report on Form 10-Q and, although we believe that we have a reasonable basis for each forward-looking statement contained in this Quarterly Report on Form 10-Q, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all potentially available relevant information. We cannot guarantee that the future results, levels of activity, performance, or events and circumstances reflected in the forward-looking statements will be achieved or occur at all. Moreover, we operate in a very competitive and rapidly changing environment. The results, events, and circumstances reflected in the forward-looking statements may not be achieved or occur, and actual results, events, or circumstances could differ materially from those described in the forward-looking statements. You should not place undue reliance on our forward-looking statements.

The forward-looking statements made in this Quarterly Report on Form 10-Q relate only to events as of the date on which the statements are made. While we may elect to update such forward-looking statements at some point in the future, unless required by applicable law, we disclaim any obligation to do so, even if subsequent events cause our views to change.

You should read this Quarterly Report on Form 10-Q and the documents that we reference in this Quarterly Report on Form 10-Q completely and with the understanding that our actual future results may be materially different from what we expect. We qualify all of the forward-looking statements in this Quarterly Report on Form 10-Q by these cautionary statements.

Unless the context otherwise requires, all references in this Quarterly Report on Form 10-Q to “Duolingo,” the “Company”, “we,” “our,” “us,” or similar terms refer to Duolingo, Inc. and its subsidiaries.

Special Note Regarding Key Operating Metrics

We manage our business by tracking several operating metrics, including daily active users (DAUs), paid subscribers, subscription bookings, and total bookings. We believe each of these operating metrics provides useful information to investors and others. For information concerning these metrics as measured by us, see Part I, Item 2. “Management’s Discussion and Analysis of Financial Condition and Results of Operations - Key Operating Metrics and Non-GAAP Financial Measures.”

While these metrics are based on what we believe to be reasonable estimates of our user base for the applicable period of measurement, there are inherent challenges in measuring how our platform is used. These metrics are determined by using internal data gathered on an analytics platform that we developed and operate and have not been validated by an independent third party. This platform tracks user account and session activity. If we fail to maintain an effective analytics platform, our metrics calculations may be inaccurate.

We believe that these metrics are reasonable estimates of our user base for the applicable period of measurement, and that the methodologies we employ and update from time-to-time to create these metrics are reasonable bases to identify trends in user behavior. Because we update the methodologies we employ to create metrics, our operating metrics may not be comparable to those in prior periods. See “Risk Factors—Our user metrics and other operating metrics are subject to inherent challenges in measurement, and real or perceived inaccuracies in those metrics may negatively affect our reputation and our business” included in the Annual Report on Form 10-K. Other companies, including companies in our industry, may calculate these metrics differently.

Part I Financial Information

Item 1. Financial Statements (Unaudited)

DUOLINGO, INC. AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS
(Amounts in thousands, except par value amounts)

	June 30, 2026	December 31, 2025
ASSETS		
Current assets		
Cash and cash equivalents	$ 1,180,887	$ 1,036,389
Short-term investments	132,979	104,078
Accounts receivable	130,979	162,827
Deferred cost of revenues	102,689	102,663
Income tax receivable	2,707	14,067
Prepaid expenses and other current assets	20,873	16,582
Total current assets	1,571,114	1,436,606
Operating lease right-of-use assets	74,830	80,380
Long-term investments	102,693	135,098
Intangible assets, net	27,598	28,309
Property and equipment, net	42,619	36,297
Goodwill	35,335	35,335
Restricted cash	2,735	2,735
Deferred tax assets, net	206,039	227,339
Other assets	10,990	10,083
Total assets	**$ 2,073,953**	**$ 1,992,182**
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Deferred revenues	$ 505,102	$ 496,205
Accounts payable	16,196	7,998
Income tax payable	1,106	1,257
Accrued expenses and other current liabilities	55,429	45,688
Total current liabilities	577,833	551,148
Long-term obligation under operating leases	86,136	93,779
Deferred tax liabilities, net	242	249
Total liabilities	**664,211**	**645,176**
Commitments and contingencies (Note 9)		
Stockholders' equity		
Class A common stock, $0.0001 par value; 2,000,000 shares authorized as of June 30, 2026 and December 31, 2025; 40,337 issued and 40,325 outstanding at June 30, 2026 and 40,368 issued and outstanding at December 31, 2025, respectively	5	5
Class B common stock, $0.0001 par value; 30,000 shares authorized as of June 30, 2026 and December 31, 2025; 6,399 and 6,260 issued and outstanding at June 30, 2026 and December 31, 2025, respectively		
Treasury stock, at cost; 12 and 0 shares as of June 30, 2026 and December 31, 2025, respectively.	(1,425)	—
Additional paid-in capital	1,046,326	1,058,783
Retained earnings	364,836	288,218
Total stockholders' equity	**1,409,742**	**1,347,006**
Total liabilities and stockholders' equity	**$ 2,073,953**	**$ 1,992,182**

See accompanying notes to the Unaudited Condensed Consolidated Financial Statements.

DUOLINGO, INC. AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
(Amounts in thousands, except per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Revenues	$ 298,454	$ 252,265	$ 590,421	$ 483,008
Cost of revenues	81,714	69,684	160,585	136,331
Gross profit	216,740	182,581	429,836	346,677
Operating expenses:				
Research and development	92,195	73,670	175,169	144,060
Sales and marketing	40,007	29,563	79,256	56,225
General and administrative	50,593	45,985	96,939	89,435
Total operating expenses	182,795	149,218	351,364	289,720
Income from operations	33,945	33,363	78,472	56,957
Other (expense) income, net	(410)	1,660	(1,196)	2,661
Income before interest income and income taxes	33,535	35,023	77,276	59,618
Interest income	11,831	11,427	23,642	21,842
Income before income taxes	45,366	46,450	100,918	81,460
Provision for income taxes	12,208	1,669	24,300	1,544
Net income and comprehensive income	$ 33,158	$ 44,781	$ 76,618	$ 79,916
Net income per share attributable to Class A and Class B common stockholders, basic	$ 0.71	$ 0.98	$ 1.64	$ 1.76
Net income per share attributable to Class A and Class B common stockholders, diluted	$ 0.66	$ 0.91	$ 1.53	$ 1.64

See accompanying notes to the Unaudited Condensed Consolidated Financial Statements.

DUOLINGO, INC. AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
THREE MONTHS ENDED JUNE 30, 2026 AND 2025
(Amounts in thousands)

	Common Stock		Treasury Stock				
	Shares	Amount	Shares	Amount	Additional Paid-In Capital	(Accumulated Deficit) Retained Earnings	Total
BALANCE—April 1, 2025	45,416	$ 4	—	$ —	$ 984,534	$ (90,712)	$ 893,826
Stock-based compensation expense	—	—	—	—	34,592	—	34,592
Stock options exercised	162	—	—	—	3,832	—	3,832
Release of restricted stock units	209	—	—	—	—	—	—
Net income	—	—	—	—	—	44,781	44,781
BALANCE—June 30, 2025	45,787	$ 4	—	$ —	$ 1,022,958	$ (45,931)	$ 977,031
BALANCE—April 1, 2026	46,889	$ 5	(46)	$ (4,499)	$ 1,064,580	$ 331,678	$ 1,391,764
Stock-based compensation expense	—	—	—	—	38,210	—	38,210
Release of performance stock units	180	—	—	—	—	—	—
Taxes paid related to net-share settlement of share-based compensation awards	(87)	—	—	—	(9,358)	—	(9,358)
Stock options exercised	33	—	—	—	416	—	416
Release of restricted stock units	188	—	—	—	—	—	—
Repurchases of common stock	—	—	(433)	(44,448)	—	—	(44,448)
Retirement of treasury stock	(467)	—	467	47,522	(47,522)	—	—
Net income	—	—	—	—	—	33,158	33,158
BALANCE—June 30, 2026	46,736	$ 5	(12)	$ (1,425)	$ 1,046,326	$ 364,836	$ 1,409,742

See accompanying notes to the Unaudited Condensed Consolidated Financial Statements.

DUOLINGO, INC. AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
SIX MONTHS ENDED JUNE 30, 2026 AND 2025
(Amounts in thousands)

	Common Stock		Treasury Stock				
	Shares	Amount	Shares	Amount	Additional Paid-In Capital	(Accumulated Deficit) Retained Earnings	Total
BALANCE—January 1, 2025	44,936	$ 4	—	$ —	$ 950,393	$ (125,847)	$ 824,550
Stock-based compensation expense	—	—	—	—	65,610	—	65,610
Stock options exercised	438	—	—	—	6,955	—	6,955
Release of restricted stock units	413	—	—	—	—	—	—
Net income	—	—	—	—	—	79,916	79,916
BALANCE—June 30, 2025	45,787	$ 4	—	$ —	$ 1,022,958	$ (45,931)	$ 977,031
BALANCE—January 1, 2026	46,628	$ 5	—	$ —	$ 1,058,783	$ 288,218	$ 1,347,006
Stock-based compensation expense	—	—	—	—	72,857	—	72,857
Release of performance stock units	360	—	—	—	—	—	—
Taxes paid related to net-share settlements of share-based compensation awards	(171)	—	—	—	(18,799)	—	(18,799)
Stock options exercised	223	—	—	—	2,338	—	2,338
Release of restricted stock units	379	—	—	—	—	—	—
Repurchases of common stock	—	—	(695)	(70,278)	—	—	(70,278)
Retirement of treasury stock	(683)	—	683	68,853	(68,853)	—	—
Net income	—	—	—	—	—	76,618	76,618
BALANCE—June 30, 2026	46,736	$ 5	(12)	$ (1,425)	$ 1,046,326	$ 364,836	$ 1,409,742

See accompanying notes to the Unaudited Condensed Consolidated Financial Statements.

DUOLINGO, INC. AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Amounts in thousands)

	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
Cash flows from operating activities:		
Net income	$ 76,618	$ 79,916
Adjustments to reconcile net income to net cash provided by operating activities:		
Deferred income taxes	21,293	—
Stock-based compensation expense	72,857	65,610
Depreciation and amortization	8,438	7,030
Accretion on marketable securities, net	(642)	(1,017)
Impairment of capitalized software	578	—
Changes in assets and liabilities:		
Deferred revenue	8,897	58,293
Accounts receivable	31,848	16,004
Deferred cost of revenues	(26)	(13,632)
Prepaid expenses and other current assets	7,069	(4,536)
Accounts payable	6,188	593
Accrued expenses and other current liabilities	7,159	(10,350)
Noncurrent assets and liabilities	(1,246)	(1,605)
Net cash provided by operating activities	**239,031**	**196,306**
Cash flows from investing activities:		
Purchases of investments	(75,438)	(48,321)
Maturities and paydowns of investments	79,584	42,470
Capitalized software expense and purchases of intangible assets	(5,587)	(4,463)
Purchase of property and equipment	(7,028)	(2,507)
Net cash used for investing activities	**(8,469)**	**(12,821)**
Cash flows from financing activities:		
Proceeds from exercise of stock options	2,338	6,955
Repurchase of common stock	(69,603)	—
Taxes paid related to net-share settlement of share-based compensation awards	(18,799)	—
Net cash (used for) provided by financing activities	**(86,064)**	**6,955**
Net increase in cash, cash equivalents and restricted cash	144,498	190,440
Cash, cash equivalents and restricted cash - Beginning of period	1,039,124	788,526
Cash, cash equivalents and restricted cash - End of period	$ 1,183,622	$ 978,966

See accompanying notes to the Unaudited Condensed Consolidated Financial Statements.

DUOLINGO, INC. AND SUBSIDIARIES
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION
(Amounts in thousands)

	Six Months Ended June 30,	
	2026	2025
Supplemental disclosure of cash flow information:		
Cash paid for income taxes	$ 768	$ 11,720
Supplemental disclosure of noncash investing activities:		
Property and equipment included in Current liabilities	$ 2,012	$ 827
Landlord incentive included in Other assets	$ 6,809	$ 6,809
Right of use assets obtained in exchange for new operating lease liabilities	$ 1,918	$ 36,025
Supplemental disclosure of noncash financing activities:		
Repurchases of common stock included in Current liabilities	$ 675	$ —

See accompanying notes to the Unaudited Condensed Consolidated Financial Statements.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. DESCRIPTION OF THE BUSINESS AND BASIS OF PRESENTATION

Duolingo, Inc. (the "Company" or "Duolingo") was formed on August 18, 2011, and the Duolingo App was launched to the general public on June 19, 2012. The Company's headquarters are located in Pittsburgh, Pennsylvania.

Duolingo is a mobile learning platform, as well as a digital English language proficiency assessment exam. The Company has a freemium business model: the app and the website are accessible free of charge, although Duolingo also offers premium services for a subscription fee. As of the date of this filing, Duolingo offers over 250 total language courses, including Spanish, English, French, German, Italian, Portuguese, Japanese and Chinese. We have locations in the U.S., China, Germany, and the United Kingdom.

Principles of Consolidation—The Unaudited Condensed Consolidated Financial Statements include the accounts of the Company and subsidiaries over which the Company has control. All intercompany transactions and balances have been eliminated.

Basis of Presentation—The accompanying Unaudited Condensed Consolidated Financial Statements have been prepared in accordance with generally accepted accounting principles in the U.S. ("GAAP") from the Company's accounting records and reflect the consolidated financial position and results of operations for the three and six months ended June 30, 2026 and 2025. Unless otherwise specified, all dollar amounts (other than per share amounts) are referred to in thousands.

The Unaudited Condensed Consolidated Financial Statements have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC"). Certain information and note disclosures normally included in financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to such SEC rules. We believe that the disclosures made are adequate to make the information presented not misleading. In our opinion, all adjustments considered necessary for a fair presentation of the financial statements have been included, and all adjustments are of a normal and recurring nature. We applied the accounting policies consistently with those used in the preparation of the Annual Report on Form 10-K in preparing these Unaudited Condensed Consolidated Financial Statements in this Quarterly Report on Form 10-Q. These Unaudited Condensed Consolidated Financial Statements should be read in conjunction with the audited financial statements and the notes for the fiscal year ended December 31, 2025 included in the Annual Report on Form 10-K and filed with the SEC.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting Principles—The Unaudited Condensed Consolidated Financial Statements and accompanying notes are prepared in accordance with GAAP.

Use of Estimates—The preparation of Unaudited Condensed Consolidated Financial Statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the Unaudited Condensed Consolidated Financial Statements and accompanying notes. Significant estimates and assumptions reflected in the Unaudited Condensed Consolidated Financial Statements include, but are not limited to, useful lives of property and equipment, valuation of deferred tax assets and liabilities, stock-based compensation, operating lease right-of-use assets and liabilities, capitalization of internally developed software and associated useful lives, contingent liabilities, and valuation of goodwill and intangible assets from acquisitions. Actual results may differ materially from such estimates. Management believes that the estimates, and judgments upon which they rely, are reasonable based upon information available to them at the time that these estimates and judgments are made. To the extent that there are material differences between these estimates and actual results, the Company's Unaudited Condensed Consolidated Financial Statements will be affected.

Advertising Costs—Advertising costs were approximately $28,199 and $56,341 for the three and six months ended June 30, 2026, and $19,649 and $37,184 for the three and six months ended June 30, 2025, respectively, and are included within Sales and marketing in the Unaudited Condensed Consolidated Statements of Operations and Comprehensive Income.

Income Taxes—The Company's provision for income taxes is computed by using an estimate of the annual effective tax rate, adjusted for discrete items taken into account in the relevant period, if any. Each quarter, the annual effective income tax rate is recomputed and if there are material changes in the estimate, a cumulative adjustment is made.

Concentration of Credit Risk—The Company's concentration of credit risk relates to financial institutions holding the Company's cash and cash equivalents and platforms with significant accounts receivable balances and revenue transactions.

The Company maintains deposits and certificates of deposit with banks which exceed the Federal Deposit Insurance Corporation ("FDIC") insured limit and money market accounts which are not FDIC insured. Management believes that the financial institutions that hold the Company's deposits are financially credit worthy and, accordingly, minimal credit risk exists with respect to those balances.

The majority of revenue comes through the subscriptions and advertising streams, and payments are made to Duolingo through service providers. Three service providers, Apple, Google, and Stripe, accounted for 65.5%, 15.7%, and 11.7%, respectively, of total Accounts receivable as of June 30, 2026 and 62.5%, 22.7% and 11.4%, respectively, of total Accounts receivable as of December 31, 2025.

Segment—The Company operates as a single operating segment and derives revenues from customers through time-based subscriptions, in-app advertising placement by third parties, the Duolingo English Test, and in-app purchases of virtual goods ("IAPs"). The Chief Executive Officer, as the chief operating decision maker, evaluates the Company's performance and allocates resources based on consolidated net income, as presented in the income statement, supplemented by disaggregated revenue details. Significant segment expenses are those that are presented on the Unaudited Condensed Consolidated Statements of Operations and Comprehensive Income. The measure of segment assets is reported on the balance sheet as total consolidated assets. Accordingly, the Company has determined that it has a single reportable segment and operating segment structure, and operates as one reporting unit.

Impairment of long-lived assets—The Company reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If the sum of the estimated undiscounted future cash flows expected to result from the use and eventual disposition of an asset is less than the carrying amount of the asset, an impairment loss is recognized. Measurement of an impairment loss is based on the fair value of the asset. The Company recorded an impairment of capitalized software of $578 for the three and six months ended June 30, 2026, and no impairment was recognized during the three and six months ended June 30, 2025.

Allowance for Credit Losses—The Company evaluates its cash equivalents, accounts receivable and held-to-maturity marketable securities financial assets for expected credit losses. Expected credit losses represent the portion of the amortized cost basis of a financial asset that an entity does not expect to collect. An allowance for expected credit losses is meant to reflect a risk of loss even if remote, irrespective of the expectation of collection from a particular issuer or debt security. The Company has not historically experienced any credit losses on any of its financial assets.

With respect to cash equivalents and accounts receivable, given consideration of their short maturity, lack of historical losses and the current environment, the Company concluded there is generally no expected credit losses for these financial assets. With respect to held-to-maturity marketable securities which are comprised of debt securities, the Company evaluates expected credit losses on a pooled basis based on issuer-type which have similar credit risk characteristics. There is no allowance for credit losses for all periods presented.

Related Parties—The Company incurred expenses with a vendor which certain members of the Company's Board of Directors and executive officers serve as members of the vendor's board of directors of approximately $207 and $426 during the three and six months ended June 30, 2026, respectively, and $165 and $329 during the three and six months ended June 30, 2025, respectively. As of June 30, 2026 and December 31, 2025, no amounts remained payable to the vendor. These transactions were conducted in the ordinary course of business on terms the Company believes to be comparable to those available from unaffiliated third parties and were reviewed and approved in accordance with the Company's related person transaction policy.

Recent Accounting Pronouncements

Recently Issued Pronouncements Not Yet Adopted

In November 2024, the FASB issued ASU 2024-03, *Income Statement-Reporting Comprehensive Income-Expense Disaggregation Disclosures* (Subtopic 220-40): Disaggregation of Income Statement Expenses. The amendment requires new financial statement disclosures to provide disaggregated information for certain types of expenses, including employee compensation, depreciation, and amortization in commonly presented expense captions such as cost of revenue, sales and marketing, and general and administrative expenses. The amendments in this ASU are effective for annual reporting periods beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027. The Company is currently evaluating the disclosure requirements related to the new standard.

In September 2025, the FASB issued ASU 2025-06, *Intangibles—Goodwill and Other—Internal-Use Software* (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software. The amendments in this update remove all references to prescriptive and sequential software development stages (referred to as "project stages") throughout Subtopic 350-40. The amendments in this update are effective for all entities for annual reporting periods beginning after December 15, 2027, and interim reporting periods within those annual reporting periods. The Company is in the process of evaluating the effect that the adoption of this standard may have on its consolidated financial statements.

Recently Adopted Accounting Pronouncements

There are no recently adopted accounting pronouncements.

3. FAIR VALUE

The Company applies the following fair value hierarchy, which prioritizes the inputs used to measure fair value into three levels and bases the categorization within the hierarchy upon the lowest level of input that is available and significant to the fair value measurement:

Level 1—Observable inputs such as quoted prices in active markets for identical investments that the Company has the ability to access.

Level 2—Inputs include:

- Quoted prices for identical or similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs, other than quoted prices in active markets, which are observable either directly or indirectly;
- Inputs that are derived principally from, or corroborated by, observable market data by correlation or other means.

Level 3—Unobservable inputs in which there is little or no market activity for the asset or liability, which require the reporting entity to develop its own estimates and assumptions relating to the pricing of the asset or liability including assumptions regarding risk.

The following table presents amortized cost, gross unrealized gains and losses, and fair value by major security type and balance sheet classification as of June 30, 2026 and December 31, 2025:

	As of June 30, 2026						
(In thousands)	**Amortized Cost**	**Gross Unrealized Gains**	**Gross Unrealized Losses**	**Fair Value**	**Cash Equivalents**	**Short-Term Investments**	**Long-Term Investments**
Cash	$ —	$ —	$ —	$ 184,869	$ 184,869	$ —	$ —
Level 1							
Commercial paper	$ 8,417	$ —	$ (18)	$ 8,399	$ —	$ 8,417	$ —
Money market funds	996,018	—	—	996,018	996,018	—	—
Subtotal	**$ 1,004,435**	**$ —**	**$ (18)**	**$ 1,004,417**	**$ 996,018**	**$ 8,417**	**$ —**
Level 2							
Asset-backed securities	$ 22,141	$ 2	$ (30)	$ 22,113	$ —	$ 4	$ 22,136
Corporate debt securities	160,121	17	(407)	159,731	—	104,609	55,513
U.S. Treasury securities	43,593	2	(200)	43,395	—	19,949	23,644
Subtotal	**$ 225,855**	**$ 21**	**$ (637)**	**$ 225,239**	**$ —**	**$ 124,562**	**$ 101,293**
Level 3							
Investment in SAFE	$ —	$ —	$ —	$ 1,400	$ —	$ —	$ 1,400
Subtotal	**$ —**	**$ —**	**$ —**	**$ 1,400**	**$ —**	**$ —**	**$ 1,400**
Total	**$ 1,230,290**	**$ 21**	**$ (655)**	**$ 1,415,925**	**$ 1,180,887**	**$ 132,979**	**$ 102,693**

(In thousands)	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Cash Equivalents	Short-Term Investments	Long-Term Investments
	As of December 31, 2025						
Cash	$ —	$ —	$ —	$ 155,840	$ 155,840	$ —	$ —
Level 1							
Commercial paper	$ 4,318	$ —	$ —	$ 4,318	$ 1,993	$ 2,324	$ —
Money market funds	878,556	—	—	878,556	878,556	—	—
Subtotal	**$ 882,874**	**$ —**	**$ —**	**$ 882,874**	**$ 880,549**	**$ 2,324**	**$ —**
Level 2							
Asset-backed securities	$ 26,794	$ 44	$ —	$ 26,838	$ —	$ 347	$ 26,447
Corporate debt securities	182,417	237	(19)	182,635	—	93,997	88,420
U.S. Treasury securities	26,241	154	—	26,395	—	7,410	18,831
Subtotal	**$ 235,452**	**$ 435**	**$ (19)**	**$ 235,868**	**$ —**	**$ 101,754**	**$ 133,698**
Level 3							
Investment in SAFE	$ —	$ —	$ —	$ 1,400	$ —	$ —	$ 1,400
Subtotal	$ —	$ —	$ —	$ 1,400	$ —	$ —	$ 1,400
Total	**$ 1,118,326**	**$ 435**	**$ (19)**	**$ 1,275,982**	**$ 1,036,389**	**$ 104,078**	**$ 135,098**

As of June 30, 2026 and December 31, 2025, all of the Company’s short-term investments have contractual maturities of one year or less and all of the Company’s long-term investments have contractual maturities between one and five years. The Company has elected to present accrued interest within Prepaid expenses and other current assets in the Unaudited Condensed Consolidated Balance Sheets. Accrued interest was $2,091 and $2,099 as of June 30, 2026 and December 31, 2025, respectively.

Changes in market interest rates, credit risk of borrowers and overall market liquidity, among other factors, may cause the short-term and long-term debt investments to fall below their amortized cost basis, resulting in unrealized losses. For those debt securities in an unrealized loss position as of June 30, 2026, the Company does not intend to sell, nor is it more likely than not that it will be required to sell, such securities before recovering the amortized cost basis. No allowance for credit losses was recognized in the financial statements for held-to-maturity debt securities for the periods ended June 30, 2026 and 2025.

4. REVENUE

Disaggregation of Revenue

In accordance with Accounting Standards Codification ("ASC") 606, *Revenue from Contracts with Customers*, the Company disaggregates revenue from contracts with customers into revenue streams, which most closely depicts how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors.

(In thousands)	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
Subscription	$ 258,035	$ 210,678	$ 508,943	$ 401,665
Advertising	21,052	20,603	41,666	38,485
Duolingo English Test	10,109	10,088	21,426	22,074
IAPs	8,002	10,390	16,448	19,832
Other	1,256	506	1,938	952
Total revenues	$ 298,454	$ 252,265	$ 590,421	$ 483,008

Three service providers, Apple, Google, and Stripe processed 59.6%, 23.2%, and 11.9%, and 59.9%, 23.1%, and 11.7%, respectively, of total revenues for the three and six months ended June 30, 2026, respectively. Two service providers Apple and Google processed 61.6% and 23.9%, and three service providers, Apple, Google, and Stripe processed 61.3%, 23.6% and 10.4%, respectively, of total revenues for the three and six months ended June 30, 2025, respectively.

Deferred revenue consists of payments received in advance of revenue recognition, and is mostly related to time-based subscriptions, which will be recognized into revenue over the course of the upcoming year (recognized over 12 months or less). Additionally, the Duolingo English Test has deferred revenue related to tests that have been purchased, but will not be recognized until the tests have been proctored. Changes in deferred revenues were as follows:

(In thousands)	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
Beginning balance—January 1	$ 496,205	$ 372,884
Amount from beginning balance recognized into revenue	(354,694)	(262,611)
Deferral of revenue	551,689	496,605
Amount recognized from current period deferrals	(188,098)	(175,701)
Ending balance—June 30	$ 505,102	$ 431,177

5. PROPERTY AND EQUIPMENT, NET

Property and equipment, net, consists of the following:

(In thousands)	June 30, 2026	December 31, 2025
Leasehold improvements	$ 52,732	$ 44,773
Furniture, fixtures and equipment	14,136	13,095
Total property and equipment	66,868	57,868
Less: accumulated depreciation	(24,249)	(21,571)
Total property and equipment, net	$ 42,619	$ 36,297

Depreciation expense is included within the following financial statement line items within the Company’s Unaudited Condensed Consolidated Statements of Operations and Comprehensive Income.

(In thousands)	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
Research and development	$ 859	$ 869	$ 1,705	$ 1,625
Sales and marketing	104	106	205	201
General and administrative	399	364	808	766
Total	$ 1,362	$ 1,339	$ 2,718	$ 2,592

6. INTANGIBLE ASSETS

Intangible assets, net, consist of the following:

(In thousands)	June 30, 2026	December 31, 2025
Capitalized software	$ 49,858	$ 44,849
Acquired intangible assets	9,310	9,310
Other indefinite-lived intangible assets	252	252
Total intangible assets	59,420	54,411
Less: accumulated amortization	(31,822)	(26,102)
Intangible assets, net	$ 27,598	$ 28,309

The Company capitalized $5,587 and $4,328 of software development costs, with the majority of the costs being employee wages, during the six months ended June 30, 2026 and 2025, respectively. The Company recorded an impairment of capitalized software of $578 for the three and six months ended June 30, 2026, which represents an impairment to write off the capitalization of an internal-use software project prior to being launched to the user base. No impairment was recognized during the three and six months ended June 30, 2025. Amortization expense is included within the following financial statement line items within the Company's Unaudited Condensed Consolidated Statements of Operations and Comprehensive Income.

	Three Months Ended June 30,		Six Months Ended June 30,	
(In thousands)	2026	2025	2026	2025
Cost of revenues	$ 2,824	$ 1,957	$ 5,598	$ 4,168
Sales and marketing	61	144	122	270
Total	$ 2,885	$ 2,101	$ 5,720	$ 4,438

7. INCOME TAXES

Year-to-date income tax expense or benefit is the product of the most current projected annual effective tax rate ("PAETR") and the actual year-to-date pretax income, adjusted for any discrete items. The income tax expense or benefit for a particular quarter is the difference between the year-to-date calculation of income tax expense or benefit and the year-to-date calculation for the prior year period. Items unrelated to current period ordinary income or loss are recognized entirely in the period identified as a discrete item of tax.

The Company's PAETR exceeds the U.S. federal statutory rate of 21.0% during the three and six months ended June 30, 2026 primarily due to certain non-deductible expenses and state and local income taxes, partially offset by research and development tax credits and the foreign-derived intangible income deduction. In the prior year period, the variance was primarily driven by a discrete tax benefit from excess tax benefits on stock-based compensation, when the Company maintained a valuation allowance.

The Company's income before taxes, income tax provision or benefit and effective tax rates were as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
(In thousands, except percentages)	2026	2025	2026	2025
Income before income taxes	$ 45,366	$ 46,450	$ 100,918	$ 81,460
Provision for income taxes	12,208	1,669	$ 24,300	$ 1,544
Effective tax rate	26.9 %	3.6 %	24.1 %	1.9 %

8. STOCKHOLDERS' EQUITY

A summary of stock option activity as of June 30, 2026 is as follows:

(In thousands, except prices and years)	Number of options	Weighted-average exercise price	Weighted- average remaining contractual life (years)	Aggregate intrinsic value
Options outstanding at January 1, 2026	859	$ 18.38	3.77	$ 135,938
Granted (1)	—	—		
Exercised	(223)	10.53		
Forfeited and expired (2)	—	—		
Options outstanding at June 30, 2026	636	$ 21.09	3.68	$ 60,408
Options exercisable at June 30, 2026	636	$ 21.09	3.68	$ 60,408

(1) There were no stock options granted during the three and six months ended June 30, 2026.
(2) There was a nominal amount of forfeitures and expirations during the three and six months ended June 30, 2026.

The total intrinsic value of options exercised was approximately $21,623 and $160,618 for the periods ended June 30, 2026, and 2025, respectively.

A summary of RSU activity as of June 30, 2026 is as follows:

(In thousands, except prices)	Restricted stock units	Weighted-average grant date fair value per share
Outstanding at January 1, 2026	1,406	$ 242.94
Granted	1,941	111.19
Released	(379)	182.37
Forfeited	(151)	238.45
Outstanding at June 30, 2026	2,817	$ 160.55

As of June 30, 2026, there was no unrecognized stock-based compensation expense related to stock options granted under the plans. The amount of unrecognized stock-based compensation expense for RSUs as of June 30, 2026 was $412,023 with a weighted-average period of approximately three years.

There were 9,307 shares available for issuance under the Company's 2021 Incentive Award Plan and 1,604 shares available for issuance under the Company's 2021 Employee Stock Purchase Plan, in each case, at June 30, 2026.

Performance-based RSUs

In June 2021, the Company granted performance-based RSUs to its founders ("Founder Awards") that vest based on continued service and the achievement of specified stock price targets. As of June 30, 2026, certain performance conditions have been achieved, while others remain subject to future stock price performance. Stock-based compensation expense is recognized over the derived service period using an accelerated attribution method, subject to continued service.

In 2026, the Company modified the service condition applicable to the final two tranches of the Founder Awards held by one of its founders. The modification was accounted for as a Type III modification under ASC 718. As a result of the revised service condition, the Company reversed $8,217 of stock-based compensation expense previously recognized under the original derived service periods. The modified awards have a total compensation cost of approximately $9,960, based on the modified fair value determined using a Monte Carlo simulation model, representing an increase of $1,743, over the original grant-date fair value. The total compensation cost will be recognized over the revised derived service periods, which extend through September 30, 2029.

As a result of the modification, the Company recognized a stock-based compensation benefit of $6,982 and $5,766 related to the Founder Awards during the three and six months ended June 30, 2026, respectively. The Company recognized stock-based compensation expense of $3,963 and $8,077 for the three and six months ended June 30, 2025, respectively. As of June 30, 2026, unrecognized stock-based compensation expense related to the Founder Awards was $12,240.

Stock-Based Compensation

Total stock-based compensation expense was $38,210 and $72,857 for the three and six months ended June 30, 2026 and $34,592 and $65,610 for the three and six months ended June 30, 2025, respectively.

Stock-based compensation expense is included in the Unaudited Condensed Consolidated Statements of Operations and Comprehensive Income as shown in the following table:

	Three Months Ended June 30,		Six Months Ended June 30,	
(In thousands)	**2026**	**2025**	**2026**	**2025**
Cost of revenues	$ 31	$ 24	$ 54	$ 44
Research and development	26,861	20,481	49,384	38,294
Sales and marketing	2,008	1,593	3,804	3,024
General and administrative	9,310	12,494	19,615	24,248
Total	$ 38,210	$ 34,592	$ 72,857	$ 65,610

Nominal amounts of stock-based compensation expense is capitalized into intangible assets for the three and six months ended June 30, 2026 and 2025.

Common Stock Repurchases

In February 2026, Duolingo's Board of Directors authorized a share repurchase program of up to $400,000. During the three and six months ended June 30, 2026, the Company repurchased a total of 432 and 695 shares, respectively, of the Company's Class A common stock through open market purchases at an average per share price of $102.80 and $101.15, respectively, for a total repurchase price of $44,448 and $70,278, respectively. During the three and six months ended June 30, 2026, 467 and 683 of these shares were retired, respectively. The cost of the remaining 12 shares is recorded as treasury stock in the Unaudited Condensed Consolidated Balance Sheets as of June 30, 2026. As of June 30, 2026, $329,722 of the total amount authorized to be repurchased remained available.

9. COMMITMENTS AND CONTINGENCIES

Legal Proceedings— From time to time, the Company may become involved in various legal proceedings in the ordinary course of its business and may be subject to third-party infringement claims. Legal costs incurred in connection with the resolution of claims and lawsuits are generally expensed as incurred and are included in General and administration expense within our Unaudited Condensed Consolidated Statements of Operations and Comprehensive Income. The Company establishes reserves for the outcome of litigation where losses are deemed probable and reasonably estimable. The Company's assessment of the current exposure could change in the event of the discovery of additional facts with respect to legal matters pending against the Company or determinations by judges, juries, administrative agencies or other finders of fact that are not in accordance with the Company's evaluation of claims. Actual liabilities may exceed the amounts reserved, and there can be no assurance that final resolution of these matters will not have a material adverse effect on the Company’s financial condition, results of operations or cash flows. During the three months ended June 30, 2026, the Company accrued approximately $5 million for certain proposed legal settlement charges, representing the Company's expected amount of the total settlement obligation, with the remainder expected to be funded by insurance. This amount is not material to the Company's financial condition, results of operations or cash flows.

Letters of Credit— The Company has a standby letter of credit obtained in connection with an operating lease. This letter of credit acts as security for the faithful performance by us of all terms, covenants and conditions of the lease agreement. The amount of the letter of credit is equal to six months rent of $442, totaling $2,656. The cash collateral for the letter of credit has been recognized as restricted cash in the Unaudited Condensed Consolidated Balance Sheet and is equivalent to 103% of the letter of credit and totaled $2,735.

10. EMPLOYEE BENEFIT PLAN

The Company sponsors a profit sharing plan with an Internal Revenue Code Section 401(k) feature, the Duolingo Retirement Trust (the “Plan”), for eligible employees. The Plan, effective January 1, 2021, provides for Company safe harbor matching contributions of 100% of the first 4% of the employees’ elective deferrals and 50% of the next 2%, with vesting starting upon the first day of employment. The Company also has the option to make discretionary matching or profit sharing contributions. The Company made safe harbor matching contributions of approximately $2,476 and $4,689 during the three and six months ended June 30, 2026, and $2,060 and $4,029 during the three and six months ended June 30, 2025, respectively. The Company did not make any discretionary matching or profit sharing contributions during the three and six months ended June 30, 2026 or 2025.

11. EARNINGS PER SHARE

Basic net income per share attributable to common stockholders is calculated by dividing net income by the weighted-average number of shares of common stock outstanding during the period, less shares subject to repurchase. Diluted net income per share is calculated by giving effect to all potentially dilutive common stock equivalents.

The rights of Class A and Class B common stock are identical, except with respect to voting and conversion. As a result, undistributed earnings are allocated on a proportional basis and net income per share is the same for both classes.

The computation of basic and diluted earnings per share attributable to common shareholders is as follows:

(In thousands, except per share data)	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
Numerator:				
Net income attributable to Class A and Class B common stockholders	$ 33,158	$ 44,781	$ 76,618	$ 79,916
Denominator:				
Weighted-average shares in computing net income per share attributable to Class A and Class B common stockholders, basic	46,695	45,610	46,744	45,380
Effect of dilutive securities				
Founder awards where performance has been met	—	720	—	720
Dilutive effect of stock options outstanding (1)	519	1,032	519	1,032
RSUs outstanding	2,817	1,638	2,817	1,638
Denominator for dilutive net income per common share - weighted-average shares	50,031	49,000	50,080	48,770
Basic income per common share	$ 0.71	$ 0.98	$ 1.64	$ 1.76
Diluted income per common share	$ 0.66	$ 0.91	$ 1.53	$ 1.64

(1) The Company had 0.6 million options outstanding as of June 30, 2026. The estimated dilutive effect is calculated as the number of shares expected to be issued upon vesting or exercise, adjusted for the strike price proceeds that are received by the Company and assumed to be used to repurchase shares of Duolingo common stock.

12. SUBSEQUENT EVENTS

None.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our Unaudited Condensed Consolidated Financial Statements and related notes included elsewhere in this Quarterly Report on Form 10-Q, the audited consolidated financial statements and related notes included in our Annual Report on Form 10-K and in Part II, Item 7. “Management’s Discussion and Analysis of Financial Condition and Results of Operations” of our Annual Report on Form 10-K. The following discussion contains forward-looking statements, such as those relating to our plans, objectives, expectations, intentions, and beliefs, that involve risks, uncertainties and assumptions. Our actual results could differ materially from these forward-looking statements as a result of many factors, including those discussed in “Special Note Regarding Forward-Looking Statements,” and included elsewhere in this Quarterly Report on Form 10-Q, and in Part I, Item 1A. “Risk Factors,” and Part II, Item 7. “Management’s Discussion and Analysis of Financial Condition and Results of Operations” of our Annual Report on Form 10-K. Our historical results are not necessarily indicative of the results that may be expected for any periods in the future.

Amounts reported in millions are rounded based on the amounts in thousands. As a result, the sum of the components reported in millions may not equal the total amount reported in millions due to rounding. In addition, percentages presented are calculated from the underlying numbers in thousands and may not add to their respective totals due to rounding.

Overview

Our flagship app has become the world's most popular way to learn languages and the top-grossing Education app in the App Stores, offering over 250 total language courses to over 58 million daily active users for the three months ended June 30, 2026. We believe that we have become the preeminent online destination for language learning due to our beautifully designed products, exceptional user engagement, and demonstrated learning efficacy.

Key Operating Metrics and Non-GAAP Financial Measures

We regularly review a number of key operating metrics and non-GAAP financial measures to evaluate our business, measure our performance, identify trends, prepare financial projections and make business decisions. The measures set forth below should be considered in addition to, not as a substitute for or in isolation from, our financial results prepared in accordance with generally accepted accounting principles in the U.S. ("GAAP"). Daily active users (DAUs), along with paid subscribers, subscription bookings and total bookings, are operating metrics that help inform management about the underlying growth in users of our platform, and are a measure of our monetization efforts. To calculate the year-over-year change in DAUs for a given period, we subtract the average for the same period in the previous year from the average for the same period in the current year and divide the result by the average for the same period in the previous year. Other companies, including companies in our industry, may calculate these measures differently or not at all, which reduces their usefulness as comparative measures.

	Three Months Ended June 30,	
(In millions)	2026	2025
Operating Metrics		
Daily active users (DAUs) (1)	58.7	47.7
Paid subscribers (at period end)	12.7	10.9

	Three Months Ended June 30,		Six Months Ended June 30,	
(In thousands)	2026	2025	2026	2025
Operating Metrics				
Subscription bookings	$ 250,316	$ 227,259	$ 518,381	$ 459,443
Total bookings	$ 289,054	$ 268,020	$ 597,538	$ 539,668
Non-GAAP Financial Measures				
Net income (GAAP)	$ 33,158	$ 44,781	$ 76,618	$ 79,916
Adjusted EBITDA	$ 77,315	$ 78,680	$ 160,747	$ 141,484
Net cash provided by operating activities (GAAP)	$ 88,260	$ 90,675	$ 239,031	$ 196,306
Free cash flow	$ 78,630	$ 86,324	$ 226,416	$ 189,336

(1) We primarily evaluate user engagement using DAUs, with MAUs as a supplementary metric. MAUs were 140.6 million and 128.3 million for the three months ended June 30, 2026 and 2025, respectively.

Operating Metrics

Daily active users (DAUs). DAUs are defined as unique users who engage with our Duolingo App or the learning section of our website each calendar day. DAUs are reported for a measurement period by taking the average of the DAUs for each day in that measurement period. The measurement period for DAUs is the three months ended June 30, 2026 and the same period in the prior year where applicable, and the analysis of results is based on those periods. DAUs are a measure of the consistent engagement of our global user community on Duolingo.

We had approximately 58.7 million and 47.7 million DAUs for the three months ended June 30, 2026 and 2025, respectively, representing an increase of 23% from the prior year period, driven largely by an increase in retention of current users. We grew DAUs through a combination of product initiatives and marketing. Product improvements, such as making the app more social and engaging, helped attract new users, retain existing users, and reengage former users, while marketing expanded our reach.

Paid Subscribers. Paid subscribers are defined as users who pay for access to any Duolingo subscription offering and had an active subscription as of the end of the measurement period. Each unique user account is treated as a single paid subscriber regardless of whether such user purchases multiple subscriptions, and the count of paid subscribers does not include users who are currently on a free trial or who are non-paying members of a family plan.

As of June 30, 2026 and 2025, we had approximately 12.7 million and 10.9 million paid subscribers, respectively, representing an increase of 17% from the prior year period. We grew paid subscribers through product initiatives designed to make our subscription offerings more appealing, which helped attract new subscribers and retain existing subscribers.

Subscription Bookings and Total Bookings. Subscription bookings represent the amounts we receive from a purchase of any Duolingo subscription offering. Total bookings include subscription bookings, income from advertising networks for advertisements served to our users, purchases of the Duolingo English Test, and in-app purchases of virtual goods ("IAPs"). We believe bookings provide an indication of trends in our operating results, including cash flows, that are not necessarily reflected in our revenues because we recognize subscription revenues ratably over the lifetime of a subscription, the majority of which are twelve months in duration.

For the three months ended June 30, 2026 and 2025, we generated $250.3 million and $227.3 million of subscription bookings, respectively, representing an increase of $23.1 million or 10%, driven by growth in volume and price of subscriptions sold. For the six months ended June 30, 2026 and 2025, we generated $518.4 million and $459.4 million of subscription bookings, respectively, representing an increase of $58.9 million or 13%, driven by growth in volume and price of subscriptions sold.

For the three months ended June 30, 2026 and 2025, we generated $289.1 million and $268.0 million total bookings, respectively, representing an increase of $21.0 million or 8% from the prior year period. For the six months ended June 30, 2026 and 2025, we generated $597.5 million and $539.7 million total bookings, respectively, representing an increase of $57.9 million or 11% from the prior year period. We grew total bookings primarily through growth in subscription bookings.

Monthly active users (MAUs). MAUs are defined as unique users who engage with our Duolingo App or the learning section of our website each month. MAUs are reported for a measurement period by taking the average of the MAUs for each calendar month in that measurement period. The measurement period for MAUs is the three months ended June 30, 2026 and the same period in the prior year where applicable, and the analysis of results is based on those periods. MAUs are a supplemental measure and help illustrate the size of our global active user community on Duolingo.

We had approximately 140.6 million and 128.3 million MAUs for the three months ended June 30, 2026 and 2025, respectively, representing an increase of 10% from the prior year period. We grew MAUs through the same product and marketing initiatives as DAUs.

Non-GAAP Financial Measures

We use certain non-GAAP financial measures to supplement our reported financial results, which are presented in accordance with GAAP. These non-GAAP financial measures include Adjusted EBITDA, free cash flow and constant-currency measures. We use these non-GAAP financial measures for financial and operational decision-making and as a means to evaluate period-to-period comparisons. By excluding certain items that may not be indicative of our recurring core operating results, we believe that Adjusted EBITDA, free cash flow and constant-currency provide meaningful supplemental information regarding our performance. The effect of currency exchange rates on our business is an important factor in understanding period-to-period comparisons. We use non-GAAP constant-currency measures and non-GAAP percentage change in constant-currency measures for financial and operational decision-making and as a means to evaluate period-to-period comparisons. Accordingly, we believe these non-GAAP financial measures are useful to investors and others because they allow for additional information with respect to financial measures used by management in its financial and operational decision-making and they may be used by our institutional investors and the analyst community to help them analyze the health of our business. However, there are a number of limitations related to the use of non-GAAP financial measures, and these non-GAAP financial measures should be considered in addition to, not as a substitute for or in isolation from, our financial results prepared in accordance with GAAP. Other companies, including companies in our industry, may calculate these non-GAAP financial measures differently or not at all, which reduces their usefulness as comparative measures.

Adjusted EBITDA. Adjusted EBITDA is defined as net income excluding interest income, income taxes, depreciation and amortization, stock-based compensation expenses related to equity awards, including employer payroll taxes related to equity transactions, acquisition transaction and integration costs, acquisition earn-out costs, and impairment of capitalized software. Adjusted EBITDA is used by management to evaluate the financial performance of our business and we present Adjusted EBITDA because we believe it is helpful in highlighting trends in our operating results and that it is frequently used by analysts, investors and other interested parties to evaluate companies in our industry. The following table presents a reconciliation of our net income, the most directly comparable financial measure presented in accordance with GAAP, to Adjusted EBITDA.

(In thousands)	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Net income	$ 33,158	$ 44,781	$ 76,618	$ 79,916
Add (deduct):				
Interest income	(11,831)	(11,427)	(23,642)	(21,842)
Provision for income taxes	12,208	1,669	24,300	1,544
Depreciation and amortization	4,247	3,440	8,438	7,030
Stock-based compensation expenses related to equity awards (1)	38,606	39,527	73,761	74,046
Acquisition transaction and integration costs (2)	—	590	—	590
Acquisition earn-out costs (3)	349	100	694	200
Impairment of capitalized software (4)	578	—	578	—
Adjusted EBITDA	$ 77,315	$ 78,680	$ 160,747	$ 141,484

(1) In addition to stock-based compensation expense of $38.2 million and $34.6 million for the three months ended June 30, 2026 and 2025, respectively, and $72.9 million and $65.6 million for the six months ended June 30, 2026 and 2025, respectively, this includes costs incurred related to taxes paid on equity transactions as follows:

(In thousands)	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Research and development	$ 252	$ 1,605	$ 568	$ 2,764
Sales and marketing	13	85	28	157
General and administrative	131	3,245	308	5,515
Total	$ 396	$ 4,935	$ 904	$ 8,436

(2) Represents costs incurred related to acquisitions, which are included in General and administration expense within our Unaudited Condensed Consolidated Statements of Operations and Comprehensive Income.

(3) Represents costs incurred related to the earn-out payments on acquisitions, which is included within General and administrative expense within our Unaudited Condensed Consolidated Statements of Operations and Comprehensive Income.

(4) Represents impairment of capitalized software, which is included within Research and development expense within our Unaudited Condensed Consolidated Statements of Operations and Comprehensive Income.

For the three months ended June 30, 2026 and 2025, we generated net income of $33.2 million and $44.8 million, respectively representing a decrease of $11.6 million. For the six months ended June 30, 2026 and 2025, we generated net income of $76.6 million and $79.9 million, respectively, representing a decrease of $3.3 million. The decrease in net income for the three months ended June 30, 2026, as compared to the comparative prior period was primarily due to operating expenses increasing slightly faster than revenue during the period. The increase in net income for the six months ended June 30, 2026, as compared to the comparative prior period was primarily due to revenue growth and gross margin expansion during the period.

For the three months ended June 30, 2026 and 2025, we generated Adjusted EBITDA of $77.3 million and $78.7 million, respectively, representing a decrease of $1.4 million. For the six months ended June 30, 2026 and 2025, we generated Adjusted EBITDA of $160.7 million and $141.5 million, respectively, representing an increase of $19.3 million. Adjusted EBITDA changed as compared to the comparative periods for the reasons noted above in net income.

Free Cash Flow. Free cash flow is defined as net cash provided by operating activities, less capitalized software development costs and purchases of property and equipment. We believe that free cash flow is a measure of liquidity that provides useful information to our management, investors and others in understanding and evaluating the strength of our liquidity and future ability to generate cash that can be used for strategic opportunities or investing in our business. Free cash flow has certain limitations in that it does not represent our residual cash flow for discretionary expenditures and our non-discretionary commitments. The following table presents a reconciliation of net cash provided by operating activities, the most directly comparable financial measure calculated in accordance with GAAP, to free cash flow:

(*In thousands*)	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Net cash provided by operating activities	$ 88,260	$ 90,675	$ 239,031	$ 196,306
Less: Capitalized software development costs and purchases of intangible assets	(2,734)	(3,153)	(5,587)	(4,463)
Less: Purchases of property and equipment	(6,896)	(1,198)	(7,028)	(2,507)
Free cash flow	$ 78,630	$ 86,324	$ 226,416	$ 189,336

For the three months ended June 30, 2026 and 2025, we generated $88.3 million and $90.7 million of net cash provided by operating activities, respectively, representing a decrease of $2.4 million. The decrease was primarily due to changes in working capital during the period. For the six months ended June 30, 2026 and 2025, we generated $239.0 million and $196.3 million of net cash provided by operating activities, respectively, representing an increase of $42.7 million. The increase was primarily due to higher operating income and changes in working capital.

For the three months ended June 30, 2026 and 2025, we generated $78.6 million and $86.3 million of free cash flow, respectively, representing a decrease of $7.7 million. Free cash flow decreased in line with operating cash flow, reflecting the same underlying drivers of cash provided by operating activities and by higher capital investments as we expand our office footprints. For the six months ended June 30, 2026 and 2025, we generated $226.4 million and $189.3 million of free cash flow, respectively, representing an increase of $37.1 million. Free cash flow increased in line with operating cash flow, reflecting the same underlying drivers of cash provided by operating activities, partially offset by higher capital investments.

Constant-Currency. The effect of currency exchange rates on our business is an important factor in understanding period-to-period comparisons. We use non-GAAP percentage change in constant-currency revenues and bookings, which exclude the impact of fluctuations in foreign currency exchange rates, for financial and operational decision-making and as a means to evaluate period-to-period comparisons. We believe this information is useful to investors to facilitate comparisons and better identify trends in our business. The impact of changes in foreign currency may vary significantly from period to period, and such changes generally are outside of the control of our management. We calculate constant-currency revenues by translating current period foreign currency revenues using prior-year exchange rates applied consistently over the full revenue recognition period. We calculate constant-currency bookings by using current period foreign currency bookings and translating them to constant currency using prior-year comparable period exchange rates. The constant-currency percentage change for revenues and bookings is calculated by dividing the difference between the constant-currency amount and the prior-year comparable period amount by the prior-year comparable period amount.

The following table provides the changes in bookings and revenues on a reported basis and constant-currency basis:

	Three Months Ended June 30,				Six Months Ended June 30,			
(in thousands)	2026	2025	% Change	Constant-Currency Change %	2026	2025	% Change	Constant-Currency Change %
Revenue								
Subscription	$ 258,035	$ 210,678	22%	21%	$ 508,943	$ 401,665	27%	24%
Total revenues	$ 298,454	$ 252,265	18%	17%	$ 590,421	$ 483,008	22%	19%
Bookings								
Subscription	$ 250,316	$ 227,259	10%	9%	$ 518,381	$ 459,443	13%	10%
Total Bookings	$ 289,054	$ 268,020	8%	6%	$ 597,538	$ 539,668	11%	8%

Components of Our Results of Operations

Revenue

We generate revenues primarily from the sale of subscriptions. The term-length of our subscription agreements are primarily monthly or annual, with the family plan offered as an annual subscription. We also generate revenue from advertising, the in-app sale of virtual goods, and the Duolingo English Test. We may run experiments that result in a different mix of revenue from these levers in the future.

Cost of Revenues

Cost of revenues predominantly consists of third-party payment processing fees charged by various distribution channels in addition to hosting fees and third-party AI costs. To a much lesser extent, cost of revenues includes customer support costs, such as contractor fees, wages and stock-based compensation for certain employees working in customer support. It also includes the amortization of revenue generating capitalized software, and depreciation of certain property and equipment.

We intend to continue to invest in the development and enhancement of our products to expand their capabilities and allow our users to realize the full benefit of our offerings. The level, timing, and relative investment in these areas could affect our cost of revenues in the future.

Gross Profit and Gross Margin

Gross profit represents revenues less cost of revenues. Gross margin is gross profit expressed as a percentage of revenues. Our gross profit may fluctuate from period to period as our revenues fluctuate, and also as a result of the timing and amount of investments we make in items related to cost of revenues.

Operating Expenses

Our operating expenses consist of research and development, sales and marketing, and general and administrative expenses. Personnel costs are the most significant component of operating expenses and consist of salaries, benefits, and stock-based compensation expense. Operating expenses also include overhead costs for facilities, including depreciation expense.

Research and Development. We invest heavily in research and development to create new products and product features that are intended to help us grow our user base, engage our users, monetize our users, and teach our users. This, in turn, can impact the growth in, and lifetime value of, our paid subscribers, as well as increased advertising revenue from impressions from our free users. Expenses are primarily made up of costs incurred for the development of new and improved products and features in our applications during the preliminary product development stage. Such expenses include employee-related compensation, including stock-based compensation, of engineers, designers, and product managers, in addition to materials, travel and direct costs associated with the design, required testing of our platform and depreciation of certain property and equipment. We expect engineers, designers, and product managers to represent a significant portion of our employees for the foreseeable future. We typically capitalize a portion of research and development costs once the product has reached application development phase, mostly consisting of wages, each period into capitalized software when the work is specific to launching a new product, or making major upgrades to our existing products or platforms. We regularly test product improvements with our users. Many of these tests start by making small changes in the product that affect small numbers of users. As the tests evolve, they can require increasing investment and can impact more users. This process of constant testing is how we implement many of our new products and improvements to our platform and, in total, require large investments and involve substantial time and risks to develop and launch. Some of these products and product improvements may not be well received or may take a long time for users to adopt. As a result, the impact resulting from our research and development investments may be difficult to forecast.

Sales and Marketing. Sales and marketing expenses are expensed as incurred and consists primarily of new user acquisition, brand marketing, digital and social media content, and employee-related compensation, including stock-based compensation, for personnel engaged in sales and marketing functions, amortization of non-revenue generating capitalized software used to promote Duolingo and depreciation of certain property and equipment.

General and Administrative. General and administrative expenses primarily consist of employee-related compensation, including stock-based compensation, for management and administrative functions, including our finance and accounting, legal, and people teams. General and administrative expenses also include certain professional services fees, general corporate and director and officer insurance, our facilities costs, public company costs to comply with the rules and regulations of the Securities and Exchange Commission ("SEC") and the Listing Rules of the Nasdaq Global Select Market, and other general overhead costs that support our operations.

Interest Income

Interest income consists of income earned on our cash and money market funds included in cash and cash equivalents and income earned and net accretion on our marketable securities.

Other (expense) income, net

Other (expense) income, net consists primarily of foreign currency exchange gains and losses.

Income taxes

Income taxes represent the tax impact associated with our operations under the tax laws of the jurisdictions in which we operate. In addition to the U.S., we also operate in foreign jurisdictions that have different statutory rates. Our effective tax rate may vary based on the relative proportion of foreign to domestic income, the tax effects of stock-based compensation (which can fluctuate with our stock price), and changes in tax laws.

Results of Operations

Comparison of the three and six months ended June 30, 2026 and 2025

The following table sets forth our Unaudited Condensed Consolidated Statements of Operations and Comprehensive Income data, including year-over-year change, for the periods indicated:

	Three Months Ended June 30,			Six Months Ended June 30,		
(In thousands)	**2026**	**2025**	**% Change**	**2026**	**2025**	**% Change**
Revenues	$ 298,454	$ 252,265	18%	$ 590,421	$ 483,008	22%
Cost of revenues (1) (2)	81,714	69,684	17	160,585	136,331	18
Gross profit	216,740	182,581	19	429,836	346,677	24
Operating expenses:						
Research and development (1) (2)	92,195	73,670	25	175,169	144,060	22
Sales and marketing (1) (2)	40,007	29,563	35	79,256	56,225	41
General and administrative (1) (2)	50,593	45,985	10	96,939	89,435	8
Total operating expenses	182,795	149,218	23	351,364	289,720	21
Income from operations	33,945	33,363	2	78,472	56,957	38
Other (expense) income, net	(410)	1,660	nm	(1,196)	2,661	nm
Income before interest income and income taxes	33,535	35,023	(4)	77,276	59,618	30
Interest income	11,831	11,427	4	23,642	21,842	8
Income before income taxes	45,366	46,450	(2)	100,918	81,460	24
Provision for income taxes	12,208	1,669	>100	24,300	1,544	>100
Net income and comprehensive income	$ 33,158	$ 44,781	(26)%	$ 76,618	$ 79,916	(4)%

(1) Includes stock-based compensation expenses as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
(In thousands)	**2026**	**2025**	**2026**	**2025**
Cost of revenues	$ 31	$ 24	$ 54	$ 44
Research and development	26,861	20,481	49,384	38,294
Sales and marketing	2,008	1,593	3,804	3,024
General and administrative	9,310	12,494	19,615	24,248
Total	$ 38,210	$ 34,592	$ 72,857	$ 65,610

(2) Includes amortization of capitalized software and depreciation of property and equipment as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
(In thousands)	**2026**	**2025**	**2026**	**2025**
Cost of revenues (a)	$ 2,824	$ 1,957	$ 5,598	$ 4,168
Research and development	859	869	1,705	1,625
Sales and marketing (a)	165	250	327	471
General and administrative	399	364	808	766
Total	$ 4,247	$ 3,440	$ 8,438	$ 7,030

(a) Amortization of capitalized software is recorded to Cost of revenue and Sales and marketing for revenue and non-revenue generating capitalized software, respectively.

The following table sets forth the components of our Unaudited Condensed Consolidated Statements of Operations and Comprehensive Income for each of the periods presented as a percentage of revenue:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Revenues	100 %	100 %	100 %	100 %
Cost of revenues	27	28	27	28
Gross profit	73	72	73	72
Operating expenses:				
Research and development	31	29	30	30
Sales and marketing	13	12	13	12
General and administrative	17	18	16	19
Total operating expenses	61	59	60	60
Income from operations	11	13	13	12
Other (expense) income, net	—	1	—	1
Income before interest income and income taxes	11	14	13	12
Interest income	4	5	4	5
Income before income taxes	15	18	17	17
Provision for income taxes	4	1	4	—
Net income and comprehensive income	11 %	18 %	13 %	17 %

Revenues

Revenues increased by $46.2 million, or 18% to $298.5 million during the three months ended June 30, 2026, from revenues of $252.3 million during the three months ended June 30, 2025. Revenues increased by $107.4 million, or 22%, to $590.4 million during the six months ended June 30, 2026, from revenues of $483.0 million during the six months ended June 30, 2025.

The following table provides the changes in revenues by product type:

	Three Months Ended June 30,				Six Months Ended June 30,			
(in thousands)	2026	2025	Change	% Change	2026	2025	Change	% Change
Subscription	$258,035	$210,678	$47,357	22%	$508,943	$401,665	$107,278	27%
Other								
Advertising	21,052	20,603	449	2	41,666	38,485	3,181	8
Duolingo English Test	10,109	10,088	21	—	21,426	22,074	(648)	(3)
In-App Purchases	8,002	10,390	(2,388)	(23)	16,448	19,832	(3,384)	(17)
Other	1,256	506	750	>100	1,938	952	986	>100
Total Other	$40,419	$41,587	$(1,168)	(3)%	$81,478	$81,343	$135	—%
Total revenues	$298,454	$252,265	$46,189	18%	$590,421	$483,008	$107,413	22%

The main drivers of the increases were:

- Subscription revenue increased $47.4 million, or 22%, to $258.0 million during the three months ended June 30, 2026, and subscription revenue increased $107.3 million, or 27%, to $508.9 million during the six months ended June 30, 2026, primarily due to growth in the average number of paid subscribers, and to a lesser extent, an increase in average revenue per user.

- Other revenue decreased $1.2 million, or 3%, to $40.4 million during the three months ended June 30, 2026, and other revenue increased $0.1 million to $81.5 million during the six months ended June 30, 2026. The decrease in the three months ended June 30, 2026 was primarily due to decreased IAP revenue. The increase in the six months ended June 30, 2026 was primarily driven by higher advertising revenue and, to a lesser extent, higher revenue from partnerships, partially offset by lower IAP revenue.

Cost of Revenues and Gross Margin. Total gross margin increased to 72.6% from 72.4% during the three months ended June 30, 2026 and 2025, and total gross margin increased to 72.8% from 71.8% during the six months ended June 30, 2026 and 2025. The increase was primarily attributable to an increase in subscription gross margin, reflecting continued reductions in per-unit third-party AI costs.

The following table provides the change in cost of revenues, along with related gross margins:

	Three Months Ended June 30,						Six Months Ended June 30,					
	2026		2025		Change		2026		2025		Change	
(In thousands, except gross margin)	Costs	Gross Margin	Costs	Gross Margin	Costs	Gross Margin	Costs	Gross Margin	Costs	Gross Margin	Costs	Gross Margin
Total cost of revenues	$ 81,714	72.6 %	$ 69,684	72.4 %	$ 12,030	0.2 %	$ 160,585	72.8 %	$ 136,331	71.8 %	$ 24,254	1.0%

Operating Expenses

Research and Development. Research and development expense increased by $18.5 million, or 25%, to $92.2 million during the three months ended June 30, 2026 from $73.7 million during the three months ended June 30, 2025. The increase was primarily due to higher net personnel costs of $13.8 million, driven primarily by growth in headcount, including increased stock-based compensation expenses related to equity awards of $5.0 million, and increased software and third-party AI costs of $3.3 million.

Research and development expense increased by $31.1 million, or 22%, to $175.2 million during the six months ended June 30, 2026 from $144.1 million during the six months ended June 30, 2025. The increase was primarily due to higher net personnel costs of $23.6 million, driven primarily by the growth in headcount, including increased stock-based compensation expenses related to equity awards of $8.9 million, and increased software and third-party AI costs of $5.5 million.

Sales and Marketing. Sales and marketing expense increased by $10.4 million, or 35%, to $40.0 million during the three months ended June 30, 2026 from $29.6 million during the three months ended June 30, 2025. This increase was mainly due to increased advertising costs of $8.6 million.

Sales and marketing expense increased by $23.0 million, or 41%, to $79.3 million during the six months ended June 30, 2026 from $56.2 million during the six months ended June 30, 2025. This increase was mainly due to increased advertising costs of $19.2 million.

General and Administrative. General and administrative expense increased by $4.6 million, or 10%, to $50.6 million during the three months ended June 30, 2026, from $46.0 million during the three months ended June 30, 2025. This increase was primarily due to higher legal and accounting fees of $5.4 million and higher facilities and office expenses of $1.2 million, partially offset by a $3.7 million decrease in personnel costs. The decrease in personnel costs was primarily due to a $3.2 million decrease in stock-based compensation expense, including the impact of a PSU award modification described within Part I, Item 1 Financial Statements – Note 8, “Stockholders’ Equity”, and lower employer taxes related to stock-based compensation, partially offset by higher gross wages resulting from increased average headcount.

General and administrative expense increased by $7.5 million, or 8%, to $96.9 million during the six months ended June 30, 2026, from $89.4 million during the six months ended June 30, 2025. This increase was primarily due to higher legal and accounting fees of $5.8 million, higher facilities and office expenses of $4.0 million, partially offset by a decrease in personnel costs of $4.8 million. The decrease in personnel costs was driven by the same factors described above for the three-month period, including lower stock-based compensation expense and employer taxes related to stock-based compensation, partially offset by higher gross wages resulting from increased average headcount.

Interest Income

Interest income increased by $0.4 million, or 4%, to $11.8 million during the three months ended June 30, 2026 from $11.4 million during the three months ended June 30, 2025. Interest income increased by $1.8 million, or 8%, to $23.6 million during the six months ended June 30, 2026, from $21.8 million during the six months ended June 30, 2025. Both period increases were due to higher average interest-bearing balances partially offset by lower interest rates.

Other (expense) income, net

Other (expense) income, net was $0.4 million of expense during the three months ended June 30, 2026 and $1.7 million of income during the three months ended June 30, 2025, respectively, and $1.2 million of expense during the six months ended June 30, 2026 and $2.7 million of income during the six months ended June 30, 2025. The fluctuations were mainly from the impact from changes in foreign currency rates compared to prior periods.

Income taxes

The income tax provision was $12.2 million and $24.3 million during the three and six months ended June 30, 2026, respectively, and $1.7 million and $1.5 million during the three and six months ended June 30, 2025, respectively. This increase was primarily due to discrete tax expense related to stock-based compensation activity in the current period compared to benefits in the prior year period.

Liquidity and Capital Resources

We finance our operations primarily through revenues and the net proceeds we have received from the issuance of equity.

As of June 30, 2026, we had $1,181 million in cash and cash equivalents and $133 million of short-term investments. Our cash and cash equivalents primarily consist of bank deposits and money market funds. Our short-term investments consist mainly of corporate debt securities, U.S. Treasury securities and commercial paper.

We believe that our existing cash and cash equivalents, short-term investments and cash flow from operations will be sufficient to support working capital and capital expenditure requirements, and any future share repurchases, for at least the next 12 months. Our future capital requirements will depend on many factors, including our subscription growth rate and renewal activity, the timing of cash received from our payment processing platforms, the expansion and efficacy of our sales and marketing investments, the research and development investment related to the introduction of new products and the enhancements to existing products, and the current uncertainty in the global markets impacting, for example, consumer spending, inflation and foreign currency exchange rates. If we cannot meet our future capital requirements, we may be required to seek additional liquidity. If we are unable to raise additional capital or generate cash flows necessary to expand our operations and invest in continued innovation, we may not be able to compete successfully, which would harm our business and financial condition and results of operations.

In February 2026, Duolingo's Board of Directors authorized a share repurchase program of up to $400 million. Repurchases under the program may be made from time to time in the open market or through privately negotiated transactions, pursuant to Rule 10b5-1 trading plans or other available means, each in compliance with Rule 10b-18 under the Exchange Act. The actual timing, number and value of shares repurchased is subject to various factors such as market conditions, the Company's capital and liquidity positions, contractual requirements and other considerations. The timing and amount of any repurchases will be determined at the Company's discretion, and the program does not obligate the Company to acquire any particular amount of shares. The program has no expiration date and may be terminated, modified or discontinued at any time.

During the six months ended June 30, 2026, the Company repurchased a total of 694,630 shares of the Company's Class A common stock through open market purchases at an average per share price of $101.15 for a total of $70.3 million.

A substantial source of our cash from operations comes from deferred revenue, which is included in the liabilities section of our Unaudited Condensed Consolidated Balance Sheet. Deferred revenues consist of the unearned portion of customer billings, primarily related to subscription offerings, which is recognized as revenue in accordance with our revenue recognition policy. As of June 30, 2026, we had deferred revenues of $505.1 million, which is recorded as a current liability and expected to be recognized as revenue in the next 12 months, provided all other revenue recognition criteria have been met.

The following table summarizes our cash flows for the periods presented:

	Six Months Ended June 30,	
(In thousands)	**2026**	**2025**
Net cash provided by operating activities	$ 239,031	$ 196,306
Net cash used for investing activities	(8,469)	(12,821)
Net cash (used for) provided by financing activities	(86,064)	6,955
Net increase in cash, cash equivalents and restricted cash	$ 144,498	$ 190,440

Operating Activities

Cash flows from operating activities can fluctuate significantly from period to period due to timing of payments and cash collections. Our largest source of operating cash is cash collection from sales of subscriptions to our users. Our primary uses of cash from operating activities are for personnel expenses, marketing expenses, hosting expenses, and overhead expenses.

Cash provided by operating activities increased by $42.7 million, or 22%, to $239.0 million for the six months ended June 30, 2026 from $196.3 million for the six months ended June 30, 2025. This increase was primarily driven by higher operating income and changes in working capital.

Investing Activities

Cash used for investing activities decreased by $4.4 million to $8.5 million for the six months ended June 30, 2026, from $12.8 million for the six months ended June 30, 2025. This decrease was primarily due to higher net maturities of investments of $10.0 million during the six months ended June 30, 2026, partially offset by a $5.6 million increase in capital expenditures.

Financing Activities

Cash used for financing activities for the six months ended June 30, 2026 was due to repurchases of common stock of $69.6 million in addition to taxes paid on the net-share settlements of share-based compensation awards of $18.8 million. These amounts were partially offset by proceeds from exercises of stock options of $2.3 million. Cash provided by financing activities for the six months ended June 30, 2025 was due to proceeds from exercises of stock options of $7.0 million.

Critical Accounting Estimates

Our Unaudited Condensed Consolidated Financial Statements and the related notes thereto included elsewhere in this Quarterly Report on Form 10-Q are prepared in accordance with GAAP. The preparation of Unaudited Condensed Consolidated Financial Statements also requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, costs and expenses, and related disclosures. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances. Actual results could differ significantly from the estimates made by management. To the extent that there are differences between our estimates and actual results, our future financial statement presentation, financial condition, results of operations, and cash flows will be affected.

There have been no material changes to our critical accounting policies and estimates as compared to those described in “Management’s Discussion and Analysis of Financial Condition and Results of Operations” set forth in our Annual Report on Form 10-K.

Recent Accounting Pronouncements

See Note 1, “Description of the Business and Basis of Presentation,” and Note 2, “Summary of Significant Accounting Policies,” in the notes to our Unaudited Condensed Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q for a discussion of recent accounting pronouncements.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Interest Rate Risk

As of June 30, 2026, we had $996.0 million of cash equivalents invested in money market funds and $235.7 million of investments mainly in corporate debt securities, U.S. Treasury securities, asset-backed securities and commercial paper. Our cash and cash equivalents are held for working capital purposes in addition to future investments in our product. We do not enter into investments for trading or speculative purposes. Our investments are exposed to market risk due to a fluctuation in interest rates, which may affect our interest income and the fair market value of our investments. As of June 30, 2026, a hypothetical 10% relative change in interest rates would not have a material impact on our Unaudited Condensed Consolidated Financial Statements.

Foreign Currency Exchange Risk

Our reporting currency and the functional currency of our wholly owned foreign subsidiaries is the U.S. dollar. Certain of our payment providers translate our payments from local currency into USD at time of settlement, which means that during periods of a strengthening U.S. dollar, our international receipts could be reduced. Our operating expenses are denominated in the currencies of the countries in which our operations are located, which are primarily in the U.S., China, the United Kingdom and Germany. Our consolidated results of operations and cash flows are, therefore, subject to fluctuations due to changes in foreign currency exchange rates and may be adversely affected in the future due to changes in foreign exchange rates. In addition, as foreign currency exchange rates fluctuate, the translation of our international receipts into U.S. dollars affects the period-over-period comparability of our operating results and can result in foreign currency exchange gains and losses. To date, we have not entered into any hedging arrangements with respect to foreign currency risk or other derivative financial instruments, although we may choose to do so in the future. A hypothetical 10% increase or decrease in the relative value of the U.S. dollar to other currencies would not have a material effect on our operating results.

Inflation Risk

Inflationary factors such as increases in costs may adversely affect our results of operations. We do not believe that inflation has had a material effect on our business, financial condition or results of operations to date. If our costs were to become subject to significant inflationary pressures, we may not be able to fully offset such higher costs through price increases. Our inability or failure to do so could harm our business, financial condition or results of operations.

Item 4. Controls and Procedures

Limitations on Effectiveness of Controls and Procedures

Our disclosure controls and procedures and internal control over financial reporting are designed to provide reasonable assurance of achieving their desired objectives. Management does not expect, however, that our disclosure controls and procedures or our internal control over financial reporting will prevent or detect all error and fraud. Any control system, no matter how well designed and operated, is based upon certain assumptions and can provide only reasonable, not absolute, assurance that its objectives will be met. Further, no evaluation of controls can provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud, if any, within the Company have been detected.

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our principal executive officer and principal financial officer, conducted an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, as of the end of the period covered by this Quarterly Report on Form 10-Q. Based on that evaluation, our principal executive officer and principal financial officer have concluded that our disclosure controls and procedures were effective as of the end of the period covered by this Quarterly Report on Form 10-Q to provide reasonable assurance that information required to be disclosed by us in reports that we file or submit under the Exchange Act is (i) recorded, processed, summarized and reported within the time periods specified in the SEC rules and forms and (ii) accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting, as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act, during the three months ended June 30, 2026 that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Part II Other Information

Item 1. Legal Proceedings

From time to time we may be involved in claims and proceedings arising in the course of our business. The outcome of any such claims or proceedings, regardless of the merits, is inherently uncertain. We are not currently party to any material legal proceedings. For further information, please see Part I, Item 1 Financial Statements – Note 9, “Commitments and Contingencies,” which is incorporated herein.

Item 1A. Risk Factors

The Company's risk factors are described in Part I, Item 1A, "Risk Factors" of the Annual Report on Form 10-K. These factors could materially adversely affect our business, financial condition, and results of operations, and could cause our actual results to differ materially from our historical results or the results contemplated by any forward-looking statements contained in this Quarterly Report on Form 10-Q. There have been no material changes from the risk factors previously disclosed under the heading “Risk Factors” in the Annual Report on Form 10-K.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

The following table summarizes our share repurchase activity for the three months ended June 30, 2026

	Total Number of Shares Purchased (1)	Average Price Paid Per Share (2)	Total Number of Shares Purchased as Part of the Share Repurchase Program (1)	Approximate Dollar Value of Shares That May Yet Be Purchased Under the Plan (1)
				(In thousands)
April 1 - 30, 2026	245,286	$ 97.81	245,286	$ 350,173
May 1 - 31, 2026	142,465	$ 108.42	142,465	$ 334,725
June 1 - 30, 2026	44,555	$ 112.27	44,555	$ 329,722
	432,306		432,306	

(1) In February 2026, Duolingo’s Board of Directors authorized a share repurchase program of up to $400 million. Repurchases under the program may be made from time to time in the open market or through privately negotiated transactions, pursuant to Rule 10b5-1 trading plans or other available means, each in compliance with Rule 10b-18 under the Exchange Act. The actual timing, number and value of shares repurchased is subject to various factors such as market conditions, our capital and liquidity positions, contractual requirements and other considerations. The timing and amount of any repurchases will be determined at our discretion, and the program does not obligate us to acquire any particular amount of shares. The program has no expiration date and may be terminated, modified or discontinued at any time.

(2) Average price paid per share excludes broker commissions and other costs of execution.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

(a) None.

(b)

(c) Trading Plans

During the three months ended June 30, 2026, certain of our directors and officers adopted or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” as each term is defined in Item 408(a) of Regulation S-K as follows:

On June 9, 2026, William "Bing" Gordon, a member of our Board of Directors, modified his Rule 10b5-1 sales plan that was originally adopted on December 11, 2025. The modified trading arrangement is intended to satisfy the affirmative defense of Rule 10b5-1(c) under the Exchange Act and provides for the sale of up to 40,000 shares of the Company’s Class A common stock. The trading arrangement will remain in effect until the earlier of (i) June 30, 2027, (ii) the completion of all authorized transactions, or (iii) termination in accordance with its terms.

On June 2, 2026, Dr. Luis von Ahn, Chief Executive Officer and member of the Company’s Board of Directors, and the Luis von Ahn Foundation, entered into a 10b5-1 sales plan (the “von Ahn 10b5-1 Sales Plan”) intended to satisfy the affirmative defense of Rule 10b5-1(c) under the Exchange Act, pursuant to which a maximum aggregate amount of up to 626,000 shares of the Company’s Class A common stock may be sold, consisting of (i) up to 226,000 shares issuable upon the exercise of vested stock options held by Dr. von Ahn and (ii) up to 400,000 shares held by Dr. von Ahn. Additionally, under the von Ahn 10b5-1 Sales Plan, up to 54,000 shares held by the Luis von Ahn Foundation) may be sold. The von Ahn 10b5-1 Sales Plan will remain in effect until the earlier of (1) September 15, 2027, (2) the date on which all trades set forth in the von Ahn 10b5-1 Sales Plan have been executed, or (3) such time as the von Ahn 10b5-1 Sales Plan is otherwise terminated or expires according to its terms.

On June 14, 2026, Stephen Chen, General Counsel, entered into a 10b5-1 sales plan (the “Chen 10b5-1 Sales Plan”) intended to satisfy the affirmative defense of Rule 10b5-1(c) of the Exchange Act and providing for (i) the sale of the net number of shares of Class A common stock underlying 12,524 unvested restricted stock units received after giving effect to the number of shares automatically sold to satisfy tax withholding obligations on each applicable vesting date (such total number of shares covered under clause (i) is not determinable) and (ii) the sale of 12,696 shares of Class A common stock. The Chen 10b5-1 Sales Plan will remain in effect until the earlier of (1) August 14, 2027, (2) the date on which all trades set forth in the Chen 10b5-1 Sales Plan have been executed, or (3) such time as the Chen 10b5-1 Sales Plan is otherwise terminated according to its terms.

No other “officer” (as defined in Rule 16a-1(f) under the Exchange Act) or director of the Company adopted, modified or terminated “Rule 10b5-1 trading arrangements” and/or “non-Rule 10b5-1 trading arrangements” (each as defined in Item 408 of Regulation S-K) during the three months ended June 30, 2026.

Item 6. Exhibits

		Incorporated by Reference				
Exhibit Number	**Exhibit Description**	**Form**	**File No**	**Date**	**Exhibit**	**Filed Herewith**
3.1	Amended and Restated Certificate of Incorporation, as currently in effect	8-K	001-40653	7/30/2021	3.1	
3.2	Bylaws, as currently in effect	8-K	001-40653	12/08/2023	3.1	
10.1	Amended and Restated Non-Employee Director Compensation Program, effective July 23, 2026					X
31.1	Certification of Principal Executive Officer pursuant to Exchange Act Rule 13a-14(a)					X
31.2	Certification of Principal Financial Officer pursuant to Exchange Act Rule 13a-14(a)					X
32.1*	Certification of Principal Executive Officer and Principal Financial Officer pursuant to 18 U.S.C. Section 1350					X
101.INS	Inline XBRL Instance Document - the Instance Document does not appear in the interactive data file because its XBRL tags are embedded within the Inline XBRL document					X
101.SCH	Inline XBRL Taxonomy Extension Schema Document					X
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document					X
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document					X
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document					X
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document					X
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)					X

*The certification attached as Exhibit 32.1 that accompanies this Quarterly Report on Form 10-Q pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, is not deemed "filed" by the Registrant for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

		DUOLINGO, INC.
Date: August 5, 2026	By:	/s/ Luis von Ahn
		Luis von Ahn Chief Executive Officer (Principal Executive Officer)
Date: August 5, 2026	By:	/s/ Gillian Munson
		Gillian Munson Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)

DUOLINGO, INC.
AMENDED AND RESTATED
NON-EMPLOYEE DIRECTOR COMPENSATION PROGRAM

This Duolingo, Inc. (the "***Company***") Amended and Restated Non-Employee Director Compensation Program (this "***Program***") has been adopted under the Company's 2021 Incentive Award Plan (the "***Plan***") and, effective as of July 23, 2026 (the "***Effective Date***"), amends, restates and supersedes the Non-Employee Director Compensation Program in effect immediately prior to the Effective Date. Capitalized terms not otherwise defined herein shall have the meaning ascribed in the Plan.

Cash Compensation

As of the Effective Date, annual retainers will be paid in the following amounts to Non-Employee Directors:

Board Service

Non-Employee Director:	$45,000
Non-Executive Chair/Lead Director:	$47,500

Committee Service

	Chair	Non-Chair
Audit Committee Member	$25,000	$10,000
Compensation Committee Member	$20,000	$9,000
Nominating and Corporate Governance Committee Member	$10,000	$5,000
Mergers and Acquisitions Committee Member	$10,000	$5,000

All annual retainers are additive and, except to the extent of any Retainer RSU Election (as further described below), will be paid in cash quarterly in arrears promptly following the end of the applicable calendar quarter, but in no event more than 30 days after the end of such quarter. If a Non-Employee Director does not serve as a Non-Employee Director, or in the applicable positions described above, for an entire calendar quarter, the retainer paid to such Non-Employee Director shall be prorated for the portion of such calendar quarter actually served as a Non-Employee Director, or in such position, as applicable.

Election to Receive Restricted Stock Units In Lieu of Annual Retainer

General: Each Non-Employee Director may elect to convert all or a portion of his or her annual retainer into a number of Restricted Stock Units ("***Retainer RSUs***") granted under the Plan or any other applicable Company equity incentive plan then-maintained by the Company covering a number of shares of Company Class A common stock (the "***Common Stock***") calculated by dividing (i) the amount of the annual retainer that would have otherwise been paid to such Non-Employee Director on the applicable grant date by (ii) the closing trading price of a share of Common Stock as of the grant date or, if the grant date is not a trading day, the trading day immediately preceding the grant date (such election, a "***Retainer RSU Election***").

Each award of Retainer RSUs will be granted on the 10th day of the month immediately following the end of the quarter for which the corresponding portion of the annual retainer was earned. Each award of Retainer RSUs will be fully vested on the date of grant.

Election Method: Each Retainer RSU Election must be submitted to the Company in the form and manner specified by the Board of Directors of the Company (the "***Board***") or Compensation and Leadership Committee of the Board (the "***Compensation Committee***"). An individual who fails to make a timely Retainer RSU Election shall not receive Retainer RSUs and instead shall receive the applicable annual retainer in cash. Retainer RSU Elections must comply with the following timing requirements:

- <u>Initial Election</u>. Each individual who first becomes a Non-Employee Director after the Effective Date (a "***New Director***") may make a Retainer RSU Election with respect to annual retainer payments relating to services to be performed in the same calendar year such individual becomes a New Director (the "***Initial Election***"). The Initial Election must be submitted to the Company on or before the date the individual becomes a New Director (the "***Initial Election Deadline***"), and the Initial Election shall become final and irrevocable as of the Initial Election Deadline.
- <u>Annual Election</u>. No later than December 31 of each calendar year (the "***Annual Election Deadline***"), each individual who is a Non-Employee Director as of immediately prior to the Annual Election Deadline may make a Retainer RSU Election with respect to the annual retainer relating to services to be performed in the following calendar year (the "***Annual Election***"). The Annual Election must be

submitted to the Company on or prior to the applicable Annual Election Deadline and shall become effective and irrevocable as of the Annual Election Deadline.

Equity Compensation

Initial RSU Award:	Each New Director shall be granted under the Plan or any other applicable Company equity incentive plan then-maintained by the Company an award of that number of restricted stock units ("***RSUs***") calculated by dividing (i) \$450,000 by (ii) the closing trading price of a share of Common Stock as of the grant date or, if the grant date is not a trading day, the trading day immediately preceding the grant date (the "***Initial RSU Award***"). The Initial RSU Award will be automatically granted on the date the individual becomes a New Director, and will vest as to 50% of the Initial RSU Award on the first anniversary of the applicable grant date, 25% of the Initial RSU Award on the second anniversary of the applicable grant date, and the remaining 25% of the Initial RSU Award on the third anniversary of the applicable grant date, in each case, subject to the Non-Employee Director continuing to serve on the Board through the applicable vesting date.
Annual RSU Award:	Each Non-Employee Director who (i) has been serving on the Board for at least six months as of each meeting of the Company's stockholders (each, an "***Annual Meeting***") and (ii) will continue to serve as a Non-Employee Director immediately following such meeting, shall be granted under the Plan or any other applicable Company equity incentive plan then-maintained by the Company an award of that number of RSUs calculated by dividing (i) \$215,000 by (ii) the closing trading price of a share of Common Stock as of the grant date or, if the grant date is not a trading day, the trading day immediately preceding the grant date (the "***Annual RSU Award***"). The Annual RSU Award will be automatically granted on the date of the applicable Annual Meeting, and will

vest in full on the earlier of (i) the first anniversary of the grant date or (ii) immediately before the Annual Meeting following the grant date, subject to the Non-Employee Director continuing to serve on the Board through such vesting date.

Except as otherwise determined by the Board, no portion of an Initial RSU Award or Annual RSU Award which is unvested at the time of a Non-Employee Director's termination of service on the Board shall become vested.

An individual who terminates employment with the Company or any Subsidiary and remains, or on the date of such termination becomes, a Director will not be automatically granted an Initial RSU Award, but to the extent that the Director is otherwise eligible, will be eligible to receive, after termination from employment with the Company or any Subsidiary, Annual RSU Awards as described above.

Election to Defer Issuances

General:	Each Non-Employee Director shall have the opportunity to defer the issuance of the shares underlying RSUs granted under this Program, including Retainer RSU Awards, Initial RSU Awards and Annual RSU Awards, that would otherwise be issued to the Non-Employee Director in connection with the vesting or grant of the RSUs until the earliest of a fixed date properly elected by the Non-Employee Director, the Non-Employee Director's Termination of Service or a Change in Control. Any such deferral election (a "***Deferral Election***") shall be subject to such rules, conditions and procedures as shall be determined by the Company, which rules, conditions and procedures shall at all times comply with the requirements of Section 409A of the Code, unless otherwise specifically determined by the Board or the Compensation Committee. If a Non-Employee Director elects to defer the delivery of the shares underlying RSUs granted under this Program, settlement of the deferred RSUs shall be made in accordance with the terms of the Deferral Election.
Election Method:	Each Deferral Election must be submitted to the Company in the form and manner specified by the Board or the Compensation Committee. Deferral Elections must comply with the following timing requirements: ● Initial Deferral Election. Each New Director may make a Deferral Election with respect to such New

Director's RSU Awards to be granted, or with respect to Retainer RSUs, relating to services to be performed, in the same calendar year such individual becomes a New Director (including, for the avoidance of doubt, with respect to such New Director's Initial RSU Award) (the "***Initial Deferral Election***"). The Initial Deferral Election must be submitted to the Company on or before the date the individual becomes a New Director (the "***Initial Deferral Election Deadline***"), and the Initial Deferral Election shall become final and irrevocable as of the Initial Deferral Election Deadline. In no event shall an Initial Deferral Election apply to the portion of RSUs for which services necessary to vest the RSUs have been performed as of the date of the Initial Deferral Election

- <u>Annual Deferral Election</u>. No later than December 31 of each year (the "***Annual Deferral Election Deadline***"), each individual who is a Non-Employee Director as of immediately before the Annual Deferral Election Deadline may make a Deferral Election with respect to RSU Awards to be granted, or with respect to Retainer RSUs, relating to services to be performed, in the following calendar year (the "***Annual Deferral Election***"). The Annual Deferral Election must be submitted to the Company on or before the applicable Annual Deferral Election Deadline and shall become final and irrevocable for the subsequent calendar year as of the applicable Annual Deferral Election Deadline.

Change in Control

Upon a Change in Control of the Company, all outstanding equity awards granted under the Plan and any other equity incentive plan maintained by the Company that are held by a Non-Employee Director shall become fully vested and/or exercisable, irrespective of any other provisions of the Non-Employee Director's Award Agreement.

Reimbursements

The Company shall reimburse each Non-Employee Director for all reasonable, documented, out-of-pocket travel and other business expenses incurred by such Non-Employee Director in the performance of his or her duties to the Company in accordance with the Company's applicable expense reimbursement policies and procedures as in effect from time to time.

Miscellaneous

The other provisions of the Plan shall apply to the RSUs granted automatically under this Program, except to the extent such other provisions are inconsistent with this Program. All applicable terms of the Plan apply to this Program as if fully set forth herein, and all grants of RSUs hereby are subject in all respects to the terms of the Plan. The grant of RSUs under this Program shall be made solely by and subject to the terms set forth in an Award Agreement in a form to be approved by the Board and duly executed by an executive officer of the Company.

* * * * *

Exhibit 31.1

CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Luis von Ahn, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Duolingo, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By:

Date: August 5, 2026

/s/ Luis von Ahn

Luis von Ahn

President and Chief Executive Officer

(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Gillian Munson, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Duolingo, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By:

Date: August 5, 2026

/s/ Gillian Munson
Gillian Munson
Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)

Exhibit 32.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Duolingo, Inc. (the "Company") for the quarter ended June 30, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Luis von Ahn, President and Chief Executive Officer of the Company, and Gillian Munson, Chief Financial Officer of the Company, each hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 5, 2026

/s/ Luis von Ahn
Luis von Ahn
President and Chief Executive Officer
(Principal Executive Officer)

Date: August 5, 2026

/s/ Gillian Munson
Gillian Munson
Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)