

Growth Stock Due Diligence Template

A structured framework for evaluating a new growth stock. Complete each section before forming conviction.

Ticker:

Company: _____

Date:

1. BUSINESS MODEL

What does the company do?	
Who are the customers?	
Revenue model (subscription / transactional / mixed)	
Revenue concentration risk (top customers)	
Competitive moat (network effects, switching costs, IP, scale)	

2. GROWTH PROFILE

TTM Revenue	
YoY Revenue Growth	
Growth Direction (accelerating / stable / decelerating)	
Total Addressable Market (TAM) estimate	

Key growth drivers (next 2-3 years)	
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3. FINANCIAL HEALTH

Metric	Value	Assessment
Gross Margin		
EBITDA Margin		
Rule of 40 (Growth + EBITDA Margin)		
FCF Margin		
FCF Conversion (FCF / EBITDA)		
Net Debt / Equity		
3-Year Dilution (share count change)		

4. GROWTHPICKS MODEL VIEW

GrowthPicks Score	
Value Signal	
Growth Score (max 4)	
Quality Score (max 4)	
Value Modifier (max 1.25)	
Score Constraint (cap binding)	
Risk Flags (list all active)	
Cashflow Risk (Y/N)	

5. RISK ASSESSMENT

List the top 3 risks to your thesis. For each, note the severity and what would trigger a reassessment.

Risk 1:	
Severity (H/M/L):	
Reassessment trigger:	
Risk 2:	
Severity (H/M/L):	
Reassessment trigger:	
Risk 3:	
Severity (H/M/L):	
Reassessment trigger:	

6. CONVICTION & DECISION

Overall conviction (High / Moderate / Low / None)	
Proposed position size (% of portfolio)	
Position tier (Core / Standard / Starter / Watch)	
Price at time of analysis	

Investment thesis (2-3 sentences):

Cross-references: [How the Scoring System Works \[G-01\]](#) · [Understanding Risk Flags \[G-03\]](#) · [Position Sizing for Growth Portfolios \[G-08\]](#)