Nextdoor Investor Update

Q3 2026



Nextdoor

Disclaimer

Certain statements in this Investor Update may be considered "forward-looking statements" within the meaning of the "safe harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995. In some cases, you can identify forward-looking statements by terminology such as "may," "should," "expect," "intend," "will," "estimate," "anticipate," "believe," "predict," "project," "target," "plan," or "potentially" or the negatives of these terms or variations of them or similar terminology. These statements include, but are not limited to, statements regarding our future performance and our market opportunity, including expected financial results for the fourth quarter of 2026 and full-year 2026, trends and expectations regarding our business and operating results, including the implementation and potential impact of our new Nextdoor initiative, our expectations on Platform WAU growth, our business strategy and plans, and our objectives and future operations.

Forward-looking statements are based upon various estimates and assumptions, as well as information known to us as of the date of this Investor Update, and are subject to risks and uncertainties. Accordingly, actual results could differ materially due to a variety of factors, including: our ability to scale our business and monetization efforts; our ability to expand business operations abroad; our limited operating history; risks associated with managing our growth; our ability to achieve and maintain profitability in the future; the effects of the highly competitive market in which we operate; the impact of macroeconomic conditions on our business, including the impact of significant political, trade and regulatory developments; our ability to attract new and retain existing customers and users, or renew and expand our relationships with them; our ability to anticipate and satisfy customer preferences; market acceptance of our platform; our ability to successfully develop and timely introduce new products and services; risks associated with the use of AI and ML-driven features in our platform; our ability to achieve our objectives of strategic and operational initiatives; cybersecurity risks to our various systems and software; the impact of privacy and data security laws and other applicable laws and regulations; and other general market, political, economic, and business conditions.

Additional risks and uncertainties that could affect our financial results and business are more fully described in our Quarterly Report on Form 10-Q for the period ended September 30, 2026, expected to be filed on November 5, 2026, and our other SEC filings, which are or will be available on the Investor Relations page of our website at investors.nextdoor.com and on the SEC's website at www.sec.gov. All forward-looking statements contained herein are based on information available to us as of the date hereof and you should not rely upon forward-looking statements as predictions of future events. The events and circumstances reflected in the forward-looking statements may not be achieved or occur. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, performance, or achievements. We undertake no obligation to update any of these forward-looking statements for any reason after the date of this Investor Update or to conform these statements to actual results or revised expectations, except as required by law. Undue reliance should not be placed on the forward-looking statements in this Investor Update.

This Investor Update includes certain non-GAAP financial measures (including on a forward-looking basis). These non-GAAP measures are in addition to, and not a substitute for or superior to, measures of financial performance prepared in accordance with GAAP and should not be considered as an alternative to their nearest GAAP equivalent or any other performance measures derived in accordance with GAAP. A reconciliation of the non-GAAP financial measures used in this Investor Update to their nearest GAAP equivalent is included in the Appendix to this Investor Update. Nextdoor believes that these non-GAAP measures of financial results (including on a forward-looking basis) provide useful supplemental information to investors about Nextdoor. Nextdoor's management uses forward-looking non-GAAP measures to evaluate Nextdoor's projected financials and operating performance. However, there are a number of limitations related to the use of these non-GAAP measures and their nearest GAAP equivalents, including that they exclude significant expenses that are required by GAAP to be recorded in Nextdoor's financial measures. In addition, other companies may calculate non-GAAP measures differently, or may use other measures to calculate their financial performance, and therefore, Nextdoor's non-GAAP measures may not be directly comparable to similarly titled measures of other companies. We have not reconciled our Adjusted EBITDA outlook to GAAP net loss because certain items that impact GAAP net loss are uncertain or out of our control and cannot be reasonably predicted. In particular, stock-based compensation expense is impacted by the future fair market value of our common stock and other factors, all of which are difficult to predict, subject to frequent change, or not within our control. The actual amount of these expenses during 2026 will have a significant impact on our future GAAP financial results. Accordingly, a reconciliation of Adjusted EBITDA outlook to net loss is not available without unreasonable efforts.



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Introducing Nextdoor

The essential neighborhood network



Nextdoor is the essential neighborhood network…



Ask

An AI operating system that distills years of insights to help neighbors find the best in their community



Faves

Neighbors vouching for local businesses in their community that have earned their trust and loyalty



News and Alerts

Stay safe and informed with trusted local sources with 4K+ local publishers and 6K+ public agencies



Groups and Events

Where neighbors get together and turn shared interests into real-life connections



For Sale & Free

Helping neighbors declutter their homes and discover treasures around the corner

All metrics as of 9/30/2026.

Where neighbor contributions drive further engagement…



With an existing audience unlike any other platform

Real people

An authentic user base looking to find and share trusted recommendations and local information.

High intent

Neighbors come to Nextdoor ready to act, looking for businesses and recommendations they can trust.

Hyperlocal

Advertisers can reach neighbors by neighborhood, with messages that fit each one at scale.



Nextdoor by the numbers

110M+
Verified Neighbors

24.5M
Platform WAU

11
Countries

1 in 3
U.S. Households

350K+
Global Neighborhoods

All metrics as of 9/30/2026. WAU = Weekly Active Users. Platform WAU is defined as a Nextdoor user who opens our application or logs on to our website at least once during a defined 7-day period.

Three vectors aimed at driving growth and…

01

Number of users

Increasing the total number of users active on the platform on a regular basis.

02

User engagement

Increasing frequency and depth of engagement by users on the platform.

03

Monetization rate

Increasing the monetization rate of user activity on the app.



Five imperatives underlie our long-term strategy



The Neighborhood Graph

A unique verified, address-based graph built on identity, location, and trust.



Intent-Driven Engagement

High-intent usage driven by real-world decisions and action.



Multiple Monetization Pathways

Multiple monetization tools to match high-intent engagement with businesses.



Validated Business Model

Improving ROI and operating leverage demonstrate disciplined execution.



Founder’s Mentality

Long-term focus, disciplined capital allocation, and commitment to network health.

Performance Update

Q3 2026



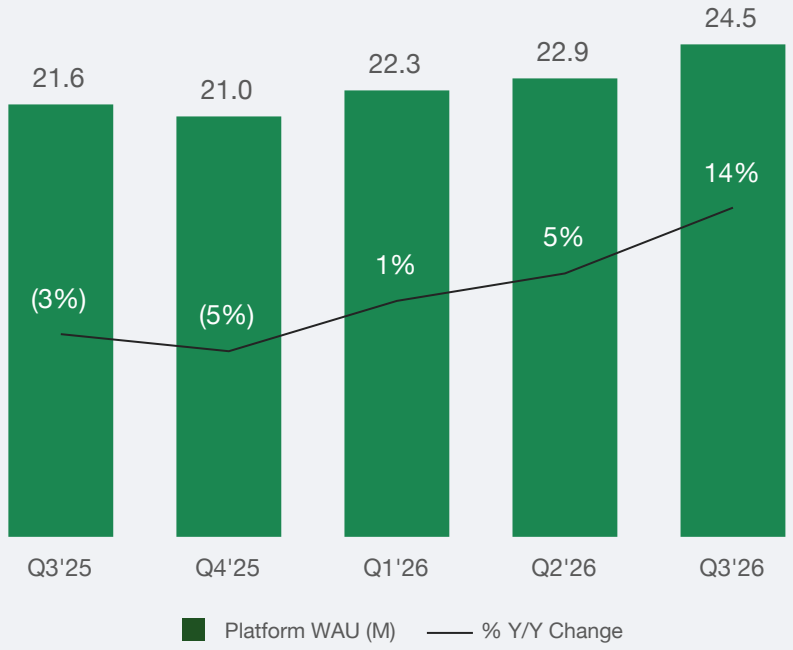
Q3 Highlights & Key Achievements

- **Drove Platform WAU of 24.5M, growing +7% Q/Q and +14% Y/Y;** third straight quarter of sequential growth
- **Delivered Q3 revenue of $79M, +14%** Y/Y, above guidance
- **Narrowed Net Loss to less than $1M,** an 18-point Y/Y margin improvement
- **Delivered Adjusted EBITDA of $10M, a 13% margin**, above guidance
- **Decreased Q3 stock-based compensation as a percent of revenue by 6 ppt Y/Y**
- **Repurchased ~3M shares for ~$7M**
- **Ended Q3 with $382M of cash, cash equivalents and marketable securities;** YTD cash flow from operations of $28M, +$31M Y/Y



Metrics for the quarter ended 9/30/2026. Some figures may not tie due to rounding. A reconciliation of non-GAAP metrics used in this Investor Update to their most comparable GAAP measures is provided in the Appendix at the end of this Investor Update.

Platform Weekly Active Users (WAU)



Platform WAU is our primary user metric

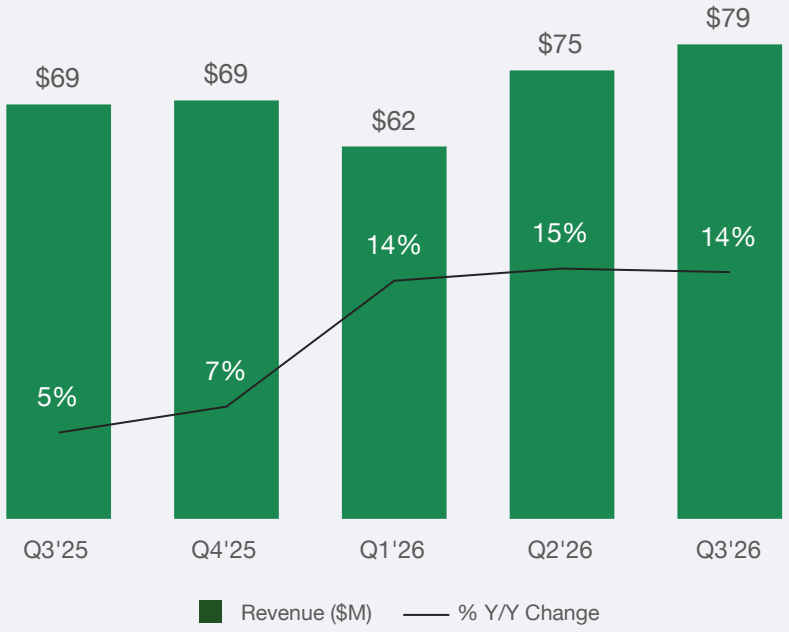
It includes users who engage directly on the Nextdoor app or website

24.5 million Platform WAU reflects an all-time high for Nextdoor

Sequential Platform WAU growth reflects impact of ongoing product investment

Some figures may not tie due to rounding. Platform WAU reflects users who open our application or log on to our website at least once during a defined 7-day period.

Revenue



Strongest quarterly revenue in company history

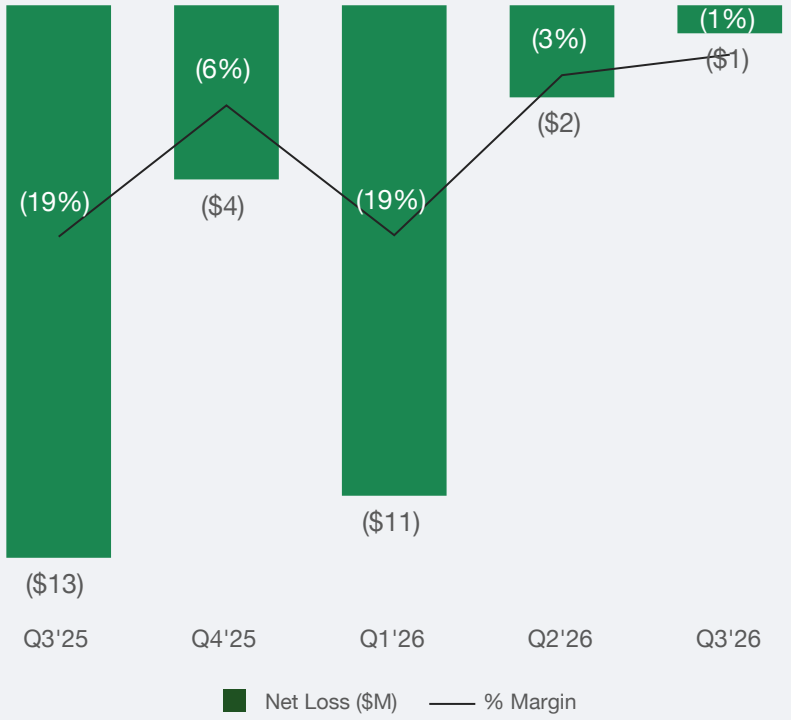
Q3 revenue was $79M, +14% year-over-year, reflecting broad-based growth across channels

Self-serve channel revenue grew 35% year-over-year in Q3 and represents 69% of revenue in Q3

Platform ARPU improved by 1% year-over-year in Q3

Some figures may not tie due to rounding.

Net Income (Loss)



Operating leverage improved year-over-year

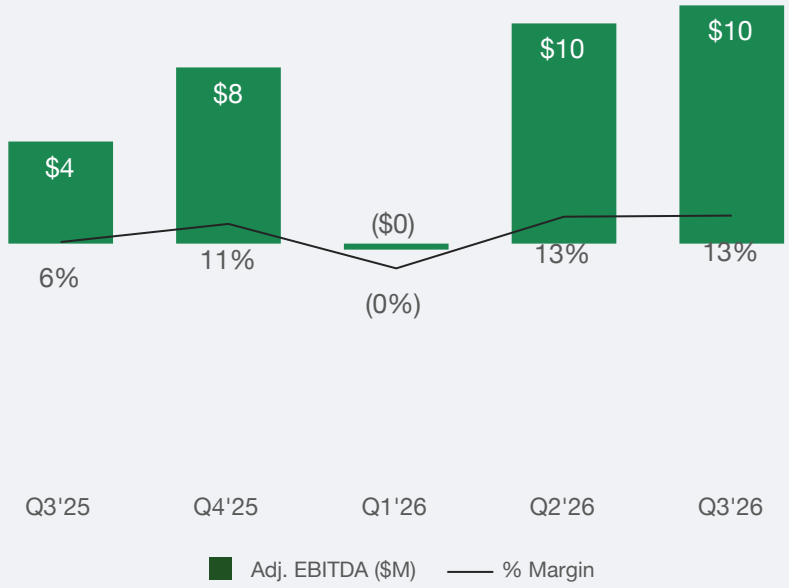
Net loss was less than $1M and margin was (1%)

Net margin improved by 18 ppt year-over-year

Margin improvement was driven by stronger revenue and lower year-over-year GAAP operating expenses

Some figures may not tie due to rounding.

Adjusted EBITDA



Margin gains reflect ongoing discipline and better execution

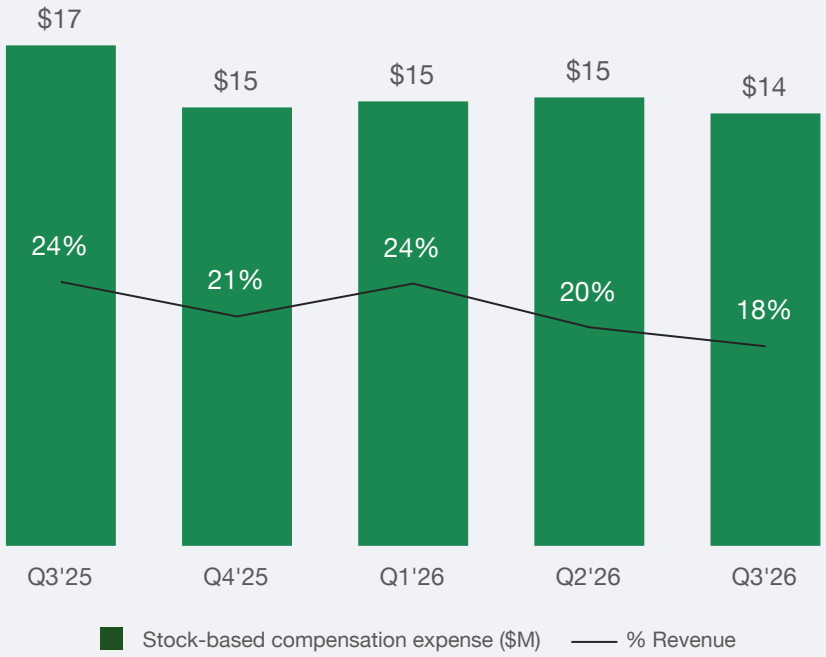
Adjusted EBITDA was $10M, representing a 13% margin

Adjusted EBITDA margin improved by 7 ppt year-over-year

Revenue growth and disciplined cost management continue to drive our year-over-year improvement

Some figures may not tie due to rounding. A reconciliation of non-GAAP metrics used in this Investor Update to their most comparable GAAP measures is provided in the Appendix at the end of this Investor Update.

Stock-Based Compensation Expense



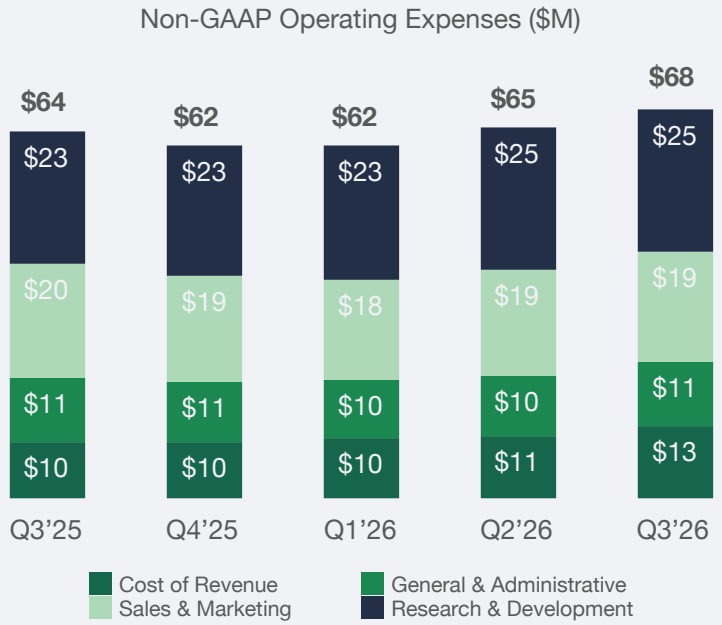
Stock-based compensation expense continues to decrease

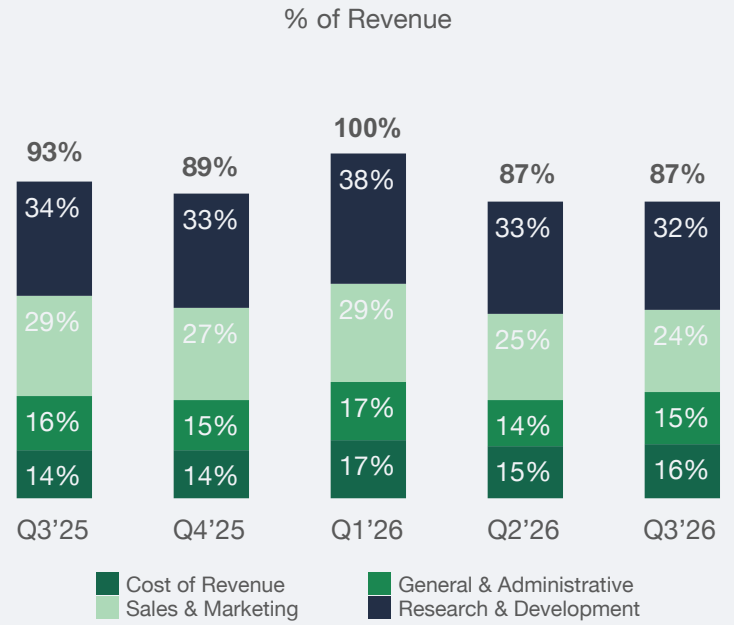
Stock-based compensation expense decreased 14% year-over-year in Q3

As a % of revenue, stock-based compensation expense decreased 6 ppt year-over-year

Some figures may not tie due to rounding.

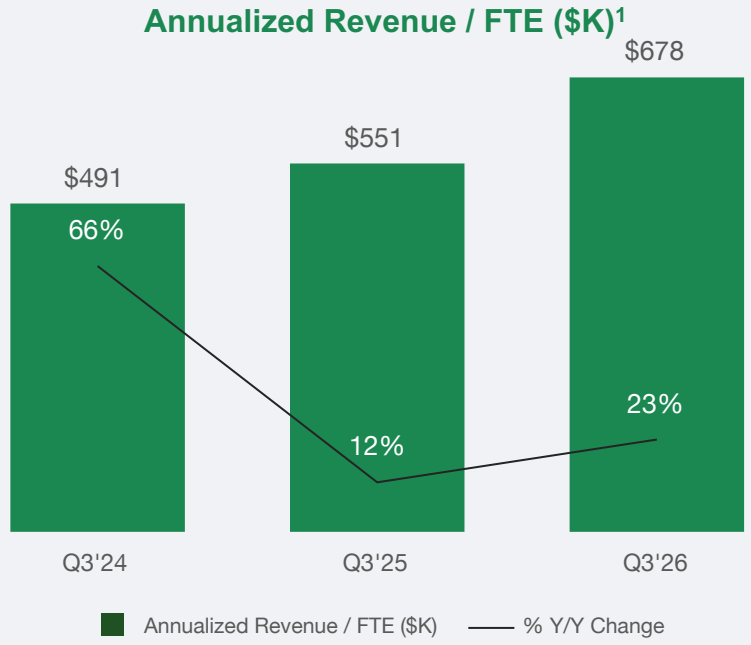
Non-GAAP Operating Expenses





Some figures may not tie due to rounding.

Productivity and Capital Allocation



Productivity remains a key priority

Revenue / FTE improved 23% year-over-year in Q3

Strong balance sheet a key differentiator: $382M in cash, cash equivalents, and marketable securities at Q3-end

Generated $28M in cash flow from operations for the nine months ended September 30, 2026

1. Annualized revenue / FTE = Quarterly revenue x 4 / average # of full-time employees in quarter.
Some figures may not tie due to rounding.

Near-Term Priorities & Outlook



Near-Term Priorities

Product

A better experience for neighbors

Faves, year-round: trusted local recommendations AI can't replicate

Contributions: keep turning more neighbors into contributors

Ask: from instant answers to neighbor-powered help

Updates: smarter notifications and AI neighborhood summaries

Monetization

Differentiated value for large advertisers and SMBs

Performance ad formats: dynamic product, multi-location, app installs

Neighborhood Intelligence: differentiated hyper-local targeting and measurement

Local businesses: faster onboarding, more lead-gen partners, and more products for businesses to grow with



Financial Outlook

	Fourth Quarter	Full Year	Additional details
Revenue	$78M - $80M	$293M - $295M	Given typical Q4 seasonality, outlook assumes Platform WAU to be flat sequentially
Adjusted EBITDA	$10M - $11M	$30M - $31M	

Some figures may not tie due to rounding. Outlook as of 11/5/2026.

Appendix



Condensed Consolidated Balance Sheets

in thousands, except per share data

	September 30, 2026	December 31, 2025
Assets		
Current assets:		
Cash and cash equivalents	$ 67,537	$ 63,341
Marketable securities	314,164	341,429
Accounts receivable, net of allowance of $471 and $491 as of September 30, 2026 and December 31, 2025, respectively	34,540	34,385
Prepaid expenses and other current assets	11,825	9,084
Total current assets	428,066	448,239
Restricted cash, non-current	8,156	8,379
Property and equipment, net	1,741	1,639
Operating lease right-of-use assets	9,245	11,575
Goodwill	1,211	1,211
Other assets	15,430	15,760
Total assets	$ 463,849	$ 486,803
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	$ 5,843	$ 2,498
Operating lease liabilities, current	9,082	8,900
Accrued expenses and other current liabilities	21,259	20,550
Total current liabilities	36,184	31,948
Operating lease liabilities, non-current	16,460	23,351
Other liabilities, non-current	297	221
Total liabilities	52,941	55,520
Stockholders' equity:		
Class A common stock, $0.0001 par value; 2,500,000 shares authorized, 257,450 and 262,446 shares issued and outstanding as of September 30, 2026 and December 31, 2025, respectively	26	26
Class B common stock, $0.0001 par value; 500,000 shares authorized, 127,467 and 127,681 shares issued and outstanding as of September 30, 2026 and December 31, 2025, respectively	13	13
Additional paid-in capital	1,344,731	1,347,968
Accumulated other comprehensive income (loss)	(1,377)	1,563
Accumulated deficit	(932,485)	(918,287)
Total stockholders' equity	410,908	431,283
Total liabilities and stockholders' equity	$ 463,849	$ 486,803

Some figures may not tie due to rounding.

Condensed Consolidated Statements of Operations

in thousands, except per share data

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Revenue	$ 78,771	$ 68,898	$ 214,994	$ 188,167
Costs and expenses:				
Cost of revenue	13,184	10,437	35,707	30,527
Research and development	32,852	35,674	97,853	103,790
Sales and marketing	21,298	23,766	61,998	70,212
General and administrative	15,636	16,250	44,631	48,156
Total costs and expenses	82,970	86,127	240,189	252,685
Loss from operations	(4,199)	(17,229)	(25,195)	(64,518)
Interest income	3,831	4,624	11,701	14,380
Other income (expense), net	(184)	(121)	(166)	507
Loss before income taxes	(552)	(12,726)	(13,660)	(49,631)
Provision for income taxes	107	131	538	540
Net loss	$ (659)	$ (12,857)	$ (14,198)	$ (50,171)
Net loss per share attributable to Class A and Class B common stockholders, basic and diluted	$ (0.00)	$ (0.03)	$ (0.04)	$ (0.13)
Weighted average shares used in computing net loss per share attributable to Class A and Class B common stockholders, basic and diluted	385,964	387,297	384,611	384,791

Some figures may not tie due to rounding.

Condensed Consolidated Statements of Cash Flows

in thousands

	Nine Months Ended September 30,	
	2026	2025
Cash flows from operating activities		
Net loss	$ (14,198)	$ (50,171)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Depreciation and amortization	1,023	1,533
Stock-based compensation	43,983	50,798
Accretion of investments	(716)	(1,908)
Other	888	409
Changes in operating assets and liabilities:		
Accounts receivable, net	(135)	(1,883)
Prepaid expenses and other assets	(2,452)	(2,697)
Operating lease right-of-use assets	2,330	2,129
Accounts payable	3,304	4,081
Operating lease liabilities	(6,709)	(6,275)
Accrued expenses and other liabilities	785	983
Net cash provided by (used in) operating activities	28,103	(3,001)
Cash flows from investing activities		
Purchases of property and equipment	(1,044)	(502)
Purchases of marketable securities	(199,219)	(220,364)
Sales of marketable securities	91,671	105,258
Maturities of marketable securities	131,724	151,580
Net cash provided by investing activities	23,132	35,972
Cash flows from financing activities		
Proceeds from issuance of common stock upon exercise of stock options	2,721	2,287
Proceeds from issuance of common stock under employee stock purchase plan	808	1,325
Tax withholdings on restricted stock units	(15,266)	(14,246)
Repurchase of common stock	(35,483)	(14,528)
Net cash used in financing activities	(47,220)	(25,162)
Effect of exchange rate changes on cash and cash equivalents	(42)	(63)
Net increase in cash, cash equivalents, and restricted cash	3,973	7,746
Cash, cash equivalents, and restricted cash at beginning of period	71,720	56,721
Cash, cash equivalents, and restricted cash at end of period	$ 75,693	$ 64,467

Some figures may not tie due to rounding.

Non-GAAP Financial Measures

To supplement our condensed consolidated financial statements, which are prepared in accordance with GAAP, we present non-GAAP cost of revenue, non-GAAP research and development, non-GAAP sales and marketing, non-GAAP general and administrative, non-GAAP total operating expenses, Adjusted EBITDA and Adjusted EBITDA margin in this Investor Update. Our use of non-GAAP financial measures has limitations as an analytical tool, and these measures should not be considered in isolation or as a substitute for analysis of financial results as reported under GAAP.

We use these non-GAAP financial measures in conjunction with financial measures prepared in accordance with GAAP for planning purposes, including in the preparation of our annual operating budget, as a measure of our core operating results and the effectiveness of our business strategy, and in evaluating our financial performance. These measures provide consistency and comparability with past financial performance, facilitate period-to-period comparisons of core operating results, and also facilitate comparisons with other peer companies, many of which use similar non-GAAP financial measures to supplement their GAAP results. In addition, Adjusted EBITDA is widely used by investors and securities analysts to measure a company's operating performance. We exclude the following items from one or more of our non-GAAP financial measures: stock-based compensation expense (non-cash expense calculated by companies using a variety of valuation methodologies and subjective assumptions), depreciation and amortization (non-cash expense), interest income, provision for income taxes, and, if applicable, restructuring charges and acquisition-related costs.

Investors are cautioned that there are material limitations associated with the use of non-GAAP financial measures as an analytical tool. In particular, (1) stock-based compensation expense has recently been, and will continue to be for the foreseeable future, a significant recurring expense for our business and an important part of our compensation strategy, (2) although depreciation and amortization expense are non-cash charges, the assets subject to depreciation and amortization may have to be replaced in the future, and our non-GAAP measures do not reflect cash capital expenditure requirements for such replacements or for new capital expenditure requirements, and (3) Adjusted EBITDA does not reflect: (a) changes in, or cash requirements for, our working capital needs; (b) interest expense (if any), or the cash requirements necessary to service interest or principal payments on debt (if any), which reduces cash available to us; or (c) tax payments that may represent a reduction in cash available to us. The non-GAAP measures we use may be different from non-GAAP financial measures used by other companies, limiting their usefulness for comparison purposes. We compensate for these limitations by providing specific information regarding the GAAP items excluded from these non-GAAP financial measures. A reconciliation of these non-GAAP measures has been provided on the following pages.

Adjusted EBITDA Reconciliation

in thousands

	Three Months Ended				
	September 30, 2025	December 31, 2025	March 31, 2026	June 30, 2026	September 30, 2026
Net loss	$ (12,857)	$ (4,033)	$ (11,417)	$ (2,122)	$ (659)
Depreciation and amortization	475	402	356	329	338
Stock-based compensation	16,600	14,545	14,762	14,873	14,348
Interest income	(4,624)	(4,378)	(4,036)	(3,834)	(3,831)
Provision for income taxes	131	1,085	137	294	107
Restructuring charges	4,660	—	—	—	—
Adjusted EBITDA	$ 4,385	$ 7,621	$ (198)	$ 9,540	$ 10,303
Net loss % Margin	(19%)	(6%)	(19%)	(3%)	(1%)
Adjusted EBITDA % Margin	6%	11%	(0%)	13%	13%

Some figures may not tie due to rounding.

Non-GAAP Operating Expenses Reconciliation

in thousands

	Three Months Ended				
	September 30, 2025	December 31, 2025	March 31, 2026	June 30, 2026	September 30, 2026
Cost of Revenue Reconciliation:					
Cost of Revenue, GAAP	10,437	10,460	11,048	11,475	13,184
Stock-based compensation	702	650	622	555	655
Cost of Revenue, Non-GAAP	9,735	9,810	10,426	10,920	12,529
% of revenue, GAAP	15%	15%	18%	15%	17%
% of revenue, Non-GAAP	14%	14%	17%	15%	16%
Research and Development Reconciliation:					
Research and Development, GAAP	35,674	31,415	32,016	32,985	32,852
Depreciation and amortization	230	183	168	181	186
Stock-based compensation	9,497	8,488	8,363	8,039	7,575
Restructuring charges	2,660	—	—	—	—
Research and Development, Non-GAAP	23,287	22,744	23,485	24,765	25,091
% of revenue, GAAP	52%	45%	52%	44%	42%
% of revenue, Non-GAAP	34%	33%	38%	33%	32%
Sales and Marketing Reconciliation:					
Sales and Marketing, GAAP	23,766	20,817	19,646	21,054	21,298
Depreciation and amortization	177	161	134	95	95
Stock-based compensation	2,229	1,964	1,935	2,028	2,004
Restructuring charges	1,250	—	—	—	—
Sales and Marketing, Non-GAAP	20,110	18,692	17,577	18,931	19,199
% of revenue, GAAP	34%	30%	32%	28%	27%
% of revenue, Non-GAAP	29%	27%	29%	25%	24%

Some figures may not tie due to rounding.

Non-GAAP Operating Expenses Reconciliation

in thousands

	Three Months Ended				
	September 30, 2025	December 31, 2025	March 31, 2026	June 30, 2026	September 30, 2026
General and Administrative Reconciliation:					
General and Administrative, GAAP	16,250	14,211	14,289	14,706	15,636
Depreciation and amortization	68	58	54	53	57
Stock-based compensation	4,172	3,443	3,842	4,251	4,114
Restructuring charges	750	—	—	—	—
General and Administrative, Non-GAAP	11,260	10,710	10,393	10,402	11,465
% of revenue, GAAP	24%	20%	23%	20%	20%
% of revenue, Non-GAAP	16%	15%	17%	14%	15%
Total Operating Expense Reconciliation:					
Operating Expenses, GAAP	86,127	76,903	76,999	80,220	82,970
Depreciation and amortization	475	402	356	329	338
Stock-based compensation	16,600	14,545	14,762	14,873	14,348
Restructuring charges	4,660	—	—	—	—
Total Operating Expenses, Non-GAAP	64,392	61,956	61,881	65,018	68,284
% of revenue, GAAP	125%	111%	125%	108%	105%
% of revenue, Non-GAAP	93%	89%	100%	87%	87%

Some figures may not tie due to rounding.

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