

Nextdoor Investor Update

Q2 2026

Nirav Tolia

CEO



Colin Bourland

Head of Investor Relations
& Corporate Development



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 third 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 June 30, 2026, filed on August 4, 2026, and our other SEC filings, which are 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. Additionally, to the extent that forward-looking non-GAAP financial measures are provided, they are presented on a non-GAAP basis without reconciliations of such forward-looking non-GAAP measures due to the inherent difficulty in forecasting and quantifying certain amounts that are necessary for such reconciliations.



Nirav Tolia

CEO



Q2'26 Performance Update

	Q2'26 Results	Notes
Users	22.9M Platform WAU	+5% y/y
Revenue	\$75M	+15% y/y
Profitability	(\$2M) Net Loss; (3%) margin, +21 ppt y/y	\$10M Adj. EBITDA; 13% margin, +16 ppt y/y



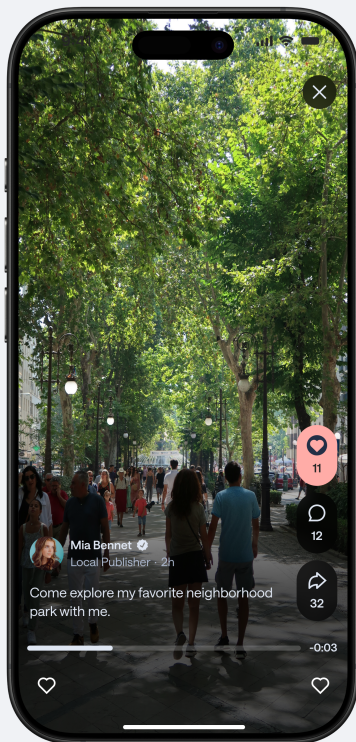
Metrics for the quarter ended 6/30/2026. Some figures may not tie due to rounding. A reconciliation of non-GAAP metrics used in this Investor Update to their most comparable GAAP measures is provided in the Appendix at the end of this Investor Update.

How We're Driving Engagement

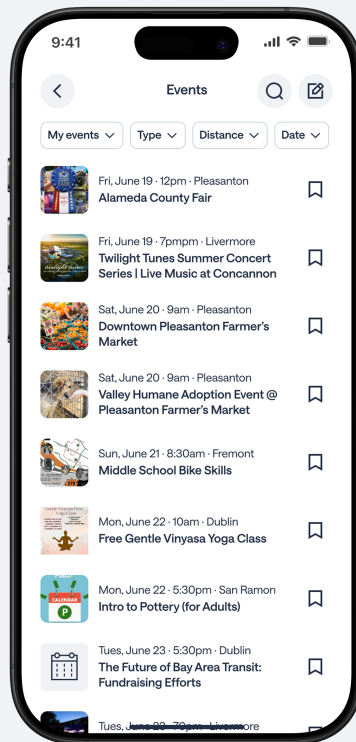


Q2 Highlights

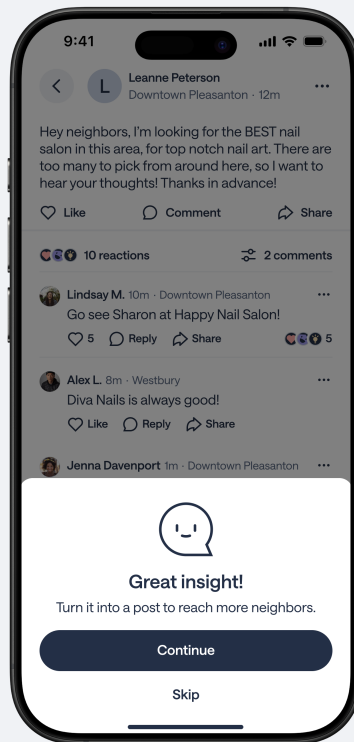
Improved Video



Events Hub Refresh



Posting Nudge

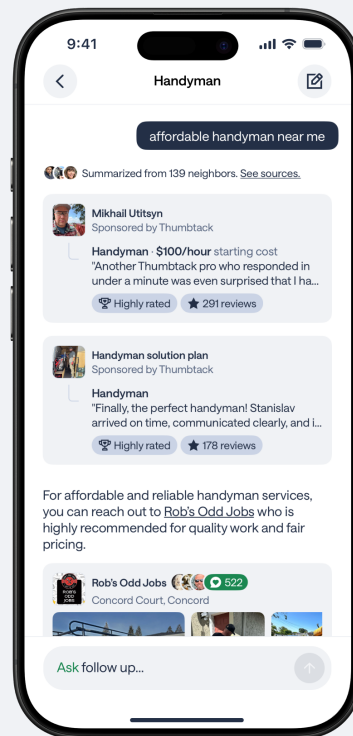


Second Half Priorities

Faves



Ask

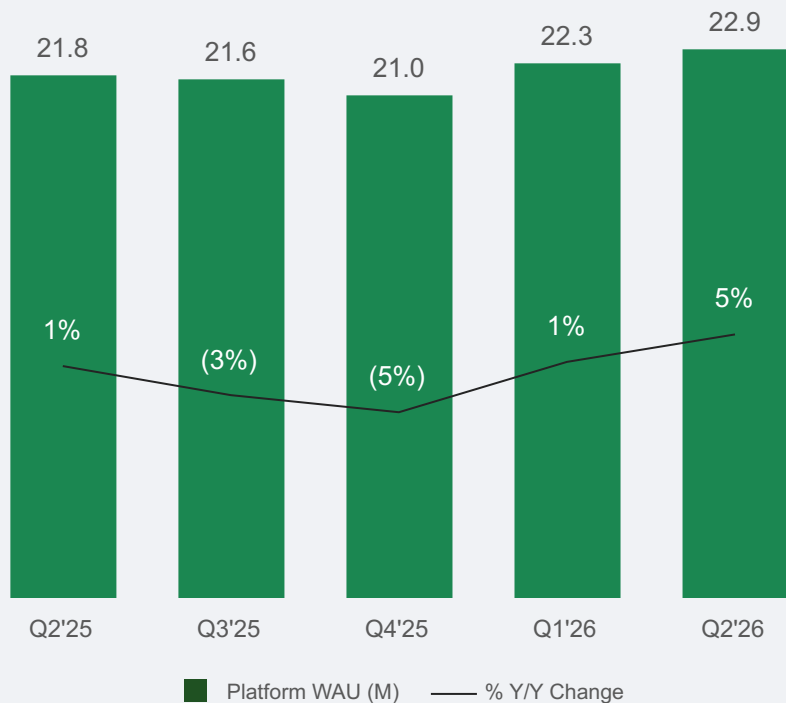


Indrajit Ponnambalam

CFO



Platform Weekly Active Users (WAU)



Platform WAU is our primary user metric

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

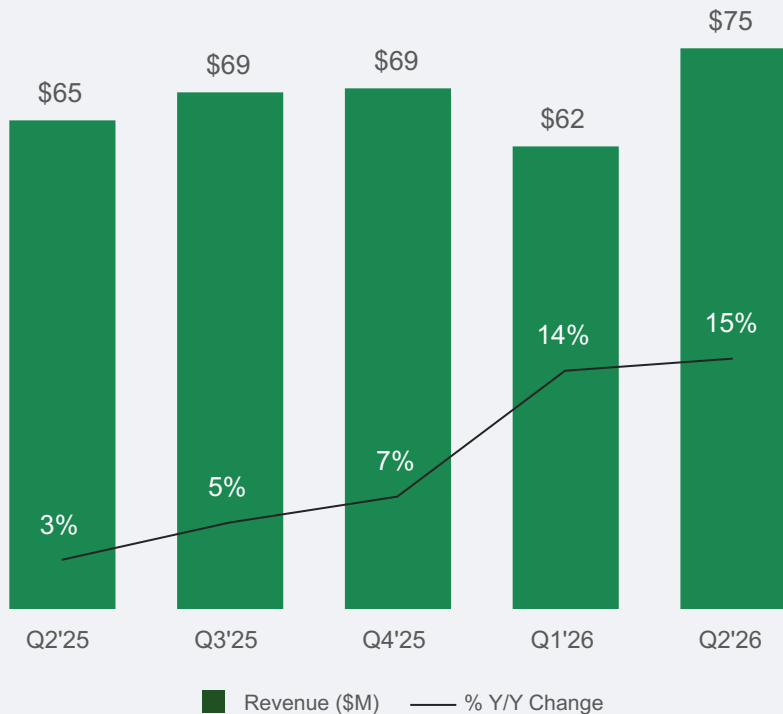
22.9 million Platform WAU reflects an all-time high for Nextdoor

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

Q2 revenue was \$75M, +15% year-over-year, reflecting broad-based growth across channels

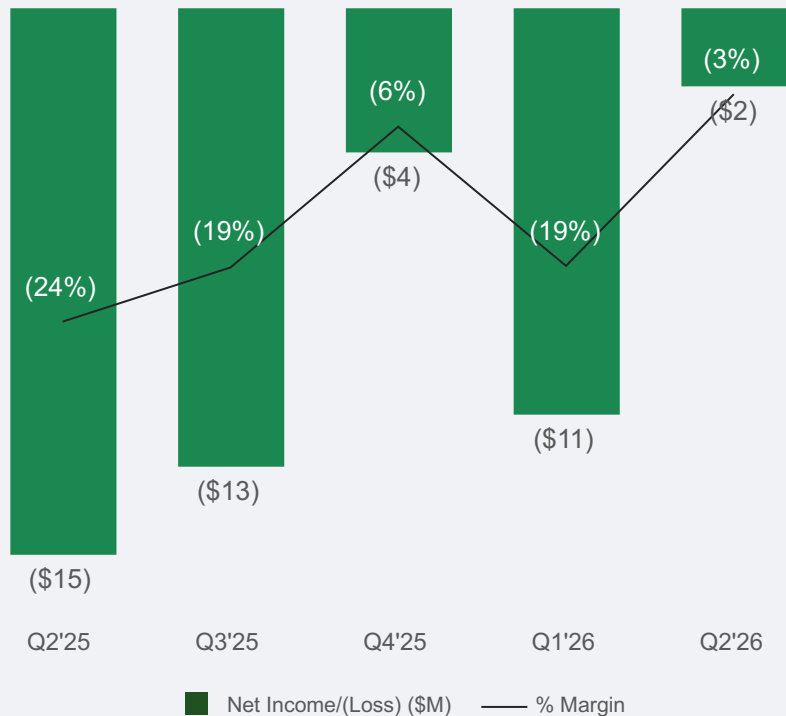
Self-serve channel revenue grew 32% year-over-year in Q2 and represents 67% of revenue in Q2

ARPU improved by 9% year-over-year in Q2



Some figures may not tie due to rounding.

Net Income (Loss)



Operating leverage improved year-over-year

Net loss and margin were (\$2M) and (3%), respectively

Net margin improved by 21 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 16 ppt year-over-year

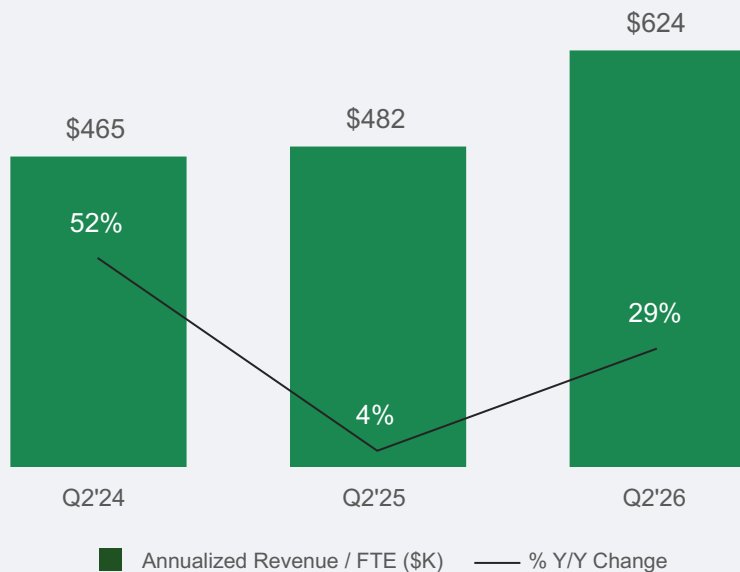
Revenue growth and disciplined cost management continue to drive our year-over-year improvement



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

Productivity and Capital Allocation

Annualized Revenue / FTE (\$K)¹



Productivity remains a key priority

Revenue / FTE improved 29% year-over-year in Q2

Strong balance sheet a key differentiator: \$378M in cash, cash equivalents, and marketable securities at Q2-end

Generated \$10M in cash flow from operations for the six months ended June 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.

Financial Outlook

	Third Quarter	Full Year	Additional details
Revenue	\$76M - \$78M	Low Teens Year-Over-Year Growth	Outlook assumes Platform WAU will continue to increase sequentially during the back-half of the year
Adjusted EBITDA	\$6.5M - \$8M	Approximately 10% Margin	



Some figures may not tie due to rounding. Outlook as of 8/4/2026.

Questions

investors.nextdoor.com

Appendix



Condensed Consolidated Balance Sheets

in thousands, except per share data

	June 30, 2026	December 31, 2025
Assets		
Current assets:		
Cash and cash equivalents	\$ 63,551	\$ 63,341
Marketable securities	314,422	341,429
Accounts receivable, net of allowance of \$517 and \$491 as of June 30, 2026 and December 31, 2025, respectively	37,974	34,385
Prepaid expenses and other current assets	9,739	9,084
Total current assets	425,686	448,239
Restricted cash, non-current	8,156	8,379
Property and equipment, net	1,282	1,639
Operating lease right-of-use assets	10,039	11,575
Goodwill	1,211	1,211
Other assets	15,490	15,760
Total assets	<u>\$ 461,864</u>	<u>\$ 486,803</u>
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 2,266	\$ 2,498
Operating lease liabilities, current	8,842	8,900
Accrued expenses and other current liabilities	20,982	20,550
Total current liabilities	32,090	31,948
Operating lease liabilities, non-current	18,854	23,351
Other liabilities, non-current	294	221
Total liabilities	51,238	55,520
Stockholders' equity:		
Class A common stock, \$0.0001 par value; 2,500,000 shares authorized, 255,064 and 262,446 shares issued and outstanding as of June 30, 2026 and December 31, 2025, respectively	26	26
Class B common stock, \$0.0001 par value; 500,000 shares authorized, 127,492 and 127,681 shares issued and outstanding as of June 30, 2026 and December 31, 2025, respectively	13	13
Additional paid-in capital	1,342,480	1,347,968
Accumulated other comprehensive income (loss)	(67)	1,563
Accumulated deficit	(931,826)	(918,287)
Total stockholders' equity	410,626	431,283
Total liabilities and stockholders' equity	<u>\$ 461,864</u>	<u>\$ 486,803</u>



Some figures may not tie due to rounding.

Condensed Consolidated Statements of Operations

in thousands, except per share data

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Revenue	\$ 74,554	\$ 65,093	\$ 136,223	\$ 119,269
Costs and expenses:				
Cost of revenue	11,475	10,643	22,523	20,090
Research and development	32,985	34,622	65,001	68,116
Sales and marketing	21,054	24,334	40,700	46,446
General and administrative	14,706	15,770	28,995	31,906
Total costs and expenses	<u>80,220</u>	<u>85,369</u>	<u>157,219</u>	<u>166,558</u>
Loss from operations	(5,666)	(20,276)	(20,996)	(47,289)
Interest income	3,834	4,774	7,870	9,756
Other income, net	<u>4</u>	<u>408</u>	<u>18</u>	<u>628</u>
Loss before income taxes	(1,828)	(15,094)	(13,108)	(36,905)
Provision for income taxes	<u>294</u>	<u>268</u>	<u>431</u>	<u>409</u>
Net loss	<u>\$ (2,122)</u>	<u>\$ (15,362)</u>	<u>\$ (13,539)</u>	<u>\$ (37,314)</u>
Net loss per share attributable to Class A and Class B common stockholders, basic and diluted	\$ (0.01)	\$ (0.04)	\$ (0.04)	\$ (0.10)
Weighted average shares used in computing net loss per share attributable to Class A and Class B common stockholders, basic and diluted	381,056	382,709	383,923	383,517



Some figures may not tie due to rounding.

Condensed Consolidated Statements of Cash Flows

in thousands

	Six Months Ended June 30,	
	2026	2025
Cash flows from operating activities		
Net loss	\$ (13,539)	\$ (37,314)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	685	1,058
Stock-based compensation	29,635	34,198
Accretion of investments	(440)	(1,378)
Other	91	(175)
Changes in operating assets and liabilities:		
Accounts receivable, net	(3,615)	4,236
Prepaid expenses and other assets	(426)	1,008
Operating lease right-of-use assets	1,536	1,404
Accounts payable	(277)	3,892
Operating lease liabilities	(4,555)	(4,093)
Accrued expenses and other liabilities	505	478
Net cash provided by operating activities	<u>9,600</u>	<u>3,314</u>
Cash flows from investing activities		
Purchases of property and equipment	(243)	(337)
Purchases of marketable securities	(122,088)	(155,010)
Sales of marketable securities	69,455	88,484
Maturities of marketable securities	<u>78,438</u>	<u>98,516</u>
Net cash provided by investing activities	<u>25,562</u>	<u>31,653</u>
Cash flows from financing activities		
Proceeds from issuance of common stock upon exercise of stock options	1,588	1,759
Proceeds from issuance of common stock under employee stock purchase plan	418	713
Tax withholdings on restricted stock units	(8,470)	(9,175)
Repurchase of common stock	<u>(28,659)</u>	<u>(14,528)</u>
Net cash used in financing activities	<u>(35,123)</u>	<u>(21,231)</u>
Effect of exchange rate changes on cash and cash equivalents	(52)	(28)
Net increase (decrease) in cash, cash equivalents, and restricted cash	(13)	13,708
Cash, cash equivalents, and restricted cash at beginning of period	71,720	56,721
Cash, cash equivalents, and restricted cash at end of period	<u>\$ 71,707</u>	<u>\$ 70,429</u>



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 shareholder letter. 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 page.



Adjusted EBITDA Reconciliation

in thousands

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Net loss	\$ (2,122)	\$ (15,362)	\$ (13,539)	\$ (37,314)
Depreciation and amortization	329	514	685	1,058
Stock-based compensation	14,873	17,107	29,635	34,198
Interest income	(3,834)	(4,774)	(7,870)	(9,756)
Provision for income taxes	294	268	431	409
Adjusted EBITDA	<u>\$ 9,540</u>	<u>\$ (2,247)</u>	<u>\$ 9,342</u>	<u>\$ (11,405)</u>
Net loss % Margin	(3%)	(24%)	(10%)	(31%)
Adjusted EBITDA % Margin	13%	(3%)	7%	(10%)



Some figures may not tie due to rounding.



investors.nextdoor.com · ir@nextdoor.com