

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

FORM 10-K

(Mark One)

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

For the fiscal year ended December 31, 2025
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 001-40246

Nextdoor Holdings, Inc.

(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction of
Incorporation or Organization)

420 Taylor Street
San Francisco, California
(Address of Principal Executive Offices)

86-1776836
(I.R.S. Employer
Identification No.)

94102
(Zip Code)

Registrant's telephone number, including area code: (415) 344-0333

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

Title of Each Class	Trading Symbol	Name of Exchange on Which Registered
Class A common stock, par value \$0.0001 per share	NXDR	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes No

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, smaller reporting company, or an emerging growth company. See the definition of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input checked="" type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

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 has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to § 240.10D-1(b).

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The aggregate market value of the voting and non-voting stock held by non-affiliates of the registrant, as of June 30, 2025, the last business day of the registrant's recently completed second fiscal quarter, was approximately \$434.4 million based upon the closing price reported for such date on the New York Stock Exchange.

As of February 13, 2026, there were 260,137,108 shares of the registrant's Class A common stock outstanding and 127,588,294 shares of the registrant's Class B common stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Information required in responses to Part III of Form 10-K is hereby incorporated by reference to portions of the Registrant's Proxy Statement for the Annual Meeting of Stockholders to be held in 2026. The Proxy Statement will be filed by the Registrant with the Securities and Exchange Commission no later than 120 days after the end of the Registrant's fiscal year ended December 31, 2025.

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SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K (“Annual Report”) contains forward-looking statements within the meaning of the federal securities laws. All statements contained in this Annual Report, other than statements of historical fact, including statements regarding our or our management team’s expectations, hopes, beliefs, intentions, strategies, future operating results and financial position, potential growth or growth prospects, are forward-looking statements. Words such as “believes,” “may,” “will,” “estimates,” “potential,” “continues,” “anticipates,” “intends,” “expects,” “could,” “would,” “projects,” “plans,” “targets,” and variations of such words and similar expressions are intended to identify forward-looking statements. Forward-looking statements in this Annual Report may include, for example, statements about:

- our anticipated growth, including our ability to scale new neighbor growth, our ability to grow engagement by our existing neighbor base and our ability to increase monetization of our platform;
- our ability to scale our business and monetization efforts;
- our development of, or investment in, new products or enhancements to our platform, including as part of our new Nextdoor initiative;
- the political, economic, and macroeconomic climate, whether in the advertising industry in general, or among specific types of advertisers or within particular geographies, including but not limited to the impacts related to significant political, trade, or regulatory developments, turmoil in the global banking system, labor shortages, supply chain disruptions, a potential recession, a potential temporary federal government shutdown, inflation, and changing interest rates;
- our ability to expand our business operations abroad by opening new and expanding within existing neighborhoods outside of the United States;
- our ability to respond to general economic conditions;
- our ability to invest in, and the ultimate success of, technologies, including artificial intelligence, aimed at enhancing our business solutions and delivering additional value to customers on our platform;
- our ability to scale our business effectively;
- our ability to achieve and maintain profitability in the future;
- our ability to access sources of capital to finance operations and growth;
- the success of strategic relationships with third parties;
- our ability to maintain the listing of our Class A common stock on the New York Stock Exchange;
- changes in applicable laws or regulations, both within and outside of the United States;
- the impact of the regulatory environment and complexities with compliance related to such environment;
- the inability to develop and maintain effective internal controls;
- the impact on our business as a result of interruptions, delays, or failures resulting from earthquakes, fires, floods, adverse weather conditions, other natural disasters, power loss, terrorism, pandemics, geopolitical conflict, other physical security threats, cyber-attacks, or other catastrophic events;
- our ability to raise financing in the future;
- our success in retaining or recruiting, or changes required in, our officers, key employees, or directors;
- our financial performance; and

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- other factors detailed in Part I, Item 1A, “Risk Factors” in this Annual Report.

We have based these forward-looking statements largely on our current expectations and projections as of the date of this filing about future events and trends that we believe may affect our financial condition, results of operations, business strategy, short-term and long-term business operations and objectives, and financial needs. These forward-looking statements are subject to a number of risks, uncertainties and assumptions, including those described in Part I, Item 1A, “Risk Factors” in this Annual Report. Readers are urged to carefully review and consider the various disclosures made in this Annual Report and in other documents we file from time to time with the Securities and Exchange Commission (the “SEC”) that disclose risks and uncertainties that may affect our business. Moreover, we operate in a very competitive and rapidly changing environment. New risks emerge from time to time. It is not possible for us to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. In light of these risks, uncertainties, and assumptions, the future events and circumstances discussed in this Annual Report may not occur and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements.

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. In addition, the forward-looking statements in this Annual Report are made as of the date of this filing, and we do not undertake, and expressly disclaim any duty, to update such statements for any reason after the date of this Annual Report or to conform statements to actual results or revised expectations, except as required by law.

You should read this Annual Report and the documents that we reference herein and have filed with the SEC as exhibits to this Annual Report with the understanding that our actual future results, performance, and events and circumstances may be materially different from what we expect.

As used in this Annual Report, the terms “Nextdoor,” “we,” “us,” “Registrant,” and “our” mean Nextdoor Holdings, Inc. and its subsidiaries unless the context indicates otherwise.

RISK FACTOR SUMMARY

Our business is subject to numerous risks and uncertainties, including those described in Part I, Item 1A, “Risk Factors” in this Annual Report. You should carefully consider these risks and uncertainties when investing in our Class A common stock. Some of the principal risks and uncertainties include the following:

- We have a limited operating history at the current scale of our business and are still scaling up our monetization efforts, which makes it difficult to evaluate our current business and future prospects, and there is no assurance we will be able to scale our business for future growth.
- Adverse global economic and financial conditions could harm our business and financial condition.
- We currently generate substantially all of our revenue from advertising. If advertisers reduce or eliminate their spending with us, our business, operating results, and financial condition would be adversely impacted.
- Our business is highly competitive. Competition presents an ongoing threat to the success of our business.
- Our business is dependent on our ability to maintain and scale our product offerings and technical infrastructure, and any significant disruption in the availability of our platform could damage our reputation, result in a potential loss of neighbors and engagement, and adversely affect our business, operating results, and financial condition.
- If we fail to scale our business effectively, our business, operating results, and financial condition would be adversely affected.
- We may not be successful in our AI initiatives, which could adversely affect our business, reputation, or financial results.
- If our efforts to build strong brand identity and reputation are not successful, we may not be able to attract or retain neighbors, and our business, operating results, and financial condition will be adversely affected.
- Our business depends largely on our ability to attract, retain, and assimilate talented employees, including senior management. If we lose the services of or fail to successfully assimilate highly skilled personnel, key employees or members of our senior management team, we may not be able to execute on our business strategy.
- We are dependent on third-party software and service providers, including ads platforms and programmatic advertising partners, for management and delivery of certain advertisements on the Nextdoor platform. Any failure or interruption experienced by such third-parties could result in the inability of certain businesses to advertise on our platform, and adversely impact our business, operating results, and financial condition.
- We rely on third-party software and service providers, including Amazon Web Services (“AWS”), to provide systems, storage and services for our platform. Any failure or interruption experienced by such third parties could result in the inability of neighbors and advertisers to access or utilize our platform, and adversely impact our business, operating results, and financial condition.
- Technologies have been developed that can block the display of advertisements on the Nextdoor platform, which could adversely impact our business, operating results, and financial condition.
- Security breaches, including improper access to or disclosure of our data or our neighbors’ data, or other hacking and phishing attacks on our or third-party systems, could harm our reputation, adversely affect our business, and result in legal liability.
- Distribution and marketing of, and access to, our platform depends, in significant part, on a variety of third-party publishers and platforms (including mobile app stores, third-party payment providers, computer systems, and other communication systems and service providers). If these third parties limit, prohibit or otherwise interfere with or change the terms of the distribution, use or marketing of our platform in any material way, it could materially adversely affect our business, operating results, and financial condition.
- Certain of our market opportunities and key metric estimates could prove to be inaccurate, and have been inaccurate in the past, and any real or perceived inaccuracies may harm our reputation and negatively affect our business.

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- We have a history of net losses and may experience net losses in the future and we cannot assure you that we will achieve or sustain profitability. If we cannot achieve and sustain profitability, our business, financial condition, and operating results will be adversely affected.
- We may have greater than anticipated tax liabilities, which could harm our business, revenue and financial results.
- We may be liable as a result of content or information that is published or made available on our platform.
- Our business is subject to complex and evolving U.S. and foreign laws, regulations, and industry standards, many of which are subject to change and uncertain interpretations, which uncertainty could harm our business, operating results, and financial condition.
- We are currently, and in the future may be, involved in legal disputes that are expensive and time consuming, and, if resolved adversely, could harm our business, operating results, and financial condition.
- The price of our Class A common stock has been and may continue to be volatile.
- The dual class structure of our common stock has the effect of concentrating voting power with our management and other existing stockholders, which will limit your ability to influence the outcome of important transactions, including a change in control.

PART I

Item 1. Business

Overview

Nextdoor is the essential neighborhood network connecting over 105 million Verified Neighbors¹ to the people, places, and information that matter most in their local communities. Operating in over 350,000 neighborhoods across 11 countries, Nextdoor fosters trusted, real-world utility through locally relevant content and services, including news, real-time safety alerts, neighbor recommendations, for sale and free listings, and events. This focus on practical local value drives genuine, high-intent local engagement and supports a diverse ecosystem of neighbors and partners seeking to connect with neighbors.

Our platform is powered by unique geospatial technology and a proprietary advertising system that enables businesses of all sizes to reach highly engaged audiences with a local focus. Through these capabilities, Nextdoor helps strengthen local communities while providing partners — including small businesses, national brands, publishers, and civic and government agencies — with effective tools to communicate and engage locally at scale.

As of December 31, 2025, Nextdoor had 21.0 million Platform Weekly Active Users (“Platform WAU”) and reached 1 in 3 households in the United States.

Our Platform and Our Users

In 2025, we launched the new Nextdoor initiative, the first phase of a multi-phase product transformation designed to create more engaging experiences for neighbors and partners and deliver enhanced value for advertisers. This evolution expands the platform beyond primarily neighbor-generated content to a dynamic feed enriched with timely, locally relevant information — including news and alerts — with artificial intelligence (“AI”) and machine learning (“ML”) used to help surface and personalize content for neighbors.

The Nextdoor Ecosystem

Nextdoor is built on the unique combination of neighbor identity, trust and proximity. Our platform is powered by our core constituencies: neighbors, businesses, and public agencies seeking to build stronger, more connected communities. Neighbors use Nextdoor to connect with their neighbors, follow local news, participate in conversations, discover and support local businesses, and exchange goods and services. Businesses use our platform to reach high-intent audiences through free Business Pages and targeted advertising, while public agencies — including fire departments, law enforcement, and municipal offices — share real-time updates, critical alerts, and community information.

This ecosystem is further enhanced by more than 4,000 local news publishers whose content accounted, as of December 31, 2025, for approximately 7% of total feed volume, as well as alert partners such as Waze, Weather.com, and the U.S. Geological Survey. These partnerships deliver real-time traffic, weather, and safety notifications, increasing the relevance and utility of our platform.

Key Features and Technology

The user experience anchors on the Feed, a dynamic, personalized stream of neighbor posts, discussions, news, alerts, and community updates tailored by location. Our Search functionality connects neighbors to local businesses and resources, enabling discovery and recommendations that help drive visibility and loyalty for local businesses. Additionally, For Sale & Free facilitates a local marketplace where neighbors can buy, sell, or donate items within their communities.

Our platform is built on a rich local data set that includes event details, recommendations, and insights into neighbor and neighborhood interests and behaviors. This proprietary data powers our unique local knowledge and neighbor graph, enabling more relevant content experiences for neighbors and more effective advertising solutions for businesses.

Through ongoing enhancements in AI and ML capabilities, we continue to improve content personalization, notification relevance, and ad performance. By seamlessly connecting neighbors, businesses, and public agencies, we continue to evolve Nextdoor into the most useful, real-time resource for neighborhoods—with a clear ambition: if it’s happening in your neighborhood, it’s on Nextdoor.

¹ Verified Neighbors are individuals who have joined Nextdoor and completed the verification process for their account.

Our Advertising Solutions

Nextdoor offers a comprehensive suite of advertising solutions designed to deliver measurable results for businesses of all sizes. Our Nextdoor Ads Platform is built on a proprietary ad stack that includes the Nextdoor Ads Manager interface, our native ad server, and measurement and API tools. Together, these capabilities help businesses to connect with high-intent local audiences, build brand awareness, and drive customer engagement where decisions are made: in the neighborhood. To help businesses achieve these goals, we provide a range of key features and benefits:

- **Hyperlocal Targeting:** Powered by our first-party data from over 105 million Verified Neighbors, Nextdoor's unique neighborhood-level targeting capabilities helps advertisers reach validated audiences based on neighborhood, interests, and real-world behavior. This is designed to help campaigns reach the most relevant neighborhoods to enhance impact.
- **Diverse Ad Formats:** We offer a variety of engaging ad formats, including sponsored posts, lead generation forms, native display ads, and video ads to cater to different marketing objectives and creative strategies. In 2025, we expanded our creative capabilities with AI-powered tools that help advertisers generate locally relevant copy and imagery at scale.
- **Ad Auction and Delivery:** Our ad auction system prioritizes ad relevance, quality, and user experience. Our algorithms analyze user interests, demographics, and historical behavior to optimize performance for advertisers while maintaining feed quality for neighbors.
- **Measurement and Attribution:** We provide robust measurement tools, including pixel-based and API-based conversion tracking, to help advertisers quantify impact. These insights allow businesses to track key performance indicators—such as website visits, leads, and online sales—and optimize their marketing spend based on clear attribution. For advertisers seeking deeper insight into offline outcomes, our sales team also collaborates with independent measurement partners to run campaign-specific brand lift and foot-traffic studies, providing additional visibility into consumer perception and in-store activity.
- **Brand Safety and Trust:** We maintain a safe and trustworthy environment for both users and advertisers by implementing strict brand safety measures and partnering with independent third-party verification providers designed to help ensure brand suitability and help protect against fraud.

Go-to-Market Approach

Our go-to-market approach combines the scale and efficiency of our self-serve ads platform with the expertise of a dedicated global sales team. This hybrid approach allows us to cater to businesses of all sizes, from small local businesses to large global brands, across both self-serve and managed campaigns. In addition to buying directly through our platform, advertisers can work with select programmatic and data partners to reach Nextdoor audiences more efficiently using their existing programmatic workflows.

Nextdoor Ads Manager (“NAM”) is the primary interface to our proprietary ad stack and powers our self-serve advertising channel by enabling advertisers to independently plan, launch, and optimize campaigns. Continued product investments in automated optimization, AI-driven creative support, and simplified campaign management have delivered measurable performance improvements, including higher click-through rates and lower cost-per-click for advertisers.

For advertisers with more complex needs, our dedicated global sales team provides personalized support across our ad stack throughout the marketing lifecycle, including campaign planning, optimization, and performance analysis. Strategically positioned across markets, our sales team focuses on attracting and retaining advertisers while driving measurable outcomes across all ad products.

A Community First Approach

Nextdoor continually innovates to facilitate productive neighborhood conversations. We maintain this constructive and authentic environment through a multi-layered strategy that combines neighbor verification based on location with clear Community Guidelines, and a hybrid moderation model leveraging both advanced technology and human review.

Real Identity and Verification

To ensure authenticity, Nextdoor requires neighbors to sign up using their real names and addresses. This verification process creates a network of real people, establishing a foundation of trust. Businesses, news partners, and public agencies undergo a similar verification process to establish trust within the ecosystem.

Hybrid Moderation Framework

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We employ a three-tiered moderation framework to maintain a positive and productive environment.

- **AI and Automated Solutions:** We utilize ML models to proactively detect and flag harmful content before it is visible. Features such as the Kindness Reminder and Constructive Conversations Reminder encourage respectful dialogue by analyzing tone and suggesting constructive edits. From time to time, we test generative AI tools, including tools intended to help neighbors draft more constructive and engaging posts and comments in line with our Community Guidelines.
- **Community Moderation:** Leveraging the local context known by our users, we support a network of over 200,000 volunteer community reviewers. These volunteer neighbor reviewers are equipped with specialized tools to review reported content and uphold Community Guidelines in a way that reflects the unique nuances of their neighborhoods.
- **Neighborhood Operations Team:** Reports of specific types of content, including misinformation and discrimination, are escalated directly to Nextdoor's internal operations staff. This ensures consistent, professional enforcement of our standards and policies.

Focus on Engagement Quality



We aim to balance high-quality interactions on our platform with growth in overall usage. From time to time, we adjust our notification and email strategies, including periods where we reduce or reconfigure volume to improve relevance and the overall neighbor experience. These changes, together with product experiments, seasonality, and other factors, can lead to fluctuations in available ad impressions and short-term metrics such as Platform WAU. Over the long term, we believe that focusing on relevant, useful experiences for neighbors is important to sustaining trust, deepening engagement, and supporting our business.

Technology and Innovation

We continually invest in technology to enhance our offerings for neighbors, businesses, and public agencies. At the core of our strategy is the use of AI and ML, which powers personalized content distribution for neighbors and optimizes ad reach and performance for advertisers. By leveraging our unique data set, we have developed AI-powered features to increase relevance, engagement, and utility for all. We continue investing in our proprietary ad platform to deliver greater advertiser value, reduce advertiser effort, and enable businesses of all sizes to succeed on Nextdoor.

Intellectual Property

Our intellectual property and core technological innovations are integral components of our business. To establish and protect our intellectual property, proprietary rights and brand, we rely on a combination of federal, state, and common-law rights in the United States and the rights under the laws of other countries, patents, trademarks, copyrights, domain name, trade secrets, including know-how, license agreements, confidentiality procedures, non-disclosure agreements with third parties, employee disclosure, and invention assignment agreements, and other contractual rights.

We own a trademark portfolio, including registered trademarks and applications in the United States and other countries, for the marks NEXTDOOR, , and . We have registered domain names that we use in or relate to our business, such as the <nextdoor.com> domain name and country code top level domain name equivalents. As of December 31, 2025, we had 10 issued patent families in the United States. We cannot assure you that any of our patent applications will result in the issuance of a patent or whether the examination process will require us to narrow our claims. Additionally, our current and future patents, trademarks, and other intellectual property or other proprietary rights may be contested, circumvented or found unenforceable or invalid. We may not be able to obtain or maintain sufficient protection for or successfully enforce our intellectual property. We license content, technology, and other intellectual property from our partners, and rely on our license agreements with those partners to use the intellectual property. Third parties may assert claims related to intellectual property rights against our partners or us.

For additional information, please see the section entitled “*Risk Factors — Risks Related to Intellectual Property.*”

Talent Management and Development

Our Culture and Core Values

Community drives everything we do at Nextdoor, and our employees embody that spirit. We are committed to attracting and retaining top talent by fostering an environment that promotes professional growth and personal impact. Our talent strategy is guided by three core values:

- Build for community;

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- Raise the bar; and
- Act like an owner.

These principles anchor our performance culture and empower our workforce to contribute directly to Nextdoor’s long-term success.

As of December 31, 2025, we had 463 employees in the United States, Canada, and the United Kingdom.

Talent Acquisition, Development, and Retention

We prioritize the acquisition, development, and retention of talent at all levels of the organization. Our recruitment process is rigorous and standardized, utilizing behavioral and situational-based interviewing to identify candidates who demonstrate the skills and values necessary for long-term success.

Once onboarded, we invest in continuous development. We facilitate company-wide performance feedback and promotion cycles, complemented by recognition programs like our “Nextdoor Values Awards”. Our learning and development initiatives provide ongoing opportunities for skills enhancement, leadership growth, and compliance training. Additionally, we encourage the responsible use of AI-enabled tools to enhance employee productivity and innovation, supported by training and governance frameworks to ensure privacy, security, and legal compliance.

To foster an environment where employees feel engaged, valued, and heard, we actively seek and respond to their feedback through surveys, direct leadership interactions, and “All Hands” meetings that bring the entire company together. This open feedback loop allows us to address evolving employee needs and sustain our status as an employer of choice. We strive to create a dynamic, inclusive environment that supports and values employees with a wide range of experiences and perspectives.

Compensation, Benefits and Wellbeing

Our “Total Rewards” philosophy is designed to attract top talent and align employee and company interests. Our competitive compensation packages include base salaries, equity awards, and sales commissions for certain employees. Benefits vary by country and region and include retirement plans with company match, comprehensive healthcare coverage, flexible paid time off, parental leave, and family, caregiving, and mental health resources. To reinforce our mission, we provide “Volunteer Time Off,” enabling employees to dedicate time to causes in their local communities.

Employee Experience and Operations

We continue to invest in HR technology platforms to automate and enhance the employee lifecycle experience, from onboarding to offboarding. Our People Operations function supports a flexible hybrid work environment that balances in-person collaboration with remote efficiency. By streamlining HR administration — including benefits management, leave programs, and internal mobility — we ensure a seamless and supportive operational infrastructure that allows our employees to focus on driving business results.

Competition

We compete in almost every aspect of our business with companies that provide a variety of internet products, services, content, and online advertising. Aspects of our platform also compete with products and services including home services, classifieds, real estate, recommendations, news, alerts (including weather and traffic), and search engines. Of these companies, we most directly compete with social media companies that offer local products to advertisers and users, including large companies such as Meta (including Facebook and Instagram), Alphabet (including Google), and other similar service providers. As we introduce new products, as our platform evolves, or as other companies introduce new products and services, we may become subject to additional competition.

We compete with other companies to attract, engage, and retain users and their engagement. We also compete with other companies to attract and retain advertisers, which depends on our reach and ability to deliver a strong return on investment. Finally, we compete to attract and retain highly talented individuals, particularly software engineers, designers, and product managers.

For additional information, see the section entitled “*Risk Factors — Our business is highly competitive. Competition presents an ongoing threat to the success of our business.*”

Government Regulation

We are subject to many U.S. federal and state and foreign laws, regulations, and industry standards that involve matters central to our business, including laws and regulations that involve data privacy and protection, intellectual property (including trademark, copyright and patent laws), content regulation, rights of publicity, advertising and marketing, health and safety, competition, protection of

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minors, age verification, consumer protection, taxation, anti-bribery, anti-money laundering and corruption, telecommunications, AI and ML, and securities law compliance. Our business may also be affected by the adoption of any new or existing laws or regulations or changes in laws or regulations that would adversely affect the growth, popularity or use of online services or the internet in general; significantly restrict or impose conditions on our ability to collect, store, augment, analyze, use and share data; modify or augment consumer notice or consent requirements before a company can utilize cookies or other tracking technologies; or increase the liability of content platforms like ours. These laws and regulations are constantly evolving and may be interpreted, applied, created, or amended, in a manner that could harm our business.

We rely on a variety of statutory, regulatory and common-law frameworks and defenses relevant to the content available on our platform, including the Digital Millennium Copyright Act (the “DMCA”), the Communications Decency Act (“CDA”) and the fair-use doctrine in the United States, the Digital Services Act in the European Union (the “DSA”), and the Electronic Commerce Directive in the European Union (the “E-Commerce Directive”). However, each of these statutes is subject to uncertain or evolving judicial interpretation and regulatory and legislative amendments. For example, in the United States, laws such as the CDA, which have previously been interpreted to provide substantial protection to interactive computer service providers, have seen Supreme Court challenges and there have been legislative efforts to curtail the CDA’s protections. These efforts could expose us to lawsuits in which we could incur significant costs and could seriously harm our business. In addition, various countries around the world have adopted legislation, including the DSA in the European Union, the Online Safety Act 2021 in Australia, and the Online Safety Act in the United Kingdom, that may impose additional obligations or liability on us associated with user-generated content.

We collect, store, use, share, and otherwise process data, some of which contains personal information. We are therefore subject to U.S. (federal and state) and foreign laws and regulations regarding data privacy and protection, which encompass the processing of personal information from users, employees, and business partners. These laws include, but are not limited to, the European Union’s General Data Protection Regulation (“EU GDPR”), the United Kingdom’s General Data Protection Regulation (“UK GDPR”), Canada’s Personal Information Protection and Electronic Documents Act (“PIPEDA”), Australia’s Privacy Act 1988 and the Australian Privacy Principles (“APPs”), the California Consumer Privacy Act (“CCPA”), and the Virginia Consumer Data Protection Act (“VCDPA”), along with similar consumer privacy laws enacted in more than one third of U.S. states. Legislative proposals concerning content regulation and data protection remain pending before the U.S. Congress, various state legislatures, and foreign governments, and new laws or interpretations of existing laws may require us to modify our data processing practices and incur substantial compliance costs.

We also use AI and ML technologies in our products and operations. Governments are increasingly focused on regulating AI, including through the European Union’s Artificial Intelligence Act, the Colorado Artificial Intelligence Act, California Privacy Protection Agency (“CPPA”) regulations directed toward automated decision making technology, and emerging U.S. federal and state-level efforts to regulate AI technologies. These frameworks may impose transparency, risk assessment, or other compliance obligations, or may limit the use of AI technologies, in ways that may affect how we develop and deploy AI-enabled features.

The costs of complying with these laws and regulations, which in some cases can be enforced by private parties in addition to government entities, are high and likely to increase in the future, particularly as the extent of regulation increases, our business grows and our geographic scope expands. Further, the impact of these laws and regulations may disproportionately affect our business in comparison to our peers in the technology sector with greater resources. Any failure to comply may subject us to significant liabilities or penalties, or otherwise adversely affect our business, financial condition, or operating results. Further, it is possible that certain governments may seek to block or limit our products or otherwise impose other restrictions that may affect the accessibility or usability of any or all our products for an extended period of time or indefinitely.

We engage with lawmakers and regulators in the countries and regions in which we do business to monitor legal and regulatory developments and ensure our perspective is heard on matters of importance to us.

For additional information, see the section entitled “*Risk Factors — Risks Related to Legal and Regulatory Matters.*”

Corporate Information

Our principal executive offices are located at 420 Taylor Street, San Francisco, California 94102 and our telephone number is (415) 344-0333. Our website address is <https://www.nextdoor.com>. The information contained on, or that can be accessed through, our website is not incorporated by reference into, and is not a part of, this Annual Report. Investors should not rely on any such information in deciding whether to purchase our Class A common stock.

Nextdoor, the Nextdoor logo, and other registered or common law trade names, trademarks, or service marks of Nextdoor appearing in this Annual Report are the property of Nextdoor. This Annual Report contains additional trade names, trademarks, and service marks of other companies that are the property of their respective owners. We do not intend our use or display of other companies’ trade

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names, trademarks, or service marks to imply a relationship with, or endorsement or sponsorship of us by, these other companies. Solely for convenience, our trademarks and tradenames referred to in this Annual Report appear without the ® and ™ symbols, but those references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights, or the right of the applicable licensor, to these trademarks and tradenames.

Available Information

Our reports filed with or furnished to the SEC pursuant to Sections 13(a) and 15(d) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), are available, free of charge, on our Investor Relations website at <https://investors.nextdoor.com/> as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC. The SEC maintains a website at <http://www.sec.gov> that contains reports, proxy and information statements, and other information regarding us and other companies that file materials with the SEC electronically. Copies of our reports on Form 10-K, Forms 10-Q, and Forms 8-K, and amendments to those reports may also be obtained, free of charge, electronically through our Investor Relations website located at the web address appearing above as soon as reasonably practicable after we file such material with, or furnish it to, the SEC. We use our Investor Relations website as a means of disclosing material information and for complying with our disclosure obligations under Regulation FD. Accordingly, investors should monitor our Investor Relations website, in addition to following our press releases, SEC filings, and public conference calls and webcasts.

The content of our websites and information that we may post on or provide to online and social media channels and information that can be accessed through our websites or these online and social media channels are not incorporated by reference into this Annual Report or in any other report or document we file with the SEC, and any references to our websites or these online and social media channels are intended to be inactive textual references only.

Item 1A. Risk Factors

Investing in our Class A common stock involves risks. You should carefully consider the risks and uncertainties described below, together with all of the other information in this Annual Report, including the section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our consolidated financial statements and related notes, before deciding whether to purchase shares of our Class A common stock. You should also carefully consider the following risk factors in addition to the other information included in this Annual Report, including matters addressed in the above section entitled “Special Note Regarding Forward-Looking Statements.” Our business, operating results, financial condition, and prospects could also be harmed by risks and uncertainties that are not presently known to us or that we currently believe are not material. If any of these risks actually occur, our business, operating results, financial condition, and prospects could be materially and adversely affected. Unless otherwise indicated, references in these risk factors to our business being harmed will include harm to our business, reputation, brand, financial condition, operating results, and prospects. In such event, the market price of our securities could decline, and you could lose all or part of your investment.

Risks Related to Our Business and Industry

We have a limited operating history at the current scale of our business and are still scaling up our monetization efforts, which makes it difficult to evaluate our current business and future prospects, and there is no assurance we will be able to scale our business for future growth.

We commenced operating the Nextdoor platform in 2011 and began supporting the platform with advertising in 2016. In 2025, we launched our new Nextdoor initiative, the first phase of a multi-phase product transformation with the goal of making our platform more robust and engaging for users, as well as more compelling for advertisers. This initiative remains ongoing as we continue to implement additional features and enhancements. These changes may not be favorably received by users or advertisers, may not result in increased engagement or monetization, and may disrupt established usage patterns or alienate existing users. Our limited operating history at the current scale of our business may make it difficult to evaluate our current business and future prospects. We have encountered, and will continue to encounter, risks and difficulties frequently experienced by growing companies in rapidly evolving industries, including challenges in accurate financial planning and forecasting, increasing competition and expenses as we effectively scale our business, and our ability to achieve market acceptance of our platform and attract, engage and retain users, who we call “neighbors” (which includes individuals) and organizations (which includes businesses and public agencies, including paying customers such as advertisers). You should consider our business and prospects in light of the risks and difficulties that we may encounter as a business with a limited operating history. We cannot ensure that we will be successful in addressing these and other challenges we may face in the future, and our business, operating results, and financial condition may be adversely affected if we do not manage these risks successfully. We may not be able to sustain or increase our current rate of growth, which is a risk characteristic often shared by companies with limited operating histories participating in rapidly evolving industries.

Additionally, we are still in the early stages of monetizing our platform. Our growth strategy depends on, among other things, increasing neighbors on the network, increasing engagement, developing new and improving existing products for neighbors and organizations, attracting more advertisers (including expanding our sales efforts to reach advertisers in additional international markets), scaling our business with existing advertisers, and delivering targeted advertisements based on neighbors’ personal taste and interests. Given the current macroeconomic environment, it may be more difficult for us to capitalize on our growth strategies. There can be no assurance that we will successfully increase monetization on our platform or that we will sustain or increase the current growth rate of our revenue.

Adverse global economic and financial conditions could harm our business and financial condition.

Adverse global economic and financial events and the effects thereof, such as health epidemics or pandemics, geopolitical conflicts, inflation, changing interest rates, potential recessions, the implementation of tariffs by the United States, China, or other governments, fluctuations in foreign exchange rates, actual or perceived instability in the global banking system, supply chain issues and inventory and labor shortages, have caused, and could in the future cause, disruptions and volatility in global financial markets. These conditions have in the past and may in the future translate to cost increases to us and advertisers and lead to decreased spending by our advertisers. U.S. trade policies, including tariffs on imported goods, may adversely affect economic conditions and consumer spending patterns. Current and potential U.S. tariffs, and any new or additional retaliatory tariffs that may be imposed by other countries in response to such U.S. tariffs, may adversely affect spending by advertisers and, consequently, our operating results. Trade policy uncertainty and tariff implementations may continue to contribute to market volatility and economic uncertainty. We are closely monitoring this evolving situation and there can be no assurance that we will be able to mitigate the impacts of any trade measures on our business, which could adversely impact our business, operating results, financial condition, and our stock price. In addition, since the majority of our revenue is derived from advertisers within the United States, economic conditions in the United States have a

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greater impact on us. We may not perform well in adverse macroeconomic conditions, which could adversely affect our business, financial condition and operating results.

We currently generate substantially all of our revenue from advertising. If advertisers reduce or eliminate their spending with us, our business, operating results, and financial condition would be adversely impacted.

Substantially all of our revenue is currently generated from the sales of advertising on our platform in the form of online display advertisements. Our advertisers typically do not have long-term advertising spend commitments with us. Many of our advertisers spend only a relatively small portion of their overall advertising budget with us. In addition, advertisers may view some of the features on our platform as experimental and unproven. Advertisers will not continue to do business with us, or they will reduce the prices they are willing to pay to advertise with us, if we do not deliver advertisements in an effective manner, or if advertisers do not believe that their investment in advertising with us will generate a competitive return relative to alternatives. Our ability to attract and retain advertisers, and ultimately generate revenue, may be adversely affected by a number of factors, including but not limited to:

- decreases in neighbor or advertiser engagement on the platform;
- slower than anticipated growth in, or lack of growth or decreases in, the number of neighbors active on the platform;
- the impact of macroeconomic conditions, whether in the advertising industry in general, among specific types of advertisers or within particular geographies, including but not limited to health epidemics or pandemics, actual or perceived instability in the global banking system, labor shortages, supply chain disruptions, the implementation of tariffs by the United States, China, or other governments, a potential recession, inflation and changing interest rates;
- platform changes (such as the migration to our proprietary ad server) or inventory management decisions that change the size, format, frequency, or relative prominence of advertisements displayed on the platform;
- competitors offering more attractive pricing for advertisements that we are unable or unwilling to match;
- a decrease in the quantity or quality of advertisements shown to neighbors;
- changes to laws, third-party policies or applications that limit our ability to deliver, target, or measure the effectiveness of advertising, including changes by mobile operating system and browser providers such as Apple and Google;
- changes to demographics of our neighbors that make us less attractive to advertisers;
- an increase in neighbors who exercise opt-out rights under privacy laws to restrict the advertisements they receive;
- neighbors that upload content or take other actions that are deemed to be hostile, inappropriate, illicit, objectionable, illegal, or otherwise not consistent with the brand of our advertisers;
- adverse government actions or legislative, regulatory, or other legal developments;
- neighbor behavior or changes to the platform that may affect, among other things, the safety and security of other neighbors or the cultivation of a positive and inclusive online community;
- adverse media reports or other negative publicity involving us;
- implementing or enforcing policies, such as advertising policies, community guidelines, and other terms or service that are perceived negatively by advertisers;
- our ability to develop and improve our products for advertisers;
- the rapid evolution of advertising formats driven by AI, which may change how advertisements are delivered, targeted, and measured, and reduce demand for our current advertising products if we are unable to adapt our offerings competitively;
- advertiser uncertainty regarding their own legal and compliance obligations, including with respect to AI, which may cause such advertisers to reduce or eliminate spending on AI-enhanced or algorithmically-targeted advertising products;
- limitations in, or reductions to, the availability, accuracy, utility, and security of analytics and measurement solutions offered by us or third parties that are intended to demonstrate the value of our advertisements to advertisers; and

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- changes to our data privacy practices that affect the type or manner of advertising that we are able to provide, including as a result of changes to laws, regulations or regulatory actions, such as the European Union’s Regulation (EU) 2016/679 (General Data Protection Regulation) (“EU GDPR”) and the United Kingdom’s Data Protection Act 2018 and UK General Data Protection Regulation (“UK GDPR” and the foregoing, collectively, “GDPR”), European Directive 2002/58/EC (the “ePrivacy Directive”), the Canadian Personal Information Protection and Electronic Documents Act (“PIPEDA”), the Australia Privacy Act 1988 along with the 2024 reforms thereto and the Australian Privacy Principles (“APPs”), the California Consumer Privacy Act of 2018 (as amended, the “CCPA”) in California, and comparable U.S. state privacy laws in over a third of other states, or changes to third-party policies.

From time to time, certain of these factors have adversely affected our revenue to varying degrees. The occurrence of any of these or other factors in the future could result in a reduction in demand for our advertisements, which may reduce the prices we receive for our advertisements, or cause advertisers to stop or reduce their spend with us, either of which would negatively affect our business, operating results, and financial condition. Similar occurrences in the future may impair our ability to maintain or increase the quantity or quality of advertisements shown to neighbors and adversely affect our business, operating results, and financial condition.

Our ability to attract and retain advertisers depends on our ability to collect and use data and develop products to enable us to effectively deliver and accurately measure advertisements on the Nextdoor platform.

Most advertisers rely on tools that measure the effectiveness of their advertising campaigns in order to allocate their advertising spend among various formats and platforms. If we are unable to accurately measure the effectiveness of advertising on our platform, if at all, or if we are unable to convince advertisers that our platform should be part of a larger advertising budget, our ability to increase the demand and pricing of our advertising tools and maintain or scale our revenue may be limited or decline. Our ability to develop and offer products that accurately measure the effectiveness of a campaign on our platform is critical to our ability to attract new advertisers and retain and increase spend from our existing advertisers.

We are continually developing and improving our products for advertisers and such efforts have and are likely to continue to require significant time and resources and additional investment, and in some cases, we have relied on, and may in the future rely on, third parties to provide data and technology needed to provide certain measurement data to our advertisers. If we cannot continue to develop and improve our products for advertisers in a timely fashion, those products are not reliable, or the measurement results are inconsistent with advertiser’s expectations or goals, our revenue could be adversely affected.

In addition, web and mobile browser developers, such as Apple, Microsoft or Google, have implemented and may continue to implement changes, including requiring additional user permissions, in their browser or device operating system that impair our ability to measure and improve the effectiveness of advertising on our platform. Such changes include limiting the use of first-party and third-party cookies and related tracking technologies, such as mobile advertising identifiers, and other changes that limit our ability to collect information that allows us to attribute neighbors’ actions on advertisers’ websites to the effectiveness of advertising campaigns run on our platform. For example, Apple has implemented features in Safari and iOS, including Intelligent Tracking Prevention, App Tracking Transparency, and more recent fingerprinting protections and link tracking restrictions, that block or limit tracking technologies, restrict access to device advertising identifiers, and affect our ability to track neighbors’ actions, measure attribution, and connect their interactions with on-platform advertising. Google and other browser developers have similarly implemented or may implement privacy controls which could impact our advertising. These web and mobile browser developers have also implemented and may continue to implement changes and restrictions in browser or device functionality that limit our ability to communicate with or understand the identity of our neighbors.

These restrictions and changes make it more difficult for us to provide the most relevant advertisements to our neighbors, as well as decrease our ability to measure the effectiveness of, re-target or optimize advertising on our platform. Developers may release additional technology that further inhibits our ability to collect data that allows us to measure the effectiveness of advertising on our platform. Any other restriction, whether by law, regulation, policy (including third-party policies), user opt-outs or otherwise, on our ability to collect and share data which our advertisers find useful or that further reduce our ability to measure the effectiveness of advertising on our platform, would impede our ability to attract, grow and retain advertisers. Advertisers and other third parties who provide data that helps us deliver personalized, relevant advertising may restrict or stop sharing this data and it therefore may not be possible for us to collect this data within the platform or from another source.

We rely heavily on our ability to collect and share data and metrics for our advertisers to help new and existing advertisers understand the performance of advertising campaigns. If advertisers do not perceive our metrics to be accurate representations of our neighbors and neighbor engagement, or there are inaccuracies in our metrics, advertisers may decrease or eliminate allocations of their budgets or resources to our platform, which could harm our business, operating results, and financial condition.

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If we fail to add new neighbors or retain current neighbors, or if current neighbors engage less with the Nextdoor platform, our business, operating results, and financial condition would be adversely impacted.

The number of neighbors that use the Nextdoor platform and their level of engagement on the platform are critical to our success. We must continue to engage and retain existing neighbors on our platform as well as attract, engage and retain new neighbors. The number of neighbors on the Nextdoor platform may not continue to grow at historical growth rates or at all, and it may even decline. In order to attract new neighbors, we must engage with neighbors in existing neighborhoods on our platform and add new neighborhoods to the Nextdoor platform, both domestically and internationally. If our neighbor growth rate slows or reverses, our financial performance will be adversely impacted unless we can increase our engagement with our existing neighbors and our monetization efforts to offset any such reduction or decrease in neighborhood growth rate.

If current and potential neighbors do not perceive their experience with the Nextdoor platform to be useful, the content generated on the platform to be valuable or relevant or the social connections with fellow neighbors to be worthwhile, we may not be able to attract new neighbors, retain existing neighbors or maintain or increase the frequency and duration of their engagement on our platform. In addition, if our existing neighbors decrease the frequency or duration of their engagement or the growth rate of our active neighbor base slows or reverses, we may be required to incur significantly higher marketing expenses than we currently anticipate in order to acquire new neighbors or retain current neighbors. We recently introduced our new Nextdoor initiative, the first phase of a multi-phase product transformation with the goal of making our platform more robust and engaging for users, as well as more compelling for advertisers. We may expend significant resources and management bandwidth on the implementation of this initiative, but those efforts may not be successful and may not result in the expected benefits, including increased neighbor satisfaction or engagement, or added neighbors on our platform.

There are many factors that could negatively impact our ability to grow, retain and engage current and prospective neighbors, including but not limited to:

- neighbors increasing their engagement with competitors' platforms, products or services instead of, or more frequently than, our platform;
- changes in the amount of time neighbors spend across all applications and platforms, including our platform;
- failing to introduce platform enhancements that neighbors find engaging or if we introduce new features, terms, policies or procedures, or make changes to our platform, including changes we are implementing with our new Nextdoor initiative, that are not favorably received by current or prospective neighbors;
- technical or other problems frustrating the neighbor experience, such as problems that prevent us from delivering our service in a fast and reliable manner;
- neighbors having difficulty installing, updating or otherwise accessing the Nextdoor platform on mobile devices through the app or web browsers;
- neighbor behavior on the Nextdoor platform changing, including a decrease in the quality and frequency of content shares on the platform;
- decreases in neighbor or advertiser sentiment due to questions about the quality or usefulness of our platform, concerns about the nature of content made available on the platform, concerns related to privacy, safety, security, well-being or other factors;
- changes mandated by legislation, government and regulatory authorities, or litigation that adversely impact our platform or neighbors;
- failing to obtain or attract engaging third-party content;
- third parties preventing their content from being displayed on the Nextdoor platform;
- changes we may make to how we promote different features on our platform;
- initiatives designed to attract and retain neighbors and engagement are unsuccessful or discontinued, whether as a result of actions by us, third parties, or otherwise;
- we, or other partners and companies in the industry are the subject of adverse media reports or other negative publicity;

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- we are unable to combat spam, harassment, cyberbullying or other hostile, inappropriate, abusive or offensive content or usage on our platform; or
- we cannot preserve and enhance our brand and reputation as a trusted neighborhood networking community.

Any decrease in neighbor growth, retention or engagement could render our service less attractive to neighbors or advertisers, and could harm our business, operating results, and financial condition. In addition, neighbor verification is a critical feature of our platform because it demonstrates that neighbors are real people and businesses in the neighborhood they desire to join. If we were to change our verification methods, that may adversely impact our ability to add new neighbors or retain existing neighbors.

Our business is highly competitive. Competition presents an ongoing threat to the success of our business.

We compete with companies that provide a variety of internet products, services, content, and online advertising. In addition, aspects of our platform compete with other products and services, including home services, classifieds, recommendations, and search engines. Of these companies, we most directly compete with social media companies that offer local products to advertisers and users, including large companies such as Meta (including through Facebook and Instagram) and Alphabet (including through Google), and other companies that provide home services, classifieds, recommendations, and search engines. We compete with these companies to attract, engage, and retain users and to attract and retain advertisers. If we introduce or acquire new products and services or evolve our platform in a way that subjects us to additional competition or as existing competitors introduce new products and services or evolve their platforms, we may fail to engage or retain neighbors or attract new neighbors, which could harm our business, operating results, and financial condition.

Some of our current and potential competitors have substantially broader product or service offerings and leverage their relationships based on other products or services to gain additional share of advertising spend. They have large distributed sales forces and an increasing amount of control over mobile distribution channels. Many of these competitors' economies of scale allow them to have access to larger volumes of data and platforms that are used on a more frequent basis than the Nextdoor platform, which may enable them to better understand their member base and develop and deliver more targeted advertising. Such competitors may not need to rely on third-party data, including data provided by advertisers, to effectively target the campaigns of advertisers, which could make their advertising products more attractive to advertisers than our platform if such third-party data ceases to be available to us, whether because of regulatory changes, privacy or cybersecurity concerns or other reasons. If our advertisers do not believe that our value proposition is as compelling as those of our competitors, we may not be able to attract new advertisers or retain existing ones, and our business, operating results, and financial condition could be adversely impacted.

Our competitors may develop products, features, or services that are similar to our platform or that achieve greater acceptance, may undertake more far-reaching and successful product development efforts or marketing campaigns, or may adopt more aggressive pricing policies. Some competitors may gain a competitive advantage relative to us in areas where we operate, including by more effectively responding to changes to third-party products and policies or by integrating competing platforms, applications, or features into products they control such as mobile device operating systems, search engines, browsers, or e-commerce platforms. For example, Apple has introduced and continues to expand features that limit our ability, and the ability of others in the digital advertising industry, to track individual users and devices, and target and measure advertisements effectively. Additionally, the Apple App Store guidelines require apps that support account creation to also allow users to delete their account within the app. This change has and may continue to impact our ability to retain users. As a result, our competitors may, and in some cases will, acquire and engage neighbors or generate advertising or other revenue at the expense of our efforts, which would negatively affect our business, operating results, and financial condition. In addition, from time to time, we may take actions in response to competitive threats, but we cannot assure you that these actions will be successful or that they will not negatively affect our business, operating results, and financial condition.

We believe that our ability to compete depends upon many factors both within and beyond our control, including:

- the popularity, usefulness, ease of use, performance, and reliability of our platform compared to our competitors' products;
- the size and composition of our neighbor base;
- the engagement of neighbors with our platform and competing products;
- first- and third-party data available to us relative to our competitors;
- our ability to attract and retain advertisers who use our free or paid advertisements services;
- the timing and market acceptance of developments and enhancements to our platform or our competitors' products;

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- our safety and security efforts and our ability to protect neighbor data and to provide neighbors with control over their data;
- our ability to distribute our platform to new and existing neighbors;
- our ability to effectively monetize our platform;
- the successful implementation of platform changes, such as the migration to our proprietary ad server and introduction of AI technologies into our platform, and our new Nextdoor initiative;
- the frequency, size, format, quality, and relative prominence of the advertisements displayed by us or our competitors;
- customer service and support efforts;
- marketing and selling efforts, including our ability to measure the effectiveness of our advertisements and to provide advertisers with a compelling return on their investments;
- our ability to establish and maintain publisher interest in integrating their content with our platform;
- changes mandated by legislation, regulatory authorities, or litigation, some of which may have a disproportionate effect on us;
- acquisitions or consolidation within our industry, which may result in more formidable competitors;
- our ability to attract, retain, and motivate talented employees, particularly software engineers, designers, and product managers;
- our ability to cost-effectively manage and grow our operations; and
- our reputation and brand strength relative to those of our competitors.

If we are not able to compete effectively, our neighbor base and level of neighbor engagement may decrease, we may become less attractive to advertisers and our business, operating results, and financial condition may be adversely affected.

Our business is dependent on our ability to maintain and scale our product offerings and technical infrastructure, and any significant disruption in the availability of our platform could damage our reputation, result in a potential loss of neighbors and engagement, and adversely affect our business, operating results, and financial condition.

Our reputation and ability to attract, retain, and serve our neighbors and to scale our product offerings is dependent upon the reliable performance of our platform and our underlying technical infrastructure. We have in the past experienced, and may in the future experience, interruptions in the availability or performance of our platform from time to time. Our systems may not be adequately designed or may not operate with the reliability and redundancy necessary to avoid performance delays or outages that could be harmful to our business. If our platform is unavailable when neighbors attempt to access it, or if it does not load as quickly as expected, neighbors may not use our platform as often in the future, or at all, and our ability to serve advertisements may be disrupted, any of which could adversely affect our business, operating results, and financial condition. As the amount and types of information shared on our platform continues to grow and evolve, as the usage patterns of our communities continues to evolve, and as our internal operational demands continue to grow, we will need an increasing amount of technical infrastructure, including network capacity and computing power, to continue to satisfy our needs. If we fail to continue to effectively scale and grow our technical infrastructure to accommodate these increased demands, neighbor engagement and revenue growth may be adversely impacted. Moreover, as we scale our platform and product offerings, including video and other platform features, that may place strain on our technical infrastructure, and we may also be unsuccessful in scaling our technical infrastructure to accommodate new product offerings and increased platform usage cost-effectively. In addition, our business may be subject to interruptions, delays, or failures resulting from earthquakes, fires, floods, adverse weather conditions, other natural disasters, power loss, terrorism, pandemics, geopolitical conflict (including the current war in Ukraine and the conflicts in the Middle East and Venezuela), other physical security threats, cyber-attacks, or other catastrophic events. If such an event were to occur, neighbors may be subject to service disruptions or outages and we may not be able to recover our technical infrastructure and neighbor data in a timely manner to restart or provide our services, which may adversely affect our financial results. In addition, the substantial amount of our employees are based in our headquarters located in San Francisco, California. If there is a catastrophic failure involving our systems or major disruptive event affecting our headquarters or the San Francisco area in general, we may be unable to operate our platform.

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A substantial portion of our network infrastructure is provided by third parties, including AWS. We also rely on third parties for other technology related services, including certain AI functions. Any disruption or failure in the services we receive from these providers could impact the availability of our platform and could adversely impact our business, operating results and financial condition. Any financial or other difficulties these providers face may adversely affect our business, and we exercise little control over these providers, which increases our reliance on and vulnerability to problems with the services they provide and increases in the costs of these services.

Any of these developments may result in interruptions in the availability or performance of our platform, result in neighbors ceasing to use our platform, require unfavorable changes to our platform, delay the introduction of future products, or otherwise adversely affect our reputation, business, operating results, and financial condition.

If we fail to scale our business effectively, our business, operating results, and financial condition would be adversely affected.

We have experienced growth in recent years and expect to continue to invest strategically across our organization to support measured growth, while also scaling back certain areas of our business in response to changing economic conditions. Although we have experienced rapid growth historically, we may not return to prior growth rates or sustain our growth rates, nor can we assure you that our investments to support our growth or to manage expenses by scaling back other areas of our business will be successful. The effective scaling of our business will require us to invest financial and operational resources and the continuous dedication of our management team.

We may continue to expand our international operations into more countries in the future, which will place additional demands on our resources and operations. The growth and expansion of our business has placed, and continues to place, a significant strain on our management, operations, and financial and technical infrastructure. In the event of further growth of our business or in the number of our third-party relationships, our information technology systems or our internal controls and procedures may not be adequate to support our operations.

Further, as we have grown, our business has become increasingly complex and may require more resources. To manage any future growth effectively, we must continue to improve and expand our information technology and financial infrastructure, our operating and administrative systems and controls, and our ability to manage headcount, capital, and processes in an efficient and appropriate manner. Failure to manage growth effectively could result in increases in costs, difficulties in introducing new products and services or enhancing the platform, loss of neighbors and advertisers, or other operational difficulties, any of which could adversely affect our business, operating results, and financial condition. For example, as we expand our product offerings, we may not be able to do so cost-effectively. Effectively managing our growth may also be more difficult to accomplish the longer that our employees, our advertisers, neighbors and the overall economy is impacted due to macroeconomic conditions and factors, including but not limited to the impacts related to the actual or perceived instability in the global banking system, labor shortages, supply chain disruptions, a potential recession, the implementation of tariffs by the United States, China, or other governments, changing interest rates and inflation, and the war in Ukraine and the conflicts in the Middle East and Venezuela.

We may not be able to successfully implement or scale improvements to our systems, processes, and controls in an efficient or timely manner. Our controls, policies and procedures, including with respect to accounting, risk management, data privacy, cybersecurity, client on-boarding, transaction monitoring, and reliance on manual controls, among other compliance matters, remain under development and may not be consistently applied or fully effective to identify, monitor and manage all risks of our business as we continue to scale rapidly. In addition, our existing systems, processes, and controls may not prevent or detect all errors, omissions, or fraud. We may also experience difficulties in managing improvements to our systems, processes, and controls or in connection with third-party software licensed to help us with such improvements. Any future growth will continue to add complexity to our organization and require effective coordination throughout our organization. Failure to manage any future growth effectively could result in increased costs, cause difficulty or delays in attracting new neighbors or retaining or increasing the engagement of existing neighbors, cause difficulties in introducing new features, impact our ability to attract and retain talent or cause other operational difficulties, and any of these difficulties would adversely impact our business, operating results, and financial condition.

Additionally, from time to time, we realign our resources and talent to implement stage-appropriate business strategies, which could include furloughs, layoffs and reductions in force. For example, in 2023, 2024 and 2025, in response to changing economic conditions and in an effort to support our growth, scale and profitability objectives, reduce our operational costs and improve our organizational efficiency, we executed restructuring plans, which included a restructuring and reduction of the current workforce. As part of the restructuring plan implemented in 2024, we ceased occupying and abandoned certain floors of its leased headquarters in San Francisco in order to adjust its office space footprint to better align with the needs of its work model. If there are unforeseen expenses associated with such realignments in our business strategies, and we incur unanticipated charges or liabilities, then we may not be able to

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effectively realize the expected cost savings or other benefits of such actions. Failure to manage any growth or any scaling back of our operations could have an adverse effect on our business, operating results, and financial condition.

If we or our industry generally are unable to provide a high-quality and secure customer experience in the various locales in which we operate, our brand could suffer reputational damage and our business results could be harmed.

Our business is largely driven by and reliant on customer trust. The reliability of our service, the security of personally identifiable and other sensitive information of our customers, and a responsive and effective customer support function are each critical elements for the maintenance of this trust. For example, any significant interruption in either our internal or our partners' systems could reduce customer confidence in our services. In addition, any breach, or reported breach, of our systems, our information security policies, or legal requirements that results in a compromise of customer data or causes customers to believe their data has been compromised could have a significant negative effect on our business. Legal claims and regulatory enforcement actions could also arise in response to these events, which would further exacerbate erosion of customer trust and potentially result in operating losses and liabilities.

If we do not successfully anticipate market needs and develop products and services and platform enhancements that meet those needs, or if those products, services, and platform enhancements do not gain market acceptance, our business, operating results, and financial condition will be adversely impacted.

We may not be able to anticipate future market needs or be able to improve our platform or to develop new products and services or platform enhancements to meet such needs on a timely basis, if at all. In addition, our inability to diversify beyond our current offerings could adversely affect our business. Any new products or services or platform enhancements that we introduce, including by way of acquisitions, may not achieve any significant degree of market acceptance from current or potential neighbors, which would adversely affect our business, operating results, and financial condition. In addition, the introduction of new products or services or platform enhancements may decrease neighbor engagement with our platform, thereby offsetting the benefit of even a successful product or service introduction, any of which could adversely impact our business, operating results, and financial condition.

We may not be successful in our AI initiatives, which could adversely affect our business, reputation, or financial results.

We are continuing to make investments in AI initiatives, including to recommend relevant content across our products, enhance our advertising tools, and develop new product features using generative AI. AI technologies are complex and rapidly evolving, and we face significant competition from other companies as well as an evolving regulatory landscape. These efforts, including the introduction of new products or changes to existing products, may result in new or enhanced governmental or regulatory scrutiny, litigation, ethical concerns, confidentiality or privacy and security risks, or other complications that could adversely affect our business, operating results and financial condition. Our use of datasets to develop AI models, the content generated by AI systems, or the application of AI systems may be found to be insufficient, offensive, biased, or harmful, or violate current or future laws and regulations. For example, as part of the new Nextdoor initiative, we are testing AI-powered experiences (such as an "Ask" surface) that can draw insights from users' posts and comments about businesses and services in their neighborhoods and provide summarized recommendations in response to neighbor prompts. The reliance of these features on user-generated conversations exposes us to risks related to the accuracy of the data, potential bias in the generated recommendations, and the lack of transparency of AI-derived summaries of discussions within the community. If AI-generated recommendations are perceived as inaccurate, biased, or unfair, or if they surface inappropriate or outdated content, we could face reputational harm, regulatory scrutiny, or legal claims from users or businesses. Moreover, AI may give rise to litigation risk, including potential intellectual property or privacy liability. Furthermore, the integration of third-party AI models with our products and services relies on certain safeguards implemented by the third-party developers of the underlying AI models, including those related to accuracy, bias, training data, quality of output, and other matters, and these safeguards may be insufficient. In addition, the quality, accuracy, availability, or efficacy of third-party AI models may degrade over time, which could negatively impact the performance of our AI-powered features and expose us to additional risks. If our offerings draw controversy due to their perceived or actual impact on society, such as AI solutions that have unintended consequences or are controversial because of unintended impacts to rights, privacy, employment, or other social, economic, or political issues, or if we are unable to develop effective internal policies and frameworks relating to the responsible development and use of AI models and systems, we may experience brand, reputational, and/or competitive harm, or could face legal liability. Moreover, other companies may develop AI features and technologies that are similar or superior to our technologies or are more cost-effective to develop and deploy. Given the long history of development in the AI sector, other parties may have (or in the future may obtain) patents or other proprietary rights that would prevent, limit, or interfere with our ability to make, use, or sell our own AI features. Existing laws and regulations may be interpreted, or new laws and regulations regarding AI have been and may in the future be adopted and interpreted, in ways which could negatively affect the way we use AI in our products. For example, the EU Artificial Intelligence Act prohibits certain high-risk AI applications and imposes strict requirements on others, potentially requiring additional quality controls and regulatory submissions for our products. In the United States, there is no comprehensive federal AI law, but over half of states have enacted or proposed AI legislation, including the Colorado Artificial Intelligence Act (effective February 1, 2026), which regulates high-risk AI systems and imposes transparency obligations. Recently, the U.S. federal government has indicated it may seek to preempt states' ability to regulate AI. The regulatory landscape for AI is fragmented and rapidly evolving, with ongoing legal

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challenges and uncertainty around applicable obligations, implementation, and enforcement. As a result, we may need to devote significant resources to adapt our offerings to comply with requirements that vary over time and across jurisdictions, and unresolved issues around AI-related laws may expose us to legal or regulatory risk. Finally, intellectual property ownership issues, licensing and privacy rights surrounding AI technologies are evolving and have not been fully addressed by U.S. federal or state courts or foreign jurisdictions, which may expose us to claims of intellectual property infringement or misappropriation or privacy rights violations, or result in inquiries by government bodies or agencies. Such issues may also undermine the availability or functionality of third party AI tools or services that we deploy in order to operate our business or services that we offer to consumers. Any of these factors could adversely affect our business, operating results, and financial condition.

If our efforts to build strong brand identity and reputation are not successful, we may not be able to attract or retain neighbors, and our business, operating results, and financial condition will be adversely affected.

We believe that maintaining and enhancing the “Nextdoor” brand and reputation, including through the new Nextdoor initiative, is critical to retaining and growing neighbors and advertisers on our platform. We anticipate that maintaining and enhancing our brand and reputation will depend largely on our continued ability to provide high-quality, relevant, reliable, trustworthy and innovative features on our platform, which may require substantial investment and may not be successful. We may need to introduce new products, services and features or updates to our platform and features that require neighbors to agree to new terms of service that our neighbors do not like, which may negatively affect our brand and reputation.

Additionally, advertisements or actions of our advertisers may affect our brand and reputation if neighbors do not think the advertisements help them accomplish their objectives, view the advertisements as intrusive or misleading or have poor experiences with our advertisers.

Our brand and reputation may also be negatively affected by the content or actions of neighbors that are deemed to be hostile or inappropriate to other neighbors, by the actions of neighbors acting under false or inauthentic identities, by the use of our platform to disseminate misleading or false information, the use of our platform for fraudulent schemes and scams, or by the use of our service for illicit, illegal or objectionable ends. The increasing availability and sophistication of generative AI tools may enable bad actors to create and distribute, at scale, AI-generated content on our platform, including fake posts, fabricated reviews of local businesses, deepfakes, and other misleading or manipulative content that is more difficult to detect and moderate than traditional spam or misinformation. This content may include the creation of fraudulent or misleading advertisements, or business profiles designed to deceive neighbors. Such AI-generated content could be particularly damaging to trust in our hyperlocal communities, where neighbors rely on the authenticity of content and advertisements shared on or through our platform. If we are unable to effectively detect and prevent such content, we could face reputational harm, reduced neighbor engagement, loss of advertiser confidence, regulatory scrutiny, or legal claims, any of which could adversely affect our business, operating results, and financial condition. We also may fail to respond expeditiously to the sharing of illegal, illicit or objectionable content on our service or objectionable practices by advertisers, or to otherwise address our neighbors’ concerns, which could erode confidence in our brand and damage our reputation. We expect that our ability to identify and respond to this content in a timely manner may decrease as the number of neighbors grows, as the amount of content on the platform increases or as we expand our product and service offerings on our platform. Any governmental or regulatory inquiry, investigation or action, including based on the appearance of illegal, illicit or objectionable content on our platform or the failure to comply with laws and regulations, could damage our brand and reputation, regardless of the outcome.

We have experienced, and expect to continue to experience, media, legislative, governmental and regulatory scrutiny of our decisions. Any scrutiny regarding us, including regarding our data privacy, content moderation or other practices, platform changes, platform quality, litigation or regulatory action, or regarding the actions of our employees, neighbors, or advertisers or other issues, may harm our brand and reputation. In addition, scrutiny of other companies in our industry, including such companies’ data privacy, content moderation or other practices, could also have a negative impact on our brand and reputation. These concerns, whether actual or unfounded, may also deter neighbors or advertisers from using our platform. In addition, we may fail to adequately address the needs of neighbors and advertisers which could erode confidence in our brand and damage our reputation. If we fail to promote and maintain the “Nextdoor” brand or preserve our reputation, or if we incur excessive expenses in this effort, our business, operating results, and financial condition could be adversely impacted.

Unfavorable media coverage negatively affects our business from time to time.

Unfavorable publicity regarding us, for example regarding our privacy or cybersecurity practices, terms of service, advertising policies, platform changes, platform quality, litigation or regulatory activity, the actions of our advertisers, the use of our platform for illicit or objectionable ends, the substance or enforcement of our community standards, the actions of our neighbors, the quality and integrity of content shared on our platform, or the actions of other companies that provide similar services to us, has in the past, and could in the future, adversely affect our reputation. For example, we have been, and may in the future be, subject to negative publicity

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in connection with our handling of misinformation and other illicit or objectionable uses of our platform. Any such negative publicity could have an adverse effect on the size, engagement, and loyalty of our neighbor base and advertiser demand for advertising on our platform, which could result in decreased revenue and adversely affect our business, operating results, and financial condition, and we have experienced such adverse effects to varying degrees from time to time.

Our product and investment decisions may conflict with the short-term financial results and may not produce the long-term benefits that we expect.

We make product and investment decisions, which we believe are essential to the success of our platform and in serving the best, long-term interests of Nextdoor and our stockholders. In the past, including with the introduction of the new Nextdoor initiative, we have forgone, and may in the future forgo, certain expansion or revenue opportunities or other opportunities that have positive short-term financial impacts that we do not believe are aligned with the long-term success of our platform, even if our decision may negatively impact our operating results in the short term. In addition, in connection with implementing our new Nextdoor initiative, we anticipate shifts in usage and available ad impressions which may adversely impact our business, operating results, and financial condition. Our decisions may not result in the long-term benefits that we expect, in which case our neighbor engagement, business, operating results, and financial condition could be harmed.

We may expand our international operations where we have limited operating experience and may be subject to increased business, regulatory, and economic risks that could seriously harm our business, operating results, and financial condition.

We may choose to further expand our business operations abroad by opening new and expanding within existing neighborhoods outside of the United States, though our primary focus remains on improving our product experience and aligning our operations to best serve users and advertisers in our existing markets. As of December 31, 2025, the Nextdoor platform was accessible in 11 countries (including the United States). We may enter new international markets and expand in existing markets where we have limited or no experience in marketing, selling, advertising and deploying our platform or selling advertising. Any of our limited experience and infrastructure in such markets, individuals' lack of familiarity with us or our platform, the existence of alternative platforms in such jurisdictions that offer similar products and services or the lack of a critical mass of potential neighbors in such markets may make it more difficult for us to effectively monetize any increase in neighbors in those markets, and may increase our costs without a corresponding increase in revenues. If we fail to deploy or manage our operations in international markets successfully, comply with international regulations or effectively monetize our platform in international markets to the same degree as we are able to monetize our efforts within the United States, our business, operating results and financial conditions will be adversely affected. In the future, if our international operations increase, or more of our expenses are denominated in currencies other than the U.S. dollar, our operating results may be more greatly affected by fluctuations in the exchange rates of the currencies in which we do business. In addition, as our international operations and sales to advertisers continue to grow, we will be subject to a variety of risks inherent in doing business internationally, including:

- political, social and economic instability, including as a result of geopolitical conflicts, acts of war or terrorism;
- risks related to the legal and regulatory environment in foreign jurisdictions, including with respect to privacy and data protection, and unexpected changes in laws, regulatory requirements, and enforcement;
- potential damage to our brand and reputation due to compliance with local laws, including potential censorship and requirements to provide neighbor information to local authorities;
- enhanced difficulty in reviewing content on the Nextdoor platform and enforcing community standards across different languages and countries;
- fluctuations in currency exchange rates;
- foreign exchange controls and tax and other regulations and orders that might prevent us from repatriating cash earned in countries outside the United States or otherwise limit our ability to move cash freely, and impede our ability to invest such cash efficiently;
- compliance with multiple U.S. and international tax jurisdictions and management of tax impact of global operations;
- potentially higher levels of credit risk and payment fraud;
- difficulties integrating any foreign acquisitions;

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- burdens of complying with a variety of foreign laws, including laws related to taxation, content removal, data localization, data transfer, consents, payments, and regulatory oversight, as well as laws relating to online safety, intermediary liability, or content moderation;
- reduced protection for intellectual property rights in some countries;
- different regulations and practices with respect to employee/employer relationships, existence of workers' councils and labor unions, increase in labor costs due to high wage inflation in certain international jurisdictions, and other challenges caused by distance, language and cultural differences, making it harder to do business in certain international jurisdictions; and
- difficulties in staffing and managing global operations and the increased travel, infrastructure, and legal compliance costs associated with multiple international locations.

In addition, we must manage the potential conflicts between locally accepted business practices in any given jurisdiction and our obligations to comply with laws and regulations, including anti-money laundering laws, anti-corruption laws or regulations applicable to us, such as the U.S. Foreign Corrupt Practices Act, and the U.K. Bribery Act 2010. We also must manage our obligations to comply with laws and regulations related to export controls, sanctions, and embargoes, including regulations established by the U.S. Office of Foreign Assets Control. Government agencies and authorities have a broad range of civil and criminal penalties they may seek to impose against companies for violations of anti-corruption laws or regulations, export controls, and other laws, rules, sanctions, embargoes, and regulations. Any failure by us to comply with local business practices or the laws and regulations applicable to us in the markets in which we operate may adversely affect our business, operating results, and financial condition. Additionally, if we are unable to expand internationally and manage the complexity of our global operations successfully, our business, operating results, and financial condition could be adversely affected.

If we need additional capital in the future, it may not be available on favorable terms, if at all.

We have historically relied on outside financing to fund our operations, capital expenditures and expansion. We may require additional capital from equity or debt financing in the future to support our growth, fund our operations or to respond to competitive pressures or strategic opportunities. We may not be able to secure timely additional financing on favorable terms, if at all. The current macroeconomic environment may make it more difficult to raise additional capital on favorable terms, if at all. If we raise additional funds through further issuances of equity, convertible debt securities or other securities convertible into equity, our existing stockholders, could suffer significant dilution in their percentage ownership, and any new securities that we issue could have rights, preferences and privileges senior to those of holders of our Class A common stock. Any debt financing that we secure in the future could involve restrictive covenants relating to our capital raising activities and other financial and operational matters, including the ability to pay dividends. This may make it more difficult for us to obtain additional capital and to pursue business opportunities, including potential acquisitions. If we are unable to obtain adequate financing or financing on terms that are satisfactory to us, if and when we require financing, our ability to grow or support our business and to respond to business challenges that we may face could be significantly limited.

We may make acquisitions, which could harm our financial condition or operating results and may adversely affect the price of our Class A common stock.

As part of our business strategy, we have made, and may in the future make acquisitions to add specialized employees and complementary companies, products or technologies, data, and enter new geographic regions. Our previous and future acquisitions may not achieve our goals, and we may not realize benefits from acquisitions we make in the future. If we fail to successfully integrate acquisitions, or the personnel or technologies associated with those acquisitions, our business, operating results, and financial condition could be harmed. Any integration process will require significant time and resources, and we may not be able to manage the process successfully. Our acquisition strategy may change over time and any future acquisitions we complete could be viewed negatively by neighbors, advertisers, investors or other parties with whom we do business. We may not successfully evaluate or utilize the acquired technology and accurately forecast the financial impact of an acquisition, including accounting charges. We may also incur unanticipated liabilities that we assume as a result of acquiring companies. We may have to pay cash, incur debt or issue equity securities to pay for any such acquisition, each of which could affect our financial condition or the value of our securities. In the future, we may not be able to find other suitable acquisition candidates, and we may not be able to complete acquisitions on favorable terms, if at all. Our acquisition strategy could require significant management attention, disrupt our business and harm our business, operating results, and financial condition.

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Our business depends largely on our ability to attract, retain, and assimilate talented employees, including senior management. If we lose the services of or fail to successfully assimilate highly skilled personnel, key employees or members of our senior management team, we may not be able to execute on our business strategy.

Our future success depends on our continuing ability to attract, train, assimilate, and retain highly skilled personnel, including software engineers and sales personnel. We face intense competition for qualified individuals from numerous software and other technology companies. In addition, competition for qualified personnel, particularly software engineers, is particularly intense in the San Francisco Bay Area, where our headquarters are located, and the change by companies to offer a remote or hybrid work environment may increase the competition for such employees from employers outside of our traditional office locations.

We may not be able to retain our current key employees or attract, train, assimilate, or retain other highly skilled personnel in the future. We have incurred, and may continue to incur, significant costs to attract and retain highly skilled personnel, and we may lose new employees to our competitors or other technology companies before we realize the benefit of our investment in recruiting and training them. As we move into new geographies, we will need to attract and recruit skilled personnel in those areas. Further, labor is subject to external factors that are beyond our control, including our industry's highly competitive market for skilled workers and leaders, cost inflation, and workforce participation rates. Further, in 2023, 2024, and 2025, in response to changing economic conditions and in an effort to reduce our operational costs and improve our organizational efficiency, we executed restructuring plans, which included a restructuring and reduction of the current workforce. As part of the restructuring plan implemented in 2024, we ceased occupying and abandoned certain floors of our leased headquarters in San Francisco in order to adjust our office space footprint to better align with the needs of our work model. These restructuring plans could negatively impact our ability to attract, integrate, retain and motivate key employees. If we are unable to attract and retain suitably qualified individuals who are capable of meeting our growing technical, operational, and managerial requirements, on a timely basis or at all, our business, operating results, and financial condition may be adversely affected.

Our future success also depends in large part on the continued services of senior management and other key personnel. In particular, we are dependent on the services of Nirav Tolia, our Chief Executive Officer and President, who is critical to the future vision and strategic direction of our business. We rely on our senior management team and key employees in the areas of engineering, sales and product development, design, marketing, operations, strategy, security, and general and administrative functions. Our senior management and other key personnel are all employed on an at-will basis, which means that they could terminate their employment with us at any time, for any reason, and without notice. We do not currently maintain key-person life insurance policies on any of our officers or employees. If we lose the services of senior management or other key personnel, or if we are unable to attract, train, assimilate, and retain the highly skilled personnel that we need, our business, operating results, and financial condition could be adversely affected.

Volatility or lack of appreciation in our stock price may also affect our ability to attract and retain our key employees. Our employees may be more likely to leave if the shares they own or the shares underlying their vested options have significantly appreciated in value relative to the original purchase price of the shares or the exercise price of the options, or conversely, if the exercise price of the options that they hold are significantly above the market price of our Class A common stock. If we are unable to retain our employees, or if we need to increase our compensation expenses to retain our employees, our business, operating results, and financial condition could be adversely affected.

Risks Related to Security and Technology

We are dependent on third-party software and service providers, including ads platforms and programmatic advertising partners, for management and delivery of certain advertisements on the Nextdoor platform. Any failure or interruption experienced by such third-parties could result in the inability of certain businesses to advertise on our platform, and adversely impact our business, operating results, and financial condition.

Currently, we are dependent on third-party software and service providers, including ads platforms and programmatic advertising partners, for management and delivery of certain advertisements on the Nextdoor platform. As such, the continued use of third-party software and service providers, including these ads platforms and programmatic advertising partners, is critical to our continued success and any service disruptions, adverse changes to the terms of use, pricing or related terms and conditions for such third-party providers' products, or difficulties with such products, including our data usage, meeting our requirements or standards could result in the inability of certain businesses to advertise on our platform, and adversely impact our business, operating results, and financial condition.

We rely on third-party software, cloud infrastructure, and communications service providers, including AWS, to provide systems, storage and services for our platform. Any failure or interruption experienced by such third parties could result in the inability of

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neighbors and advertisers to access or utilize our platform, and adversely impact our business, operating results, and financial condition.

We rely on third-party software and service providers, including AWS, to provide systems, storage and services, including neighbor login authentication, for our website and third-party communications and email delivery services to send notifications and other messages to neighbors and advertisers. Any technical problem with, cyber-attack on or loss of access to such third parties' systems, servers, or technologies could result in the inability of neighbors to access the Nextdoor platform or receive timely communications from us or result in the theft of neighbors' personal information.

Because we rely on third-party technology providers in our business, including cloud infrastructure, communications, and other software services, we rely on the cybersecurity practices and policies adopted by these third parties. Our ability to monitor our third-party technology providers' cybersecurity practices is limited.

Any significant disruption, limitation or loss of our access to or other interference with our use of AWS, including as a result of termination by AWS of its agreement with us, would negatively impact our business, operating results, and financial condition. In addition, any transition of the cloud services currently provided by AWS to another cloud services provider would be difficult to implement and would cause us to incur significant time and expense and could disrupt or degrade our ability to deliver our products and services. The level of service provided by AWS could affect the availability or speed of our services. Similarly, outages, service limitations, or deliverability issues affecting the third-party communications and email services we use could impair our ability to send notifications and other messages to neighbors and advertisers in a reliable and timely manner. If neighbors or advertisers are not able to access our platform or encounter difficulties in doing so, or if they do not reliably receive communications from us, we may lose neighbors or advertisers, which could harm our reputation, business, operating results, and financial condition.

We utilize data center hosting facilities operated by AWS, located in various facilities. We are unable to serve network traffic from back-up data center services. An unexpected disruption of services provided by these data centers could hamper our ability to handle existing or increased traffic, result in the loss of data or cause our platform to become unavailable, which may harm our reputation, business, operating results, and financial condition.

We rely on third parties, including email providers, mobile data networks, and identity verification service providers to complete the verification process for our neighbors' accounts. Any failure or interruption experienced by such third parties could result in the inability of neighbors to join our platform, resulting in harm to our reputation and an adverse impact to our business, operating results, and financial condition.

We rely on third parties to verify our neighbors' accounts through several methods, including but not limited to email, SMS text message, geolocation and mailed invitations. For example, we utilize email providers, mobile data networks, and identity verification service providers to verify neighbors' accounts. Account verification is a critical feature of our platform because it demonstrates that neighbors actually live in the neighborhood they desire to join. Any failure, interruption, or loss of access to such third parties or their software could result in the inability of neighbors to join our platform. Our reliance on third parties makes us vulnerable to any service interruptions, whether as a result of a cyber-attack, security breach, weather or other events, or delays in their operations. Additionally, alternative email providers, mobile data networks, identity verification service providers or postal providers may be more costly to use than our current providers. Any disruption in the third parties could harm our neighbor growth, which in turn could make us a less attractive advertising platform and harm our reputation, and could harm our business, operating results, and financial condition.

Technologies have been developed that can block the display of advertisements on the Nextdoor platform, which could adversely impact our business, operating results, and financial condition.

Technologies have been developed, and will likely continue to be developed, that can block the display of advertisements on the Nextdoor platform. We generate substantially all of our revenue from advertising, and ad-blocking technologies may prevent the display of certain advertisements appearing on our platform, which could harm our business, operating results, and financial condition. Existing ad-blocking technologies that have not been effective on our platform may become effective as we make certain platform changes, and new ad-blocking technologies may be developed in the future. More neighbors may choose to use such ad-blocking products to block or obscure the display of advertisements on our platform if we are unable to successfully balance the amount of our organic content and paid advertisements, or if neighbors' attitudes toward advertisements become more negative. Further, regardless of their effectiveness, ad-blockers may generate concern regarding the health of the digital advertising industry, which could reduce the value of digital advertising and harm our business, operating results, and financial condition.

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Security breaches, including improper access to or disclosure of our data or our neighbors' data, or other hacking and phishing attacks on our or third-party systems, could harm our reputation, adversely affect our business, and result in legal liability.

We collect, store and otherwise process personal data relating to a significant number of individuals such as our neighbors, employees and partners, including, but not limited to, neighbor contact details, network details, and location data. The evolution of information technology systems introduces unknown and complex security risks that can be unpredictable and difficult to defend against. Cyber-attacks continue to evolve in sophistication and volume, and inherently may be difficult to detect for long periods of time. In particular, social media companies, like us, are prone to cyber-attacks by third parties seeking unauthorized access to company or user data or to disrupt their ability to provide access to their products and services.

We take a variety of technical and organizational security measures and other measures to protect our data. Although we have implemented systems and processes that are designed to protect our data, prevent data loss, disable undesirable accounts and activities on our platform and prevent or detect security breaches, and maintain an information security policy, such measures cannot provide absolute security, and despite measures that we have or will in the future put in place, we may be unable to anticipate or prevent unauthorized access to such data. For example, computer malware, viruses, social engineering (such as spear phishing attacks), ransomware, and general hacking have become more prevalent in the industry, have occurred on our systems in the past, and are likely to occur on our systems in the future. In addition, we regularly encounter attempts to create false or undesirable accounts or take other actions on our platform for purposes such as spamming, spreading misinformation, or other objectionable ends. Our efforts to protect our data may also be unsuccessful due to software bugs or other technical malfunctions; employee, contractor, or vendor error or malfeasance; threat actors, nation-states and nation-state supported actors engaging in cyberattacks; or other threats that evolve.

Some third parties, including advertisers, vendors and service providers, may store information that we share with them on their networks. If these third parties fail to implement adequate data-security practices or fail to comply with their contractual obligations and/or, where applicable, our applicable terms and policies, our data may be improperly accessed, used or disclosed. Even if these third parties take all the necessary precautions and comply with their applicable obligations, their networks may still suffer a security incident, which could compromise our data.

Security incidents may cause interruptions to our platform, degrade the neighbor experience, cause neighbors or advertisers to lose confidence and trust in our platform, impair our internal systems, or result in financial harm to our company.

In addition, affected neighbors, government authorities or other third parties could initiate legal or regulatory actions against us in connection with any actual or perceived security breaches or improper disclosure of data, which could cause us to incur significant expense and liability or result in orders or consent decrees forcing us to modify our business practices. Such incidents or our efforts to remediate such incidents may also result in a decline in our active neighbor base or engagement levels and trust. In addition, such incidents could also result in the loss or misuse of such data, which could harm our business and reputation and diminish our competitive position. In addition, any of these events could have a material and adverse effect on our business, operating results, financial condition, market acceptance of our products or revenues and may also divert development resources and increase service and support costs.

The landscape of laws, regulations, and industry standards related to cybersecurity is evolving globally. We may be subject to increased compliance burdens by regulators and customers with respect to our platform, as well as additional costs to oversee and monitor security risks. Many jurisdictions have enacted laws mandating companies to inform individuals, stockholders, regulatory authorities, and others of security breaches. For example, the SEC has adopted cybersecurity risk management and disclosure rules, which require the disclosure of information pertaining to material cybersecurity incidents and cybersecurity risk management, strategy, and governance.

While we maintain insurance policies, our coverage may be insufficient to compensate us for all losses caused by security incidents, and any such security incidents may result in increased costs for such insurance. We also cannot ensure that our existing cybersecurity insurance coverage will continue to be available on acceptable terms or that the insurer will not deny coverage as to any future claim. The successful assertion of one or more large claims against us that exceed available insurance coverage, or the occurrence of changes in our insurance policies, including premium increases or the imposition of large deductible or co-insurance requirements, could adversely affect our reputation and our business, financial condition, and operating results. Furthermore, our insurance coverage may not extend to all risks we face, including all AI-related risks, and may not cover us for all losses for errors or omissions caused by AI.

In addition, our agreements with third parties, including without limitation significant agreements with payment processors, credit card and debit card issuers and bank partners, contain contractual commitments we are required to adhere to related to information security and data privacy compliance. If we experience a data protection violation or security incident that triggers a breach of such contractual

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commitments, we could be exposed to significant liability or cancellation of service under these agreements. The damages payable to the counterparty as well as the impact to our service could be substantial and create substantial costs and loss of business.

Distribution and marketing of, and access to, our platform depends, in significant part, on a variety of third-party publishers and platforms (including mobile app stores, third-party payment providers, computer systems, and other communication systems and service providers). If these third parties limit, prohibit or otherwise interfere with or change the terms of the distribution, use or marketing of our platform in any material way, it could materially adversely affect our business, operating results, and financial condition.

We market and distribute our platform (including related mobile applications) through a variety of third-party publishers and distribution channels. Our ability to market our brands on any given property or channel is subject to the policies of the relevant third party. There is no guarantee that mobile platforms will continue to feature our platform, or that neighbors using mobile devices will continue to use our platform rather than competing products. We are dependent on the interoperability of our platform with mobile operating systems, networks, technologies, products, and standards that we do not control, such as the Android and iOS operating systems. Any changes, bugs, or technical issues in such systems, or changes in our relationships with mobile operating system partners, handset manufacturers, or mobile carriers, or in their terms of service or policies that degrade the functionality of our platform, reduce or eliminate our ability to update or distribute our platform, give preferential treatment to competitive products, limit our ability to deliver, target, or measure the effectiveness of advertisements, or charge fees related to the distribution of our platform or our delivery or placement of advertisements could materially adversely affect the usage of our platform on mobile devices, our business, operating results, and financial condition. For example, Apple requires neighbors using the app to opt in before their identifier for advertisers can be accessed by an app and has security measures in its Apple mail client available on its operating systems which have impacted, and are expected to continue to impact, our ability to track individual users and devices, and measure the effectiveness of our advertisements. While we have not observed any directly attributable negative impact on our business, operating results or financial condition, including our revenue, revenue growth rates, and operating income (loss), related to these features, we may be impacted by such changes, or other changes to third-party policies or applications in the future, and as a result, our business, operating results and financial condition, including our revenue, revenue growth rates, and operating income (loss), could, in the future, be adversely impacted by changes made by third-party publishers and distribution channels.

Further, certain publishers and channels have, from time to time, limited or prohibited advertisements for a variety of reasons. There is no assurance that we will not be limited or prohibited from using certain current or prospective marketing channels in the future. If this were to happen in the case of a significant marketing channel and/or for a significant period of time, our business, operating results, and financial condition could be materially adversely affected.

Our platform and internal systems rely on software and hardware that is highly technical, and any errors, bugs, or vulnerabilities in these systems, or failures to address or mitigate technical limitations in our systems, could adversely affect our business.

Our platform and internal systems rely on software and hardware, including software and hardware developed or maintained internally and/or by third parties, that is highly technical and complex. In addition, our platform and internal systems depend on the ability of such software and hardware to store, retrieve, process, and manage immense amounts of data. The software and hardware on which we rely has contained, and will in the future contain, errors, bugs, or vulnerabilities, and our systems are subject to certain technical limitations that may compromise our ability to meet our objectives. Some errors, bugs, or vulnerabilities inherently may be difficult to detect and may only be discovered after the code has been released for external or internal use. Errors, bugs, vulnerabilities, design defects, or technical limitations within the software and hardware on which we rely have in the past led to, and may in the future lead to, outcomes including a negative experience for neighbors and advertisers who use our platform, compromised ability of our platform to perform in a manner consistent with our terms, contracts, or policies, delayed product introductions or enhancements, targeting, measurement, or billing errors, compromised ability to protect the data of neighbors and/or our intellectual property or other data, or reductions in our ability to provide some or all of our services. For example, we make commitments to our neighbors as to how their data will be used within and across our platform, and our systems are subject to errors, bugs and technical limitations that may prevent us from fulfilling these commitments reliably. In addition, any errors, bugs, vulnerabilities, or defects in our systems or the software and hardware on which we rely, failures to properly address or mitigate the technical limitations in our systems, or associated degradations or interruptions of service or failures to fulfill our commitments to our neighbors, have in the past led to, and may in the future lead to, outcomes including damage to our reputation, loss of neighbors, loss of advertisers, loss of revenue, regulatory inquiries, litigation, or liability for fines, damages, or other remedies, any of which could adversely affect our business, operating results, and financial condition.

Social and ethical issues may result in reputational harm and liability.

Positions we may take (or choose not to take) on social and ethical issues may be unpopular with some of our employees, neighbors, or with our advertisers or potential advertisers, which may in the future impact our ability to attract or retain employees, neighbors or

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advertisers. Further, actions taken by our customers or partners, including through the use or misuse of our products, may result in reputational harm or possible liability. Any such claims could cause reputational harm to our brand or result in liability.

Our public disclosures, and any standards we may set for ourselves or a failure to meet these standards, may influence our reputation and the value of our brand. For example, we have elected to share publicly certain information about our sustainability initiatives. Moreover, laws and regulations may require us to provide sustainability-related disclosure. For example, California has adopted two climate-related bills, which require companies doing business in California that meet certain revenue thresholds to publicly disclose certain greenhouse gas emissions data and climate-related financial risk reports. California also enacted the Voluntary Carbon Market Disclosures Act, which requires companies that operate within the state to make certain climate-related claims and to provide enhanced disclosures around the achievement of such claims. Our business may face increased scrutiny related to these activities and our related disclosures, including from the investment community, and our failure to achieve progress in these areas on a timely basis, or at all, could adversely affect our reputation, business, and financial performance. In connection with any legal or regulatory requirements, we may be required to establish additional internal controls, engage additional consultants, and incur additional costs related to evaluating our environmental impact and preparing such disclosures. If we fail to implement sufficient internal controls or accurately capture and disclose, among other things, our environmental impact, our reputation, business, operating results and financial condition may be materially adversely affected.

Risks Related to Financial and Accounting Matters

Our operating results may fluctuate significantly, which makes our future results difficult to predict.

Our quarterly and annual operating results have fluctuated in the past and may fluctuate in the future. Additionally, we have a limited operating history with the current scale of our business, which makes it difficult to forecast our future results and subjects us to a number of uncertainties, including our ability to plan for and anticipate future growth. As a result, you should not rely upon our past quarterly and annual operating results as indicators of future performance. We have encountered, and will continue to encounter, risks and uncertainties frequently experienced by growing companies in rapidly evolving markets, such as the risks and uncertainties described herein. Our operating results in any given quarter can be influenced by numerous factors, many of which are unpredictable or are outside of our control, including, but not limited to:

- our ability to generate revenues from our platform;
- our ability to acquire, retain, and grow our neighbors and neighbor engagement on our platform;
- ability to attract and retain advertisers;
- ability to recognize revenue or collect payments from advertisers in a particular period;
- fluctuations in spending by our advertisers due to macroeconomic conditions, seasonality, episodic regional or global events, or other factors;
- changes in domestic and global business and macroeconomic conditions, including the implementation of tariffs by the United States, China, or other governments, actual or perceived instability in the global banking system, potential recession, local and national elections, inflation, changing interest rates, and geopolitical conflicts;
- fluctuations in internet usage generally;
- the number, prominence, size, format, quality and relevancy of advertisements shown to neighbors;
- the success of technologies designed to block the display of advertisements;
- changes to third-party policies or applications that limit our ability to deliver, target, or measure the effectiveness of advertising, including changes by mobile operating system and browser providers such as Apple and Google;
- the pricing of our advertisements;
- the timing, cost of and mix of new and existing sales and marketing and promotional efforts;
- the availability of our platform and app on mobile devices and other third-party platforms;
- changes to our platform or the development and introduction of new products or services by our competitors;

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- changes in advertising industry association rules and standards that limit our ability to deliver, target or measure the effectiveness of advertising, such as the Network Advertising Initiative, and Interactive Advertising Bureau;
- neighbor behavior or platform changes that may reduce traffic to features of the platform that we monetize;
- system failures, disruptions, breaches of security or privacy, whether on our platform or on those of third parties, and the costs associated with any such breaches and remediation;
- negative publicity associated with our platform, including as a result of content on our platform, security breaches and neighbor privacy concerns that may result in advertisers reducing or eliminating their spend with us;
- health epidemics, such as pandemics, influenza, and other highly communicable diseases or viruses;
- the use of our cash, cash equivalents, and marketable securities, including to repurchase shares of our outstanding Class A common stock or to make acquisitions or investments;
- the timing of incurring additional expenses, such as increases in sales and marketing or research and development;
- adverse litigation judgments, settlements, or other litigation-related costs;
- changes in the legislative or regulatory environment, including with respect to privacy and cybersecurity, or actions by governments or regulators, including fines, orders, or consent decrees; and
- changes in U.S. generally accepted accounting principles.

The impact of one or more of the foregoing and other factors may cause our operating results to vary significantly. As such, quarter-to-quarter comparisons of our operating results may not be meaningful and should not be relied upon as an indication of future performance. If our quarterly and annual operating results fall below the expectations of investors or securities analysts, the price of our Class A common stock could decline substantially. If we fail to meet or exceed the expectations of investors or securities analysts, then the trading price of our Class A common stock could fall substantially, and we could face costly lawsuits, including securities class action suits. Furthermore, any quarterly or annual fluctuations in our operating results may, in turn, cause the price of our Class A common stock to fluctuate substantially.

In addition, we believe that our rapid historical growth may understate the potential seasonality of our business. As our revenue growth rate slows, we expect that the seasonality in our business may become more pronounced and may in the future cause our operating results to fluctuate. For example, advertising spending is traditionally seasonally strong in the fourth quarter of each year and we believe that this seasonality affects our quarterly results, which generally reflect higher sequential revenue growth from the third to fourth quarter compared to sequential revenue growth from the fourth quarter to the subsequent first quarter. In addition, global economic concerns continue to create uncertainty and unpredictability and add risk to our future outlook. An economic downturn in any particular region in which we do business or globally could result in reductions in revenue, as our advertisers reduce their advertising budgets, and other adverse effects that could harm our business, operating results, and financial condition.

Certain of our market opportunities and key metric estimates could prove to be inaccurate, and have been inaccurate in the past, and any real or perceived inaccuracies may harm our reputation and negatively affect our business.

The estimates discussed herein are subject to significant uncertainty and are based on assumptions that may not prove to be accurate. The key assumptions underlying our estimates include our ability to scale new neighbor growth, our ability to grow engagement by our existing neighbor base and our ability to increase monetization of our platform. These assumptions involve risks and uncertainties, including, but not limited to, those described in this “*Risk Factors*” section, which could cause actual results to differ materially from our estimates. Unfavorable changes in any of these or other assumptions, most of which are beyond our control, could materially and adversely affect our business, operating results, and financial condition and result in our estimates being materially different than actual results. Market opportunity estimates, whether obtained from third-party sources or developed internally, are subject to significant uncertainty and are based on assumptions that may not prove to be accurate. In particular, our estimates regarding our market penetration in new and existing markets are difficult to predict.

We regularly review key business and other metrics, including Platform WAU, Verified Neighbors, Platform ARPU and other measures to evaluate growth trends, measure our performance, and make strategic decisions. These key metrics are calculated using internal company data derived from our analytics platform and have not been validated by an independent third party and there are inherent challenges in such measurements. If we fail to maintain an effective analytics platform, or if there are undetected errors in our systems, our key metrics calculations could be inaccurate. Any such inaccuracies, which may have occurred in the past or may occur

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in the future, may be difficult to identify in a timely manner. For example, in Q2 2025, we identified an issue related to iOS push notifications in the calculation of our Platform WAU metric which resulted in an immaterial overstatement of the Platform WAU figures previously disclosed for Q1 2024 through Q1 2025. Accordingly, the Platform WAU metric for Q1 2024 through Q1 2025 was revised in the Quarterly Report on Form 10-Q for Q2 2025 with the corrected figures. Our key business metrics may also be impacted by compliance or fraud-related bans, technical incidents, or false or spam accounts in existence on our platform. We regularly deactivate accounts that violate our terms of service, and exclude these accounts from the calculation of our key business metrics; however, we may not succeed in identifying and removing all such accounts from our platform. If our metrics are incorrect or provide incomplete information about neighbors and their behavior, we may make inaccurate conclusions about our business.

We regularly review and may adjust our processes for calculating our estimates to improve their accuracy. Our estimates may differ from estimates published by third parties or from similarly titled metrics of our competitors due to differences in methodology. If investors or analysts do not perceive our estimates to be accurate representations of our business, or if we discover material inaccuracies in our estimates, our reputation, business, operating results, and financial condition would be adversely affected.

We may change our key business metrics from time to time, including as a result of changes to our platform. We regularly evaluate whether our key business metrics remain meaningful indicators of the performance of our business. As a result of these evaluations, we may make changes to our key business metrics, including eliminating or replacing existing metrics. For example, in May 2025, we announced that we had made changes to the business that made Platform WAU a more important business metric for us and, in the second quarter of 2025, began reporting Platform WAU instead of WAU (previously defined as a Nextdoor user who opens our application, logs onto our website or engages with an email with monetizable content). In addition, we continue to present ARPU (now referred to as Platform ARPU), with the denominator based on the average number of Platform WAU instead of WAU. If these changes make it more difficult for investors or analysts to compare our performance over time or to other companies, or if investors perceive any changes to our key business metrics disclosures negatively, our business, operating results, and financial condition could be adversely affected.

We have a history of net losses and may experience net losses in the future and we cannot assure you that we will achieve or sustain profitability. If we cannot achieve and sustain profitability, our business, financial condition, and operating results will be adversely affected.

We have experienced significant net losses each year since we began operations in 2007, including net losses of \$54.2 million, \$98.1 million and \$147.8 million for the years ended December 31, 2025, 2024 and 2023, respectively. We have an accumulated deficit of \$918.3 million as of December 31, 2025. We anticipate that our operating expenses and capital expenditures will increase in the foreseeable future as we continue to invest in acquiring additional neighbors, increasing engagement on our platform, increasing monetization on our platform, expanding our platform and operations internationally, attracting and retaining team members, developing and enhancing our platform, marketing and sales, and enhancing our infrastructure. Our expansion efforts may prove more expensive than we anticipate, and we may not succeed in increasing our revenues sufficiently to offset these higher expenses. While we consistently evaluate opportunities to reduce our operating costs and optimize efficiencies, including, for example, through our workforce reductions in 2023, 2024, and 2025, we cannot guarantee that these efforts will be successful or that we will not re-accelerate operating expenditures in the future in order to capitalize on growth opportunities. Given the significant operating and capital expenditures associated with our business plan, we expect to continue to incur net losses for the foreseeable future and cannot assure you that we will be able to achieve profitability. If we do achieve profitability, it cannot be certain that we will be able to sustain or increase such profitability.

Our ability to use our U.S. federal and state net operating losses to offset future taxable income may be subject to certain limitations which could subject our business to higher tax liability.

As of December 31, 2025, we had U.S. federal net operating loss (“NOL”) carryforwards of approximately \$583.9 million and state NOL carryforwards of approximately \$365.5 million, which if not utilized, will begin to expire beginning in 2028 and 2026, respectively. To the extent that we continue to generate taxable losses, unused losses will carry forward to offset future taxable income, if any. Under the 2017 Tax Cuts and Jobs Act, unused U.S. federal NOLs generated in tax years beginning after December 31, 2017, will not expire and may be carried forward indefinitely, but the deductibility of such federal NOLs in taxable years beginning after December 31, 2020, is limited to 80% of current year taxable income.

Under Section 382 of the Code, if a corporation that undergoes an “ownership change,” which is generally defined as a greater than 50 percentage point change (by value) in its equity ownership by certain stockholders over a three-year period, the corporation’s ability to utilize its pre-change NOL carryforwards to offset its post-change income or taxes may be limited. Though we recently completed a Section 382 study that supports that our use of NOLs will not be subject to limitation, it is possible that the limitation could still apply.

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In addition, we may experience an ownership change in the future as a result of subsequent shifts in our stock ownership, some of which may be outside our control. Therefore, it is possible that an ownership change could limit the amount of NOLs we can use to offset future taxable income. Any NOL carryforwards of companies we have acquired, may be subject to limitations, thereby increasing our overall tax liability. Our NOL carryforwards may also be limited under similar provisions of state law. We have recorded a full valuation allowance related to our U.S. federal and state NOL carryforwards and other net deferred tax assets due to the uncertainty of the ultimate realization of the future benefits of those assets. Our NOL carryforwards may expire unutilized or underutilized, which could prevent us from offsetting future taxable income. Any future changes in U.S. tax laws in respect of the utilization of NOL carryforwards may further affect the limitation in future years. In addition, there may be periods during which the use of NOL carryforwards is suspended or otherwise limited at the state level, which could also impact our ability to utilize NOL carryforwards. As a result, even if we attain profitability, we may be unable to use all or a material portion of our NOLs, which could adversely affect our business, operating results, financial condition, and cash flows.

Our financial results may be adversely affected by changes in accounting principles generally accepted in the United States and our financial estimates may be different from our financial results.

GAAP is subject to interpretation by the Financial Accounting Standards Board, the American Institute of Certified Public Accountants, the SEC and various bodies formed to promulgate and interpret appropriate accounting principles. A change in these principles or interpretations could harm our revenue and financial results, and could affect the reporting of transactions completed before the announcement of a change.

If currency exchange rates fluctuate substantially in the future, our operating results, which are reported in U.S. dollars, could be adversely affected.

If we continue to expand our international operations, we will become more exposed to the effects of fluctuations in currency exchange rates. A substantial majority of our revenues to date have been denominated in U.S. dollars and, therefore, we have not historically been subject to foreign currency risk. In addition, if we continue to expand internationally, we expect to incur increased expenses for employee compensation and other operating expenses at non-U.S. locations in the local currency. Fluctuations in the exchange rates between the U.S. dollar and other currencies could result in the dollar equivalent of such expenses being higher. This could have a negative impact on our operating results. Although we may in the future decide to undertake foreign exchange hedging transactions to cover a portion of our foreign currency exchange exposure, we currently do not hedge our exposure to foreign currency exchange risks.

We may have greater than anticipated tax liabilities, which could harm our business, revenue and financial results.

We operate in a number of tax jurisdictions globally, including in the United States at the federal, state and local levels, and in foreign countries, and may continue to expand the scale of our operations in the future. We are subject to review and potential audit by a number of U.S. and non-U.S. tax authorities. A change in law or in our global operations could result in higher effective tax rates, reduced cash flows and lower overall profitability. In particular, our intercompany relationships are subject to complex transfer pricing regulations administered by taxing authorities in various jurisdictions. Significant judgment is required in determining our worldwide provision for income taxes and other tax liabilities.

We are subject to various indirect non-income taxes, such as payroll, sales, use, value-added and goods and services taxes in the United States and various foreign jurisdictions, and we may face indirect tax audits in various U.S. and foreign jurisdictions. In certain jurisdictions, we collect and remit indirect taxes. However, tax authorities may question, challenge or disagree with our calculation, reporting or collection of taxes and may require us to collect taxes in jurisdictions in which we do not currently do so or to remit additional taxes and interest, and could impose associated penalties and fees. A successful assertion by one or more tax authorities requiring us to collect taxes in jurisdictions in which we do not currently do so or to collect additional taxes in a jurisdiction in which we currently collect taxes, could result in substantial tax liabilities, including taxes on past sales, as well as penalties and interest, could discourage neighbors from utilizing our platform or could otherwise harm our business, operating results, and financial condition.

Although we do not currently incur significant tax costs due to our history of operating losses, our tax liabilities may increase if our profitability increases in the future. In addition, our effective tax rate may change from year to year based on changes in the mix of activities and income allocated or earned among various jurisdictions, tax laws and the applicable tax rates in these jurisdictions (including future tax laws that may become material), tax treaties between countries, our eligibility for benefits under those tax treaties and the valuation of deferred tax assets and liabilities. Such changes could result in an increase in the effective tax rate applicable to all or a portion of our income, which would negatively affect our financial results.

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We cannot guarantee that our Share Repurchase Program will be fully consummated or that it will enhance long-term stockholder value. Share repurchases could also increase the volatility of the trading price of our stock and diminish our cash reserves.

On May 31, 2022, our Board of Directors authorized and approved the Share Repurchase Program pursuant to which we may repurchase up to \$100.0 million in aggregate of shares of our Class A common stock, with the authorization to expire on June 30, 2024, or such shorter period if \$100.0 million in aggregate of shares of our Class A common stock have been repurchased. On February 21, 2024, our Board of Directors authorized and approved an increase of \$150.0 million to the Share Repurchase Program and extended the expiration date to March 31, 2026. As of December 31, 2025, we had \$78.4 million available for future share repurchases under the Share Repurchase Program. Although our Board of Directors has authorized this Share Repurchase Program, the program does not obligate us to repurchase any specific dollar amount or to acquire any specific number of shares of our Class A common stock. The actual timing and amount of repurchases remain subject to a variety of factors, including stock price, trading volume, market conditions and other general business considerations, all of which may be negatively impacted by macroeconomic conditions and factors, including rising interest rates and inflation. The Share Repurchase Program may be modified, suspended, or terminated at any time, and we cannot guarantee that the Share Repurchase Program will be fully consummated or that it will enhance long-term stockholder value. The program could affect the trading price of our Class A common stock, increase volatility and diminish our cash and cash equivalents and marketable securities, and any announcement of a termination of this program may result in a decrease in the trading price of our stock.

Risks Related to Legal and Regulatory Matters

We may be liable as a result of content or information that is published or made available on our platform.

We are subject to many U.S. federal and state and foreign laws and regulations that involve matters central to our business, including laws and regulations that involve data privacy and protection, intellectual property (including copyright and patent laws), content regulation, the use of AI, rights of publicity, advertising, marketing, health and safety, competition, protection of minors, age verification, consumer protection, taxation, anti-bribery, anti-money laundering and corruption, economic or other trade prohibitions or sanctions or securities law compliance. Although content on our platform is typically generated by third parties, and not by us, we may be sued or face regulatory liability for claims relating to personal information, content or information that is made available on our service, including claims of defamation, disparagement, intellectual property infringement, breach of our privacy commitments, breach of privacy and data security laws, or other alleged damages could be asserted against us. Lawmakers in the United States and in other countries may introduce new regulatory regimes that increase potential liability for content available on our platform. There are a number of new laws and legislative proposals in the United States and globally aimed at limiting the scope of protections available to online services and/or that further impose new obligations affecting our business, such as liability for copyright infringement, illegal or harmful content moderation, distributing targeted and other advertisements to teens, and other forms of unlawful content and/or online harm. These legislative and/or regulatory requirements may increase our costs of operations, our liability for content posted by users on our platform, our litigation costs, and/or may expose us to regulatory sanctions such as fines or penalties. If these or other additional statutory or regulatory changes reduce liability protections for content published on our platform, we may be required to make significant changes to our business model, including increasing our content moderation operations and building in additional product features or tools that may not be favorable to our business, add payment obligations or compliance costs. In addition, the integration of third-party news or alert content, introduced as part of the new Nextdoor initiative, may increase our exposure to inaccurate, misleading, or objectionable content, and may create additional challenges for content moderation. If we fail to adequately moderate or address problematic content, we could face reputational, legal, or regulatory risk. We may also receive statutory or regulatory scrutiny for our policies governing content and advertising on our platform. Responding to such scrutiny could require significant resources and any required changes to our operations may impact our business.

In addition, the availability of copyright protection and other legal protections for intellectual property generated by certain new technologies, such as generative AI, is uncertain. The use of generative AI and other forms of AI may expose us to risks because the intellectual property ownership and license rights, including copyright, of generative and other AI output, has not been fully interpreted by U.S. courts or been fully addressed by U.S. federal or state regulation, as well as in foreign jurisdictions. Our systems, tools and personnel that help us to proactively detect potentially policy-violating or otherwise inappropriate content cannot identify all such content on our service, and in many cases this content will appear on the Nextdoor platform. This risk may increase as we develop and increase the use of certain features, such as video, for which identifying such content and obtaining appropriate consents is challenging, and as we continue to roll out our new Nextdoor initiative, which we expect to utilize third-party content. Additionally, some controversial content may not be banned on the Nextdoor platform and, even if it is not featured in advertisements to neighbors, it may still appear in the Feed or elsewhere. This risk is enhanced in certain jurisdictions outside of the United States where our protection from liability for content published on our platform by third parties may be unclear and where we may be less protected under local laws than we are in the United States. Further, if law and/or policy-violating content is found on the Nextdoor platform, or we do not give appropriate notice or obtain appropriate consents, we may be in violation of the terms of certain of our key agreements, which may result in termination of the agreement and potentially payment of damages in some cases. We could incur significant costs in investigating and defending such claims and, if we are found liable, damages. If any of these events occur, our business, operating results, and financial condition could be harmed.

While we rely on a variety of statutory and common-law frameworks and defenses, including those provided by the DMCA, the CDA, the fair-use doctrine in the United States and the E-Commerce Directive in the European Union, differences between statutes, limitations on immunity, requirements to maintain immunity, and moderation efforts in the many jurisdictions in which we operate may affect our ability to rely on these frameworks and defenses, or create uncertainty regarding liability for information or content uploaded by neighbors and advertisers or otherwise contributed by third-parties to our platform.

Actions by governments that restrict access to the Nextdoor platform in their countries, or that otherwise impair our ability to sell advertising in their countries, could substantially harm our business, operating results, and financial condition.

Governments may seek to censor content available on the Nextdoor platform or restrict access to the platform from their country entirely, or impose other restrictions that may affect the accessibility of the platform in their country for an extended period of time or indefinitely. In addition, government authorities in other countries may seek to restrict neighbors' access to the platform if they consider us to be in violation of their laws or a threat to public safety or for other reasons. It is possible that government authorities could take action that impairs our ability to sell advertising, collect, process, use, store, disclose or transfer data including in countries where access to our consumer-facing platform may be blocked or restricted. In the event that content shown on the Nextdoor platform is subject to censorship, access to the platform is restricted, in whole or in part, in one or more countries, or other restrictions are imposed on the platform, or our competitors are able to successfully penetrate new geographic markets or capture a greater share of existing geographic markets that we cannot access or where we face other restrictions, our ability to retain or increase our neighbor base, neighbor engagement, or the level of advertising by advertisers may be adversely affected, we may not be able to maintain or grow our revenue as anticipated, and our financial results could be adversely affected.

Our business is subject to complex and evolving U.S. and foreign laws, regulations, and industry standards, many of which are subject to change and uncertain interpretations, which uncertainty could harm our business, operating results, and financial condition.

We are subject to many U.S. federal and state and foreign laws, regulations and industry standards that involve matters central to our business, including laws and regulations that involve data privacy, security and protection, online safety (including children's online safety), intellectual property (including trademark, copyright, and patent laws), content, rights of publicity, advertising, marketing, health and safety, competition, protection of minors, age verification, consumer protection, taxation, telecommunications, anti-bribery, anti-censorship, anti-money laundering and corruption, telecommunications, AI and ML, and securities. These laws and regulations are constantly evolving and may be interpreted, implemented, applied, created, suspended, or amended, in a manner that could require burdensome or inconsistent compliance efforts, introduce legal or regulatory liability, or otherwise harm our business. In addition, the introduction of new products, expansion of our activities in certain jurisdictions, or other actions that we may take may subject the company to additional laws, regulations, or other governmental scrutiny.

We rely on a variety of statutory and common-law frameworks and defenses relevant to the content available on the Nextdoor platform, including the DMCA, the CDA and the fair-use doctrine in the United States, and the E-Commerce Directive in the European Union. However, each of these statutes is subject to uncertain or evolving judicial interpretation and regulatory and legislative amendments. For example, in the United States, laws such as the CDA, which have previously been interpreted to provide substantial protection to interactive computer service providers, may see such protections lessened either by legislative action or juridical interpretation. There have been various federal and state legislative efforts to restrict the scope of the protections available to online platforms under the CDA, in particular with regards to Section 230 of the CDA, and current protections from liability for harms resulting from third-party content in the United States could decrease or change. Although the U.S. Supreme Court declined to narrow the scope of Section 230 in its *Gonzalez v. Google* decision, there are still legislative efforts to amend the CDA, which if successful could expose us to additional lawsuits and potential judgments that could significantly harm our business. In addition, the Federal Trade Commission has launched a public inquiry seeking information on technology platforms' censorship efforts (including denial or degradation of services) based on the content of users' speech or their affiliations, and how this conduct may have violated current law. We could incur significant costs investigating, defending, or otherwise responding to such claims and inquiries, and, if we are found liable, we may be subject to significant damages or the suspension of services or operations.

The Digital Services Act (the "DSA"), signed into law in the European Union on October 19, 2022, is a package of legislation intended to update the liability and safety rules for digital platforms, products, and services. The DSA, which started to apply to our business in February 2024, could negatively impact the scope of the limited immunity provided by the E-Commerce Directive, limit targeted advertising, and require us to expend resources to try to comply with the new regulations or incur liability. The DSA also includes significant penalties for non-compliance. On October 26, 2023, similarly, the United Kingdom's Online Safety Act (the "OSA") became law. The OSA creates requirements around content moderation and handling harmful content and will require us to

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expend resources to try to comply with the new regulations or incur liability. Additionally, Australia’s Online Safety Act 2021, which went into effect in January 2022, and its accompanying Social Media Services Code, which went into effect in December 2023, may impose new obligations and liabilities on platforms with respect to certain types of harmful content. In addition, several U.S. states and foreign countries have passed age verification laws to protect minors from harmful online content, especially adult material. These laws generally require websites and platforms to verify users’ ages before allowing access to certain content. Many of these U.S. state laws are currently subject to legal challenge. Consequently, we may now be required in some U.S. states and are now required in some foreign countries to include mandatory age verification in its user onboarding process, which may impede user growth or increase attrition. These new and proposed laws, together with any changes to the existing laws and regulations within the jurisdictions in which we operate, could require us to expend additional resources to maintain compliance with new or evolving regulations. As a result, we may incur additional liability, and our business, operating results, and financial condition could be harmed.

We collect, store, use, share, and otherwise process data, some of which contains personal information about individuals including, but not limited to, our neighbors, employees and partners including contact details, demographic network details, and location data. We are therefore subject to U.S. (federal, state, local) and foreign laws and regulations regarding data privacy, security and protection, which encompass the processing of personal information. The regulatory frameworks for data privacy, security, and protection worldwide and interpretations of existing laws and regulations is likely to continue to be uncertain, as current or future legislation or regulations in the United States and other jurisdictions, or new interpretations of existing laws and regulations, could significantly restrict or impose conditions on our ability to process data, for example through more burdensome notice or consent requirements that impact our use of advertising technologies.

We have internal and publicly posted policies, statements and notices regarding our collection, processing, use, disclosure, deletion and security of personal and non-personal information, and in the event that a court or regulator finds these statements to be deceptive, unfair, inaccurate, inadequate, or misrepresentative of our actual practices, we could be exposed to legal or regulatory liability. Any such proceedings or violations could force us to spend money in investigation, mitigation, defense, or settlement, result in the imposition of monetary liability or demands for injunctive relief, divert management’s time and attention, increase our costs of doing business, and adversely affect our reputation. Furthermore, the uncertain and shifting regulatory environment and trust climate may cause concerns regarding privacy and data protection and may cause our customers to resist providing the data necessary to allow them to use our services effectively. Although we endeavor to comply with our public statements and policies, we may at times fail to do so or be accused of having failed to do so. The publication of our privacy policies and notices that provide commitments about data privacy, security, and protection can subject us to potential actions if they are found to be deceptive, unfair, or otherwise misrepresent our actual practices, which could materially and adversely affect our business, operating results, and financial condition.

In the United States, we are subject to numerous federal, state and local data privacy, security, and protection laws and regulations governing the processing of information about individuals, including more than twenty U.S. states that have enacted comprehensive consumer privacy laws. For example, the CCPA establishes certain transparency obligations and creates data privacy rights for users, including rights to access and delete their personal information as well as opt-out of certain sales or transfers of their personal information. Additionally, California’s Opt Me Out Act, effective January 1, 2027, requires all browsers operating in California to include built-in functionality that enables users to send opt-out preference signals to websites, communicating their preferences not to sell or share personal information. This law may substantially increase the volume of opt-out requests we receive, which may impact our advertising revenue and data collection capabilities for targeted marketing and personalized advertising. Furthermore, the California Privacy Protection Agency, which administers and enforces the CCPA, is starting to impose several new obligations on covered businesses over the next several years, including independent cybersecurity audits, comprehensive risk assessments for certain personal information processing activities and requirements for the use of automated decision making technologies (“ADMT”) for significant decisions. The CCPA also prohibits covered businesses from discriminating against consumers for exercising any rights established under the CCPA — prohibiting, for example, unjustified increased fees for individuals who opt out of the sale of their personal information). The CCPA imposes statutory damages for certain violations of the law as well as a private right of action for certain data breaches that result in the loss of personal information, which increases the likelihood of, and risks associated with, data breach litigation. Over a third of other U.S. states have also passed comparable legislation, with several such state laws imposing unique privacy and data security compliance requirements relevant to our business. We anticipate that additional state privacy laws will go into effect in the coming years, which may impose obligations similar to or more stringent than those we may face under other data protection laws. Additionally, the Federal Trade Commission and many state attorneys general are interpreting federal and state consumer protection laws to impose standards for the online collection, use, dissemination and security of data, and there have been numerous attempts to introduce privacy legislation at the federal level. Compliance with these laws, any newly enacted privacy, security, and data protection laws or regulations, browser-level opt out requirements, cybersecurity audit obligations, risk assessment mandates, and ADMT requirements may be challenging and cost- and time-intensive, and may require us to modify our data processing practices and policies, incur substantial costs and potential liability, and make significant modifications to our advertising technologies and business model in an effort to comply with such legislation.

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Of further concern in the United States, regulatory attention to AI systems, including generative AI, continues to increase. More than half of U.S. states have introduced or enacted legislation addressing the development and use of AI. For example, the Colorado Artificial Intelligence Act, which becomes effective on June 30, 2026, focuses on the regulation of high-risk AI systems in certain critical sectors and imposes general disclosure requirements. In addition, the Texas Responsible AI Governance Act, which became effective January 1, 2026, prohibits the use of AI systems for specified purposes, such as incitement of violence, self-harm, or criminality, unlawful discrimination, and violation of constitutional rights. Further, California has enacted several laws, some of which are currently being challenged, requiring transparency in the development of AI systems or addressing potential harms from AI technologies, such as the creation and distribution of deepfakes. As these laws are proposed, enacted, challenged, interpreted, and implemented, compliance with AI laws and regulations may be challenging and cost- and time-intensive, or such compliance efforts may require us to modify our data processing practices and policies, or impact our access to and permitted uses of large language models, training data, or other AI technologies, and to incur substantial costs and potential liability in an effort to comply with such legislation.

Outside the United States, we are subject to an increasing number of laws, regulations and industry standards that apply to data privacy and security. In Canada, we are subject to PIPEDA, which governs the collection, use and disclosure of Canadian residents' personal information in the course of commercial activities. Further, Canada's legislature recently proposed amendments to PIPEDA, and with the election of a new Canadian government in April 2025, the future of such legislation is currently uncertain. In Australia, we are also subject to, among other laws, Australia's Privacy Act 1988 and the Australian Privacy Principles ("APPs"), which require us to, among other things: (a) establish a governance framework for managing privacy and data protection; (b) give individuals the option of not identifying themselves or using a pseudonym (unless certain exceptions apply); (c) destroy or de-identify unsolicited personal information that was not obtained for a purpose reasonably necessary or directly related to our business activities; and (d) not transfer or disclose personal information to a party outside of Australia unless consent is obtained, the destination country has substantially similar privacy protections to Australia, or the overseas recipient contractually agrees to comply with the APPs. The Australian Parliament is currently considering further privacy reforms and is anticipated to pass additional amendments in the coming months. In the European Union, we are subject to the EU GDPR, and in the United Kingdom we are subject to the UK GDPR. The GDPR imposes a strict data protection compliance regime, grants new rights for data subjects in regard to their personal data (including the right to be "forgotten" and the right to data portability) and enhances current rights (e.g., data subject access requests).

The GDPR prohibit transfers of personal information from the European Economic Area ("EEA") or United Kingdom to countries not formally deemed adequate by the European Commission or the UK Information Commission Office, respectively, including the United States, unless a particular compliance mechanism (and, if necessary, certain safeguards) is implemented. The mechanisms that we and many other companies rely upon for EEA and United Kingdom data transfers (for example, standard contractual clauses or the EU-US Data Privacy Framework) are subject to legal challenge, regulatory interpretation, and judicial decisions. While the United States and the European Union reached agreement on the EU-US Data Privacy Framework (and similar agreements were reached with respect to the United Kingdom and Switzerland), and we currently self-certify to both the EU-US Data Privacy Framework and the UK Extension to the EU-US Data Privacy Framework, there are legal challenges to this data transfer mechanism as well, which could affect the manner in which we provide our services, the geographical location or segregation of our relevant systems and operations and could adversely affect our financial results.

The global expansion of artificial intelligence laws has the potential to restrict or impose supplementary obligations on our utilization of this technology. For example, the EU AI Act, which entered into force on August 1, 2024, establishes obligations for entities engaged in the development and deployment of AI systems, the majority of which will apply two years later. The legislation employs a risk-based methodology, prohibits specified high-risk AI practices, and mandates requirements for the deployment of general purpose AI with respect to transparency, data governance, and human oversight. Such compliance efforts may require us to modify our use of AI technologies, and to incur substantial costs and potential liability in an effort to comply with such legislation.

We are also subject to evolving laws on cookies and e-marketing. In the European Union and the United Kingdom, informed consent is required for the placement of certain cookies or similar technologies on a user's device as well as for direct electronic marketing communications. Further, under the GDPR, valid consent is tightly defined, including a prohibition on pre-checked consents, and the European Union and United Kingdom require organizations to obtain separate consents for each type of cookie or similar technology, or for particularized uses of personal data. U.S. regulators are also increasingly focused on the use of cookies for targeted advertising. If regulators start to enforce strict approaches regarding the use of cookies, this could lead to substantial costs, require significant systems changes, limit the effectiveness of our marketing activities, divert the attention of our technology personnel, adversely affect our margins, increase costs and subject us to additional liabilities. Regulation of cookies and similar technologies, and any decline of cookies or similar online tracking technologies as a means to identify and potentially target users, may lead to broader restrictions and impairments on our marketing and personalization activities and may negatively impact our efforts to understand neighbors.

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While we have put in efforts to comply with these regulations, the uncertainty surrounding enforcement and changing privacy landscapes could change our compliance status. Similarly, there are a number of legislative proposals in the jurisdictions where we operate that could impose new obligations or limitations in areas affecting our business.

The costs of complying with these laws and regulations, which in some cases can be enforced by private parties in addition to government entities, are high and likely to increase in the future, particularly as the degree of regulation increases, our business grows and our geographic scope expands. The impact of these laws and regulations may disproportionately affect our business in comparison to our peers in the technology sector with greater resources. Even though we communicate with lawmakers and regulators in countries and regions in which we conduct business, and despite having a dedicated team to monitor legal and regulatory developments, any failure or perceived failure of compliance on our part to comply with the laws and regulations may subject us to significant liabilities or penalties, or otherwise adversely affect our business, financial condition or operating results. Furthermore, it is possible that certain governments may seek to block or limit our products or otherwise impose other restrictions that may affect the accessibility or usability of any or all our products for an extended period of time or indefinitely.

We are currently, and in the future may be, involved in legal disputes that are expensive and time consuming, and, if resolved adversely, could harm our business, operating results, and financial condition.

We are currently involved in, and may in the future be involved in, actual and threatened legal proceedings, claims, investigations and government inquiries arising in the ordinary course of our business, including intellectual property, data privacy, cybersecurity, our use of AI, privacy and other torts, illegal or objectionable content, consumer protection, securities, stockholder derivative claims, employment, governance, workplace culture, contractual rights, civil rights infringement, false or misleading advertising, or other legal claims relating to content or information that is provided to us or published or made available on our platform. Any proceedings, claims or inquiries involving us, whether successful or not, may be time consuming, result in costly litigation, unfavorable outcomes, increased costs of business, may require us to change our business practices or platform, require significant amount of management's time, may harm our reputation or otherwise harm our business, operating results, and financial condition. See Note 7 - Commitments and Contingencies, to the consolidated financial statements elsewhere in this report for a description of certain litigation matters that we are involved in.

We are currently involved in and have been subject to actual and threatened litigation with respect to third-party patents, trademarks, copyrights and other intellectual property, and may continue to be subject to intellectual property litigation and threats thereof. Companies in the internet, technology and media industries own large numbers of patents, copyrights, trademarks and trade secrets and frequently enter into litigation based on allegations of infringement or other violations of intellectual property rights. As we face increasing competition, grow our business and platform offerings, and become increasingly high profile, the possibility of receiving a larger number of intellectual property claims against the company grows. In addition, various "non-practicing entities" that own patents and other intellectual property rights have asserted, and may in the future attempt to assert, intellectual property claims against us to extract value through licensing or other settlements.

From time to time, we receive letters from patent holders alleging that the Nextdoor platform infringes on their patent rights and from trademark holders alleging infringement of their trademark rights. We also receive letters from holders of copyrighted content alleging infringement of their intellectual property rights. Our technologies and content, including the content that neighbors upload to the platform, may not be able to withstand such third-party claims.

With respect to any intellectual property claims, we may have to seek a license to continue using technologies or engaging in practices found to be in violation of a third-party's rights, which may not be available on reasonable terms and may significantly increase our operating expenses. A license to continue such technologies or practices may not be available to us at all and we may be required to discontinue use of such technologies or practices or to develop alternative non-infringing technologies or practices. The development of alternative non-infringing technologies or practices could require significant effort and expense or may not be achievable at all. Our business, operating results, and financial condition could be harmed as a result.

The obligations associated with operating as a public company require significant resources and management attention and have, and will continue to, cause us to incur additional expenses, which will adversely affect our profitability.

As a public company, we incur and expect to continue to incur significant accounting, legal and various other expenses. We are required to comply with certain requirements of the Exchange Act, the Sarbanes-Oxley Act, the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, the listing requirements of the NYSE and other applicable securities rules and regulations. The Exchange Act requires, among other things, that we file annual, quarterly, and current reports with respect to our business and operating results with the SEC. We are also required to ensure that we have the ability to prepare financial statements that are fully compliant with all SEC reporting requirements on a timely basis. Compliance with these rules and regulations will continue to

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increase, our legal and financial compliance costs, make some activities more difficult, time-consuming or costly and increase demand on our systems and resources. As a public company, we have and will continue to, among other things:

- prepare and distribute periodic public reports and other stockholder communications in compliance with our obligations under the federal securities laws;
- create or expand the roles and duties of our Board of Directors and committees of the Board of Directors;
- institute and maintain comprehensive financial reporting and disclosure compliance functions; and
- establish new and enhance existing internal policies, including those relating to disclosure controls and procedures.

These actions and the additional involvement of accountants and legal advisors, requires a significant commitment of our resources. We might not be successful in complying with these obligations and the significant commitment of resources required for complying with them could have a material adverse effect on our business, financial condition, results of operations and cash flows. If our efforts to comply with new laws, regulations and standards differ from the activities intended by regulatory or governing bodies due to ambiguities related to practice, regulatory authorities may initiate legal proceedings against us, and our business may be harmed. Moreover, we have incurred significant costs with respect to our directors' and officers' insurance coverage. In the future, it may be more expensive or more difficult for us to obtain director and officer liability insurance, and we may be required to accept reduced coverage or incur substantially higher costs to obtain coverage. These factors would also make it more difficult for us to attract and retain qualified members of our Board of Directors and qualified executive officers.

Being a public company requires significant resources and management oversight. As a result, management's attention may be diverted from other business concerns, which could harm our business, operating results, and financial condition.

Failure to maintain effective systems of internal controls and disclosure controls could have a material adverse effect on our business, operating results, and financial condition.

Effective internal and disclosure controls are necessary for us to provide reliable financial reports and effectively prevent fraud and to operate successfully as a public company. We are required by the Sarbanes-Oxley Act to design and maintain a system of internal control over financial reporting and disclosure controls and procedures. If we cannot provide reliable financial reports or prevent fraud, our reputation and operating results would be harmed.

Our current controls and any new controls we develop may become inadequate because of changes in conditions in our business. Further, weaknesses in our internal controls may be discovered in the future. Any failure to develop or maintain effective controls, or any difficulties encountered in their implementation or improvement, could harm our operating results, may result in a restatement of our financial statements for prior periods, cause us to fail to meet our reporting obligations, and could adversely affect the results of periodic management evaluations and annual independent registered public accounting firm attestation reports regarding the effectiveness of our internal control over financial reporting that we are required to include in the periodic reports we will file with the SEC. Our independent registered public accounting firm is required to formally attest to the effectiveness of our internal control over financial reporting. Our independent registered public accounting firm may issue a report that is adverse in the event it is not satisfied with the level at which our internal control over financial reporting is documented, designed or operating. Any failure to implement and maintain effective internal control over financial reporting also could adversely affect the results of periodic management evaluations and annual independent registered public accounting firm attestation reports regarding the effectiveness of our internal control over financial reporting that we will eventually be required to include in our periodic reports that are filed with the SEC. Ineffective disclosure controls and procedures and internal control over financial reporting could also cause investors to lose confidence in our reported financial and other information, which would likely have a negative effect on the market price of our Class A common stock.

We have incurred and expect to continue to incur significant expenses and devote substantial management effort toward ensuring compliance with the requirements of Section 404 of the Sarbanes-Oxley Act. As a result of the complexity involved in complying with the rules and regulations applicable to public companies, our management's attention may be diverted from other business concerns, which could harm our business, operating results, and financial condition. Although we have already hired additional employees to assist us in complying with these requirements, we may need to hire more employees in the future, or engage outside consultants, which will increase our operating expenses.

We are obligated to maintain proper and effective internal control over financial reporting. If we identify material weaknesses in the future, or otherwise fail to maintain an effective system of internal control over financial reporting in the future, we may not be able to accurately or timely report our financial condition or operating results, which may adversely affect investor confidence in our company and, as a result, the value of our Class A common stock.

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As a public company, we are subject to the reporting requirements of the Exchange Act, the Sarbanes-Oxley Act, and the rules and regulations of the applicable listing standards of the NYSE. We expect that the requirements of these rules and regulations will continue to increase our legal, accounting, and financial compliance costs, make some activities more difficult, time-consuming, and costly, and place significant strain on our personnel, systems, and resources.

The Sarbanes-Oxley Act requires, among other things, that we maintain effective disclosure controls and procedures and internal control over financial reporting. We are continuing to develop and refine our disclosure controls, internal control over financial reporting and other procedures that are designed to ensure information required to be disclosed by us in our financial statements and in the reports that we will file with the SEC is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms, and information required to be disclosed in reports under the Exchange Act is accumulated and communicated to our principal executive and financial officers. In order to maintain and improve the effectiveness of our internal controls and procedures, we have expended, and anticipate that we will continue to expend, significant resources, including accounting related costs and significant management oversight.

If we are unable to assert that our internal control over financial reporting is effective, or if our independent registered public accounting firm is unable to express an opinion on the effectiveness of our internal control, including as a result of any identified material weakness, we could lose investor confidence in the accuracy and completeness of our financial reports, which would cause the price of our Class A common stock to decline, and we may be subject to investigation or sanctions by the SEC. In addition, if we are unable to continue to meet these requirements, we may not be able to remain listed on the NYSE.

Risks Related to Intellectual Property

Failure to obtain, maintain, protect or enforce our intellectual property and proprietary rights could enable others to copy or use aspects of our platform without compensating us, which could harm our brand, business, and results of operations.

We rely and expect to continue to rely on a combination of confidentiality, assignment, and license agreements with our employees, consultants, and third parties with whom we have relationships, as well as trademark, copyright, patent, trade secret, and domain name protection laws, to protect our proprietary rights. In the United States and internationally, we have filed various applications for protection of certain aspects of our intellectual property, and we currently hold issued patents and copyrights in the United States, issued copyrights in the United States, and multiple trademark registrations in the United States and other foreign countries. Third parties may knowingly or unknowingly infringe our proprietary rights, third parties may challenge proprietary rights held by us, and pending and future trademark and patent applications may not be approved.

Any issued patents may be challenged, invalidated or circumvented, and any rights granted under these patents may not actually provide adequate defensive protection or competitive advantages to us. Patent applications in the United States are typically not published until at least 18 months after filing, or, in some cases, not at all. We cannot be certain that we were the first to make the inventions claimed in our pending patent applications or that we were the first to file for patent protection. Additionally, the process of obtaining patent protection is expensive and time-consuming, and we may not be able to prosecute all necessary or desirable patent applications at a reasonable cost or in a timely manner. Recent changes to the patent laws in the United States may also bring into question the validity of certain software patents and may make it more difficult and costly to prosecute patent applications. Such changes may lead to uncertainties or increased costs and risks surrounding the prosecution, validity, ownership, enforcement, and defense of our issued patents and patent applications and other intellectual property, the outcome of third-party claims of infringement, misappropriation, or other violation of intellectual property brought against us and the actual or enhanced damages (including treble damages) that may be awarded in connection with any such current or future claims, and could have a material adverse effect on our business.

We rely on our trademarks, trade names, and brand names to distinguish our platform from the products of our competitors. However, third parties may have already registered identical or similar marks for products or solutions that also address the software market. Efforts by third parties to limit use of our brand names or trademarks and barriers to the registration of brand names and trademarks may restrict our ability to promote and maintain a cohesive brand throughout our key markets. There can also be no assurance that pending or future U.S. or foreign trademark applications will be approved in a timely manner or at all, or that such registrations will effectively protect our brand names and trademarks. Third parties may also oppose our trademark applications, or otherwise challenge our use of the trademarks. In the event that our trademarks are successfully challenged, we could be forced to rebrand our platform, which would result in loss of brand recognition and would require us to devote resources to advertising and marketing new brands.

In addition, effective intellectual property protection may not be available in every country in which we operate or intend to operate our business. In any or all of these cases, we may be required to expend significant time and expense in order to prevent infringement or to enforce our rights. Although we have generally taken measures to protect our proprietary rights, there can be no assurance that others will not offer products or concepts that are substantially similar to ours and compete with our business. If the protection of our

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proprietary rights is inadequate to prevent unauthorized use or appropriation by third parties, the value of our brands and other intangible assets may be diminished and competitors may be able to more effectively mimic the Nextdoor platform and methods of operations.

To prevent substantial unauthorized use of our intellectual property rights, it may be necessary to prosecute actions for infringement and/or misappropriation of our proprietary rights against third parties. Any such action could result in significant costs and diversion of our resources and management's attention, and we cannot assure that we will be successful in such action. As such, policing unauthorized use of our technology or platform is difficult. Furthermore, many of our current and potential competitors have the ability to dedicate substantially greater resources to enforce their intellectual property rights (or to contest claims of infringement) than we do. Accordingly, despite our efforts, we may not be able to prevent third parties from knowingly or unknowingly infringing upon, misappropriating or circumventing our intellectual property rights. If we are unable to protect our proprietary rights (including aspects of our software and platform protected other than by patent rights), we will find ourselves at a competitive disadvantage to others who need not incur the additional expense, time and effort required to create our platform. Moreover, we may need to expend additional resources to defend our intellectual property rights in foreign countries, and our inability to do so could impair our business, results of operations and financial condition or adversely affect our business, operating results, and financial condition.

Confidentiality agreements with employees and others may not adequately prevent disclosure of trade secrets and proprietary information.

We have devoted substantial resources to the development of our intellectual property and proprietary rights. To protect our intellectual property and proprietary rights, we rely in part on confidentiality agreements with our employees, vendors, licensees, independent contractors and other advisors. These agreements may not effectively prevent disclosure of confidential information and may not provide an adequate remedy in the event of unauthorized disclosure of confidential information. Effective trade secret protection may also not be available in every country in which the Nextdoor platform is available or where we have employees or independent contractors. The loss of trade secret protection could make it easier for third parties to compete with the Nextdoor platform by copying functionality. In addition, any changes in, or unexpected interpretations of, the trade secret and employment laws in any country in which we operate may compromise our ability to enforce our trade secret and intellectual property rights. In addition, others may independently discover trade secrets and proprietary information and in such cases, we could not assert any trade secret rights against such parties. Costly and time-consuming litigation could be necessary to enforce and determine the scope of our proprietary rights and failure to obtain or maintain trade secret protection could adversely affect our competitive business position. As such, we cannot guarantee that the steps taken by us will prevent infringement, violation or misappropriation of our technology.

Third parties may claim that our platform infringes their intellectual property rights and this may create liability for us or otherwise adversely affect our business, operating results, and financial condition.

Third parties may claim that the Nextdoor platform infringes their intellectual property rights, and such claims may result in legal claims against us and our technology partners and customers. These claims may damage our brand and reputation and create liability for us. Furthermore, there could be public announcements of the results of hearings, motions or other interim proceedings or developments, and if securities analysts or investors perceive these results to be negative, it could have a substantial adverse effect on the price of our common stock. We expect the number of such claims to increase as the functionality of our platform overlaps with that of other products and services, and as the volume of issued software patents and patent applications continues to increase.

Companies in the software and technology industries own large numbers of patents, copyrights, trademarks, and trade secrets and frequently enter into litigation based on allegations of infringement or other violations of intellectual property rights. In addition, many of these companies have the capability to dedicate substantially greater resources to enforce their intellectual property rights and to defend claims that may be brought against them. Furthermore, patent holding companies, non-practicing entities, and other adverse patent owners that are not deterred by our existing intellectual property protections may seek to assert patent claims against us. We have received, and may in the future receive, notices that claim we have misappropriated, misused, or infringed other parties' intellectual property rights, and, to the extent we gain greater market visibility, we may face a higher risk of being the subject of intellectual property infringement claims.

We may also face exposure to third party intellectual property infringement, misappropriation, or violation actions if we engage software engineers or other personnel who were previously engaged by competitors or other third parties and those personnel inadvertently or deliberately incorporate proprietary technology of third parties into our products. In addition, we may lose valuable intellectual property rights or personnel. A loss of key personnel or their work product could hamper or prevent our ability to develop, market and support potential products or enhancements, which could severely harm our business. Any intellectual property claims, with or without merit, could be very time-consuming, could be expensive to settle or litigate, and could divert our management's attention and other resources. These claims could also subject us to significant liability for damages, potentially including treble

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damages if we are found to have willfully infringed patents or copyrights. These claims could also result in us having to stop using technology found to be in violation of a third party's rights. We might be required to seek a license for the intellectual property, which may not be available on reasonable terms or at all. Even if a license were available, we could be required to pay significant royalties, which would increase our operating expenses. Alternatively, we could be required to develop alternative non-infringing technology, which could require significant time, effort, and expense, and may affect the performance or features of our platform. If we cannot license or develop alternative non-infringing substitutes for any infringing technology used in any aspect of our business, we would be forced to limit use of our platform. Any of these results would adversely affect our business, operating results and financial condition.

Our use of "open source" software could subject us to possible litigation or could prevent us from offering products that include open source software or require us to obtain licenses on unfavorable terms.

A portion of the technologies we use incorporates "open source" software, and we may incorporate open source software in the future. Open source software is generally licensed by its authors or other third parties under open source licenses. These licenses may subject us to certain unfavorable conditions, including requirements that we offer our products that incorporate the open source software for no cost, that we make publicly available the source code for any modifications or derivative work we create based upon, incorporating or using the open source software, or that we license such modifications or derivative works under the terms of the particular open source license. Some open source software may include generative AI software or other software that incorporates or relies on generative AI. The use of such software may expose us to risks as the intellectual property ownership and license rights, including copyright, of generative AI software and tools have not been fully interpreted by U.S. courts or addressed by federal or state regulations. Authors of open source software we use may also update the terms of open source licenses governing such software to commercial license terms that may require us to pay fees in order to continue using such software. From time to time, companies that use third-party open source software have also faced claims challenging the use of such open source software and their compliance with the terms of the applicable open source license. We may be subject to suits by parties claiming ownership of what we believe to be open source software, or claiming non-compliance with the applicable open source licensing terms. Such use, under certain circumstances, could materially adversely affect our business, operating results, financial condition and future prospects, as well as our reputation, including if we are required to take remedial action that may divert resources away from our development efforts.

In addition to using open source software, we also license to others some of our software through open source projects. Open sourcing our own software requires the company to make the source code publicly available, and therefore can affect our ability to protect our intellectual property rights with respect to that software. Additionally, if a third-party software provider has incorporated open source software into software that we license from such provider, we could be required to disclose any of our source code that incorporates or is a modification or derivative work of such licensed software. If an author or other third party that distributes open source software that we use or license were to allege that we had not complied with the conditions of the applicable license, we could be required to incur significant legal expenses defending against such allegations and could be subject to significant damages, enjoined from offering our products that contained the open source software, required to release proprietary source code, required to obtain licenses from third parties or otherwise required to comply with the unfavorable conditions unless and until we can re-engineer the product so that it complies with the open source license or does not incorporate the open source software. As such, our ability to protect our intellectual property rights with respect to such software source code may be limited or lost entirely, and we may be unable to prevent our competitors or others from using such contributed software source code. Any of these risks could be difficult to eliminate or manage and could harm our intellectual property position and have a material adverse effect on our business, results of operations, financial condition and prospects.

Some open source licenses contain requirements that we make available as source code for modifications or derivative works we create based upon our use and distribution of the open source software. If we combine and distribute our proprietary software with open source software in a certain manner, we could, under certain open source licenses, be required to release the combined source code of our proprietary software to the public, including authorizing further modification and redistribution, or otherwise be limited in the licensing of our offerings, each of which could provide an advantage to our competitors or other entrants to the market, create security vulnerabilities in our platform, require us to re-engineer all or a portion of our platform, and reduce or eliminate the value of our platform. This would allow our competitors to create similar offerings with lower development effort and time and ultimately could result in a loss of sales for us.

On occasion, companies that use open source software have faced claims challenging their use of open source software or compliance with open source license terms. There is evolving legal precedent for interpreting the terms of certain open source licenses, including the determination of which works are subject to the terms of such licenses. The terms of many open source licenses have not been interpreted by U.S. or foreign courts, and accordingly there is a risk that those licenses could be construed in a manner that imposes unanticipated conditions or restrictions on our ability to commercialize our platform. In that event, we could be required to seek licenses from third parties in order to continue offering our platform, to re-develop our platform, or to release our proprietary source code under the terms of an open source license, any of which could harm our business. Enforcement activity for open source licenses can also be unpredictable. Were it determined that our use was not in compliance with a particular license, we may be required to

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release our proprietary source code, defend claims, pay damages for breach of contract or copyright infringement, grant licenses to our patents, re-engineer our platform, or take other remedial action that may divert resources away from our product development efforts, any of which could negatively impact our business. Open source compliance problems can also result in damage to reputation and challenges in recruitment or retention of engineering personnel. Further, given the nature of open source software, it may be more likely that third parties might assert copyright and other intellectual property infringement claims against us based on our use of these open source software programs. Litigation could be costly for us to defend, have a material adverse effect on our business, results of operations and financial condition, or require us to devote additional development resources to change our platform.

We license technology from third parties for the development of our products, and our inability to maintain those licenses could harm our business.

We currently incorporate, and will in the future continue to incorporate, technology that we license from third parties, including software, into our platform. Licensing technologies from third parties exposes us to increased risk of being the subject of intellectual property infringement due to, among other things, our lower level of visibility into the development process with respect to such technology and the care taken to safeguard against infringement risks. We cannot be certain that our licensors do not or will not infringe on the intellectual property rights of third parties or that our licensors have or will have sufficient rights to the licensed intellectual property in all jurisdictions in which we operate. Some of our agreements with our licensors may be terminated by them for convenience, or otherwise provide for a limited term. If we are unable to continue to license technology because of intellectual property infringement claims brought by third parties against our licensors or against us, or if we are unable to continue our license agreements or enter into new licenses on commercially reasonable terms, our ability to develop our platform that is dependent on that technology would be limited, and our business could be harmed. Additionally, if we are unable to license technology from third parties, we may be forced to acquire or develop alternative technology, which we may be unable to do in a commercially feasible manner or at all, and may require us to use alternative technology of lower quality or performance standards. Any impairment of the technologies or of our relationship with these third parties could harm our business, operating results and financial condition.

Risks Related to Ownership of Our Class A Common Stock

The price of our Class A common stock has been and may continue to be volatile.

The trading price of our Class A common stock has been, and is likely to continue to be volatile and could be subject to fluctuations in response to various factors, some of which are beyond our control. Factors that could cause fluctuations in the trading price of our Class A common stock include the following:

- actual or anticipated fluctuations in our user growth, retention, engagement, revenue, or other operating results;
- developments involving our competitors;
- variations between our actual operating results and the expectations of securities analysts, investors, and the financial community;
- actual or anticipated fluctuations in our quarterly or annual operating results;
- any forward-looking financial or operating information we may provide to the public or securities analysts, any changes in this information, or our failure to meet expectations based on this information;
- publication of research reports by securities analysts about us, our competitors or our industry;
- the public's reaction to our press releases, our other public announcements and our filings with the SEC;
- additional shares of our Class A common stock being sold into the market by us or our existing stockholders, or the anticipation of such sales;
- additions and departures of key personnel;
- commencement of, or involvement in, litigation involving us;
- changes in our capital structure, such as future issuances of securities or the incurrence of additional debt;
- the volume of shares of our Class A common stock available for public sale;

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- announcements by us or our competitors of significant products or features, technical innovations, acquisitions, strategic partnerships, joint ventures, or capital commitments;
- announcements by us or estimates by third parties of actual or anticipated changes in the size of our user base or the level of user engagement;
- changes in operating performance and stock market valuations of technology companies in our industry, including our partners and competitors;
- the impact of interest rate increases on the overall stock market and the market for technology company stocks;
- price and volume fluctuations in the overall stock market, including as a result of trends in the economy as a whole;
- developments in new legislation and pending lawsuits or regulatory actions, including interim or final rulings by judicial or regulatory bodies; and
- other events or factors, including those resulting from recessions, the implementation of tariffs by the United States, China, or other governments, inflation, changing interest rates, local and national elections, actual or perceived instability in the global banking system, international currency fluctuations, corruption, political instability, acts of war or terrorism, and general global conflicts.

In addition, extreme price and volume fluctuations in the stock markets have affected and continue to affect many technology companies' stock prices. Often, their stock prices have fluctuated in ways unrelated or disproportionate to the companies' operating performance. In the past, stockholders have filed securities class action litigation following periods of market volatility. If we were to become involved in securities litigation, it could subject us to substantial costs, divert resources and the attention of management from our business, and seriously harm our business.

The dual class structure of our common stock may adversely affect the trading market for our Class A common stock.

Certain stock index providers limit the eligibility of public companies with multiple classes of shares of common stock from inclusion in their indices. In addition, several shareholder advisory firms have announced their opposition to the use of multiple class structures. As a result, the dual class structure of our common stock may prevent the inclusion of our Class A common stock in such indices and may cause shareholder advisory firms to publish negative commentary about our corporate governance practices or otherwise seek to cause us to change our capital structure. Any such exclusion from indices could result in a less active trading market for our Class A common stock. Any actions or publications by shareholder advisory firms critical of our corporate governance practices or capital structure could also adversely affect the value of our Class A common stock.

The dual class structure of our common stock has the effect of concentrating voting power with our management and other existing stockholders, which will limit your ability to influence the outcome of important transactions, including a change in control.

Our Class B common stock has 10 votes per share and our Class A common stock has one vote per share. Stockholders who hold shares of our Class B common stock, including certain of our executive officers, employees, and directors and their affiliates, together hold a substantial majority of the voting power of our outstanding capital stock as of December 31, 2025. Because of the 10-to-1 voting ratio between our Class B common stock and Class A common stock, the holders of our Class B common stock collectively control a majority of the combined voting power of common stock and therefore are able to control all matters submitted to our stockholders for approval so long as the shares of Class B common stock represent at least 9.1% of all outstanding shares of our Class A common stock and Class B common stock. This concentrated control will limit or preclude your ability to influence the outcome of important corporate matters, including a change in control, for the foreseeable future.

Transfers by holders of our Class B common stock will generally result in those shares converting to Class A common stock, subject to limited exceptions, such as certain transfers effected for estate planning or charitable purposes. The conversion of Class B common stock to Class A common stock will have the effect, over time, of increasing the relative voting power of those holders of Class B common stock who retain their shares in the long term.

We do not intend to pay cash dividends for the foreseeable future.

We currently intend to retain our future earnings, if any, to finance the further development and expansion of our business, as well as to fund our Share Repurchase Program, and do not intend to pay cash dividends in the foreseeable future. Any future determination to pay dividends will be at the discretion of our Board of Directors and will depend on our financial condition, results of operations,

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capital requirements, restrictions contained in future agreements and financing instruments, business prospects and such other factors as our Board of Directors deems relevant. As a result, you may only receive a return on your investment in our Class A common stock if the market price of our Class A common stock increases.

If analysts do not publish research about our business or if they publish inaccurate or unfavorable research, our stock price and trading volume could decline.

The trading market for our Class A common stock will depend in part on the research and reports that analysts publish about our business. We do not have any control over these analysts. If one or more of the analysts who cover our company downgrade our Class A common stock or publish inaccurate or unfavorable research about our business, the price of our Class A common stock would likely decline. If few analysts cover our company, demand for our Class A common stock could decrease and our Class A common stock price and trading volume may decline. Similar results may occur if one or more of these analysts stop covering us in the future or fail to publish reports on us regularly.

We may be subject to securities litigation, which is expensive and could divert management attention.

The market price of our Class A common stock may be volatile and, in the past, companies that have experienced volatility in the market price of their stock have been subject to securities class action litigation. We may be the target of this type of litigation in the future. Securities litigation against us could result in substantial costs and divert management's attention from other business concerns, which could seriously harm our business.

Future resales of our Class A common stock may cause the market price of our securities to drop significantly, even if our business is doing well.

Sales of a substantial number of shares of our Class A common stock in the public market could occur at any time. These sales, or the perception in the market that the holders of a large number of our Class A common stock intend to sell shares, could reduce the market price of our Class A common stock. As of December 31, 2025, we had 262,446,175 shares of our Class A common stock outstanding. We have filed a registration statement related to the offer and sale from time to time by the selling securityholders named in the prospectus that forms a part of the registration statement of up to 206,159,498 shares of our Class A common stock, which registration statement has been declared effective by the SEC. To the extent shares are sold into the market pursuant to a registration statement that has been declared effective by the SEC, under Rule 144 or otherwise, particularly in substantial quantities, the market price of our Class A common stock could decline.

Provisions in our charter documents and under Delaware law, including anti-takeover provisions, could make an acquisition of us, which may be beneficial to our stockholders, more difficult and may limit attempts by our stockholders to replace or remove our current management.

Provisions in our Amended and Restated Certificate of Incorporation (the "Certificate of Incorporation") and our Amended and Restated Bylaws (the "Bylaws"), including anti-takeover provisions, may have the effect of delaying or preventing a merger, acquisition or other change of control of the company that our stockholders may consider favorable. In addition, because our Board of Directors is responsible for appointing the members of our management team, these provisions may frustrate or prevent any attempts by our stockholders to replace or remove our current management by making it more difficult for stockholders to replace members of our Board of Directors. Among other things, our Certificate of Incorporation and Bylaws include provisions that:

- provide that our Board of Directors is classified into three classes of directors with staggered three-year terms;
- permit our Board of Directors to establish the number of directors and fill any vacancies and newly created directorships;
- require super-majority voting to amend some provisions in our Certificate of Incorporation and Bylaws;
- authorize the issuance of "blank check" preferred stock that our Board of Directors could use to implement a stockholder rights plan;
- provide that only our chairperson of the Board of Directors, our chief executive officer, the lead independent director or a majority of our Board of Directors will be authorized to call a special meeting of stockholders;
- eliminate the ability of our stockholders to call special meetings of stockholders;
- do not provide for cumulative voting;
- provide that directors may only be removed "for cause" and only with the approval of two-thirds of our stockholders;

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- provide for a dual class common stock structure in which holders of our Class B common stock may have the ability to control the outcome of matters requiring stockholder approval, even if they own significantly less than a majority of the outstanding shares of our common stock, including the election of directors and other significant corporate transactions, such as a merger or other sale of our company or its assets;
- prohibit stockholder action by written consent, which requires all stockholder actions to be taken at a meeting of our stockholders;
- provide that our Board of Directors is expressly authorized to make, alter, or repeal our Bylaws; and
- establish advance notice requirements for nominations for election to our Board of Directors or for proposing matters that can be acted upon by stockholders at annual stockholder meetings.

Moreover, Section 203 of the Delaware General Corporation Law (“DGCL”) may discourage, delay, or prevent a change in control of our company. Section 203 imposes certain restrictions on mergers, business combinations, and other transactions between us and holders of 15% or more of our common stock.

Our Certificate of Incorporation contains exclusive forum provisions for certain claims, which may limit our stockholders’ ability to obtain a favorable judicial forum for disputes with us or our directors, officers, or employees.

Our Certificate of Incorporation provides that the Court of Chancery of the State of Delaware, to the fullest extent permitted by law, will be the exclusive forum for any derivative action or proceeding brought on our behalf, any action asserting a breach of fiduciary duty, any action asserting a claim against us arising pursuant to the DGCL, our Certificate of Incorporation, our Bylaws, or any action asserting a claim against us that is governed by the internal affairs doctrine.

Moreover, Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all claims brought to enforce any duty or liability created by the Securities Act or the rules and regulations thereunder. Our Certificate of Incorporation provides that the federal district courts of the United States will, to the fullest extent permitted by law, be the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act (“Federal Forum Provision”). Our decision to adopt a Federal Forum Provision followed a decision by the Supreme Court of the State of Delaware holding that such provisions are facially valid under Delaware law. While there can be no assurance that federal or state courts will follow the holding of the Delaware Supreme Court or determine that the Federal Forum Provision should be enforced in a particular case, application of the Federal Forum Provision means that suits brought by our stockholders to enforce any duty or liability created by the Securities Act must be brought in federal court and cannot be brought in state court.

Section 27 of the Exchange Act creates exclusive federal jurisdiction over all claims brought to enforce any duty or liability created by the Exchange Act or the rules and regulations thereunder. In addition, the Federal Forum Provision applies to suits brought to enforce any duty or liability created by the Exchange Act. Accordingly, actions by our stockholders to enforce any duty or liability created by the Exchange Act or the rules and regulations thereunder must be brought in federal court.

Our stockholders will not be deemed to have waived our compliance with the federal securities laws and the regulations promulgated thereunder.

Any person or entity purchasing or otherwise acquiring or holding any interest in any of our securities shall be deemed to have notice of and consented to our exclusive forum provisions, including the Federal Forum Provision. These provisions may limit a stockholders’ ability to bring a claim in a judicial forum of their choosing for disputes with us or our directors, officers, or employees, which may discourage lawsuits against us and our directors, officers, and employees. Alternatively, if a court were to find the choice of forum provision contained in our Certificate of Incorporation and Bylaws to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could harm our business, financial condition, and operating results.

Item 1B. Unresolved Staff Comments

None.

Item 1C. Cybersecurity

Risk Management and Strategy

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We employ a comprehensive, cross-functional approach that is designed to assess, identify, and manage material cybersecurity risks, ensuring the confidentiality, security, and availability of our information systems and data. Our cybersecurity strategy is guided by applicable laws and regulations, industry standards, and best practices. We have established robust policies, standards, and processes to proactively safeguard our digital assets, mitigate risks, and respond effectively to cybersecurity incidents.

Our cyber risk management framework includes: (1) enterprise risk management to identify top cybersecurity risks; (2) vulnerability management to identify software vulnerabilities and infrastructure risks; (3) vendor risk management to identify risks related to third parties and business partners, which includes pre-engagement due diligence, use of contractual security provisions, and continued monitoring through risk-based periodic audits, as applicable; (4) privacy risk management to ensure regulatory compliance and proactively manage privacy risks across our products and platforms; (5) security monitoring to analyze and assess threat activity in real time; and (6) security incident response protocols to investigate, contain, and mitigate cybersecurity threats. To strengthen our defenses, we regularly engage third party experts to assess vulnerabilities, provide threat intelligence, and assist in triaging and responding to cyber incidents. We also conduct employee training on cybersecurity awareness, data protection, and threat response to reinforce our security culture.

In 2025, we did not identify any cybersecurity threats that have materially affected or are reasonably likely to materially affect our business strategy, results of operations, or financial condition. However, despite our efforts, we cannot eliminate all risks from cybersecurity threats, or provide assurances that we have not experienced undetected cybersecurity incidents. For more information regarding cybersecurity risks that we face and potential impacts on our business related thereto, see the section entitled *“Risk Factors — Security breaches, including improper access to or disclosure of our data or our neighbors’ data, or other hacking and phishing attacks on our or third-party systems, could harm our reputation, adversely affect our business, and result in legal liability.”*

Governance

Our Board of Directors, as a whole and at a committee level, maintains oversight of cybersecurity risk management, with primary responsibility assigned to our Audit & Risk Committee. Comprising solely independent directors, our Audit & Risk Committee receives regular updates from our Chief Information Security Officer (“CISO”) and is responsible for ensuring that management has processes in place to identify, assess, and mitigate cybersecurity risks. The Audit & Risk Committee collaborates with management to oversee the implementation of security measures, incident response plans, and ongoing risk management strategies.

Our CISO, who reports directly to the President of Products, has over 15 years of experience in technology and cybersecurity matters, with expertise spanning IT leadership, incident response, enterprise security, and business technology. Our CISO holds multiple cloud and IT certifications and is an active thought leader in the cybersecurity space. Prior to joining Nextdoor, our CISO led Business Technology, IT and Cybersecurity at Workato, Inc. and held key roles at Peloton Interactive, Inc. and KPMG LLP, where they built and implemented business continuity and cyber resilience programs.

Item 2. Properties

We are headquartered in San Francisco, California. As of December 31, 2025, we maintained offices in various locations in the United States and internationally, including approximately 115,770 square feet for our corporate headquarters of which we occupy approximately 51,000 square feet following the June 2024 partial abandonment. All of our facilities are leased. We believe that our current facilities are adequate to meet our current needs and that, should it be needed, suitable additional or alternative space will be available to accommodate our operations.

Item 3. Legal Proceedings

We are currently a party to, and may from time to time in the future, be involved in, various litigation matters and subject to claims that arise in the ordinary course of business, including claims asserted by third parties in the form of letters and other communications. For more information regarding legal proceedings and other claims in which we are involved, see Note 7 - Commitments and Contingencies, to our unaudited condensed consolidated financial statements, included in Part II, Item 8 of this Annual Report on Form 10-K, and is incorporated herein by reference.

Item 4. Mine Safety Disclosures

Not applicable.

PART II**Item 5. Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities****Market Information for Common Stock**

Our Class A common stock is listed and traded on the New York Stock Exchange under the trading symbol “NXDR”. Effective July 21, 2025, our trading symbol was changed from “KIND” to “NXDR”. Prior to July 21, 2025, our common stock had been listed and traded on the New York Stock Exchange under the former symbol. Prior to November 8, 2021, there was no public trading market for our common stock.

Our Class B common stock is not listed or traded on any public market.

Holders of Record

As of February 13, 2026, there were 53 stockholders of record of our Class A common stock and 253 stockholders of record of our Class B common stock. The actual number of holders of our Class A and Class B common stock is greater than the number of record holders and includes stockholders who are beneficial owners, but whose shares are held in street name by brokers or other nominees. The number of holders of record presented here also does not include stockholders whose shares may be held in trust by other entities.

Dividend Policy

We have never declared nor paid any cash dividends on our capital stock and do not expect to pay any dividends on our capital stock in the foreseeable future. Any future determination relating to our dividend policy will be at the discretion of our Board of Directors, subject to applicable laws, and will depend on our financial condition, results of operations, capital requirements, general business conditions, and other factors that our Board of Directors considers relevant. In addition, our ability to pay dividends may be limited by covenants of any future indebtedness we incur.

Securities Authorized for Issuance Under Equity Compensation Plans

The information required by this item will be included in our Proxy Statement (the “Proxy Statement”) for the 2026 Annual Meeting of Stockholders, to be filed with the SEC within 120 days of the year ended December 31, 2025, and is incorporated herein by reference.

Sales of Unregistered Securities

None.

Use of Proceeds

None.

Issuer Purchases of Equity Securities

The following table summarizes share repurchase activity for the three months ended December 31, 2025:

Period	Total Number of Shares Purchased ⁽¹⁾	Average Price Paid per Share ⁽²⁾	Total Number of Shares Purchased as Part of the Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs (in thousands)
October 1, 2025 to October 31, 2025	—	—	—	\$ 82,766
November 1, 2025 to November 30, 2025	1,353,386	\$ 1.70	1,353,386	\$ 80,465
December 1, 2025 to December 31, 2025	1,112,252	\$ 1.85	1,112,252	\$ 78,403
Total	2,465,638		2,465,638	

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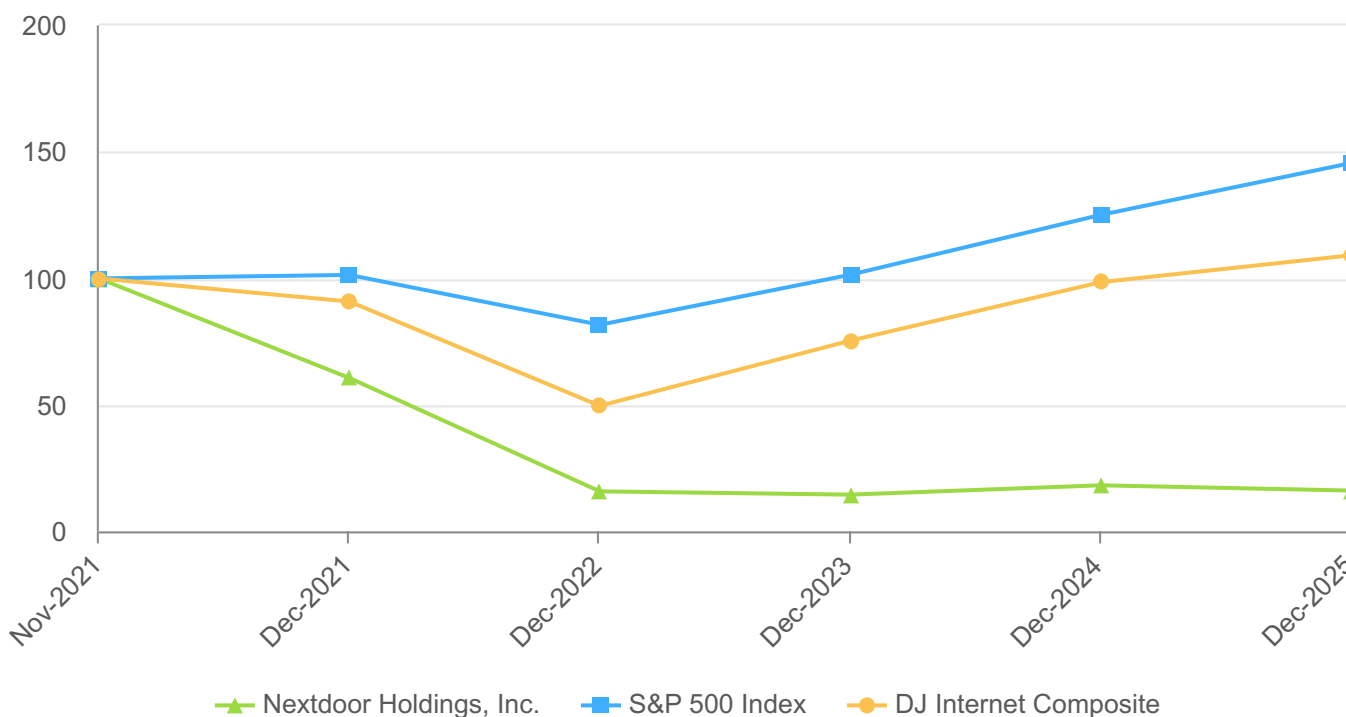
⁽¹⁾ On May 31, 2022, our Board of Directors authorized and approved the Share Repurchase Program to repurchase up to \$100.0 million in aggregate of our Class A common stock, with the authorization to expire on June 30, 2024. On February 21, 2024, our Board of Directors authorized and approved an increase of \$150.0 million to the Share Repurchase Program and extended the expiration date to March 31, 2026.

⁽²⁾ Average price paid per share includes costs associated with the repurchases, excluding the 1% excise tax as a result of the Inflation Reduction Act.

Stock Performance Graph

This performance graph shall not be deemed “soliciting material” or to be “filed” with the SEC for purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities under that Section, and shall not be deemed to be incorporated by reference into any filing of Nextdoor Holdings, Inc. under the Securities Act of 1933, as amended (the “Securities Act”), or the Exchange Act.

The following graph shows a comparison of the cumulative total return for our Class A common stock, the Standard & Poor's 500 Stock Index (“S&P 500 Index”) and the Dow Jones Internet Composite Index (“DJ Internet Composite”). An investment of \$100 and reinvestment of all dividends is assumed to have been made in our Class A common stock and in each index on November 8, 2021, the date our Class A common stock began trading on the New York Stock Exchange, and its relative performance is tracked through December 31, 2025. The stock price performance of the following graph is not necessarily indicative of future stock price performance.



Item 6. [Reserved]

Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis provides information which our management believes is relevant to an assessment and understanding of our consolidated results of operations and financial condition. The discussion should be read together with our consolidated financial statements and related notes that are included elsewhere in this Annual Report. This discussion may contain forward-looking statements based upon current expectations that involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of various factors, including those set forth under “Special Note Regarding Forward-Looking Statements” and “Risk Factors” or in other parts of this Annual Report.

Discussions regarding our financial condition and results of operations for the year ended December 31, 2025 compared to the year ended December 31, 2024 are presented below. Discussions regarding our financial condition and results of operations for the year ended December 31, 2024 compared to the year ended December 31, 2023 are located 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 for the year ended December 31, 2024, filed with the SEC on February 27, 2025.

Overview

Nextdoor is the essential neighborhood network connecting over 105 million Verified Neighbors to the people, places, and information that matter most in their local communities. Operating in over 350,000 neighborhoods across 11 countries, Nextdoor fosters trusted, real-world utility through locally relevant content and services, including news, real-time safety alerts, neighbor recommendations, for sale and free listings, and events. This focus on practical local value drives genuine, high-intent local engagement and supports a diverse ecosystem of neighbors and partners seeking to connect with neighbors.

Key business metrics for the three months ended December 31, 2025 are as follows:

- Platform weekly active users (“Platform WAU”) was 21.0 million, a decrease of 5% compared to the three months ended December 31, 2024.
- Average revenue per platform weekly active user (“Platform ARPU”) was \$3.31, an increase of 13% compared to the three months ended December 31, 2024.

Financial Results as of and for the year ended December 31, 2025 are as follows:

- Revenue was \$257.6 million, an increase of 4% compared to 2024.
- Total costs and expenses were \$329.6 million, a decrease of 11% compared to 2024.
- Net loss decreased 45% to \$54.2 million in 2025, compared to \$98.1 million in 2024.
- Adjusted EBITDA was positive \$0.6 million in 2025, compared to a loss of \$18.2 million in 2024.
- Cash, cash equivalents, and marketable securities were \$404.8 million.

See “*Non-GAAP Financial Measure*” below for more information and for a reconciliation of net loss, the most directly comparable financial measure calculated and presented in accordance with U.S. generally accepted accounting principles (“GAAP”), to Adjusted EBITDA.

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Restructuring

In August 2025, we announced a cost reduction plan intended to right size the business and align the workforce and other expenses with our business priorities. The execution of the cost reduction plan was substantially complete by the end of the third quarter of 2025.

The following table summarizes the restructuring charges in the consolidated statements of operations for the year ended December 31, 2025 (in thousands):

	Severance and Related Charges	Stock-Based Compensation Expense	Total
Research and development	\$ 2,660	\$ 792	\$ 3,452
Sales and marketing	1,250	126	1,376
General and administrative	750	51	801
Total	<u>\$ 4,660</u>	<u>\$ 969</u>	<u>\$ 5,629</u>

In April 2024, we performed a restructuring intended to refocus the Company for future growth. The plan impacted 38 of our full-time employees. We incurred one-time charges of \$2.8 million in connection with the plan, consisting primarily of cash expenditures for severance payments, employee benefits and related costs. The execution of the plan was substantially complete by the end of the second quarter of 2024. In addition, in June 2024 we ceased occupying and abandoned certain floors of our leased headquarters in San Francisco in order to adjust our office space footprint to better align with the needs of our work model. As a result, we recorded impairment charges of \$22.8 million for the related operating lease right-of-use assets, leasehold improvements and furniture and fixtures.

The following table summarizes the restructuring charges in the consolidated statements of operations for the year ended December 31, 2024 (in thousands):

	Office Space Reductions ⁽¹⁾	Severance and Related Charges	Total
Research and development	\$ —	\$ 250	\$ 250
Sales and marketing	—	1,956	1,956
General and administrative	22,760	612	23,372
Total	<u>\$ 22,760</u>	<u>\$ 2,818</u>	<u>\$ 25,578</u>

⁽¹⁾ Office space reductions are primarily non-cash and include impairment charges related to operating lease right-of-use assets, leasehold improvements and furniture and fixtures.

In the fourth quarter of 2023, we announced a cost reduction plan intended to right-size the business and align the workforce and other expenses with our near term revenue expectations and long term business priorities. The cost reduction plan included a reduction of full-time employee headcount by approximately 25%. The execution of the cost reduction plan was substantially complete by the end of the fourth quarter of 2023.

The following table summarizes the restructuring charges in the consolidated statements of operations for the year ended December 31, 2023 (in thousands):

	Severance and Related Charges	Stock-Based Compensation Expense	Total
Research and development	\$ 5,141	\$ 903	\$ 6,044
Sales and marketing	2,984	228	3,212
General and administrative	1,763	80	1,843
Total	<u>\$ 9,888</u>	<u>\$ 1,211</u>	<u>\$ 11,099</u>

Refer to Note 13 to our consolidated financial statements for further information on our restructuring charges.

Key Business Metrics

In addition to the measures presented in our consolidated financial statements, we use the following key business metrics to evaluate our business, measure our performance, develop financial forecasts, and make strategic decisions:

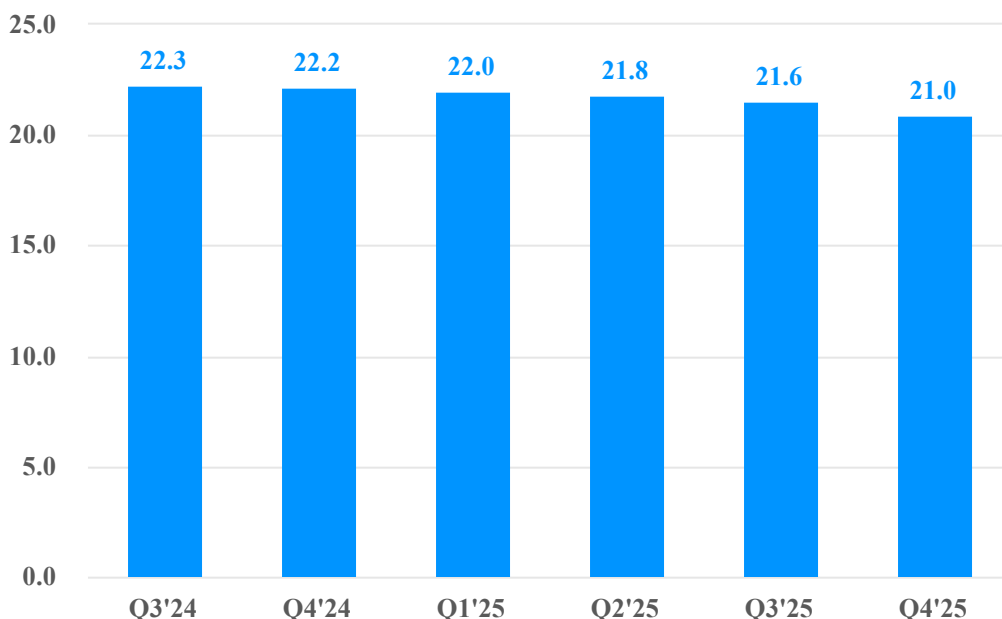
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Platform Weekly Active Users (Platform WAU)

We define a Platform WAU as a Nextdoor user who opens our application or logs on to our website at least once during a defined 7-day period. We calculate average Platform WAU for a particular period by calculating the count of unique users, on a rolling basis for the past seven days, for each day of that period, and dividing that sum by the number of days in that period. We assess the health of our business by measuring Platform WAU because we believe that weekly usage best captures the cadence at which we expect a healthy user base to engage with and derive the most utility from our platform, and by extension their neighborhood.

Our Platform WAU for the three months ended December 31, 2025 and 2024 was 21.0 million and 22.2 million, respectively, which represents a 5% decrease period over period.

Quarterly Average Platform Weekly Active Users
(in millions)

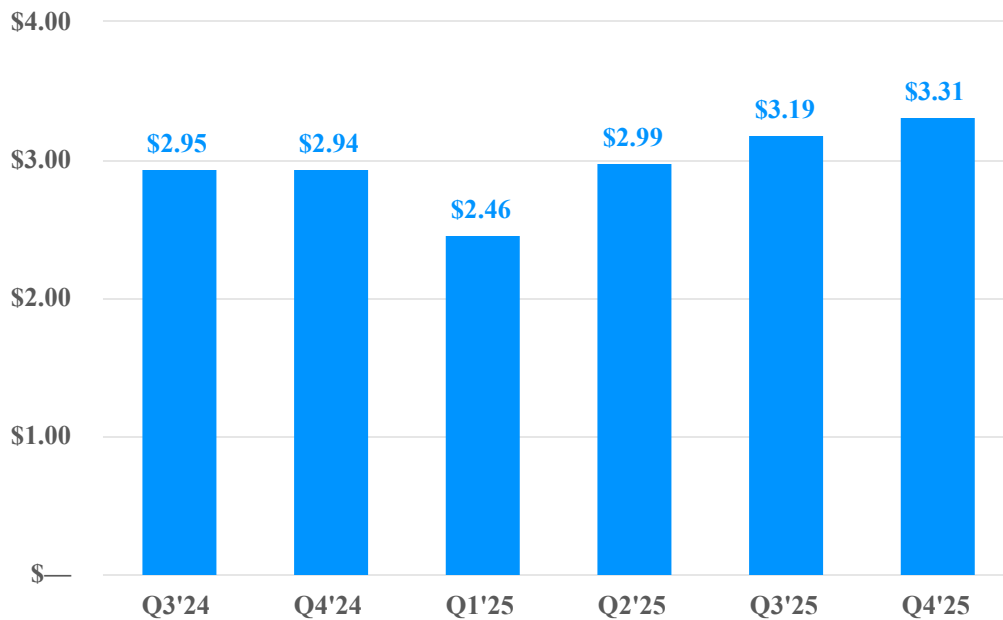


Average Revenue per Platform Weekly Active User (Platform ARPU)

We generate revenue primarily from advertising. We measure monetization of our platform through our Platform ARPU metric. We define Platform ARPU as our total revenue during a period divided by the average of the number of Platform WAU during the same period.

Our Platform ARPU for the years ended December 31, 2025 and 2024 was \$11.94 and \$11.36, respectively.

Quarterly Platform ARPU



Factors Affecting Our Performance

Macroeconomic Conditions. Macroeconomic conditions, whether in the advertising industry in general, among specific types of advertisers or within particular geographies, including but not limited to health epidemics or pandemics, actual or perceived instability in the global banking system, labor shortages, supply chain disruptions, the implementation of tariffs by the United States, China, or other governments, a potential recession, inflation, changing interest rates and fluctuations in foreign currency exchange rates, competition from other platforms and other risks and uncertainties have impacted, and all or some of these factors may continue to impact, advertiser demand, user growth, user engagement, and our business, operations and financial results. See "Risk Factors" and "Special Note Regarding Forward-Looking Statements" for additional details.

Growth in and Engagement of Users. We measure growth in, and engagement of, users by tracking Platform WAU. As the size and engagement of our user base grows, we believe the potential to increase our revenue grows.

We may face challenges increasing the size and engagement of our user base due to a number of factors including competition, challenges in acquiring and engaging users, or changes in regulations.

Growth in Monetization. Monetization trends, which are reflected in our Platform ARPU, are a key factor that affects our revenue and financial results. To increase monetization, we are focused on catering to businesses of all sizes, from small local businesses to large global brands across both self-serve and managed campaigns through our go-to-market approach. This approach combines the scale and efficiency of our proprietary ad stack with the expertise of a dedicated global sales team. We are also focused on increasing our user base and engagement in the United States and internationally, which will increase the opportunities for businesses to advertise on Nextdoor.

There are many variables that impact Platform ARPU, including the number of ad impressions shown on our platform and the price per ad, which depends on a number of factors including the engagement of our user base, the number and diversity of our customers, seasonality of advertising spend, our customers' advertising objectives, advertising performance, the effectiveness of our advertising services, our ability to measure that effectiveness for our customer, and the effect of geographic differences on each of these factors.

While we continue to view international monetization as a long-term growth opportunity, our focus is on improving our product experience and aligning our operations to best serve users and advertisers in existing markets, primarily in the United States. Due to our decision to focus our earliest monetization efforts in the United States, we have less experience monetizing international markets and therefore may experience challenges scaling and monetizing these markets. The international advertising market is also less mature than the U.S. digital advertising market.

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Investment for Growth. We continually invest in technology to enhance our offerings for neighbors, businesses, and public agencies. At the core of our strategy is the use of AI and ML, which powers personalized content distribution and optimizes ad reach and performance. By leveraging our unique data set, we have developed AI-powered features to increase relevance, engagement, and utility for neighbors. We continue investing in our proprietary ad platform to deliver greater advertiser value, reduce advertiser effort, and enable businesses of all sizes to succeed on Nextdoor.

Investments in Platform. In 2025, we launched the new Nextdoor initiative, the first phase of a multi-phase product transformation designed to create more engaging experiences for neighbors and partners and deliver enhanced value for advertisers. This evolution expands the platform beyond primarily neighbor-generated content to a dynamic feed enriched with timely, locally relevant information, including news and alerts, with AI and ML used to help surface and personalize content for neighbors. We have made and expect to continue to make investments in new products or enhancements to our platform. The success of the new Nextdoor initiative, and the return on our investments associated with the new Nextdoor initiative, will depend on the ability of these platform changes to drive additional users and user engagement on our platform and to provide value to advertisers.

International Expansion. We continue to assess opportunities to grow our international user base and expand monetization outside of the United States. While we believe that increased international monetization presents an important opportunity for long-term growth, our primary focus remains on improving our product experience and aligning our operations to best serve users and advertisers in our existing markets. We are taking a strategic and measured approach to international expansion, prioritizing investments in markets where we see the strongest potential for sustainable growth. Over time, we believe that international operations can expand meaningfully, and we see opportunities to increase monetization and Platform ARPU in these markets. Our investments in international expansion are targeted and align with our broader strategic priorities. The success of these initiatives will depend on our ability to drive engagement and monetization in international markets.

Seasonality. We typically observe seasonal improvements in advertising spend beginning in the second quarter, with those demand trends remaining stable through the fourth quarter. Periods of significant growth and changes in the macroeconomic environment have partially masked these trends in some historical periods.

Components of Results of Operations

Revenue

We generate a majority of our revenue from the delivery of advertising services. We recognize revenue only after transferring control of promised goods or services to the customer. Advertising services are typically sold on a cost per thousand (“CPM”) basis, a cost per click (“CPC”) basis, or on a subscription basis according to the service period. The majority of our revenue is generated in the United States.

Cost of Revenue

Cost of revenue consists primarily of expenses associated with the delivery of our revenue generating activities, including the third-party cost of hosting our platform and allocated personnel-related costs, which include salaries, benefits, and stock-based compensation for employees engaged in development of our revenue generating products. Cost of revenue also includes third-party costs associated with delivering and supporting our advertising services and credit card transaction fees related to processing customer transactions.

Research and Development

Research and development expenses consist primarily of personnel-related costs, including salaries, benefits, restructuring costs, and stock-based compensation for our employees engaged in research and development, as well as costs for consultants, contractors and third-party software. In addition, allocated overhead costs, such as facilities, information technology, and depreciation are included in research and development expenses.

Sales and Marketing

Sales and marketing expenses consist primarily of personnel-related and other costs which include salaries, commissions, benefits, restructuring costs, and stock-based compensation for employees engaged in sales and marketing activities as well as other costs including third-party consulting, public relations, and allocated overhead costs. Sales and marketing expenses also include brand and performance marketing for both user and local business acquisition, and neighbor services, which includes personnel-related costs for our neighbor support team, our outsourced neighbor support function, and verification costs.

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Performance marketing costs related to local business acquisition largely consists of digital advertising and, to a lesser extent, direct mail campaigns. Performance marketing costs related to user acquisition largely consist of digital advertising. Fluctuations in our performance marketing expenses are driven by a variety of factors, including but not limited to: our target geographies, whether we are acquiring users or businesses, assessment of return on investment of marketing spend, strategic priorities, and seasonal factors.

General and Administrative

General and administrative expenses consist primarily of personnel-related costs, including salaries, benefits, restructuring costs, and stock-based compensation, for certain executives, finance, legal, information technology, human resources, and other administrative employees. In addition, general and administrative expenses include fees and costs for professional services, including consulting, third-party legal and accounting services, and allocated overhead costs.

Interest Income

Interest income consists of interest earned on our cash, cash equivalents, and marketable securities.

Other Income (Expense), Net

Other income (expense), net consists primarily of unrealized gains and losses from the re-measurement of monetary assets and liabilities denominated in non-functional currencies, and gains and losses on marketable securities and foreign currency transactions.

Provision for Income Taxes

The provision for income taxes consists primarily of income taxes related to foreign and state jurisdictions in which we conduct business. We maintain a full valuation allowance on our U.S. federal and state deferred tax assets as we have concluded that it is more likely than not that the deferred tax assets will not be realized.

Results of Operations

The results of operations presented below should be reviewed in conjunction with our consolidated financial statements and related notes thereto included elsewhere in this Annual Report. The following table sets forth our consolidated results of operations for the periods presented.

<i>(in thousands)</i>	Year Ended December 31,		
	2025	2024	2023
Revenue	\$ 257,646	\$ 247,276	\$ 218,309
Costs and expenses ⁽¹⁾ :			
Cost of revenue	40,987	41,850	41,613
Research and development	135,205	127,939	149,998
Sales and marketing	91,029	106,977	122,925
General and administrative	62,367	92,149	76,057
Total costs and expenses	329,588	368,915	390,593
Loss from operations	(71,942)	(121,639)	(172,284)
Interest income	18,758	24,381	25,780
Other income (expense), net	605	(99)	(505)
Loss before income taxes	(52,579)	(97,357)	(147,009)
Provision for income taxes	1,625	706	756
Net loss	\$ (54,204)	\$ (98,063)	\$ (147,765)

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

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<i>(in thousands)</i>	Year Ended December 31,		
	2025	2024	2023
Cost of revenue	\$ 2,836	\$ 2,736	\$ 3,201
Research and development	36,849	39,037	43,619
Sales and marketing	8,888	9,671	12,548
General and administrative	16,770	22,611	23,657
Total	\$ 65,343	\$ 74,055	\$ 83,025

The following table sets forth the components of our consolidated statements of operations as a percentage of revenue for each of the periods presented:

<i>(as a percentage of total revenue)</i>	Year Ended December 31,		
	2025	2024	2023
Revenue	100 %	100 %	100 %
Costs and expenses:			
Cost of revenue	16	17	19
Research and development	52	52	69
Sales and marketing	35	43	56
General and administrative	24	37	35
Total costs and expenses	128	149	179
Loss from operations	(28)	(49)	(79)
Interest income	7	10	12
Other income (expense), net	—	—	—
Loss before income taxes	(20)	(39)	(67)
Provision for income taxes	1	—	—
Net loss	(21)%	(40)%	(68)%

Note: Certain figures may not sum due to rounding.

Comparison of the Years Ended December 31, 2025 and 2024

Revenue

<i>(in thousands, except percentages)</i>	Year Ended December 31,		Change	
	2025	2024	\$	%
Revenue	\$ 257,646	\$ 247,276	\$ 10,370	4 %

Revenue increased by \$10.4 million, or 4%, for the year ended December 31, 2025 compared to the year ended December 31, 2024. The increase was primarily due to increased advertiser spending, partially offset by a decrease in the number of active users, as measured by a 5% decrease in 2025 Platform WAU.

Cost of revenue

<i>(in thousands, except percentages)</i>	Year Ended December 31,		Change	
	2025	2024	\$	%
Cost of revenue	\$ 40,987	\$ 41,850	\$ (863)	(2)%

Cost of revenue decreased by \$0.9 million, or 2%, for the year ended December 31, 2025 compared to the year ended December 31, 2024. The decrease was primarily due to a \$1.1 million decrease in third-party costs associated with delivering and supporting our advertising services, a \$1.0 million decrease in third-party hosting costs, partially offset by a \$0.9 million increase in allocated personnel-related costs, and a \$0.7 million increase in merchant processing fees.

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Research and development

	Year Ended December 31,		Change	
	2025	2024	\$	%
(in thousands, except percentages)				
Research and development	\$ 135,205	\$ 127,939	\$ 7,266	6 %

Research and development expenses increased by \$7.3 million, or 6%, for the year ended December 31, 2025 compared to the year ended December 31, 2024. The increase was primarily due to a \$4.8 million increase in personnel-related costs, driven by restructuring costs partially offset by a decrease in average headcount, a \$1.5 million increase in third-party software costs, and a \$1.3 million increase in professional service fees.

Sales and marketing

	Year Ended December 31,		Change	
	2025	2024	\$	%
(in thousands, except percentages)				
Personnel-related and other	\$ 67,930	\$ 77,350	\$ (9,420)	(12)%
Brand and performance marketing	13,143	18,876	(5,733)	(30)%
Neighbor services	9,956	10,751	(795)	(7)%
Total sales and marketing	\$ 91,029	\$ 106,977	\$ (15,948)	(15)%

Sales and marketing expenses decreased by \$15.9 million, or 15%, for the year ended December 31, 2025 compared to the year ended December 31, 2024. The decrease was primarily due to a \$9.4 million decrease in personnel-related costs, inclusive of restructuring costs, which was driven by a decrease in average headcount, a \$3.7 million decrease in performance marketing costs for user acquisition, a \$2.0 million decrease in performance marketing costs to attract local businesses, and a \$0.8 million decrease in neighbor services.

General and administrative

	Year Ended December 31,		Change	
	2025	2024	\$	%
(in thousands, except percentages)				
General and administrative	\$ 62,367	\$ 92,149	\$ (29,782)	(32)%

General and administrative expenses decreased by \$29.8 million, or 32%, for the year ended December 31, 2025 compared to the year ended December 31, 2024. The decrease was primarily due to \$22.8 million of impairment costs related to office space reductions in 2024 and an \$8.0 million decrease in personnel-related costs, inclusive of restructuring costs, which was driven by a decrease in average headcount, partially offset by a \$2.7 million increase in professional service fees.

Interest income

	Year Ended December 31,		Change	
	2025	2024	\$	%
(in thousands, except percentages)				
Interest income	\$ 18,758	\$ 24,381	\$ (5,623)	(23)%

Interest income decreased by \$5.6 million, or 23%, for the year ended December 31, 2025 compared to the year ended December 31, 2024. The decrease was primarily driven by lower returns on marketable securities as a result of lower invested balances and lower interest rates.

Other income (expense), net

	Year Ended December 31,		Change	
	2025	2024	\$	%
(in thousands, except percentages)				
Other income (expense), net	\$ 605	\$ (99)	\$ 704	NM

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Other income (expense), net increased by \$0.7 million for the year ended December 31, 2025 compared to the year ended December 31, 2024. The increase was primarily due to the periodic re-measurement of monetary assets and liabilities denominated in non-functional currencies and gains and losses on marketable securities and foreign currency transactions.

Provision for income taxes

<i>(in thousands)</i>	Year Ended December 31,		Change	
	2025	2024	\$	%
Provision for income taxes	\$ 1,625	\$ 706	\$ 919	130 %

Provision for income taxes increased by \$0.9 million, or 130%, for the year ended December 31, 2025 compared to the year ended December 31, 2024. The increase was primarily due to an increase in foreign income tax expenses.

Liquidity and Capital Resources

Since inception with the exception of the year ended December 31, 2025, we have generated negative cash flows from operations and have primarily financed our operations from net proceeds received from the sale of equity securities, proceeds from the Business Combination, and payments received from our customers. We currently have no debt outstanding.

We have generated losses from our operations, as reflected in our accumulated deficit of \$918.3 million as of December 31, 2025. We incurred operating losses and cash outflows from operations by supporting the growth of our business. We expect these losses and operating cash outflows to continue for the foreseeable future. We also expect to incur significant research and development, sales and marketing, and general and administrative expenses over the next several years in connection with the continued development and strategic expansion of our business.

As of December 31, 2025, we had \$404.8 million in cash, cash equivalents, and marketable securities. We anticipate satisfying our short-term cash requirements, including meeting our working capital and capital expenditure requirements, with our existing cash, cash equivalents, and marketable securities. In the long term, we may satisfy our cash requirements with cash, cash equivalents, and marketable securities on hand or with proceeds from any future equity or debt financings. Our ability to support our requirements and plans for cash, including working capital and capital expenditure requirements, will depend on many factors, including the rate of our revenue growth, the timing and extent of spending on research and development efforts and other business initiatives, the expansion of sales and marketing activities, the introduction of new and enhanced product offerings and features, the continuing market adoption of our platform, the number of shares repurchased under our Share Repurchase Program, and our ability to obtain equity or debt financing. Moreover, any actual or perceived instability in the U.S. or international banking systems may impact liquidity both in the short term and long term.

To the extent existing cash, cash equivalents, and marketable securities are insufficient to fund our working capital and capital expenditure requirements, or should we require additional cash for other purposes, we may attempt to raise additional capital through the sale of equity or debt securities. If we raise additional funds through the issuance of equity or debt securities, those securities may have rights, preferences, or privileges senior to the rights of our Class A and Class B common stock, and our stockholders may experience dilution. Any future indebtedness we incur may result in terms that could also be unfavorable to our equity investors. There can be no assurances that we will be able to raise additional capital on terms we deem acceptable, or at all. The inability to raise additional capital as and when required would have an adverse effect, which could be material, on our results of operations, financial condition, and ability to achieve our business objectives.

On May 31, 2022, our Board of Directors authorized and approved the Share Repurchase Program to repurchase up to \$100.0 million in aggregate of our Class A common stock, with the authorization to expire on June 30, 2024. The timing of any repurchases will depend on market conditions and other investment opportunities, and will be made at our discretion. The Share Repurchase Program does not obligate us to repurchase any dollar amount or number of shares, and the program may be extended, modified, suspended, or discontinued at any time. On February 21, 2024, our Board of Directors authorized and approved an increase of \$150.0 million to the Share Repurchase Program and extended the expiration date to March 31, 2026. During the year ended December 31, 2025, we repurchased and retired 10,874,916 shares of our Class A common stock at an average purchase price of \$1.73 per share for an aggregate repurchase price of \$18.8 million. As of December 31, 2025, we had \$78.4 million available for future share repurchases under the Share Repurchase Program.

[Table of Contents](#)**Cash Flows**

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

<i>(in thousands)</i>	Year Ended December 31,		
	2025	2024	2023
Net cash provided by (used in) operating activities	\$ 6,471	\$ (20,202)	\$ (59,273)
Net cash provided by investing activities	\$ 42,571	\$ 86,426	\$ 66,490
Net cash provided by (used in) financing activities	\$ (33,990)	\$ (81,035)	\$ 8,916

Operating activities

Cash provided by operating activities during the year ended December 31, 2025 was \$6.5 million which resulted from a net loss of \$54.2 million, adjusted for non-cash charges of \$64.8 million and net cash outflows of \$4.2 million from changes in operating assets and liabilities. Non-cash charges primarily consisted of \$65.3 million of stock-based compensation expense, \$1.9 million of depreciation and amortization expense, partially offset by \$2.3 million of accretion on investments. The net cash outflows from changes in operating assets and liabilities were primarily due to an \$8.5 million decrease in operating lease liabilities due to lease payments and a \$3.2 million increase in accounts receivable. These amounts were partially offset by a \$2.9 million decrease in operating lease right-of-use assets due to normal amortization, a \$2.2 million increase in accounts payable, a \$1.3 million increase in accrued expenses and other liabilities, and a \$1.2 million increase in prepaid expenses and other assets.

Cash used in operating activities during the year ended December 31, 2024 was \$20.2 million which resulted from a net loss of \$98.1 million, adjusted for non-cash charges of \$95.9 million and net cash outflows of \$18.0 million from changes in operating assets and liabilities. Non-cash charges primarily consisted of \$74.1 million of stock-based compensation expense, \$22.8 million of non-cash impairment charges related to lease abandonment, and \$3.9 million of depreciation and amortization expense, partially offset by \$5.5 million of accretion on investments. The net cash outflows from changes in operating assets and liabilities were primarily due to a \$8.1 million decrease in accrued expenses and other liabilities, a \$6.9 million decrease in operating lease liabilities due to lease payments, a \$5.1 million increase in accounts receivable, and a \$1.6 million decrease in accounts payable. These amounts were partially offset by a \$3.7 million decrease in operating lease right-of-use assets due to normal amortization.

Investing activities

Cash provided by investing activities for the year ended December 31, 2025 was \$42.6 million, which consisted of proceeds from maturities of marketable securities of \$193.4 million and proceeds from sales of marketable securities of \$141.9 million. This was partially offset by purchases of marketable securities of \$292.2 million and purchases of property and equipment of \$0.6 million.

Cash provided by investing activities for the year ended December 31, 2024 was \$86.4 million, which consisted of proceeds from maturities of marketable securities of \$198.5 million and proceeds from sales of marketable securities of \$185.6 million. This was partially offset by purchases of marketable securities of \$289.8 million and a loan to Opportunity Finance Network of \$7.5 million.

Financing activities

Cash used in financing activities for the year ended December 31, 2025 was \$34.0 million, which consisted of tax withholdings on release of restricted stock units of \$19.1 million and repurchases of common stock of \$18.9 million, partially offset by proceeds from the issuance of common stock upon exercise of stock options of \$2.6 million and proceeds from the issuance of common stock under the employee stock purchase plan of \$1.3 million.

Cash used in financing activities for the year ended December 31, 2024 was \$81.0 million, which consisted of repurchases of common stock of \$75.5 million and \$19.9 million of tax withholdings from stock-based awards, partially offset by \$13.3 million of proceeds from the exercise of stock options and \$1.1 million of proceeds from the issuance of common stock under the employee stock purchase plan.

Non-GAAP Financial Measure**Adjusted EBITDA**

Adjusted EBITDA is a non-GAAP financial measure that represents our net loss adjusted for depreciation and amortization, stock-based compensation, net interest income, provision for income taxes, and any restructuring charges or acquisition-related costs.

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We use Adjusted EBITDA in conjunction with GAAP measures as part of our overall assessment of our performance, including the preparation of our annual operating budget and quarterly forecasts, to evaluate the effectiveness of our business strategies and to communicate with our Board of Directors concerning our financial performance. We believe Adjusted EBITDA is also helpful to investors, analysts, and other interested parties because it can assist in providing a more consistent and comparable overview of our operations across our historical financial periods. Adjusted EBITDA has limitations as an analytical tool, however, and you should not consider it in isolation or as a substitute for analysis of our results as reported under GAAP. Because of these limitations, you should consider Adjusted EBITDA alongside other financial performance measures, including net loss and our other GAAP results. In evaluating Adjusted EBITDA, you should be aware that in the future we may incur expenses that are the same as or similar to some of the adjustments in this presentation. Our presentation of Adjusted EBITDA should not be construed to imply that our future results will be unaffected by the types of items excluded from the calculation of Adjusted EBITDA. Adjusted EBITDA is not presented in accordance with GAAP and the use of this term varies from others in our industry.

The following is a reconciliation of net loss, the most comparable GAAP measure, to Adjusted EBITDA:

<i>(in thousands)</i>	Year Ended December 31,		
	2025	2024	2023
Net loss	\$ (54,204)	\$ (98,063)	\$ (147,765)
Depreciation and amortization	1,935	3,898	5,769
Stock-based compensation	65,343	74,055	83,025
Interest income	(18,758)	(24,381)	(25,780)
Provision for income taxes	1,625	706	756
Restructuring charges	4,660	25,578	9,888
Adjusted EBITDA	<u>\$ 601</u>	<u>\$ (18,207)</u>	<u>\$ (74,107)</u>

Critical Accounting Policies and Estimates

We prepare our consolidated financial statements in accordance with GAAP. Preparing consolidated financial statements requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, expenses, and related disclosures. We evaluate our estimates and assumptions on an ongoing basis. Our estimates are based on historical experience and various other assumptions that we believe to be reasonable under the circumstances. Our actual results could differ from these estimates.

The critical accounting policies requiring estimates, assumptions, and judgments that we believe have the most significant impact on our consolidated financial statements are described below.

Refer to Note 2 to our consolidated financial statements for further information on our other significant accounting policies.

Revenue Recognition

We generate a majority of our revenue from the delivery of advertising services. We recognize advertising revenue after satisfying our contractual performance obligation, which, for the majority of our advertising arrangements, is when an advertising impression is displayed to users. None of our arrangements contain minimum impression guarantees. We typically bill advertisers on a monthly basis and our payment terms vary by customer type and location. We have other advertising arrangements which are typically fixed-fee arrangements and revenue is recognized on a straight-line basis over the non-cancellable contractual term of the agreement, generally beginning on the date our service is made available to the customer. In certain advertising arrangements we require payment upfront from our customers. We record deferred revenue when we collect cash from customers in advance of revenue recognition.

Leases

At the inception of our contracts we determine if the contract is or contains a lease. A contract is or contains a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Operating leases consist of real estate leases and are included in operating lease right-of-use assets and operating lease liabilities on our consolidated balance sheets at commencement date based on the present value of remaining fixed lease payments.

When the discount rate implicit in the lease cannot be readily determined, we use the applicable incremental borrowing rate at lease commencement in order to discount lease payments to present value for purposes of performing lease classification tests and measuring the lease liability. The incremental borrowing rate is a hypothetical rate based on the rate of interest we would have to pay to borrow on a collateralized basis over a similar term and amount equal to the lease payments in a similar economic environment.

Recently Issued Accounting Pronouncements

Refer to Note 2 to our consolidated financial statements included elsewhere in this Annual Report for more information regarding recently issued accounting pronouncements.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

We are exposed to market risk in the ordinary course of our business. Market risk represents the risk of loss that may impact our financial condition due to adverse changes in financial market prices and rates. Our market risk exposure is primarily the result of fluctuations in interest rates and foreign currency exchange rates.

Interest Rate Risk

As of December 31, 2025, we had cash and cash equivalents of \$63.3 million and marketable securities of \$341.4 million. Our cash and cash equivalents consist of cash held in banks, demand deposits, money market funds, corporate bonds, and commercial paper. The primary objectives of our investment activities are to preserve principal and provide liquidity without significantly increasing risk. We do not enter into investments for trading or speculative purposes. Due to the relatively short-term nature of our investment portfolio, a hypothetical 100 basis point change in interest rates would not have a material effect on the fair value of our portfolio for the periods presented.

Foreign Currency Risk

The functional currency of our international subsidiaries is generally their local currency. Our sales are typically denominated in the local currency of the country in which the sale was made. The majority of our revenue is denominated in U.S. Dollars. As such, our revenue is not currently exposed to significant foreign currency risk. Our operating expenses are generally denominated in the currency of the countries in which the operations are located, and are subject to fluctuations due to changes in foreign currency exchange rates, particularly the British Pound, the Euro, Canadian Dollar, and the Australian Dollar. 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. We do not believe a 10% change in the relative value of the U.S. Dollar would have materially affected our consolidated financial statements for the periods presented. To date, we have not had a formal hedging program with respect to foreign currency, but we may do so in the future if our exposure to foreign currency should become more significant.

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Item 8. Financial Statements

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Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of Nextdoor Holdings, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Nextdoor Holdings, Inc. (the Company) as of December 31, 2025 and 2024, the related consolidated statements of operations, comprehensive loss, stockholders' equity and cash flows for each of the three years in the period ended December 31, 2025, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2025, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework), and our report dated February 18, 2026 expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the account or disclosure to which it relates.

Revenue Recognition

Description of the Matter As described in Note 2 to the consolidated financial statements, the Company generates revenue by delivering ads on the Nextdoor Holdings, Inc. website and mobile application. Revenue is recognized after transferring control of the promised goods or services to customers, which for the majority of advertising arrangements occurs when an advertising impression is displayed to users.

The Company's revenue recognition process utilizes multiple systems and tools for the initiation, processing, and recording of a high volume of individually low monetary value transactions. This process is dependent on the effective design and operation of multiple systems, tools and related controls which require significant audit effort.

How We Addressed the Matter in Our Audit With the support of our information technology professionals, we obtained an understanding of the initiation, processing, and recording of revenue transactions and tested the relevant systems, tools and related controls. For example, we tested controls addressing the accurate recording of delivered advertisements.

To test the Company's recognition of revenue, our audit procedures included, among others, testing that revenue recognized reconciles to accounts receivables and corresponding cash receipts.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2018.

San Francisco, California

February 18, 2026

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of Nextdoor Holdings, Inc.

Opinion on Internal Control Over Financial Reporting

We have audited Nextdoor Holdings, Inc.'s internal control over financial reporting as of December 31, 2025, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, Nextdoor Holdings, Inc. (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2025 and 2024, the related consolidated statements of operations, comprehensive loss, stockholders' equity and cash flows for each of the three years in the period ended December 31, 2025, and the related notes and our report dated February 18, 2026 expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's annual report on internal control over financial reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed 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. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP
San Francisco, California
February 18, 2026

Nextdoor Holdings, Inc.
CONSOLIDATED BALANCE SHEETS
(in thousands, except per share data)

	As of December 31,	
	2025	2024
Assets		
Current assets:		
Cash and cash equivalents	\$ 63,341	\$ 45,550
Marketable securities	341,429	381,429
Accounts receivable, net of allowance of \$491 and \$451 as of December 31, 2025 and 2024, respectively	34,385	31,173
Prepaid expenses and other current assets	9,084	8,540
Total current assets	448,239	466,692
Restricted cash, non-current	8,379	11,171
Property and equipment, net	1,639	2,748
Operating lease right-of-use assets	11,575	14,447
Goodwill	1,211	1,211
Other assets	15,760	17,684
Total assets	<u>\$ 486,803</u>	<u>\$ 513,953</u>
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 2,498	\$ 249
Operating lease liabilities, current	8,900	8,495
Accrued expenses and other current liabilities	20,550	19,200
Total current liabilities	31,948	27,944
Operating lease liabilities, non-current	23,351	32,251
Other liabilities, non-current	221	270
Total liabilities	55,520	60,465
Commitments and contingencies (Note 7)		
Stockholders' equity:		
Preferred stock, \$0.0001 par value; 50,000 shares authorized; no shares issued or outstanding as of December 31, 2025 and 2024	—	—
Class A common stock, \$0.0001 par value; 2,500,000 shares authorized; 262,446 and 224,488 shares issued and outstanding as of December 31, 2025 and 2024, respectively	26	22
Class B common stock, \$0.0001 par value; 500,000 shares authorized; 127,681 and 158,134 shares issued and outstanding as of December 31, 2025 and 2024, respectively	13	16
Additional paid-in capital	1,347,968	1,316,616
Accumulated other comprehensive income	1,563	917
Accumulated deficit	(918,287)	(864,083)
Total stockholders' equity	431,283	453,488
Total liabilities and stockholders' equity	<u>\$ 486,803</u>	<u>\$ 513,953</u>

The accompanying notes are an integral part of these consolidated financial statements.

Nextdoor Holdings, Inc.
CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share data)

	Year Ended December 31,		
	2025	2024	2023
Revenue	\$ 257,646	\$ 247,276	\$ 218,309
Costs and expenses:			
Cost of revenue	40,987	41,850	41,613
Research and development	135,205	127,939	149,998
Sales and marketing	91,029	106,977	122,925
General and administrative	62,367	92,149	76,057
Total costs and expenses	<u>329,588</u>	<u>368,915</u>	<u>390,593</u>
Loss from operations	(71,942)	(121,639)	(172,284)
Interest income	18,758	24,381	25,780
Other income (expense), net	605	(99)	(505)
Loss before income taxes	<u>(52,579)</u>	<u>(97,357)</u>	<u>(147,009)</u>
Provision for income taxes	1,625	706	756
Net loss	<u>\$ (54,204)</u>	<u>\$ (98,063)</u>	<u>\$ (147,765)</u>
Net loss per share attributable to Class A and Class B common stockholders, basic and diluted	<u>\$ (0.14)</u>	<u>\$ (0.25)</u>	<u>\$ (0.39)</u>
Weighted average shares used in computing net loss per share attributable to Class A and Class B common stockholders, basic and diluted	<u>386,327</u>	<u>385,113</u>	<u>379,254</u>

The accompanying notes are an integral part of these consolidated financial statements.

Nextdoor Holdings, Inc.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(in thousands)

	Year Ended December 31,		
	2025	2024	2023
Net loss	\$ (54,204)	\$ (98,063)	\$ (147,765)
Other comprehensive income (loss):			
Foreign currency translation adjustments	(53)	128	35
Change in unrealized gain (loss) on available-for-sale marketable securities	699	(154)	3,104
Total other comprehensive income (loss)	646	(26)	3,139
Comprehensive loss	<u>\$ (53,558)</u>	<u>\$ (98,089)</u>	<u>\$ (144,626)</u>

The accompanying notes are an integral part of these consolidated financial statements.

Nextdoor Holdings, Inc.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(in thousands)

	Class A Common Stock		Class B Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount	Shares	Amount				
Balances as of December 31, 2022	153,693	\$ 15	218,029	\$ 22	\$ 1,231,482	\$ (2,196)	\$ (618,255)	\$ 611,068
Release of restricted stock units, net of tax withholdings	12,101	—	—	—	—	—	—	—
Tax withholdings on restricted stock units	—	—	—	—	(273)	—	—	(273)
Conversion from Class B to Class A common stock	17,569	2	(17,569)	(2)	—	—	—	—
Issuance of common stock upon exercise of stock options	2,023	1	1,500	—	7,180	—	—	7,181
Issuance of common stock under employee stock purchase plan	1,029	1	—	—	2,007	—	—	2,008
Vesting of early exercised stock options	—	—	—	—	174	—	—	174
Stock-based compensation	—	—	—	—	83,025	—	—	83,025
Other comprehensive income	—	—	—	—	—	3,139	—	3,139
Net loss	—	—	—	—	—	—	(147,765)	(147,765)
Balances as of December 31, 2023	186,415	\$ 19	201,960	\$ 20	\$ 1,323,595	\$ 943	\$ (766,020)	\$ 558,557
Release of restricted stock units, net of tax withholdings	15,516	—	—	—	—	—	—	—
Tax withholdings on restricted stock units	—	—	—	—	(19,916)	—	—	(19,916)
Repurchase of common stock	(30,970)	(3)	—	—	(75,527)	—	—	(75,530)
Conversion from Class B to Class A common stock	45,702	4	(45,702)	(4)	—	—	—	—
Issuance of common stock upon exercise of stock options	7,115	1	1,876	—	13,335	—	—	13,336
Issuance of common stock under employee stock purchase plan	710	1	—	—	1,074	—	—	1,075
Stock-based compensation	—	—	—	—	74,055	—	—	74,055
Other comprehensive loss	—	—	—	—	—	(26)	—	(26)
Net loss	—	—	—	—	—	—	(98,063)	(98,063)
Balances as of December 31, 2024	224,488	\$ 22	158,134	\$ 16	\$ 1,316,616	\$ 917	\$ (864,083)	\$ 453,488
Release of restricted stock units, net of tax withholdings	16,230	—	—	—	—	—	—	—
Tax withholdings on restricted stock units	—	—	—	—	(19,065)	—	—	(19,065)
Repurchase of common stock	(10,875)	(1)	—	—	(18,890)	—	—	(18,891)
Conversion from Class B to Class A common stock	30,453	3	(30,453)	(3)	—	—	—	—
Issuance of common stock upon exercise of stock options	1,351	2	—	—	2,639	—	—	2,641
Issuance of common stock under employee stock purchase plan	799	—	—	—	1,325	—	—	1,325
Stock-based compensation	—	—	—	—	65,343	—	—	65,343
Other comprehensive income	—	—	—	—	—	646	—	646
Net loss	—	—	—	—	—	—	(54,204)	(54,204)
Balances as of December 31, 2025	262,446	\$ 26	127,681	\$ 13	\$ 1,347,968	\$ 1,563	\$ (918,287)	\$ 431,283

The accompanying notes are an integral part of these consolidated financial statements.

Nextdoor Holdings, Inc.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Year Ended December 31,		
	2025	2024	2023
Cash flows from operating activities			
Net loss	\$ (54,204)	\$ (98,063)	\$ (147,765)
Adjustments to reconcile net loss to net cash used in operating activities:			
Depreciation and amortization	1,935	3,898	5,769
Stock-based compensation	65,343	74,055	83,025
Non-cash impairment charges related to lease abandonment	—	22,760	—
Accretion of investments	(2,307)	(5,458)	(8,607)
Other	(145)	622	(301)
Changes in operating assets and liabilities:			
Accounts receivable, net	(3,212)	(5,149)	3,491
Prepaid expenses and other assets	1,164	30	3,399
Operating lease right-of-use assets	2,872	3,729	4,694
Accounts payable	2,219	(1,646)	(2,640)
Operating lease liabilities	(8,495)	(6,925)	(5,676)
Accrued expenses and other liabilities	1,301	(8,055)	5,338
Net cash provided by (used in) operating activities	<u>6,471</u>	<u>(20,202)</u>	<u>(59,273)</u>
Cash flows from investing activities			
Purchases of property and equipment	(580)	(404)	(267)
Purchases of marketable securities	(292,164)	(289,794)	(590,610)
Sales of marketable securities	141,944	185,604	155,418
Maturities of marketable securities	193,371	198,520	504,449
Loan to Opportunity Finance Network	—	(7,500)	(2,500)
Net cash provided by investing activities	<u>42,571</u>	<u>86,426</u>	<u>66,490</u>
Cash flows from financing activities			
Proceeds from issuance of common stock upon exercise of stock options	2,641	13,336	7,181
Proceeds from issuance of common stock under employee stock purchase plan	1,325	1,075	2,008
Tax withholdings on release of restricted stock units	(19,065)	(19,916)	(273)
Repurchase of common stock	(18,891)	(75,530)	—
Net cash provided by (used in) financing activities	<u>(33,990)</u>	<u>(81,035)</u>	<u>8,916</u>
Effect of exchange rate changes on cash and cash equivalents	(53)	128	35
Net increase (decrease) in cash, cash equivalents, and restricted cash	<u>14,999</u>	<u>(14,683)</u>	<u>16,168</u>
Cash, cash equivalents, and restricted cash at beginning of period	56,721	71,404	55,236
Cash, cash equivalents, and restricted cash at end of period	<u>\$ 71,720</u>	<u>\$ 56,721</u>	<u>\$ 71,404</u>
Reconciliation of cash, cash equivalents, and restricted cash to the consolidated balance sheets			
Cash and cash equivalents	\$ 63,341	\$ 45,550	\$ 60,233
Restricted cash, non-current	8,379	11,171	11,171
Total cash, cash equivalents, and restricted cash	<u>\$ 71,720</u>	<u>\$ 56,721</u>	<u>\$ 71,404</u>
Supplemental cash flow disclosures			
Cash paid for taxes	\$ 533	\$ 1,003	\$ 2,407
Non-cash investing and financing activities:			
Vesting of restricted stock and early exercised stock options	\$ —	\$ —	\$ 174
Lease liabilities arising from obtaining right-of-use assets	\$ —	\$ —	\$ 10,665
Remeasurement of operating lease liability and right-of-use asset	\$ —	\$ (18,915)	\$ —

The accompanying notes are an integral part of these consolidated financial statements.

Notes to the Consolidated Financial Statements

Note 1. Description of Business

Nextdoor Holdings, Inc. (“Nextdoor” or the “Company”) is headquartered in San Francisco, California. Nextdoor is the essential neighborhood network connecting over 105 million Verified Neighbors to the people, places, and information that matter most in their local communities. The Company reports its financial results based on a single reportable segment, which aligns with how the chief operating decision maker (“CODM”), who is its Chief Executive Officer (“CEO”), reviews financial information for purposes of making operating decisions, assessing financial performance, and allocating resources. See Note 12 - Segment and Geographical Information for further detail.

On November 5, 2021 (the “Closing”), the Company consummated the transactions contemplated by the Agreement and Plan of Merger, dated July 6, 2021, as amended on September 30, 2021, by and among Khosla Ventures Acquisition Co. II (“KVSB”), a special purpose acquisition company, Lorelei Merger Sub Inc., and Nextdoor, Inc. (“Legacy Nextdoor”), with Legacy Nextdoor surviving as a wholly owned subsidiary of KVSB (the “Merger” and, collectively with the other transactions that occurred in connection with the Merger, the “Reverse Recapitalization”). In connection with the Closing, KVSB was renamed to Nextdoor Holdings, Inc.

Note 2. Summary of Significant Accounting Policies

Basis of Presentation

The consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles (“GAAP”) and include the accounts of the Company and its wholly owned subsidiaries. All intercompany balances and transactions have been eliminated in consolidation. The Company’s fiscal year ends on December 31.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Estimates include, but are not limited to, valuation of financial instruments, valuation of stock-based awards, revenue recognition, collectability of accounts receivable, valuation of acquired intangible assets and goodwill, useful lives of intangible assets, useful lives of property and equipment, the incremental borrowing rate applied in lease accounting, income taxes and deferred income tax assets and associated valuation allowances. The Company bases these estimates and assumptions on historical experience and various other assumptions that it considers reasonable. The actual results could differ materially from these estimates.

Foreign Currency

The functional currency of the Company’s international subsidiaries is generally their local currency. The financial statements of these subsidiaries are translated into U.S. dollars using month-end exchange rates for assets and liabilities, historical exchange rates for equity, and average exchange rates for revenue and expenses. Translation gains and losses are recorded in accumulated other comprehensive income (loss) as a component of stockholders’ equity (deficit). Unrealized foreign exchange gains and losses due to the re-measurement of monetary assets and liabilities denominated in non-functional currencies and realized foreign exchange gains and losses on foreign exchange transactions are recorded in other income (expense), net in the consolidated statements of operations.

Cash and Cash Equivalents

Cash and cash equivalents consist of highly liquid investments with insignificant interest rate risk and original maturities of three months or less at the time of purchase. Cash and cash equivalents include cash held in banks, demand deposits, money market funds, corporate bonds, and commercial paper. Interest is accrued as earned. Cash and cash equivalents are recorded at cost, which approximates fair value.

Marketable Securities

The Company’s marketable securities are comprised of certificates of deposit, commercial paper, corporate bonds, U.S. Treasury securities, U.S. agency bonds, and asset-backed securities. The Company determines the appropriate classification of its investments at the time of purchase and reevaluates such designation at each balance sheet date. The Company has classified and accounted for its investments as available-for-sale securities as the Company may sell these securities at any time for use in its current operations or for other purposes, even prior to maturity. As a result, the Company classifies its investments, including securities with stated maturities beyond 12 months, within current assets on the consolidated balance sheets.

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Available-for-sale securities are recorded at fair value each reporting period. Unrealized gains and losses on these investments are reported as a separate component of accumulated other comprehensive income (loss) on the consolidated balance sheets until realized. Interest income is reported within interest income in the consolidated statements of operations. The Company periodically evaluates its marketable securities to assess whether those with unrealized loss positions are other-than-temporarily impaired. The Company considers various factors in determining whether to recognize an impairment charge, including the length of time the investment has been in a loss position, the extent to which the fair value is less than the Company's cost basis, the financial condition and near-term prospects of the investee. Realized gains and losses are determined based on the specific identification method and are reported in other income (expense), net in the consolidated statements of operations. If the Company determines that the decline in an investment's fair value is other than temporary, the difference is recognized as an impairment loss in the consolidated statements of operations. The Company did not consider any of its investments to be other-than-temporarily impaired for the years ended December 31, 2025 and 2024.

Fair Value Measurements

The Company accounts for certain assets and liabilities at fair value, which is the expected exchange price that would be received for an asset or an exit price paid to transfer a liability in an orderly transaction between market participants on the measurement date. Assets and liabilities measured at fair value are classified into the following categories based on the degree to which the inputs the Company uses to measure the fair values are observable in active markets. The Company uses the most observable inputs available when measuring fair value.

- Level 1: Observable inputs such as unadjusted quoted prices for identical assets or liabilities in active markets;
- Level 2: Observable inputs such as quoted prices for similar assets or liabilities in active markets, quoted prices for identical assets or liabilities in inactive markets, or inputs that are derived principally from or corroborated by observable market data or other means; and
- Level 3: Unobservable inputs that are supported by little or no market activity and are significant to the fair value of the assets or liabilities.

Accounts Receivable and Allowance for Doubtful Accounts

The Company records accounts receivable at the original invoiced amount. The Company maintains an allowance for doubtful accounts for any receivables it may be unable to collect and reduces the allowance when it determines that it will be unable to collect specific receivables. The Company determines the allowance based on its receivables' age, the customers' credit quality, and current economic conditions, among other factors that may affect the customers' ability to pay.

Restricted Cash

The Company's restricted cash balance is invested in a savings account and pledged as collateral for standby letters of credit as security deposits for the Company's office leases.

Property and Equipment

Property and equipment are recorded at cost, less accumulated depreciation and amortization. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets as follows:

	Estimated Useful Life
Computer equipment and software	3 years
Furniture and fixtures	5 years
Leasehold improvements	Shorter of the estimated useful life of 5 years or the lease term

Maintenance and repair costs are expensed as incurred.

Capitalized Internal-use Software

The Company capitalizes internal-use software costs when preliminary development efforts are successfully completed, management has authorized and committed project funding, and it is probable that the project will be completed, and the software will be used as intended. Costs related to preliminary project activities and post-implementation activities are expensed as incurred and costs related to the application development stage are capitalized. Capitalized costs are recorded as part of property and equipment, net. The

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capitalized costs related to internal-use software are amortized on a straight-line basis over an estimated useful life of two to three years. Management evaluates the useful lives of these assets on an annual basis and tests for impairment whenever events or changes in circumstances occur that could impact the recoverability of these assets. The Company did not capitalize any internal-use software costs for the years ended December 31, 2025 and 2024.

Goodwill and Other Acquired Intangible Assets

Goodwill represents the excess of the purchase price over the fair value of net assets acquired in connection with business combinations accounted for using the acquisition method of accounting. Goodwill is not amortized, but is tested for impairment at least annually, in the fourth quarter, or whenever events or changes in circumstances indicate that goodwill might be impaired. For all periods presented the Company had one reporting unit. The Company's test for goodwill impairment starts with a qualitative assessment to determine whether it is necessary to perform the quantitative goodwill impairment test. If the Company determines, based on the qualitative factors, that the fair value of the reporting unit is more likely than not to be less than the carrying amount, then a quantitative goodwill impairment test is required. There was no impairment of goodwill recorded for the periods presented.

Intangible assets consist of identifiable intangible assets, including customer relationships and developed technology, resulting from the Company's acquisitions. Acquired intangible assets are recorded at cost, net of accumulated amortization. Intangible assets are amortized on a straight-line basis over their estimated useful lives. Amortization costs are recorded in sales and marketing in the consolidated statements of operations.

Impairment of Long-Lived Assets

Property and equipment and other long-lived assets, such as finite-lived intangible assets, subject to amortization, are reviewed for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of these assets is measured by a comparison of the carrying amounts to the future undiscounted cash flows the assets are expected to generate. If impairment is indicated, an impairment loss is recognized as the amount by which the carrying amount exceeds the fair value. No impairment was recorded for long-lived assets for the year ended December 31, 2025. The Company recorded \$2.9 million of impairment charges for property and equipment for the year ended December 31, 2024. For additional information, please see Note 13 - Restructuring.

Leases

The Company has various lease agreements related to real estate that are all classified as operating leases. At the inception of the Company's contracts it determines if the contract is or contains a lease. A contract is or contains a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company has elected not to separate the lease and non-lease components within the contract. For leases that have greater than a 12-month lease term, right-of-use ("ROU") assets and operating lease liabilities are recognized on the consolidated balance sheets at commencement date based on the present value of remaining fixed lease payments.

Certain of the Company's leases include options to extend the lease, with renewal terms that can extend the lease term from one month to five years. If the Company is reasonably certain to exercise an option to extend a lease, the extension period is included as part of the ROU asset and the operating lease liability.

When the discount rate implicit in the lease cannot be readily determined, the Company uses its incremental borrowing rate at lease commencement in order to discount lease payments to present value for purposes of performing lease classification tests and measuring the lease liability. The Company's incremental borrowing rate represents the rate of interest the Company would have to pay to borrow, on a collateralized basis, over a similar term an amount equal to the lease payments in a similar economic environment.

The operating lease ROU asset also includes accrued lease expense resulting from the straight-line accounting under prior accounting methods, which is now being amortized over the remaining life of the lease.

The Company's lease payments are largely fixed. Variable lease payments exist in circumstances such as payments for property tax, insurance, and common area maintenance. Variable lease payments are recognized in operating expense in the period in which the obligation for those payments are incurred. Certain of the Company's leases include an option to early terminate the lease. The Company's leases may contain early termination options which may result in an early termination fee. The Company has a significant lease for its headquarters in San Francisco, California, which does not include an option to early terminate.

For the Company's leases, it has elected to not apply the recognition requirements to leases of twelve months or less. These leases are expensed on a straight-line basis and no ROU asset or operating lease liability is recorded.

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Concentration of Credit and Customer Risks

Financial instruments that are exposed to concentrations of credit risk consist principally of cash and cash equivalents, marketable securities and accounts receivable. The Company maintains cash and cash equivalents and marketable securities with domestic and foreign financial institutions and at times may exceed federally insured limits. The Company performs periodic evaluations of the relative credit standing of these institutions. The Company maintains investments in U.S. government debt and agency securities, corporate debt securities, and commercial paper that carry high credit ratings and accordingly, minimal credit risk exists with respect to these balances.

No customer accounted for 10% or more of the Company's accounts receivable as of December 31, 2025. One customer accounted for 14% of the Company's accounts receivable as of December 31, 2024. No customer accounted for 10% or more of the Company's total revenue for the years ended December 31, 2025, 2024 and 2023.

Revenue Recognition

The Company generates a majority of its revenue from the delivery of advertising services.

The Company determines revenue recognition through the following steps:

- (1) Identification of the contract, or contracts, with a customer;
- (2) Identification of the performance obligations in the contract;
- (3) Determination of the transaction price;
- (4) Allocation of the transaction price to the performance obligations in the contract; and
- (5) Recognition of revenue when, or as, the Company satisfies a performance obligation.

The Company recognizes advertising revenue after satisfying its contractual performance obligation, which, for the majority of its advertising arrangements, is when an advertising impression is displayed to users. None of the Company's arrangements contain minimum impression guarantees. The Company typically bills advertisers on a monthly basis and the payment terms vary by customer type and location. The Company has other advertising arrangements which are typically fixed-fee arrangements and revenue is recognized on a straight-line basis over the non-cancellable contractual term of the agreement, generally beginning on the date its service is made available to the customer.

Deferred Revenue

In certain advertising arrangements the Company requires payment upfront from its customers. The Company records deferred revenue when it collects cash from customers in advance of revenue recognition. As of December 31, 2025 and 2024, deferred revenue was \$8.0 million and \$6.8 million, respectively, and included within accrued expenses and other current liabilities on the consolidated balance sheets. For the years ended December 31, 2025 and 2024, revenue recognized from deferred revenue at the beginning of each year was \$3.6 million and \$5.9 million, respectively.

Practical Expedients and Exemptions

The Company expenses sales commissions as incurred because the expected period of benefit is less than one year. These costs are recorded within sales and marketing expenses in the consolidated statements of operations.

The Company does not disclose the value of unsatisfied performance obligations for (i) contracts with an original expected length of one year or less and (ii) contracts for which it recognizes revenue at the amount to which it has the right to invoice for services performed.

Cost of Revenue

Cost of revenue consists primarily of expenses associated with the delivery of the Company's revenue generating activities, including the third-party cost of hosting its platform and allocated personnel-related costs, which include salaries, benefits, and stock-based compensation for employees engaged in development of its revenue generating products. Cost of revenue also includes third-party costs associated with delivering and supporting its advertising services and credit card transaction fees related to processing customer transactions.

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Research and Development

Research and development expenses consist primarily of personnel-related costs, including salaries, benefits, restructuring costs, and stock-based compensation for its employees engaged in research and development, as well as costs for consultants, contractors and third-party software. In addition, allocated overhead costs, such as facilities, information technology, and depreciation are included in research and development expenses.

Sales and Marketing

Sales and marketing expenses consist primarily of personnel-related costs and other costs which include salaries, commissions, benefits, restructuring costs, and stock-based compensation for employees engaged in sales and marketing activities as well as other costs including third-party consulting, public relations, and allocated overhead costs. Sales and marketing expenses also include brand and performance marketing for both user and local business acquisition, and neighbor services, which includes personnel-related costs for the Company's neighbor support team, its outsourced neighbor support function, and verification costs.

General and Administrative

General and administrative expenses consist primarily of personnel-related costs, including salaries, benefits, restructuring costs, and stock-based compensation, for certain executives, finance, legal, information technology, human resources, and other administrative employees. In addition, general and administrative expenses include fees and costs for professional services, including consulting, third-party legal and accounting services, and allocated overhead costs.

Advertising Costs

Advertising costs which consist primarily of brand and performance marketing are expensed as incurred and are included in sales and marketing expense in the consolidated statements of operations. Total advertising costs incurred were \$13.1 million, \$18.9 million, and \$18.1 million for the years ended December 31, 2025, 2024 and 2023, respectively.

Income Taxes

The Company accounts for income taxes using the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been recognized in the consolidated financial statements or in the Company's tax returns. Deferred income taxes are recognized for tax carryforwards and differences between financial reporting and tax bases of assets and liabilities at the enacted statutory tax rates in effect for the years in which the temporary differences are expected to reverse. Management makes an assessment of the likelihood that the resulting deferred tax assets will be realized. A valuation allowance is provided when it is more likely than not that some portion or all of a deferred tax asset will not be realized. Due to the Company's historical operating performance and the recorded cumulative net losses in prior fiscal periods, the U.S. net deferred tax assets have been fully offset by a valuation allowance.

The Company operates in various tax jurisdictions which are subject to audit by various tax authorities. The Company recognizes a tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such positions are then measured based on the largest benefit that has a greater than 50% cumulative likelihood of being realized upon settlement. The Company recognizes interest and penalties related to unrecognized tax benefits in the income tax provision in the consolidated statements of operations and income tax liabilities on the consolidated balance sheets.

Net Loss Per Share Attributable to Common Stockholders

The Company presents net loss per share attributable to common stockholders in conformity with the two-class method required for multiple classes of common stock and participating securities. Under the two-class method, net loss is attributed to common stockholders and participating securities based on their participation rights. The rights, including the liquidation and dividend rights, of the Class A common stock and Class B common stock are substantially identical, other than voting rights. Accordingly, the Class A common stock and Class B common stock share proportionately in the Company's net losses. The Company considers its unvested restricted stock to be participating securities and contractually entitles the holders of such shares to participate in dividends but does not contractually obligate the holders of such shares to participate in the Company's losses. As such, net losses for the periods presented were not allocated to these securities.

The Company computes basic net loss per share attributable to common stockholders by dividing the net loss attributable to common stockholders by the weighted average number of shares of common stock outstanding during the period, adjusted for outstanding shares that are subject to repurchase. Diluted net loss per share attributable to common stockholders is computed by giving effect to all

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potentially dilutive securities outstanding for the period. For periods in which the Company reports net losses, diluted net loss per share attributable to common stockholders is the same as basic net loss per share attributable to common stockholders, because all potentially dilutive securities are anti-dilutive.

Stock-Based Compensation

Stock-based compensation expense for stock-based awards granted to employees and non-employees is measured based on the grant date fair value of the awards and recognized in the consolidated statements of operations on a straight-line basis over the period during which services are provided in exchange for the award, generally, the vesting period of the award. The grant date fair value of stock options granted is estimated using the Black-Scholes option pricing model. The grant date fair value of awards with a market condition is estimated using a Monte Carlo simulation valuation model. Forfeitures are accounted for as they occur.

Recently Adopted Accounting Pronouncements

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, which expands income tax disclosures primarily related to an entity's rate reconciliation and information on income taxes paid. The Company adopted this standard during the year ended December 31, 2025 and the guidance was applied prospectively, resulting in additional disclosures related to the Company's income taxes. See Note 11 - Income Taxes for further detail. The adoption of this ASU did not have an impact on the Company's consolidated financial statements.

Recently Issued Accounting 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*, which requires incremental disclosures to disaggregate income statement expense items. ASU 2024-03 is effective for annual periods beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027 with early adoption permitted. The Company is currently evaluating the impact of this standard on its consolidated financial statements and related disclosures.

Note 3. Cash Equivalents and Marketable Securities

The amortized costs, unrealized gains and losses, and estimated fair values of the Company's cash equivalents and marketable securities were as follows (in thousands):

	As of December 31, 2025			
	Amortized Cost	Unrealized Gain	Unrealized Loss	Estimated Fair Value
Cash equivalents:				
Money market funds	\$ 29,023	\$ —	\$ —	\$ 29,023
Total cash equivalents	29,023	—	—	29,023
Marketable securities:				
Certificates of deposit	905	—	—	905
Commercial paper	1,862	1	—	1,863
Corporate bonds	286,553	1,048	(15)	287,586
U.S. Treasury securities	6,720	36	—	6,756
Asset-backed securities	44,147	172	—	44,319
Total marketable securities	340,187	1,257	(15)	341,429
Total	\$ 369,210	\$ 1,257	\$ (15)	\$ 370,452

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	As of December 31, 2024			
	Amortized Cost	Unrealized Gain	Unrealized Loss	Estimated Fair Value
Cash equivalents:				
Money market funds	\$ 17,198	\$ —	\$ —	\$ 17,198
Corporate bonds	1,994	—	—	1,994
Total cash equivalents	19,192	—	—	19,192
Marketable securities:				
Certificates of deposit	3,631	2	(1)	3,632
Commercial paper	12,751	20	(1)	12,770
Corporate bonds	284,359	722	(216)	284,865
U.S. Treasury securities	42,519	3	(140)	42,382
Asset-backed securities	37,626	167	(13)	37,780
Total marketable securities	380,886	914	(371)	381,429
Total	\$ 400,078	\$ 914	\$ (371)	\$ 400,621

All marketable securities are designated as available-for-sale securities as of December 31, 2025 and 2024.

The following table summarizes the fair value and gross unrealized losses aggregated by category and the length of time that individual securities have been in a continuous unrealized loss position.

	As of December 31, 2025					
	Less than Twelve Months		Twelve Months or Greater		Total	
	Fair Value	Gross Unrealized Loss	Fair Value	Gross Unrealized Loss	Fair Value	Gross Unrealized Loss
Corporate bonds	23,334	(15)	—	—	23,334	(15)
Total	\$ 23,334	\$ (15)	\$ —	\$ —	\$ 23,334	\$ (15)

	As of December 31, 2024					
	Less than Twelve Months		Twelve Months or Greater		Total	
	Fair Value	Gross Unrealized Loss	Fair Value	Gross Unrealized Loss	Fair Value	Gross Unrealized Loss
Certificates of deposit	\$ 1,229	\$ (1)	\$ —	\$ —	\$ 1,229	\$ (1)
Commercial paper	\$ 2,258	\$ (1)	\$ —	\$ —	\$ 2,258	\$ (1)
Corporate bonds	82,499	(216)	418	—	82,917	(216)
U.S. Treasury securities	34,286	(137)	5,494	(3)	39,780	(140)
Asset-backed securities	4,396	(13)	98	—	4,494	(13)
Total	\$ 124,668	\$ (368)	\$ 6,010	\$ (3)	\$ 130,678	\$ (371)

The following tables present the contractual maturities of the Company's marketable securities (in thousands):

	As of December 31, 2025	
	Amortized Cost	Estimated Fair Value
Due within one year	\$ 113,832	\$ 114,172
Due after one to three years	226,355	227,257
Total	\$ 340,187	\$ 341,429

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	As of December 31, 2024	
	Amortized Cost	Estimated Fair Value
Due within one year	\$ 171,990	\$ 172,333
Due after one to three years	208,896	209,096
Total	<u>\$ 380,886</u>	<u>\$ 381,429</u>

Note 4. Fair Value Measurements

The Company's financial assets and liabilities measured at fair value on a recurring basis are classified by level within the fair value hierarchy. There were no financial assets or liabilities measured using Level 3 inputs as of December 31, 2025 and 2024. The following tables present information about the Company's financial assets that are measured at fair value on a recurring basis (in thousands):

	As of December 31, 2025		
	Level 1	Level 2	Total
Cash equivalents:			
Money market funds	\$ 29,023	\$ —	\$ 29,023
Total cash equivalents	<u>29,023</u>	<u>—</u>	<u>29,023</u>
Marketable securities:			
Certificates of deposit	—	905	905
Commercial paper	—	1,863	1,863
Corporate bonds	—	287,586	287,586
U.S. Treasury securities	—	6,756	6,756
Asset-backed securities	—	44,319	44,319
Total marketable securities	<u>—</u>	<u>341,429</u>	<u>341,429</u>
Total cash equivalents and marketable securities	<u>\$ 29,023</u>	<u>\$ 341,429</u>	<u>\$ 370,452</u>

	As of December 31, 2024		
	Level 1	Level 2	Total
Cash equivalents:			
Money market funds	\$ 17,198	\$ —	\$ 17,198
Corporate bonds	—	1,994	1,994
Total cash equivalents	<u>17,198</u>	<u>1,994</u>	<u>19,192</u>
Marketable securities:			
Certificates of deposit	—	3,632	3,632
Commercial paper	—	12,770	12,770
Corporate bonds	—	284,865	284,865
U.S. Treasury securities	—	42,382	42,382
Asset-backed securities	—	37,780	37,780
Total marketable securities	<u>—</u>	<u>381,429</u>	<u>381,429</u>
Total cash equivalents and marketable securities	<u>\$ 17,198</u>	<u>\$ 383,423</u>	<u>\$ 400,621</u>

The Company classifies its cash equivalents and marketable securities within Level 1 or Level 2 because it determines their fair values using quoted market prices or alternative pricing sources and models utilizing market observable inputs. There were no transfers between levels of the fair value hierarchy during the years ended December 31, 2025 and 2024.

Assets and Liabilities Measured at Fair Value on a Recurring Basis

The carrying amounts of certain financial instruments, including cash held in banks, accounts receivable, and accounts payable approximate fair value due to their short-term maturities and are excluded from the fair value table above.

Financial Instruments, Assets, and Liabilities Not Recorded at Fair Value

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Opportunity Finance Network Loan Agreement

On June 2022, the Company entered into a credit agreement with Opportunity Finance Network (“OFN”) to lend up to an aggregate of \$15.0 million, unsecured, over the course of 24 months. As of December 31, 2025, the note receivable from OFN totaled \$15.0 million and is recorded under other assets on the consolidated balance sheets.

The following tables present the fair value hierarchy of assets not recorded at fair value (in thousands):

	As of December 31, 2025					Fair Value
	Carrying Amount	Level 1	Level 2	Level 3		
Assets						
Note receivable	\$ 15,000	\$ —	\$ —	\$ 14,181	\$	14,181

	As of December 31, 2024					Fair Value
	Carrying Amount	Level 1	Level 2	Level 3		
Assets						
Note receivable	\$ 15,000	\$ —	\$ —	\$ 14,076	\$	14,076

As of December 31, 2025 and 2024, there were no other financial instruments or liabilities that were not recorded at fair value.

Note 5. Other Balance Sheet Components

Property and Equipment, net

Property and equipment, net consisted of the following (in thousands):

	As of December 31,	
	2025	2024
Computer equipment and software	\$ 3,915	\$ 4,629
Furniture and fixtures	1,568	1,558
Capitalized internal-use software	2,123	2,123
Leasehold improvements	5,378	5,378
Property and equipment, gross	12,984	13,688
Less: accumulated depreciation and amortization	(11,345)	(10,940)
Property and equipment, net	\$ 1,639	\$ 2,748

Depreciation and amortization expense was \$1.7 million, \$2.9 million and \$4.0 million for the years ended December 31, 2025, 2024 and 2023, respectively.

Accrued Expenses and Other Current Liabilities

Accrued expenses and other current liabilities consisted of the following (in thousands):

	As of December 31,	
	2025	2024
Accrued compensation	\$ 4,157	\$ 3,718
Employee stock purchase plan liability	471	708
Deferred revenue	8,027	6,803
Other accrued and current liabilities	7,895	7,971
Accrued expenses and other current liabilities	\$ 20,550	\$ 19,200

Note 6. Leases

The Company has entered into various non-cancellable office facility leases in various locations with original lease periods expiring between 2020 and 2029, with its primary office location in San Francisco, California. The Company entered into a lease consisting of multiple floors for its San Francisco headquarters in 2019, with a lease term through 2029. On January 30, 2023, the Company entered into a lease amendment for its headquarters lease. The lease amendment extended the lease term through April 30, 2032, and resulted

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in an increase to right-of-use assets and operating lease liabilities. During the second quarter of 2024, the Company determined it was no longer reasonably certain that the optional renewal period would be exercised resulting in a reduction in the lease term and a decrease to its right-of-use assets and operating lease liabilities. In addition, as part of a restructuring plan, the Company decided to vacate and abandon certain floors of its leased headquarters in San Francisco in order to streamline operations and optimize its office space. The Company ceased occupying the floors in June 2024 and, as a result, the Company recorded impairment charges for the related operating lease right-of-use assets, leasehold improvements and furniture and fixtures in the second quarter of 2024. See Note 13 - Restructuring for further details. The Company's lease agreements generally do not contain any material residual value guarantees or material restrictive covenants.

The components of lease costs were as follows (in thousands):

	Year Ended December 31,		
	2025	2024	2023
Operating lease cost	\$ 5,354	\$ 7,461	\$ 9,370
Short-term lease cost	2,186	2,102	1,887
Variable lease cost	2,940	2,925	2,553
Total	\$ 10,480	\$ 12,488	\$ 13,810

Other information related to the Company's operating leases was as follows (in thousands):

	Year Ended December 31,		
	2025	2024	2023
Cash paid for amounts included in the measurement of lease liabilities:			
Operating cash flows from operating leases	\$ 10,977	\$ 10,657	\$ 10,347
ROU assets obtained in exchange for new operating lease liabilities	\$ —	\$ —	\$ 9,107
Remeasurement of operating lease liability and right-of-use asset	\$ —	\$ (18,915)	\$ —

The weighted average remaining lease term (years) and discount rate related to operating leases were as follows:

	As of December 31,	
	2025	2024
Weighted average remaining lease term (years)	3.3	4.3
Weighted average discount rate	6.9 %	6.9 %

As of December 31, 2025, future minimum lease payments under operating leases were as follows (in thousands):

2026	\$ 10,777
2027	10,586
2028	10,936
2029	3,704
Total lease payments	36,003
Less: imputed interest	(3,752)
Present value of lease liabilities	32,251
Less: current operating lease liabilities	(8,900)
Long-term operating lease liabilities	\$ 23,351

The table above does not include lease payments that were not fixed at commencement or lease modification.

Note 7. Commitments and Contingencies***Commitments***

As of December 31, 2025, the Company had non-cancellable purchase commitments with certain service providers primarily related to the provision of cloud computing services as follows (in thousands):

2026	\$ 31,885
2027	11,667
Total	<u>\$ 43,552</u>

Legal matters

In addition to the litigation discussed below, from time to time, the Company is a party to a variety of claims, lawsuits, and proceedings which arise in the ordinary course of business, including claims of alleged infringement of intellectual property rights. The Company records a liability when it believes that it is probable that a loss will be incurred and the amount of loss or range of loss can be reasonably estimated. The Company discloses potential losses when they are reasonably possible. In the Company's opinion, resolution of such pending matters is not likely to have a material adverse impact on its consolidated results of operations, cash flows, or its financial position. Given the unpredictable nature of legal proceedings, the Company bases its estimate on the information available at the time of the assessment. As additional information becomes available, the Company reassesses the potential liability and may revise the estimate. There were no such material matters as of December 31, 2025.

The matters discussed below summarize the Company's current significant ongoing pending legal proceedings as of December 31, 2025.

Securities and Derivative Litigation

On February 28, 2024, a securities class action complaint was filed against the Company and certain of its former executive officers (collectively, the "Defendants") in the U.S. District Court for the Northern District of California. The lawsuit alleges that Defendants violated the Securities Exchange Act of 1934, as amended, by making materially false and misleading statements about the Company's business and prospects for future growth in the period between July 6, 2021 and November 8, 2022. Motions for the lead plaintiff were filed on April 29, 2024 and the court appointed a lead plaintiff on July 12, 2024. The lead plaintiff filed the amended complaint on September 10, 2024. The Company filed a Motion to Dismiss on November 12, 2024. On May 19, 2025, the court granted the Motion to Dismiss in its entirety, but also granted the lead plaintiff leave to amend the complaint. On June 16, 2025, the lead plaintiff filed a second amended complaint that (i) brought claims solely against the Company and Sarah Friar, (ii) limited the challenged statements to a single statement, and (iii) narrowed the putative class period to May 10, 2022 through November 7, 2022. The Company's Motion to Dismiss the second amended complaint was filed on July 31, 2025, and the lead plaintiff filed its opposition to the motion on September 15, 2025. The Company filed its reply brief on October 15, 2025. On November 20, 2025, the court granted the Company's motion to dismiss with prejudice and entered judgment in favor of Defendants. The lead plaintiff did not appeal the order.

On July 26, 2024, a purported shareholder derivative complaint was filed in the U.S. District Court for the Northern District of California. The complaint named as defendants certain of the Company's former and current officers and directors, as well as the Company as nominal defendant, and asserted state and federal claims based on some of the same alleged misstatements as the securities class action complaint described above. The complaint sought unspecified damages, attorneys' fees, and other costs. On January 7, 2026, the lawsuit was dismissed.

Class Action Litigation

On October 28, 2024 and October 29, 2024, two class action complaints were filed in the Delaware Court of Chancery against the Company, certain of the Company's former officers, certain of the former officers and directors of the special purpose acquisition company KVSBS into which the Company merged on November 5, 2021, the sponsor of the Company's special purpose acquisition merger Khosla Ventures SPAC Sponsor II LLC (the "Sponsor"), and certain entities allegedly related to the Sponsor. The two complaints were consolidated on December 6, 2024 and the plaintiffs filed a consolidated complaint on December 26, 2024. The consolidated complaint is brought on behalf of a class of KVSBS stockholders who could have, but did not, choose to redeem their KVSBS shares in connection with the November 5, 2021 merger between KVSBS and the Company. The consolidated complaint alleges that defendants breached various duties to KVSBS stockholders by making false or misleading statements and/or aided and abetted such breaches. The consolidated complaint also alleges claims for unjust enrichment. The consolidated complaint seeks damages, disgorgement, attorneys' fees, and other costs. Defendants answered the consolidated complaint on February 10, 2025, following

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which discovery commenced. Defendants' motion for judgment on the pleadings is currently pending before the Court. The Company intends to vigorously defend against the claims in these actions. Given the procedural posture and the nature of such litigation matters, the Company is currently unable to estimate the reasonably possible loss or range of loss, if any, that may result from these matters. Any litigation is inherently uncertain, and any judgment or injunctive relief entered against the Company or any adverse settlement could materially and adversely impact its business, results of operations, financial condition, and prospects.

Indemnification

In the ordinary course of business, the Company often includes standard indemnification provisions in its arrangements with its customers, partners, suppliers, and vendors. Pursuant to these provisions, the Company may be obligated to indemnify such parties for losses or claims suffered or incurred in connection with its service, breach of representations or covenants, intellectual property infringement, or other claims made against such parties. These provisions may limit the time within which an indemnification claim can be made. It is not possible to determine the maximum potential amount under these indemnification obligations due to the limited history of prior indemnification claims and the unique facts and circumstances involved in each particular agreement. For the years ended December 31, 2025, 2024 and 2023, the Company did not incur material costs to defend lawsuits or settle claims related to these indemnifications. The Company believes the fair value of these liabilities is not material and accordingly has no liabilities recorded for these agreements as of December 31, 2025 and 2024.

Note 8. Stockholders' Equity

Preferred Stock

The Company's amended and restated certificate of incorporation authorizes the issuance of 50,000,000 shares of preferred stock with a par value of \$0.0001 per share with such designations, voting, and other rights and preferences as may be determined from time to time by the Company's Board of Directors. As of December 31, 2025 and 2024, there were no shares of preferred stock issued or outstanding.

Common Stock

The Company was authorized to issue 2,500,000,000 shares of Class A common stock and 500,000,000 shares of Class B common stock as of December 31, 2025 and 2024. The rights, including the liquidation and dividend rights, of the Class A common stock and Class B common stock are substantially identical, other than voting and conversion rights. The holder of each share of Class A common stock is entitled to one vote per share and the holder of each share of Class B common stock is entitled to ten votes per share. Shares of Class B common stock are convertible into an equivalent number of shares of Class A common stock at the option of the holder or upon certain events upon the terms and conditions described in the Company's amended and restated certificate of incorporation. Class A common stock and Class B common stock are referred to, collectively, as common stock throughout the notes to these consolidated financial statements, unless otherwise indicated. Shares of common stock reserved for future issuance on an as-converted basis were as follows (in thousands):

	As of December 31,	
	2025	2024
Stock options outstanding	12,914	21,011
Unvested restricted stock units (RSUs)	47,101	42,891
Shares reserved for future award issuances	35,424	39,730
Total	95,439	103,632

Equity Incentive Plans

2021 Equity Incentive Plan

In November 2021, the Company's Board of Directors and stockholders approved the Company's 2021 Equity Incentive Plan (the "2021 Plan") as a successor to the 2018 Equity Incentive Plan (the "2018 Plan"), with the purpose of granting stock-based awards to employees, directors, officers, and consultants, including stock options, restricted stock awards, and RSUs.

The Company initially reserved for issuance under the 2021 Plan (a) 46,008,885 shares of Class A common stock, plus (b) shares that are subject to issuance upon exercise of options granted under the 2018 Plan prior to the Closing but which, after the Closing, cease to be subject to the option for any reason other than exercise of the option, (c) shares that are subject to awards granted under the 2018 Plan prior to the Closing that, after the Closing, are forfeited or are repurchased by the Company at the original issue price, (d) shares

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that are subject to awards granted under the 2018 Plan prior to the Closing that, after the Closing, otherwise terminate without such shares being issued, and (e) shares that, after the Closing, are used to pay the exercise price of a stock option issued under the 2018 Plan prior to the Closing or are withheld to satisfy the tax withholding obligations related to any award issued under the 2018 Plan prior to the Closing. The number of shares available for grant and issuance under the 2021 Plan will increase automatically on January 1 of each of 2022 through 2031 by the number of shares equal to the lesser of (i) five percent (5%) of the number of shares (rounded down to the nearest whole share) of Class A common stock and Class B common stock issued and outstanding on each December 31 immediately prior to the date of increase, or (ii) such number of shares determined by the Company's Board of Directors.

2021 Employee Stock Purchase Plan

In November 2021, the Company's Board of Directors and stockholders approved the Company's 2021 Employee Stock Purchase Plan (the "2021 ESPP"). Over a series of offering periods, each of which may consist of one or more purchase periods, eligible employees will be offered the option to purchase shares of Class A common stock at 85% of the lesser of the fair market value of Class A common stock on (i) the first business day of the applicable offering period and (ii) the date of purchase. Under the 2021 ESPP, the Company initially reserved 8,901,159 shares of Class A common stock for issuance, and the aggregate number of shares reserved will increase automatically on January 1 of each of 2022 through 2031 by the number of shares equal to the lesser of (i) one percent (1%) of the total number of outstanding shares of Class A common stock and Class B common stock as of the immediately preceding December 31, or (ii) a number of shares as may be determined by the Company's Board of Directors. The aggregate number of shares issued over the term of the 2021 ESPP, subject to adjustments for stock-splits, recapitalizations, or similar events, may not exceed 89,011,590 shares. In February 2022, the Company commenced its first offering period under the 2021 ESPP. During the years ended December 31, 2025 and 2024, 798,985 and 709,637 shares of Class A common stock were purchased under the 2021 ESPP, respectively.

Share Repurchase Program

On May 31, 2022, the Company's Board of Directors authorized and approved a share repurchase program (the "Share Repurchase Program") to repurchase up to \$100.0 million in aggregate of the Company's Class A common stock, with the authorization to expire on June 30, 2024. Repurchases of Class A common stock under the Share Repurchase Program may be made from time to time, on the open market, in privately negotiated transactions or by other methods, and in accordance with the limitations set forth in Rule 10b-18 promulgated under the Securities Exchange Act of 1934, as amended, and other applicable legal requirements. The timing of any repurchases will depend on market conditions and other investment opportunities, and will be made at the Company's discretion. The Share Repurchase Program does not obligate the Company to repurchase any dollar amount or number of shares, and the program may be extended, modified, suspended, or discontinued at any time. On February 21, 2024, the Company's Board of Directors authorized and approved an increase of \$150.0 million to the Share Repurchase Program and extended the expiration date to March 31, 2026.

When the Company repurchases shares under the Share Repurchase Program, it reduces the common stock component of stockholders' equity by the par value of the repurchased shares. The excess of the repurchase price over par value is recorded to additional paid-in capital. All repurchased shares are retired and become authorized and unissued shares.

During the year ended December 31, 2025, the Company repurchased and retired 10,874,916 shares of Class A common stock at an average purchase price of \$1.73 per share for an aggregate repurchase price of \$18.8 million. During the year ended December 31, 2024, the Company repurchased and retired 30,969,572 shares of Class A common stock at an average purchase price of \$2.44 per share for an aggregate repurchase price of \$75.5 million. As of December 31, 2025, the Company had \$78.4 million available for future share repurchases under the Share Repurchase Program.

Stock Options and RSUs

The Company may grant options to acquire shares of Class A common stock to employees, directors, officers, and consultants at a price not less than the fair market value of the shares at the date of grant. Options granted to a person who, at the time of the grant, owns more than 10% of the voting power of all classes of stock shall be at no less than 110% of the fair market value and expire five years from the date of grant. All other options generally have a contractual term of ten years. Options granted generally vest on a monthly basis over two to three years. RSUs granted for Class A common stock generally vest on a quarterly basis over two to three years.

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A summary of the Company’s stock option activity for the year ended December 31, 2025 and related information is as follows (in thousands, except per share data):

	Number of Options	Weighted-Average Exercise Price	Weighted Average Remaining Contractual Term (years)	Aggregate Intrinsic Value
Outstanding at December 31, 2024	21,011	\$ 2.71	4.7	\$ 3,326
Options granted	—	\$ —		
Options exercised	(1,351)	\$ 1.95		
Options forfeited or expired	(6,746)	\$ 2.83		
Outstanding at December 31, 2025	12,914	\$ 2.73	4.4	\$ 1,461
Exercisable at December 31, 2025	12,895	\$ 2.73	4.4	\$ 1,452
Vested or expected to vest at December 31, 2025	12,914	\$ 2.73	4.4	\$ 1,461

The intrinsic value is calculated as the difference between the exercise price of the underlying common stock option award and the fair value of the Company’s common stock as of the respective balance sheet date. No options were granted during the year ended December 31, 2025. The weighted average grant date fair value of options granted was \$1.23 per share and \$1.32 per share during the years ended December 31, 2024 and 2023, respectively.

The intrinsic value of the options exercised was \$0.6 million, \$10.8 million and \$2.2 million for the years ended December 31, 2025, 2024 and 2023, respectively.

A summary of the Company’s RSU activity for the year ended December 31, 2025 and related information is as follows (in thousands, except per share data):

	Number of Shares	Weighted Average Grant Date Fair Value
Unvested at December 31, 2024	42,891	\$ 2.37
RSUs granted	45,418	\$ 1.80
RSUs vested	(25,973)	\$ 2.30
RSUs forfeited	(15,235)	\$ 2.12
Unvested at December 31, 2025	47,101	\$ 1.95

Market-based PSUs

In April 2024, the Company granted its Chief Executive Officer a market-based performance stock unit (“PSU”) award of 5,010,020 shares of the Company’s Class A common stock. In March 2025, the Company granted its Chief Executive Officer a similar market-based PSU award of 722,005 shares. In August 2025, the Company granted another market-based PSU award of 947,867 shares to an executive officer with the same performance metrics and vesting conditions as the March 2025 PSU. For all awards, the PSUs will vest based on stock price targets achieved over a four-year period, and any PSUs that have not vested at the end of the applicable performance period will be forfeited. Vesting is subject to the grantees’ continuous employment with the Company, as well as other customary provisions pursuant to the Company’s 2021 Plan. The aggregate grant date fair value of the 2025 and 2024 PSUs was \$2.6 million and \$9.3 million, respectively, calculated using a Monte Carlo simulation model and recognized over the respective derived service periods using the graded-vesting method. Compensation cost is not adjusted in future periods for subsequent changes in the expected outcome of market-related conditions. For the year ended December 31, 2025, the Company recognized \$4.1 million of stock-based compensation expense in connection with these awards.

Valuation Assumptions

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The following assumptions were used to calculate the fair value of market-based PSUs made during the following periods:

	Year Ended December 31,		
	2025	2024	2023
Expected volatility	66.5% - 66.7%	66.8%	—%
Expected term (in years)	4.4 - 4.9	5.0	0.0
Risk-free interest rate	3.6% - 4.1%	4.3%	—%
Expected dividend yield	—	—	—

Stock-Based Compensation

The Company recorded stock-based compensation expense in the consolidated statements of operations as follows (in thousands):

	Year Ended December 31,		
	2025	2024	2023
Cost of revenue	\$ 2,836	\$ 2,736	\$ 3,201
Research and development	36,849	39,037	43,619
Sales and marketing	8,888	9,671	12,548
General and administrative	16,770	22,611	23,657
Total	<u>\$ 65,343</u>	<u>\$ 74,055</u>	<u>\$ 83,025</u>

As of December 31, 2025, there was \$72.3 million of unrecognized stock-based compensation expense, which is expected to be recognized over a weighted average period of 2.0 years.

Note 9. Net Loss Per Share Attributable to Common Stockholders

The following table sets forth the computation of basic and diluted net loss per share attributable to common stockholders (in thousands, except per share data):

	Year Ended December 31,					
	2025		2024		2023	
	Class A	Class B	Class A	Class B	Class A	Class B
Net loss attributable to common stockholders	\$ (33,464)	\$ (20,740)	\$ (50,997)	\$ (47,066)	\$ (65,975)	\$ (81,790)
Weighted average shares used in computing net loss per share attributable to Class A and Class B common stockholders, basic and diluted	238,509	147,818	200,277	184,836	169,331	209,923
Net loss per share attributable to Class A and Class B common stockholders, basic and diluted	\$ (0.14)	\$ (0.14)	\$ (0.25)	\$ (0.25)	\$ (0.39)	\$ (0.39)

The following potentially dilutive securities outstanding have been excluded from the computations of diluted net loss per share because such securities have an anti-dilutive impact due to losses reported (in thousands):

	Year Ended December 31,		
	2025	2024	2023
Outstanding stock options	12,914	21,011	47,858
Unvested RSUs	47,101	42,891	33,515
Shares issuable pursuant to the employee stock purchase plan	661	1,368	1,828
Total	<u>60,676</u>	<u>65,270</u>	<u>83,201</u>

Note 10. Employee Benefit Plan

The Company has a 401(k) plan (the “401(k) Plan”) covering all eligible employees in the United States. The Company is allowed to make discretionary profit sharing and qualified non-elective contributions as defined by the 401(k) Plan and as approved by the Board of Directors. The Company matches a portion of eligible participants’ 401(k) contributions. The Company’s match totaled \$1.4

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million, \$1.2 million and \$1.7 million for the years ended December 31, 2025, 2024 and 2023, respectively. No discretionary profit-sharing contributions have been made to date.

Note 11. Income Taxes

Loss before income taxes were as follows (in thousands):

	Year Ended December 31,		
	2025	2024	2023
Domestic	\$ (53,007)	\$ (97,992)	\$ (147,786)
Foreign	428	635	777
Loss before income taxes	<u>\$ (52,579)</u>	<u>\$ (97,357)</u>	<u>\$ (147,009)</u>

Provision for income taxes was as follows (in thousands):

	Year Ended December 31,		
	2025	2024	2023
Current:			
Federal	\$ —	\$ —	\$ —
State	237	165	74
Foreign	541	605	1,321
Total current income tax expense	<u>778</u>	<u>770</u>	<u>1,395</u>
Deferred:			
Federal	—	—	—
State	—	—	—
Foreign	847	(64)	(639)
Total deferred income tax expense (benefit)	<u>847</u>	<u>(64)</u>	<u>(639)</u>
Total income tax expense (benefit)	<u>\$ 1,625</u>	<u>\$ 706</u>	<u>\$ 756</u>

The table below provides the updated requirements of ASU 2023-09 for the year ended December 31, 2025. See *Note 2. Summary of Significant Accounting Policies—Recent accounting pronouncements* for additional details on the adoption of ASU 2023-09.

Income tax expense (benefit) differed from the amount computed by applying the federal statutory income tax rate to pretax loss for the year ended December 31, 2025 as a result of the following (in thousands, except percentages):

	Year Ended December 31, 2025	
Provision (benefit) for income taxes at U.S. Federal statutory rate	\$ (11,042)	(21.0)%
State and local income tax, net of federal benefit ⁽¹⁾	187	0.4
U.S. Federal:		
Research and development tax credits	(2,832)	(5.4)
Non-taxable or non-deductible items:		
Executive and equity compensation	3,997	7.6
Other	568	1.1
Changes in valuation allowance	9,747	18.5
Foreign tax effects	468	0.9
Unrecognized tax benefit and related items	532	1.0
Total tax provision and effective tax rate	<u>\$ 1,625</u>	<u>3.1 %</u>

⁽¹⁾ State taxes in Texas made up the majority of this category.

The Company's effective tax rate of 3.1% for the year ended December 31, 2025 was primarily driven by the full valuation allowance, stock-based compensation, research and development credits, and foreign tax effects.

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As previously disclosed for the years ended December 31, 2024 and 2023, prior to the adoption of ASU 2023-09, the effective income tax rate differs from the statutory Federal income tax rate as follows:

	Year Ended December 31,	
	2024	2023
Statutory rate	(21.0)%	(21.0)%
Stock-based compensation	9.2	5.8
Research and development tax credits	(3.7)	(3.2)
Changes in valuation allowance	15.7	18.0
Other	0.5	0.9
Effective tax rate	<u>0.7 %</u>	<u>0.5 %</u>

The Company's effective tax rates were 0.7% and 0.5% for the years ended December 31, 2024 and 2023, respectively. The effective tax rates for these periods were primarily driven by the full valuation allowance, stock-based compensation, research and development credits, and foreign tax effects.

Tax effects of significant items comprising the Company's deferred taxes were as follows (in thousands):

	As of December 31,	
	2025	2024
Deferred tax assets:		
Net operating losses	\$ 144,432	\$ 128,783
Credit carryforwards	20,847	17,193
Stock-based compensation	5,005	5,285
Lease liability	7,911	9,894
Capitalized research and development	18,088	24,437
Other	5,084	6,298
Total deferred tax assets	<u>201,367</u>	<u>191,890</u>
Valuation allowance	(198,364)	(187,437)
Total deferred tax assets, net	<u>3,003</u>	<u>4,453</u>
Deferred tax liabilities:		
ROU asset basis	(2,839)	(3,508)
Total deferred tax liabilities	<u>(2,839)</u>	<u>(3,508)</u>
Net deferred tax assets	<u>\$ 164</u>	<u>\$ 945</u>

Based upon available objective evidence, it is more likely than not that the U.S. net deferred tax assets will not be realized. Accordingly, the Company has established a full valuation allowance for its U.S. net deferred tax assets. The valuation allowance increased by \$10.9 million and \$5.6 million, respectively, during 2025 and 2024.

Activity related to the Company's valuation allowance considered the following (in thousands):

	As of December 31,		
	2025	2024	2023
Balance, beginning of period	\$ 187,437	\$ 181,884	\$ 150,294
Charged to expenses	10,927	5,553	31,590
Balance, end of period	<u>\$ 198,364</u>	<u>\$ 187,437</u>	<u>\$ 181,884</u>

As of December 31, 2025, the Company had federal net operating loss carryforwards of \$583.9 million, which begin to expire in 2028, and state net operating loss carryforwards of \$365.5 million, which begin to expire in 2026. Of the \$583.9 million U.S. federal net operating losses \$404.8 million is carried forward indefinitely but is limited to 80% of current year taxable income. As of December 31, 2025, the Company had federal tax credits of \$18.5 million, which begin to expire in 2028, and state tax credits of \$10.2 million, which do not expire. The Internal Revenue Code ("IRC") limits the amount of net operating loss carryforwards that a company may use in a given year in the event of certain cumulative changes in ownership over a three-year period as described in

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Section 382 of the IRC. Utilization of net operating loss carryforwards and credits may be subject to annual limitation due to the ownership change limitations provided by the IRC, as amended, and similar state provisions. The annual limitation may result in the expiration of net operating losses and credits before utilization.

The Company accounts for uncertainty in income taxes in accordance with ASC 740 *Income Taxes*. Tax positions are evaluated in a two-step process, whereby the Company first determines whether it is more likely than not that a tax position will be sustained upon examination by the tax authority, including resolutions of any related appeals or litigation processes, based on technical merit. If a tax position meets the more-likely-than-not recognition threshold it is then measured to determine the amount of benefit to recognize in the financial statements. The tax position is measured as the largest amount of benefit that is greater than 50% likely of being realized upon ultimate settlement.

A reconciliation of the beginning and ending balances of unrecognized tax benefit were as follows (in thousands):

	Year Ended December 31,		
	2025	2024	2023
Gross unrecognized tax benefits - beginning of year	\$ 5,633	\$ 22,613	\$ 18,564
Increases related to current year tax positions	745	771	4,408
Increases related to prior year tax positions	133	152	241
Decreases related to prior year tax positions	(35)	(17,903)	(600)
Gross unrecognized tax benefits - end of year	\$ 6,476	\$ 5,633	\$ 22,613

The amount of the Company's unrecognized tax benefits that would affect the Company's effective tax rate, if recognized, is \$0.4 million.

The Company has net operating losses in the United States federal and various state jurisdictions for which the tax years beginning in 2007 are open to examination by applicable taxing authorities.

Income taxes paid during the year ended December 31, 2025 were \$0.5 million, consisting primarily of foreign and state taxes.

Note 12. Segment and Geographical Information

The Company has one reportable and operating segment. The Company's CODM is its CEO, who reviews financial information presented on a consolidated basis for purposes of making operating decisions, assessing financial performance, and allocating resources. Net loss is the Company's primary measure of profit or loss. Cost of revenue, research and development, sales and marketing, and general and administrative expenses are considered significant segment expenses and are reflected in the consolidated statement of operations. Other segment items included in consolidated net loss are interest income, other income (expense), net and the provision for income taxes, which are also reflected in the consolidated statements of operations.

Revenue disaggregated by geography based on the customers' location was as follows (in thousands):

	Year Ended December 31,		
	2025	2024	2023
United States	\$ 248,610	\$ 236,687	\$ 206,484
International	9,036	10,589	11,825
Total	\$ 257,646	\$ 247,276	\$ 218,309

Substantially all of the Company's long-lived assets are located in the United States.

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Note 13. Restructuring

In August 2025, the Company announced a cost reduction plan intended to right size the business and align the workforce and other expenses with Nextdoor’s business priorities. The execution of the cost reduction plan was substantially complete by the end of the third quarter of 2025.

The following table summarizes the restructuring charges in the consolidated statements of operations for the year ended December 31, 2025 (in thousands):

	Severance and Related Charges	Stock-Based Compensation Expense	Total
Research and development	\$ 2,660	\$ 792	\$ 3,452
Sales and marketing	1,250	126	1,376
General and administrative	750	51	801
Total	<u>\$ 4,660</u>	<u>\$ 969</u>	<u>\$ 5,629</u>

Liabilities and remaining charges under the Company’s cost reduction plan were immaterial as of December 31, 2025, and were included in accrued expenses and other current liabilities on the consolidated balance sheets.

In April 2024, the Company performed a restructuring intended to refocus the Company for future growth. The plan impacted 38 of the Company’s full-time employees. The Company incurred one-time charges of \$2.8 million in connection with the plan, consisting primarily of cash expenditures for severance payments, employee benefits, and related costs. The execution of the plan was substantially complete by the end of the second quarter of 2024. In addition, in June 2024 the Company ceased occupying and abandoned certain floors of its leased headquarters in San Francisco in order to adjust its office space footprint to better align with the needs of its work model. As a result, the Company recorded impairment charges of \$22.8 million for the related operating lease right-of-use assets, leasehold improvements and furniture and fixtures.

The following table summarizes the restructuring charges in the consolidated statements of operations for the year ended December 31, 2024 (in thousands).

	Office Space Reductions ⁽¹⁾	Severance and Related Charges	Total
Research and development	\$ —	\$ 250	\$ 250
Sales and marketing	—	1,956	1,956
General and administrative	22,760	612	23,372
Total	<u>\$ 22,760</u>	<u>\$ 2,818</u>	<u>\$ 25,578</u>

⁽¹⁾ Office space reductions are primarily non-cash and include impairment charges related to operating lease right-of-use assets, leasehold improvements and furniture and fixtures.

In the fourth quarter of 2023, the Company announced a cost reduction plan intended to right-size the business and align the workforce and other expenses with Nextdoor’s near term revenue expectations and long term business priorities. The cost reduction plan included a reduction of the Company’s full-time employee headcount by approximately 25%. The execution of the cost reduction plan was substantially complete by the end of the fourth quarter of 2023.

The following table summarizes the restructuring charges in the consolidated statements of operations for the year ended December 31, 2023 (in thousands):

	Severance and Related Charges	Stock-Based Compensation Expense	Total
Research and development	\$ 5,141	\$ 903	\$ 6,044
Sales and marketing	2,984	228	3,212
General and administrative	1,763	80	1,843
Total	<u>\$ 9,888</u>	<u>\$ 1,211</u>	<u>\$ 11,099</u>

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Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our principal executive officer and principal financial officer, evaluated the effectiveness 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 Annual Report, and have concluded that, based on such evaluation, our disclosure controls and procedures were effective as of December 31, 2025 at the reasonable assurance level to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms, and is accumulated and communicated to our management, including our principal executive and principal financial officers, or persons performing similar functions, as appropriate, to allow timely decisions regarding required disclosure.

Management's annual report on internal control over financial reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act). Management conducted an assessment of the effectiveness of our internal control over financial reporting based on the criteria set forth in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework). Based on the assessment, management has concluded that its internal control over financial reporting was effective as of December 31, 2025 to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with U.S. GAAP. Our independent registered public accounting firm, Ernst & Young LLP, has issued an audit report with respect to our internal control over financial reporting, which appears in Part II, Item 8 of this Annual Report.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting identified in connection with the evaluation required by Rule 13a-15(d) and 15d-15(d) of the Exchange Act that occurred during the period covered by this Annual Report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Limitations on the Effectiveness of Disclosure Controls and Procedures

Our management, including our Chief Executive Officer and Chief Financial Officer, does not expect that our disclosure controls and procedures or internal control over financial reporting will prevent all errors and all fraud. A control system, no matter how well designed and implemented, can provide only reasonable, not absolute, assurance that the control system’s objectives will be met. Further, the design of a control system must reflect the fact that there are resource constraints and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues within a company are detected. The inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of simple errors or mistakes. Controls can also be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and may not be detected.

Item 9B. Other Information

Rule 10b5-1 Trading Plans

Our officers (as defined in Rule 16a-1(f) under the Exchange Act) (“Section 16 officers”) are only permitted to trade in our securities pursuant to a prearranged trading plan intended to satisfy the affirmative defense of Rule 10b5-1(c) under the Exchange Act (a “Rule 10b5-1 Plan”). During the three months ended December 31, 2025, none of our Section 16 officers or our directors adopted or terminated a Rule 10b5-1 Plan.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not Applicable.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

Certain information required by this item will be included in our Proxy Statement for the 2026 Annual Meeting of Stockholders, to be filed with the SEC within 120 days of the fiscal year ended December 31, 2025, and is incorporated herein by reference.

Insider Trading Policy

We have adopted an Insider Trading Policy that governs the purchase, sale and/or other dispositions of our securities by directors, officers and employees. Our Insider Trading Policy also provides that we will not transact in any of our own securities unless in compliance with U.S. securities laws. We believe that our Insider Trading Policy is reasonably designed to promote compliance with insider trading laws, rules and regulations, and the NYSE listing standards applicable to us. A copy of our Insider Trading Policy is filed as Exhibit 19.1 to this Annual Report on Form 10-K.

Item 11. Executive Compensation

The information required by this item will be included in our Proxy Statement for the 2026 Annual Meeting of Stockholders, to be filed with the SEC within 120 days of the fiscal year ended December 31, 2025, and is incorporated herein by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The information required by this item will be included in our Proxy Statement for the 2026 Annual Meeting of Stockholders, to be filed with the SEC within 120 days of the fiscal year ended December 31, 2025, and is incorporated herein by reference.

Item 13. Certain Relationships and Related Transactions, and Director Independence

The information required by this item will be included in our Proxy Statement for the 2026 Annual Meeting of Stockholders, to be filed with the SEC within 120 days of the fiscal year ended December 31, 2025, and is incorporated herein by reference.

Item 14. Principal Accountant Fees and Services

The information required by this item will be included in our Proxy Statement for the 2026 Annual Meeting of Stockholders, to be filed with the SEC within 120 days of the fiscal year ended December 31, 2025, and is incorporated herein by reference.

PART IV

Item 15. Exhibits and Financial Statement Schedules.

(a) The following documents are filed as part of this report:

1. Financial Statements

See Index to Financial Statements under Part II, Item 8 of this Annual Report.

2. Financial Statement Schedules

Schedules not listed above have been omitted because they are not required, not applicable, or the required information is otherwise included.

3. Exhibits

The exhibits listed below are filed as part of this Annual Report or are incorporated herein by reference as indicated.

Exhibit Number	Description	Incorporated by Reference		
		Form	Exhibit	Filing Date
3.1	Amended and Restated Certificate of Incorporation of Nextdoor Holdings, Inc.	8-K	3.1	June 21, 2024
3.2	Amended and Restated Bylaws of Nextdoor Holdings, Inc.	8-K	3.1	December 1, 2022
4.1	Specimen Class A Common Stock Certificate of Nextdoor Holdings, Inc.	8-K	4.1	November 12, 2021
4.2	Description of Registrant's Securities	10-K	4.2	February 27, 2024
10.1	Amended and Restated Registration Rights Agreement, dated November 5, 2021, by and among Nextdoor Holdings, Inc. and the other parties thereto	8-K	10.5	November 12, 2021
10.2+	2008 Equity Incentive Plan of Nextdoor, Inc.	S-4	10.24	July 20, 2021
10.3+	Form of Early Exercise Stock Option Grant under the 2008 Equity Incentive Plan	S-4	10.26	July 20, 2021
10.4+	Form of Stock Option Grant under the 2008 Equity Incentive Plan of Nextdoor, Inc.	S-4	10.27	July 20, 2021
10.5+	2018 Equity Incentive Plan of Nextdoor, Inc.	S-4	10.25	July 20, 2021
10.6+	Form of Early Exercise Stock Option Grant under the 2018 Equity Incentive Plan of Nextdoor, Inc.	S-4	10.28	July 20, 2021
10.7+	Form of Stock Option Grant under the 2018 Equity Incentive Plan of Nextdoor, Inc.	S-4	10.29	July 20, 2021
10.8+	Form of Restricted Stock Unit Award Agreement under the 2018 Equity Incentive Plan of Nextdoor, Inc.	8-K	10.18	November 12, 2021
10.9+	Nextdoor Holdings, Inc. 2021 Equity Incentive Plan	8-K	10.7	November 12, 2021
10.10+	Form of Stock Option Agreement under Nextdoor Holdings, Inc. Equity Incentive Plan	S-4	10.15	July 20, 2021
10.11+	Form of Restricted Stock Unit Award Agreement under Nextdoor Holdings, Inc. Equity Incentive Plan	S-4	10.16	July 20, 2021
10.12+	Nextdoor Holdings, Inc. 2021 Employee Stock Purchase Plan	8-K	10.10	November 12, 2021
10.13+*	Offer Letter, dated October 31, 2025, by and between Indrajit Ponnambalam			
10.14+	Executive Offer Letter of Matt Anderson	10-K	10.15	February 27, 2024
10.15+	Advisor Agreement, dated September 1, 2025, by and between Nextdoor Holdings, Inc. and Matthew Anderson	10-Q	10.1	November 5, 2025

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10.16+*	Offer Letter, dated January 12, 2019, by and between Nextdoor Holdings, Inc. and Craig Lisowski			
10.17+*	Offer Letter, dated May 1, 2024, by and between Nextdoor Holdings, Inc. and Sophia Contreras Schwartz			
10.18+	Offer Letter, dated February 26, 2024, by and between Nextdoor Holdings, Inc. and Nirav Tolia	10-Q	10.2	May 7, 2024
10.19+*	Offer Letter, dated December 20, 2024, by and between Nextdoor Holdings, Inc. and Michael Kiernan			
10.20+	Form of Indemnity Agreement	8-K	10.6	November 12, 2021
10.21+	Form of Change in Control and Severance Agreement	S-4	10.23	July 20, 2021
19.1	Insider Trading Policy	10-K	19.1	February 27, 2025
21.1	List of Subsidiaries	8-K	21.1	November 12, 2021
23.1*	Consent of Ernst & Young, LLP, independent registered public accounting firm			
24.1*	Power of Attorney (reference is made to the signature page thereto)			
31.1*	Certification of Principal Executive Officer pursuant to Rule 13a-14(a) and 15d-14(a) under the Exchange Act, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002			
31.2*	Certification of Principal Financial Officer pursuant to Rule 13a-14(a) and 15d-14(a) under the Exchange Act, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002			
32.1#	Certification of Principal Executive Officer pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002			
32.2#	Certification of Principal Financial Officer pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002			
97.1	Compensation Recovery Policy	10-K	97.1	2/27/2024
101.INS*	Inline XBRL Instance Document.			
101.SCH*	Inline XBRL Taxonomy Extension Schema Document.			
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document.			
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document.			
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document.			
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document.			
104*	Cover Page Interactive Data File (formatted in iXBRL and contained in Exhibit 101)			

+ Indicates a management contract or compensatory plan, contract or arrangement.

* Filed herewith.

This certification is deemed not filed for purpose of section 18 of the Exchange Act or otherwise subject to the liability of that section, nor shall it be deemed incorporated by reference into any filing under the Securities Act or the Exchange Act.

Item 16. Form 10-K Summary

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this Annual Report on Form 10-K to be signed on its behalf by the undersigned, thereunto duly authorized, in San Francisco, California.

NEXTDOOR HOLDINGS, INC.

Date: February 18, 2026

By: /s/ Nirav Tolia

Name: Nirav Tolia

Title: Chief Executive Officer, President and
Chairperson of the Board of Directors

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Nirav Tolia and Indrajit Ponnambalam, and each of them, as his or her true and lawful attorneys-in-fact, proxies and agents, each with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments to this report and to file the same, with any exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, granting unto such attorneys-in-fact, proxies and agents full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact, proxies and agents, or their or his or her substitutes, may lawfully do or cause to be done by virtue hereof.

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Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, this report has been signed by the following persons in the capacities and on the dates indicated:

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ Nirav Tolia</u> Nirav Tolia	Chief Executive Officer, President and Chairperson of the Board of Directors (Principal Executive Officer)	February 18, 2026
<u>/s/ Indrajit Ponnambalam</u> Indrajit Ponnambalam	Chief Financial Officer and Treasurer (Principal Financial Officer)	February 18, 2026
<u>/s/ Antoinette How</u> Antoinette How	Chief Accounting Officer (Principal Accounting Officer)	February 18, 2026
<u>/s/ Dana Evan</u> Dana Evan	Director	February 18, 2026
<u>/s/ J. William Gurley</u> J. William Gurley	Director	February 18, 2026
<u>/s/ Robert Hohman</u> Robert Hohman	Director	February 18, 2026
<u>/s/ Jason Pressman</u> Jason Pressman	Director	February 18, 2026
<u>/s/ Niraj Shah</u> Niraj Shah	Director	February 18, 2026
<u>/s/ Elisa Steele</u> Elisa Steele	Director	February 18, 2026
<u>/s/ David Sze</u> David Sze	Director	February 18, 2026
<u>/s/ Chris Varelas</u> Chris Varelas	Director	February 18, 2026