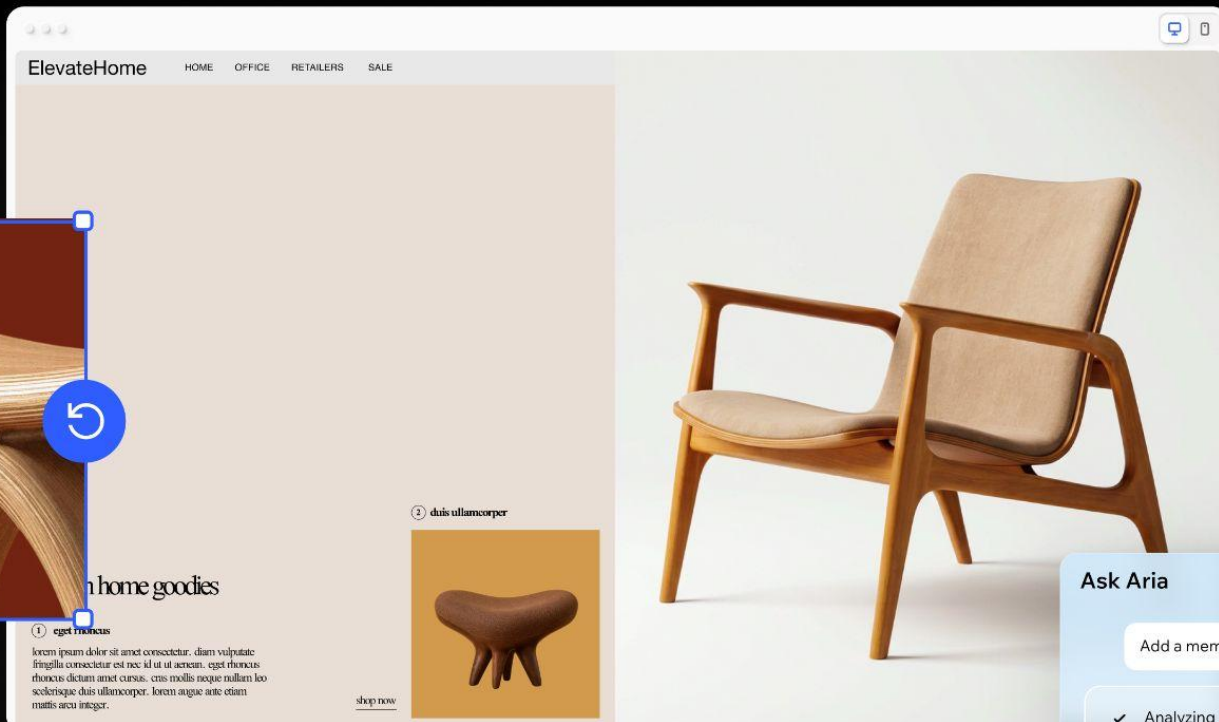
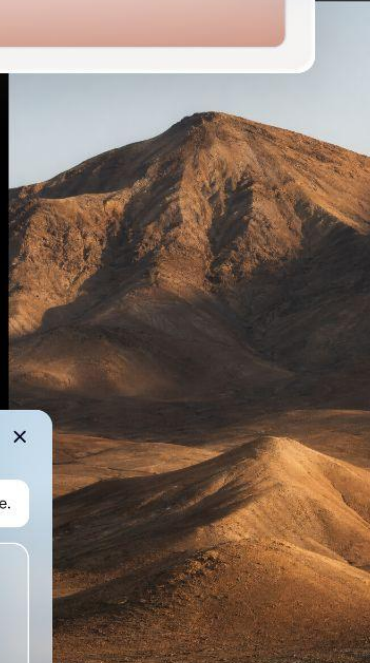


Shareholder Update



A screenshot of a 'Color Picker' dialog box. It features a large rectangular color field with a vertical gradient from light yellow at the top to dark brown at the bottom. A blue mouse cursor arrow is positioned over the color field, pointing towards a small circular handle on the right edge of the field.



Add a members area to my website.

- ✓ Analyzing options for optimal solution
- ✓ Designing and configuring user access and login

Ask me anything...



To our Shareholders, our Users & our People

We are operating in a period of extraordinary change, driven by the AI revolution. The internet, our businesses, and our users' behaviors and expectations are being reshaped faster than at any point in our history. No one can predict with certainty exactly how this landscape will settle.

What we do know is that our strategy must accommodate these changes and uncertainties, and that is precisely what we are doing.

I want to demonstrate our strategy in action, the approach we defined, and how it is playing out in practice.

Wix is unique because we offer both solutions for the future. The first is the continued evolution of our core Wix offering, Wix Harmony combines visual creation, drag and drop, and AI. The second is AI-powered website and app creation through Base44. We believe this approach prepares Wix for the different ways the market may evolve.

A good example of the volatility we are seeing is with our Partners segment, it has changed faster than we expected this year, and we are responding to that. At the same time, Base44 grew faster than we expected. Notably, some of that growth can be attributed to Partners who have migrated over to Base44. This demonstrates our strategy of playing both options, a visual builder with Wix and vibe coding builder with Base44. We allow customers to choose the best option that fits their needs, while still maintaining our relationship with them, this example highlights what becomes possible when Wix and Base44 build together.

The pace of change right now is unlike anything most of us are used to. Despite that shift, our long-term thesis hasn't changed and this quarter shows exactly why. We are already seeing momentum in this strategy. The unique combination of Wix and Base44 pairs decades of deep product expertise, world-class infrastructure, and market intelligence in online creation with one of the fastest-growing platforms in AI-powered app creation. This is what allows us to pursue the full range of opportunities in front of us as the internet undergoes this dramatic transformation. This conviction predates and stands independent of any single quarterly result.

Our ambition and rapid pace of innovation were reflected in the launch of Base 1, making Base44 the first app-creation platform to launch its own proprietary LLM. Following the introduction of our own Wix Harmony model earlier this year, Base 1 marks another milestone in developing a comprehensive portfolio of purpose-built LLMs across our platforms. The rationale for owning our own models is simple. Greater control over the underlying technology allows us to tailor performance directly to our users' needs, shorten iteration cycles, reduce dependency on external vendors and improve long-term cost efficiency. With Base 1, we are also accumulating data that is unique to us. Unlike a dependency on any single vendor's model, this data carries forward and strengthens every future model we build.

We have made meaningful progress in improving Base44's gross margin profile and establishing the business model. As we increasingly route traffic to Base 1 and roll out further optimization initiatives, we already see AI costs, across both our free and paid users fall, improving Base44 gross margin from near-0% to 60% in the second half. At these rates, Base44 is already evolving from a hyper growth start-up to a great business, with a healthy margin that should improve even further in the future.

I remain bullish, optimistic, and aggressive, for a simple reason: the move we made with Base44 allows us to hold onto all of the opportunities in front of us, and to lean into what is working. Wix itself remains a business with hundreds of millions of users who need us and rely on us, and we know how to give them what they need.

We believe long-term value in AI will come from owning more of the intelligence, infrastructure, workflows, and data that sit closest to the customer. Our focus now is on execution, turning these strategic investments into products that create real value for our users.

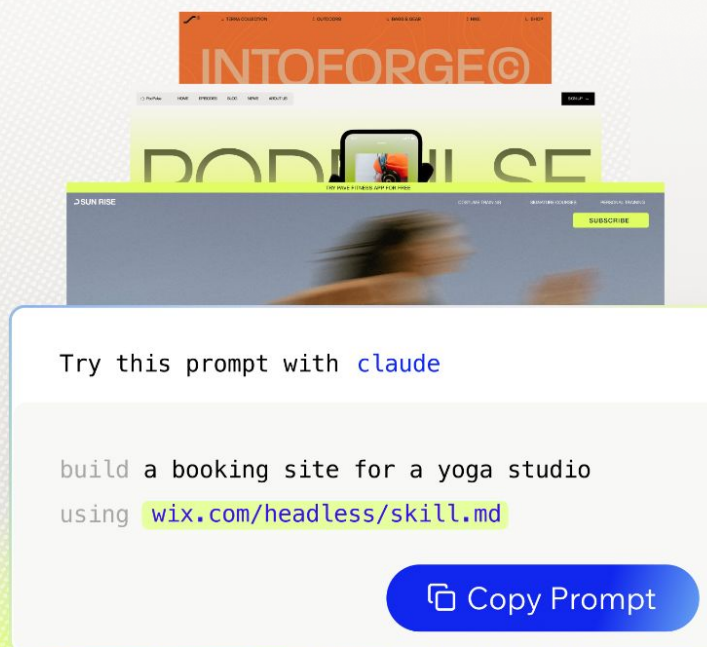
Sincerely,

Avishai Abrahami
Co-Founder and CEO

Product & Business Updates

WIX HEADLESS

Give your AI builds a backend you can trust.



Wix

Wix Headless Turns AI-Generated Frontends Into Live Businesses

Wix Headless now connects to leading AI coding tools and vibe platforms, including Claude Code, Claude Design, Codex, and Base44, enabling builders to turn an AI-generated frontend into a fully operational business in days instead of months, simply by prompting it. Behind the scenes, Wix Headless automatically powers the full business infrastructure, payments, bookings, eCommerce, CRM, SEO, and analytics, running on Wix's enterprise-grade infrastructure with no backend development required.

Base44

Introducing Base1: A Purpose-Built Model for Software Creation

Introduced Base1, Base44's proprietary LLM built specifically for software creation. Base1 improves app-building quality, reasoning, and reliability (based on our internal testing), while powering the next generation of intelligent experiences across the platform, giving Base44 a differentiated AI layer optimized for building applications.

Intelligent Automation Comes to Every Base44 App

Launched the next generation of AI-powered Workflows, bringing automation to every user and every application. Workflows now support rich triggers, conditions, approvals, delays, and connector events, while AI agents can create, manage, monitor, and stop automations directly within customer apps.

Base44 Advances Toward Enterprise-Grade Governance

Made significant progress toward becoming a true enterprise application platform, expanding security and governance with SSO improvements, publish permissions, connector management, self-serve enterprise plans, customer-managed databases, and expanded compliance integrations, which we believe makes Base44 suitable for organizations with complex requirements.

Verification Mode and Design Upgrades Speed Up App Building

Introduced Verification Mode, which automatically validates and corrects implementations, alongside major upgrades to design and development workflows, including Canvas enhancements, Figma integration, richer design tools, and improved data management. We expect these investments to significantly reduce the time from idea to production-ready application.

Partnerships

Wix Partners with Elavon to Unify Online and In-Person Commerce

Announced a new partnership with Elavon, a wholly owned subsidiary of U.S. Bankcorp (NYSE: USB) and one of the world's largest payment processors, handling nearly nine billion transactions annually. The collaboration expands Elavon Business Solutions (EBS), combining Elavon's payments expertise with Wix's commerce technology to give businesses a single platform for online and in-person sales, bookings, inventory, and real-time analytics.

Wix Headless Named Launch Partner for Stripe Projects and OpenAI's Codex Enterprise

Wix Headless has been named a launch partner for both Stripe Projects and OpenAI's Codex Enterprise, connecting AI and developer platforms directly to Wix's business infrastructure. In Stripe Projects, developers can provision a full Wix business backend directly from the Stripe CLI, one API-first backend instead of stitching together multiple vendors, while resources stay in their own Wix accounts. In Codex, a dedicated Wix plugin and MCP integration let a single command deploy a live site with payments, bookings, a product catalog, and a wired-up CRM already in place. In both cases, Wix helped shape how credentials are scoped and how the flow works for developers and AI agents alike, taking users from idea to revenue-ready business.

Base44

Product Use Cases Resources Pricing Enterprise Superagents

Start building

Every builder needs a base

Build your own apps, websites, products and AI agents on Base44 using your own words. Get ahead — and make sure it stays that way.

Build me a travel itinerary app for weekend getaways

Plan

[Apps] Websites Games Tools

Distance Duration

Total repetitions

Since Nov. 24th, 2026

40

FOOTPRINT LAB

KgCo2e

Sneaker 873g

ALTITUDE

150FT 00.1

The whole stack.
No setup slowdown.

Ship something real with vibe coding — without touching a server, wiring up a payment provider, or configuring a database. It's all already there.

Backend and storage, built in

Financial Review

User Cohort Performance

Business fundamentals remained robust in the second quarter, with our Q1'26 user cohort generating \$74.7 million in cumulative bookings in its first two quarters, inclusive of both core Wix and Base44. This marks nearly \$23 million of bookings added in the second quarter by the Q1'26 cohort. Growth was driven by improved conversion of users into paid subscriptions across both the core Wix business and Base44, attributed to the rollout of Wix Harmony as well as our continued push into the AI-powered application market. Monetization also increased with continued attachment of business applications, particularly Paid Ads and Google Workspace.

We ended Q2'26 with nearly 317 million registered users.

Revenue and Bookings

Total revenue grew to \$563.1 million in Q2'26, up 15% y/y. Total bookings grew to \$569.1 million in Q2'26, up 12% y/y. Total ARR was \$1.96 billion at the end of Q2'26, up 15% y/y.

Self Creators revenue of \$349.3 million in Q2'26 grew 14% y/y, an improvement from 12% in the first quarter of 2026. Accelerating Self Creators revenue growth was driven primarily by continued Base44 outperformance.

Partners revenue in Q2'26 totaled \$213.8 million, or 38% of total revenue, up 17% y/y. This growth was in line with our expectations following our [June 2026 guidance update](#). Our Partners business remains an area of investment and focus. As the demand for AI-powered workflows like Base44 accelerates, we are actively developing new solutions that better align our platform with how we believe the partners and agencies ecosystem is evolving. Partners revenue included modest contribution from Base44 as professionals increasingly leverage AI and AI agents in their workflows.

Creative Subscriptions Revenue and Bookings

Creative Subscriptions revenue grew to \$398.4 million in Q2'26, up 15% y/y. Creative Subscriptions bookings grew to \$405.8 million in Q2'26, up 11% y/y.

Revenue and bookings growth were driven by continued Base44 strength. We were also encouraged by early contribution from Wix Harmony, which continues to ramp.

Business Solutions Revenue and Bookings

Business Solutions revenue grew to \$164.7 million in Q2'26, up 14% y/y. Business Solutions bookings grew to \$163.3 million in Q2'26, up 13% y/y.

Bookings and revenue growth was driven by ongoing adoption of business applications, particularly Google Workspace and our Paid Ads offering.

GPV in the second quarter was \$3.6 billion, an increase of 3% y/y compared to the 12% y/y growth in the prior quarter. This slowdown was primarily a result of the wind-down of a commerce subsidiary during the broader organizational realignment in June. We expect this headwind to persist over the next four quarters.

While this subsidiary contributed moderately to GPV, it contributed less significantly to transaction revenue as monetization was lower than the rest of our commerce business. As a result, transaction revenue in Q2'26 was \$71.5 million, up 12% y/y and 43% of our Business Solutions revenue. Take rate in the second quarter increased to 1.96% as a result of this GPV monetization mix dynamic and as merchants continued to adopt Wix Payments.

Gross Profit and Margin

Total non-GAAP gross margin was 67% in Q2'26, compared to 70% in Q2'25, but slightly improved compared to the previous quarter even as our business mix continues to shift towards AI-forward products and capabilities.

Creative Subscriptions non-GAAP gross margin was 80% in Q2'26, down from 85% in Q2'25, but unchanged compared to the previous quarter. Stable Creative Subscriptions non-GAAP gross margin in our core Wix business was offset by accelerating contribution from Base44.

Business Solutions non-GAAP gross margin improved slightly to 33% in Q2'26 compared to the prior quarter and was stable compared to the year ago quarter. Healthy non-GAAP gross margins were driven by sustained outperformance of our high-margin business applications offerings, alongside lower contribution from ecommerce amid intensified GPV headwinds.

Structural Improvement to Base44 Profitability

In late June, Base44 launched our own LLM, aptly named “Base 1”. Leveraging an open-source LLM for the foundation and then trained on Base44 data, we expect Base 1 to structurally improve the margin profile of this business over the long term.

Entering 2026 with near-zero non-GAAP gross margin, we now expect Base44 to achieve approximately 60% gross margin in the second half of the year, with continued improvement expected over time. As a percentage of total Base44 bookings, total AI costs are expected to decline significantly to approximately 30-40% in 2H. This more comprehensive AI cost metric captures total AI usage across both free and paid users, but excludes all other costs associated with revenue. By comparison, non-GAAP gross margin takes into account only AI costs incurred by paid users as well as hosting, customer care and overhead expenses.

These anticipated AI inference cost savings from Base1 are expected to translate into approximately two points of non-GAAP gross margin improvement for the consolidated business in 2H compared to 1H.

Operating Expenses and Margin

Non-GAAP R&D expenses were \$104.7 million in Q2'26, an increase of 6% y/y and a decrease of 2% q/q. The y/y increase in R&D expenses was driven by higher payroll costs as we onboarded and built out the Base44 team. As a percent of revenue, non-GAAP R&D expenses were 19% in Q2'26, down slightly from 20% in the year ago and prior quarters.

Non-GAAP S&M expenses were \$173.1 million in Q2'26, an increase of 67% y/y and a decrease of 9% q/q. As a percent of revenue, non-GAAP S&M expenses were 31% in Q2'26, up from 21% in the year ago quarter but down from 35% in the prior quarter.

S&M expenses remained elevated in the second quarter, as expected, as we continued to accelerate paid advertising investments into Base44 in order to capture strong top-of-funnel demand trends throughout the quarter while maintaining our TROI target. Also as a result of this strong demand, AI inference and compute costs associated with free Base44 users continued to increase sequentially.

Non-GAAP G&A expenses were \$32.3 million in Q2'26, an increase of 12% y/y and a decrease of 1% q/q. As a percent of revenue, non-GAAP G&A expenses were 6% in Q2'26, unchanged from the year ago and prior quarters.

Non-GAAP operating income was \$64.8 million in Q2'26 with operating margin of 12%. This excludes \$27.1 million of cash and non-cash restructuring expenses in relation to Wix's organization realignment to streamline operations in early June. Q2 non-GAAP operating income also excludes \$41.0 million of non-cash acquisition-related expenses associated with the accrual of earnout payments for the Base44 team.

Earnings and Earnings Per Share Data

Non-GAAP net income was \$68.2 million in Q2'26, 12% of revenue, or \$1.59 per basic share and \$1.39 per diluted share. On a GAAP basis, we saw a net loss of \$76.4 million in Q2'26, or a loss of \$1.78 per basic and diluted share. GAAP net loss was primarily driven by the abovementioned restructuring expenses as well as Base44 earnout payments, which were excluded from non-GAAP results.

Cash Flow, Balance Sheet and Capital Allocation

Free cash flow excluding restructuring expenses totaled \$61.2 million in Q2'26, or 11% of revenue. This decrease from Q1'26 was driven by lower cash interest income as a result of the completion of our \$1.6 billion tender program. The second quarter also reflected a headwind from meaningful cash payments for expenses incurred in the prior quarter, a reversal of the sizable net working capital tailwind that had benefited Q1'26.

Including approximately \$8.5 million of cash restructuring charges, free cash flow was \$52.6 million in Q2'26. No cash earnout payments related to the Base44 acquisition were paid out in the quarter.

We ended Q2'26 with approximately \$960.9 million in cash and cash equivalents and \$1.63 billion in short- and long-term debt.

Our total employee count at the end of Q2'26 was 4,371, a decrease of 906 employees from the previous quarter, driven primarily by our organizational realignment executed in early June.

1 As of April 1, 2026

Outlook



We are maintaining our full year 2026 outlook following our June 2026 update and continue to expect revenue to grow at a low- to mid-teens percentage on a year-over-year basis. We also continue to expect bookings to grow at a low-teens percentage on a year-over-year basis, lagging revenue growth by a few points as a result of the more immediate impact of Partners softness on bookings. We expect Base44 to continue on its strong growth trajectory through the rest of the year, with significantly better non-GAAP gross margins.

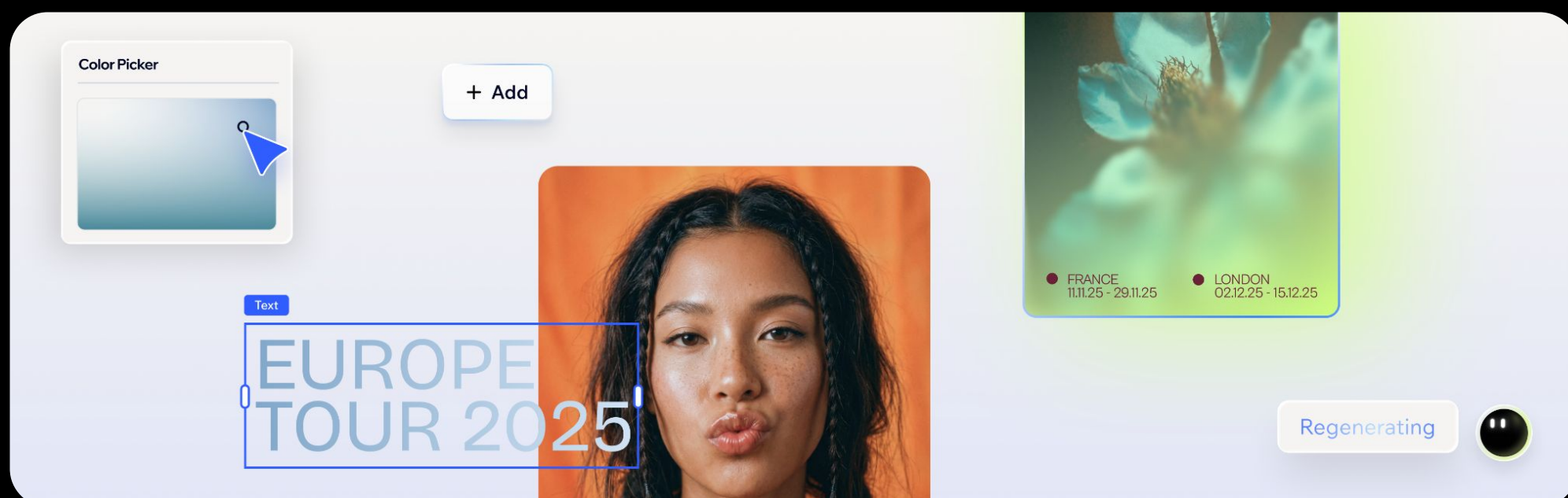
For the third quarter of 2026, we expect revenue to grow at a low-double-digits percentage on a year-over-year basis.

For the full year 2026, we continue to expect FCF margin excluding acquisition and restructuring costs to be in the high-teens. This outlook assumes Base44 non-GAAP gross margin of approximately 60% in 2H, a significant improvement from the near-zero margin entering the year. This is expected to translate into approximately two points of total non-GAAP gross margin improvement in 2H vs. 1H for the consolidated business.

We plan to reinvest these AI cost savings into Base44 sales and marketing through the rest of the year as we raise our TROI threshold moderately in response to the structurally better margin profile of Base44. This increase reflects our expectation that demand for Base44 will remain elevated, enabling us to capture additional market share as the business continues to outperform, which remains our top priority.

We expect to offset this increased sales and marketing investment in Base44 with lower AI costs and decreased sales and marketing costs for core Wix in the second half of the year, in-line with seasonality and lapping the SuperBowl investments in the first half of the year. We expect R&D expenses to remain stable as the FX headwind from a strengthening Israeli Shekel offsets savings from our organizational realignment. As a result, we continue to expect non-GAAP operating margin for the consolidated basis to step up in the second half of the year when compared to the first half.

Appendix



Notes and Modeling Clarifications

Creative Subscription Revenue and Creative Subscription Bookings refer to revenue or bookings, as applicable, generated from premium subscriptions from both Wix and Base44, including premium subscriptions bundled with vertical solutions and domain name subscriptions and exclude any revenue or bookings, as applicable, included under Business Solutions Revenue or Bookings, respectively. Our total revenue is comprised of Business Solutions Revenue and Creative Subscriptions Revenue. Our total bookings is comprised of Business Solutions Bookings and Creative Subscriptions Bookings.

Business Solutions Revenue and Business Solutions Bookings refer to all revenue or bookings, as applicable, generated from business solutions and exclude any revenue or bookings, as applicable, included under Creative Subscriptions Revenue or Bookings, respectively.

Creative Subscriptions Annualized Recurring Revenue (ARR) is calculated as Creative Subscriptions Monthly Recurring Revenue (MRR) multiplied by 12. Creative Subscriptions MRR is calculated as the total of (i) the total monthly revenue of all Creative Subscriptions (including Base44) in effect on the last day of the period, other than domain registrations; (ii) the average revenue per month from domain registrations multiplied by all registered domains in effect on the last day of the period; and (iii) monthly revenue from other partnership agreements including enterprise partners in effect in the last month of the period.

Business Solutions Annualized Recurring Revenue (ARR) is calculated as Business Solutions Monthly Recurring Revenue (MRR) multiplied by 12. Business Solutions MRR is calculated as the total monthly value of Business Solutions subscriptions in effect on the last day of the period. Business Solutions subscriptions include subscriptions such as Google Workspace, Email Marketing, recurring paid ads and more.

Unbilled contractual obligations: we present firm multi-year commitments for the full contract term in bookings in the quarter in which the agreement is executed. The commitment amount for the upcoming 12 months is recognized as short-term accounts receivable

and deferred revenue, and the remaining commitment amount will be recorded in our bookings as unbilled contractual obligations.

GPV or Gross Payments Volume includes the total value, in US dollars, of transactions facilitated by our platform.

Transaction revenue is a portion of Business Solutions revenue, and we define transaction revenue as all revenue generated through transaction facilitation, primarily from Wix Payments as well as Wix POS, shipping solutions and multi-channel commerce and gift card solutions.

Take rate is defined as our transaction revenue as a percentage of GPV.

Partners revenue is defined as revenue generated through agencies and freelancers that build sites or applications for other users ("Agencies") as well as revenue generated through B2B partnerships, such as LegalZoom or Vistaprint ("Resellers"). We identify Agencies using multiple criteria, including but not limited to, the number of sites built, participation in the Wix Partner Program and/or the Wix Marketplace or Wix products used (incl. Wix Studio). Partners revenue includes revenue from both the Creative Subscriptions (including Base44) and Business Solutions businesses.

Conference Call and Webcast Information

Wix will host a conference call to discuss the results at 8:30 a.m. ET on Tuesday, August 4, 2026. A live and archived webcast of the conference call will be accessible from the "Investor Relations" section of the Company's website at <https://investors.wix.com/>.

Non-GAAP Financial Measures and Key Operating Metrics

To supplement its consolidated financial statements, which are prepared and presented in accordance with U.S. GAAP, Wix uses the following non-GAAP financial measures: bookings, cumulative cohort bookings, bookings on a constant currency basis, revenue on a constant currency basis, non-GAAP gross margin, non-GAAP operating income (loss), non-GAAP operating margin, non-GAAP net income (loss), non-GAAP net income (loss) per share, free cash flow, free cash flow on a constant currency basis, free cash flow, as adjusted, free cash flow margins, non-GAAP R&D expenses, non-GAAP S&M expenses, non-GAAP G&A expenses, non-GAAP operating expenses, non-GAAP cost of revenue expense, non-GAAP financial expense, non-GAAP tax expense (collectively the "Non-GAAP financial measures"). Measures presented on a constant currency or foreign exchange neutral basis have been adjusted to exclude the effect of y/y changes in foreign currency exchange rate fluctuations. Bookings is a non-GAAP financial measure calculated by adding the change in deferred revenues and the change in unbilled contractual obligations for a particular period to revenues for the same period. Bookings include cash receipts for premium subscriptions purchased by users as well as cash we collect from business solutions, as well as payments due to us under the terms of contractual agreements for which we may have not yet received payment. Cash receipts for premium subscriptions are deferred and recognized as revenues over the terms of the subscriptions. Cash receipts for payments and the majority of the additional products and services (other than Google Workspace) are recognized as revenues upon receipt. Committed payments are recognized as revenue as we fulfill our obligation under the terms of the contractual agreement. Non-GAAP gross margin represents gross profit calculated in accordance with GAAP as adjusted for the impact of share-based compensation expense, acquisition-related expenses and amortization, divided by revenue. Non-GAAP operating income (loss) represents operating income (loss) calculated in accordance with GAAP as adjusted for the impact of share-based compensation expense, amortization, acquisition-related and restructuring expenses and sales tax expense accrual and other G&A expenses (income). Non-GAAP net income (loss) represents net loss calculated in accordance with GAAP as adjusted for the impact of share-based compensation expense, amortization, sales tax expense accrual and other G&A expenses (income), amortization of debt discount and debt issuance costs and acquisition-related and restructuring expenses and non-operating foreign exchange expenses (income). Non-GAAP net income (loss) per share represents non-GAAP net income (loss) divided by the weighted average number of shares used in computing GAAP loss per share. Free cash flow represents net cash provided by (used in) operating activities less capital expenditures. Free cash flow, as adjusted, represents free cash flow further adjusted to exclude the capital expenditures and other expenses associated with the buildout of our new corporate headquarters, and cash acquisition-related and restructuring expenses. Free cash flow margins represent free cash flow divided by revenue. Non-GAAP cost of revenue represents cost of revenue calculated in accordance with GAAP as adjusted for the impact of share-based compensation expense, acquisition-related expenses and amortization. Non-GAAP R&D expenses represent R&D expenses calculated in accordance with GAAP as adjusted for the impact of share-based compensation expense, acquisition-related expenses and amortization. Non-GAAP S&M expenses represent S&M expenses calculated in accordance with GAAP as adjusted for the impact of share-based compensation expense, acquisition-related expenses and amortization. Non-GAAP G&A expenses represent G&A expenses calculated in accordance with GAAP as adjusted for the impact of share-based compensation expense, acquisition-related expenses and amortization. Non-GAAP operating expenses represent operating expenses calculated in accordance with GAAP as adjusted for the impact of share-based compensation expense, acquisition-related expenses and amortization. Acquisition-related expenses include transaction costs and retention payments that would not otherwise have been incurred by us in the normal course of our business. Non-GAAP financial expense represents financial expense calculated in accordance with GAAP as adjusted for unrealized gains of equity investments, amortization of debt discount and debt issuance costs and non-operating foreign exchange expenses. Non-GAAP tax expense represents tax expense calculated in accordance with GAAP as adjusted for provisions for income tax effects related to non-GAAP adjustments.

The presentation of this financial information is not intended to be considered in isolation or as a substitute for, or superior to, the financial information prepared and presented in accordance with GAAP. The Company uses these non-GAAP financial measures for financial and operational decision making and as a means to evaluate period-to-period comparisons. The Company believes that these measures provide useful information about operating results, enhance the overall understanding of past financial performance and future prospects, and allow for greater transparency with respect to key metrics used by management in its financial and operational decision making.

For more information on the non-GAAP financial measures, please see the reconciliation tables provided below. The accompanying tables have more details on the GAAP financial measures that are most directly comparable to non-GAAP financial measures and the related reconciliations between these financial measures. The Company is unable to provide reconciliations of free cash flow, free cash flow margin, free cash flow margin, excluding acquisition-related and restructuring costs and the impact of our repurchase program, free cash flow, as adjusted, bookings, cumulative cohort bookings, non-GAAP gross margin, non-GAAP operating expenses, non-GAAP operating expenses as a percentage of revenue, and non-GAAP tax expense to their most directly comparable GAAP financial measures on a forward-looking basis without unreasonable effort because items that impact those GAAP financial measures are out of the Company's control and/or cannot be reasonably predicted. Such information may have a significant, and potentially unpredictable, impact on our future financial results.

Wix also uses Creative Subscriptions Annualized Recurring Revenue (ARR) as a key operating metric. Creative Subscriptions ARR is calculated as Creative Subscriptions Monthly Recurring Revenue (MRR) multiplied by 12. Creative Subscriptions MRR is calculated as the total of (i) the total monthly revenue of all Creative Subscriptions (including Base44) in effect on the last day of the period, other than domain registrations; (ii) the average revenue per month from domain registrations multiplied by all registered domains in effect on the last day of the period; and (iii) monthly revenue from other partnership agreements including enterprise partners, in effect in the last month of the period. Business Solutions Annualized Recurring Revenue (ARR) is calculated as Business Solutions Monthly Recurring Revenue (MRR) multiplied by 12. Business Solutions MRR is calculated as the total monthly value of Business Solutions subscriptions in effect on the last day of the period. Business Solutions subscriptions include, but are not limited to, subscriptions such as Google Workspace, Email Marketing, and recurring paid ads.

Forward-Looking Statements

This document contains forward-looking statements, within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 that involve risks and uncertainties. Such forward-looking statements may include projections regarding our future performance, including, but not limited to revenue, bookings and free cash flow, and may be identified by words like “anticipate,” “assume,” “believe,” “aim,” “forecast,” “indication,” “continue,” “could,” “estimate,” “expect,” “intend,” “may,” “plan,” “potential,” “predict,” “subject,” “project,” “outlook,” “future,” “will,” “seek” and similar terms or phrases. The forward-looking statements contained in this document, including the quarterly and annual guidance, are based on management’s current expectations, which are subject to uncertainty, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. Important factors that could cause our actual results to differ materially from those indicated in the forward-looking statements include, among others, our expectation that we will be able to attract and retain registered users and partners to our various offerings, and generate new paid subscriptions, in particular as we continuously adjust our marketing strategy and as the macro-economic environment continues to be turbulent; our expectation that we will be able to increase the average revenue we derive per paid subscription, including through our partners; our expectation that new products and developments (such as Wix Harmony and/or our proprietary LLMs), as well as third-party products we will offer in the future within our platform, will receive customer acceptance and satisfaction, including the growth in market adoption of our online commerce solutions and our Wix Studio product, as well as our Base44 offering; our expectations regarding our ability to develop relevant and required products using artificial intelligence (“AI”), the legal and regulatory environment impacting AI and AI-related activities; cybersecurity, privacy and intellectual property, and potential competitive impacts from AI tools (including the impact on our business of users and potential users choosing to build their online presence using other AI products), and other risks associated with AI technologies; our assumption that historical user behavior can be extrapolated to predict future user behavior, in particular during turbulent macro-economic environments; our prediction of the future revenues and/or bookings generated by our user cohorts and our ability to maintain and increase such revenue growth, as well as our ability to generate and maintain elevated levels of free cash flow and profitability; our expectation to maintain and enhance our brand and reputation; our expectation that we will effectively execute our initiatives to improve our user support function through our Customer Care team, and continue attracting registered users and partners, and increase user retention, user engagement and sales; our ability to successfully expand our payment infrastructure to transact in additional local currencies and accept additional payment methods; our expectation regarding the impact of fluctuations in foreign currency exchange rates, interest rates, potential illiquidity of banking systems, and other recessionary trends on our business; our expectations relating to the repurchase of our ordinary shares and/or convertible notes pursuant to our repurchase program, or as required; our expectation that we will comply with the restrictions under our Credit Agreement; our expectation that we will effectively manage our infrastructure; our expectation that we will efficiently and successfully manage cybersecurity risks and incidents; our expectations regarding the outcome of any regulatory investigation or litigation, including class actions; our expectations regarding future changes in our cost of revenues and our operating expenses on an absolute basis and as a percentage of our revenues, including as a result of elevated costs related to AI; our expectation with respect to future sales of our ordinary shares by directors, officers or large shareholders; our expectations regarding changes in the global, national, regional or local economic, business, competitive, market, and regulatory landscape, including as a result of the war and hostilities between Israel and Hamas, Hezbollah, Iran and the Houthi movement in Yemen and/or the Ukraine-Russia war and any escalations thereof and potential for wider regional instability and conflict; our planned level of capital expenditures and our belief that our existing cash and cash from operations will be sufficient to fund our operations for at least the next 12 months and for the foreseeable future; our expectations with respect to the integration and performance of acquisitions; our ability to attract and retain qualified employees and key personnel; and our expectations about entering into new markets and attracting new customer demographics, including our ability to successfully attract new partners, large enterprise-level users and to grow our activities, including through the adoption of our Wix Studio product, with these customer types as anticipated; and other factors discussed under the heading “Risk Factors” in the Company’s annual report on Form 20-F for the year ended December 31, 2025 filed with the Securities and Exchange Commission on March 5, 2026. The preceding list is not intended to be an exhaustive list of all of our forward-looking statements. Any forward-looking statement made by us in this press release speaks only as of the date hereof. Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible for us to predict all of them. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future developments or otherwise.

Reconciliation of GAAP to Non-GAAP financial measures

in 000s	2025			2026		FY	FY	FY
	Q2	Q3	Q4	Q1	Q2	2023	2024	2025
Revenues	\$489,930	\$505,194	\$524,269	\$541,171	\$563,058	\$1,561,665	\$1,760,650	\$1,993,044
Change in deferred revenues	\$26,232	\$18,316	\$14,985	\$48,915	\$8,314	\$76,193	\$74,450	\$103,895
Change in unbilled contractual obligations	(\$6,238)	(\$8,967)	(\$4,737)	(\$5,094)	(\$2,243)	(\$40,355)	(\$5,048)	(\$27,050)
Bookings	\$509,924	\$514,543	\$534,517	\$584,992	\$569,129	\$1,597,503	\$1,830,052	\$2,069,889
Creative Subscriptions Revenues	\$345,456	\$356,174	\$370,421	\$382,361	\$398,350	\$1,152,007	\$1,264,975	\$1,409,727
Change in deferred revenues	\$25,653	\$19,143	\$10,157	\$41,504	\$9,708	\$63,124	\$55,518	\$93,854
Change in unbilled contractual obligations	(\$6,238)	(\$8,967)	(\$4,737)	(\$5,094)	(\$2,243)	(\$40,355)	(\$5,048)	(\$27,050)
Creative Subscriptions Bookings	\$364,871	\$366,350	\$375,841	\$418,771	\$405,815	\$1,174,776	\$1,315,445	\$1,476,531
Business Solutions Revenues	\$144,474	\$149,020	\$153,848	\$158,810	\$164,708	\$409,658	\$495,675	\$583,317
Change in deferred revenues	\$579	(\$827)	\$4,828	\$7,411	(\$1,394)	\$13,069	\$18,932	\$10,041
Business Solutions Bookings	\$145,053	\$148,193	\$158,676	\$166,221	\$163,314	\$422,727	\$514,607	\$593,358
Gross Profit	\$336,590	\$345,266	\$352,976	\$353,366	\$370,341	\$1,049,137	\$1,196,015	\$1,356,691
Share based compensation expenses	\$3,472	\$3,539	\$3,584	\$3,272	\$3,042	\$15,013	\$14,146	\$13,915
Acquisition related expenses	\$163	\$20	\$22	\$21	\$23	\$229	-	\$205
Amortization	\$668	\$915	\$2,170	\$1,455	\$1,455	\$2,669	\$2,669	\$4,420
Non GAAP Gross Profit	\$340,893	\$349,740	\$358,752	\$358,114	\$374,861	\$1,067,048	\$1,212,830	\$1,375,231
Non GAAP Gross margin	70%	69%	68%	66%	67%	68%	69%	69%

in 000s	2025			2026		FY	FY	FY
	Q2	Q3	Q4	Q1	Q2	2023	2024	2025
Gross Profit - Creative Subscriptions	\$291,325	\$297,073	\$302,432	\$303,868	\$317,300	\$936,492	\$1,051,553	\$1,172,439
Share based compensation expenses	\$2,442	\$2,494	\$2,532	\$2,312	\$2,152	\$11,081	\$10,232	\$9,835
Acquisition related expenses	\$163	\$20	\$22	\$21	\$23	-	-	\$205
Amortization	-	-	\$1,553	\$709	\$709	-	-	\$1,553
Non GAAP Gross Profit - Creative Subscriptions	\$293,930	\$299,587	\$306,539	\$306,910	\$320,184	\$947,573	\$1,061,785	\$1,184,032
<i>Non GAAP Gross margin - Creative Subscriptions</i>	<i>85%</i>	<i>84%</i>	<i>83%</i>	<i>80%</i>	<i>80%</i>	<i>82%</i>	<i>84%</i>	<i>84%</i>
Gross Profit - Business Solutions	\$45,265	\$48,193	\$50,544	\$49,498	\$53,041	\$112,645	\$144,462	\$184,252
Share based compensation expenses	\$1,030	\$1,045	\$1,052	\$960	\$890	\$3,932	\$3,914	\$4,080
Acquisition related expenses	-	-	-	-	-	\$229	-	-
Amortization	\$668	\$915	\$617	\$746	\$746	\$2,669	\$2,669	\$2,867
Non GAAP Gross Profit - Business Solutions	\$46,963	\$50,153	\$52,213	\$51,204	\$54,677	\$119,475	\$151,045	\$191,199
<i>Non GAAP Gross margin - Business Solutions</i>	<i>33%</i>	<i>34%</i>	<i>34%</i>	<i>32%</i>	<i>33%</i>	<i>29%</i>	<i>30%</i>	<i>33%</i>
Research and development (GAAP)	\$134,735	\$172,025	\$211,244	\$178,218	\$175,685	\$481,293	\$495,281	\$645,501
Share Based Compensation	\$32,098	\$32,233	\$31,681	\$32,383	\$29,974	\$119,482	\$126,462	\$127,503
Acquisition related expenses	\$4,248	\$34,929	\$74,582	\$38,927	\$41,036	\$237	\$6	\$113,759
Non-GAAP research and development	\$98,389	\$104,863	\$104,981	\$106,908	\$104,675	\$361,574	\$368,813	\$404,239
<i>% of revenue</i>	<i>20%</i>	<i>21%</i>	<i>20%</i>	<i>20%</i>	<i>19%</i>	<i>23%</i>	<i>21%</i>	<i>20%</i>
Selling and marketing (GAAP)	\$113,155	\$137,428	\$152,134	\$199,590	\$181,705	\$399,577	\$425,457	\$514,280
Share Based Compensation	\$9,046	\$9,448	\$9,300	\$8,246	\$8,050	\$41,277	\$38,755	\$36,971
Amortization	\$590	\$439	\$752	\$579	\$579	\$3,282	\$3,570	\$2,585
Acquisition related expenses	-	\$313	(\$30)	\$107	-	-	-	\$283
Non-GAAP selling and marketing	\$103,519	\$127,228	\$142,112	\$190,658	\$173,076	\$355,018	\$383,132	\$474,441
<i>% of revenue</i>	<i>21%</i>	<i>25%</i>	<i>27%</i>	<i>35%</i>	<i>31%</i>	<i>23%</i>	<i>22%</i>	<i>24%</i>
<i>% of Non- GAAP Gross Profit</i>	<i>30%</i>	<i>36%</i>	<i>40%</i>	<i>53%</i>	<i>46%</i>	<i>33%</i>	<i>32%</i>	<i>34%</i>

in 000s	2025			2026		FY	FY	FY
	Q2	Q3	Q4	Q1	Q2	2023	2024	2025
General and administrative (GAAP)	\$44,394	\$43,184	\$62,186	\$45,278	\$44,641	\$160,033	\$175,136	\$195,158
Share Based Compensation	\$14,823	\$14,345	\$13,546	\$13,045	\$12,306	\$48,853	\$61,358	\$58,987
Amortization	\$1	\$1	\$1	\$1	-	\$4	\$4	\$4
Acquisition related expenses	\$1,676	\$170	\$15,470	(\$1,147)	-	\$6	-	\$17,316
Sales tax accrual and other G&A expenses (income)	(\$938)	\$945	\$2,694	\$617	\$52	\$748	\$1,464	\$3,400
Non-GAAP general and administrative	\$28,832	\$27,723	\$30,475	\$32,762	\$32,283	\$110,422	\$112,310	\$115,451
% of revenue	6%	5%	6%	6%	6%	7%	6%	6%
GAAP Operating Income (Loss)	\$44,306	(\$7,371)	(\$72,588)	(\$69,720)	(\$58,799)	(\$24,380)	\$100,141	\$1,752
Share Based Compensation	\$59,439	\$59,565	\$58,111	\$56,946	\$53,372	\$224,625	\$240,721	\$237,376
Amortization	\$1,259	\$1,355	\$2,923	\$2,035	\$2,034	\$5,955	\$6,243	\$7,009
Acquisition related expenses	\$6,087	\$35,432	\$90,044	\$37,908	\$41,059	\$472	\$6	\$131,563
Sales tax accrual and other G&A expenses (income)	(\$938)	\$945	\$2,694	\$617	\$52	\$748	\$1,464	\$3,400
Restructuring	-	-	-	-	\$27,109	\$32,614	-	-
Non-GAAP Operating Income (Loss)	\$110,153	\$89,926	\$81,184	\$27,786	\$64,827	\$240,034	\$348,575	\$381,100
% of revenue	22%	18%	15%	5%	12%	15%	20%	19%
Non-GAAP Net Income	\$136,247	\$100,197	\$111,321	\$42,459	\$68,242	\$268,299	\$383,266	\$441,636
% of revenue	28%	20%	21%	8%	12%	17%	22%	22%
Net cash provided by operating activities	\$150,335	\$128,699	\$158,333	\$78,528	\$55,562	\$248,246	\$497,415	\$582,858
Capital expenditures, net	(\$2,670)	(\$1,417)	(\$2,764)	(\$3,555)	(\$2,920)	(\$66,049)	(\$19,336)	(\$9,901)
Free Cash Flow	\$147,665	\$127,282	\$155,569	\$74,973	\$52,642	\$182,197	\$478,079	\$572,957
Capital expenditures and other cash costs related to Wix HQ office build out	-	-	-	-	-	\$57,946	\$10,325	-
Cash paid for acquisition-related costs	-	\$32,128	-	\$37,279	-	-	-	\$32,128
Restructuring	-	-	-	-	\$8,534	\$5,915	-	-
Free Cash Flow (excluding capex and other cash costs)	\$147,665	\$159,410	\$155,569	\$112,252	\$61,176	\$246,058	\$488,404	\$605,085
% of revenue	30%	32%	30%	21%	11%	16%	28%	30%
Outstanding ordinary shares as year-end						57,172,595	56,107,932	54,989,523
Outstanding Stock options as year-end						3,956,056	3,165,633	2,675,894
Outstanding Restricted share units as year-end						3,236,742	3,385,005	3,391,516
Total Diluted Shares as of year-end						64,365,393	62,658,570	61,056,933

in 000s	2026
	Q2
Bookings	\$569,129
Adjustment for FX changes	(\$4,726)
Bookings excl. FX Impact	\$564,403
Revenues	\$563,058
Adjustment for FX changes	(\$3,656)
Revenues excl. FX Impact	\$559,402