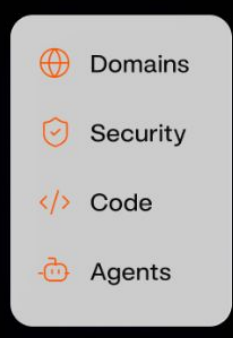
WIX

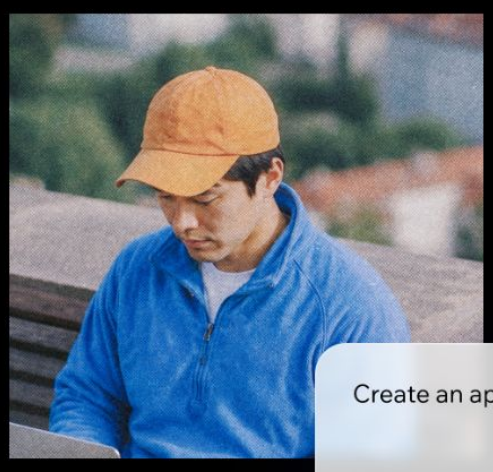
Shareholder Update

Third Quarter 2026 | November 10, 2026

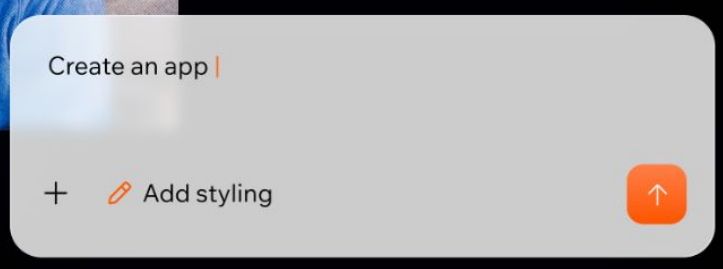














To our Shareholders, our Users & our People

Base44 remains our biggest bet as it continues its strong trajectory, with Base44 ARR today close to $250 million – a major milestone. This is the result of a leading product, clear strategy and relentless execution powering the strong conviction in our ability to win in the rapidly growing vibe coding space, all underpinned by aggressive and necessary investments. Base44 demand in the second half of the year has continued to be greater than we anticipated and we are chasing this elevated demand with accelerated marketing investments. Every incremental dollar invested in paid marketing and branding strengthens the flywheel, building brand recognition and as a result, organic demand.

In addition to strong top-of-funnel momentum, we are also seeing great early retention behavior. This quarter marked the one-year anniversary of our first cohort of Base44 users onboarded last August and September. **Retention of this earliest batch of users was strong, with both monthly and annual subscription renewal rates at the 12-month mark exceeding initial expectations. Encouragingly, renewal rates have steadily increased across each subsequent new user cohort - a fantastic sign that the product is adding value after the initial prototype or build.**

We have also focused on turning this hypergrowth business profitable. Base44's non-GAAP gross margin finished at 58% in the third quarter, up from basically 0% just two quarters ago. As we route more traffic to Base 1 and execute on other initiatives to optimize AI inference costs, we anticipate that Base44 gross margin will climb higher over time, and approach that of core Wix already next year. Our objective remains unchanged: for Base44 to achieve sustainable FCF profitability and become accretive to overall Wix margins.

Outside of Base44, we recently launched two cornerstone products for SMBs and Partners: Symphony by Wix and Studio Two (read more in the Product section below). **These two products were designed to deepen our reach within the audiences we've known and served for the past two decades while expanding into new adjacent markets.**

First, **Symphony by Wix**, our standalone multi-agent system for SMBs, was rolled out in August, and as a testament to the strength of the product, is already generating millions of dollars of ARR. This early traction demonstrates that Symphony is resonating well within a new, bigger TAM than we previously had. It is important to recognize that several major AI players have announced their own version of SMB agents within a month of Symphony's launch. While this dynamic creates a more competitive landscape, it also strengthens my conviction that this is an important space in which to continue innovating and investing. Our decades-long operating history in servicing the needs of SMBs and micro businesses plays exactly to our strengths, and I believe gives Symphony an upper hand in becoming a key player in this evolving space.

Last week, we launched **Wix Studio Two**, which I believe is the best editor we have ever built. This is a key product that we began developing nearly two years ago, and it has evolved well beyond our initial vision over the past year. It was imperative to me that Studio Two resonated strongly on day one, by providing today's most advanced AI capabilities.

Most importantly, it is truly open: professionals can start building with a range of AI tools, IDEs, existing repos or inside the Editor itself, export and move freely between platforms/tools, and come back to Studio Two for powerful visual editing, advanced creative tools, business capabilities, and infrastructure. Additionally, professionals can now build customized skills, APIs and code the way they want, enabling Wix to integrate into their workflow, creation process and environment seamlessly.

Because projects can now be deployed outside Wix, I believe that we have the opportunity to evolve Studio Two into a true enterprise offering - a new untapped market for Wix.

Making Studio Two open was a deliberate choice, and a departure from how editors in our industry, including our own, have traditionally worked. Professionals today build with whatever mix of tools gets them there fastest – an AI assistant, an IDE, a canvas – and a platform that insists on being the only place work can happen will get left behind. With Studio Two, a project can start anywhere, pass through any tool along the way, and end up published on Wix with nothing lost in between. Wix becomes part of a professional's workflow rather than the boundary of it, and I believe that is a far stronger position to hold. It is also the model for how the rest of our products will evolve.

When I take a step back and look at what Wix offers today, I am proud of what we have built, and believe that no other company in our space matches our portfolio - Wix Harmony, combining visual creation, drag and drop and AI; Base44 for AI-powered app creation; Symphony for SMBs; and Studio Two for professional designers and agencies. Together, these products give us a comprehensive offering that expands our TAM both horizontally and vertically, positioning us to capture growth across an increasingly bigger market as technology continues to evolve at breakneck speed. **We expect these recent new product offerings to drive incremental growth on top of Wix's existing core business going forward.**

And as we expand to serve a larger market, I want to note that we're doing so with a leaner, more agile team. This positions us to continue to scale the business efficiently and maximize our impact. Our total headcount has decreased by 25% since 2022. More impressively, today's headcount includes ~300 Base44 employees, meaning the reduction in the core Wix headcount is even more significant.

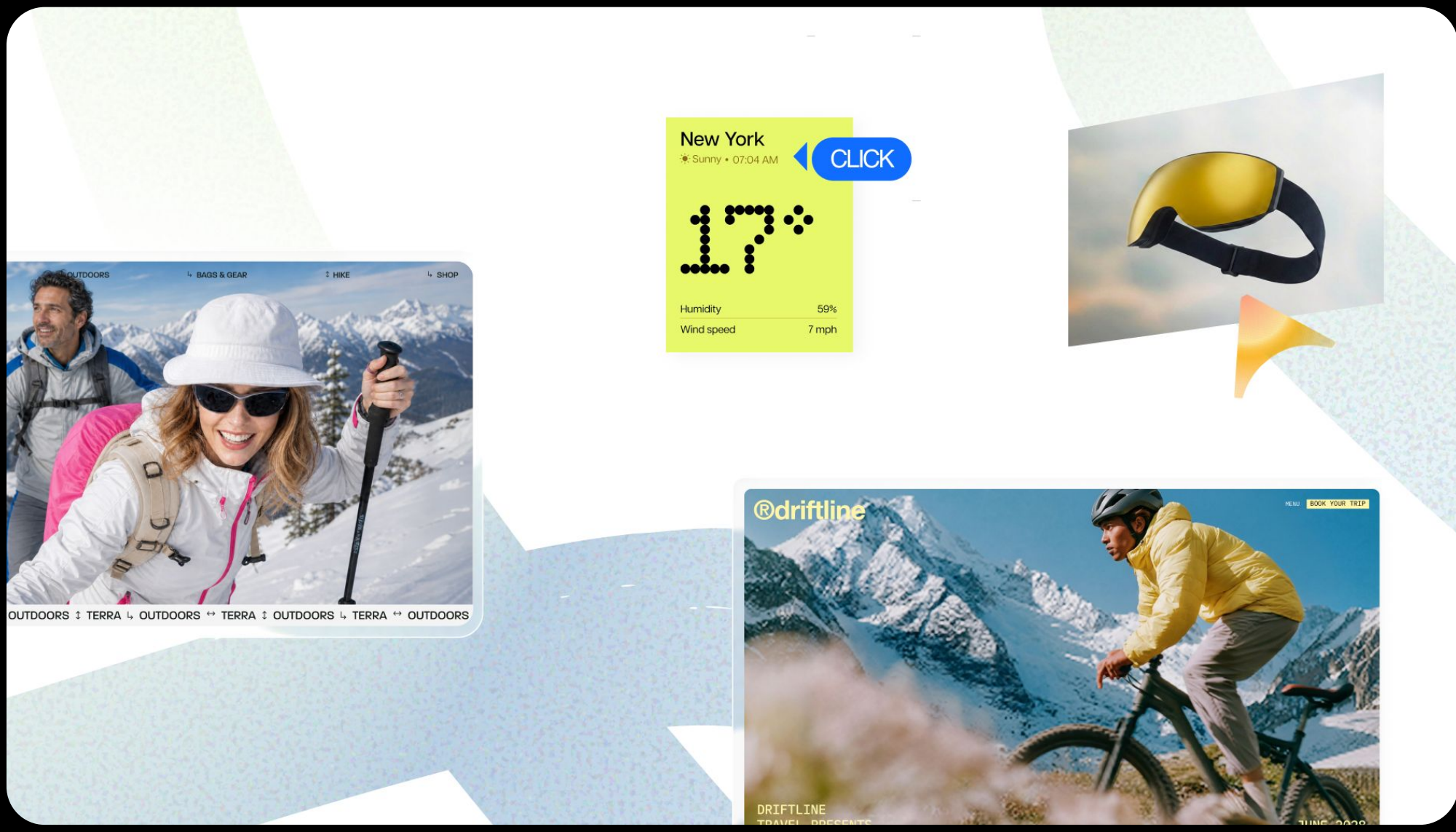
Notably, our Customer Care organization has seen a nearly 50% reduction in headcount costs over this time period, while impressively supporting over 33% more users. This demonstrates our success leveraging AI to accomplish more with less, with AI automation and self-service support tools resolving approximately 80% of support inquiries. All of this efficiency is underpinned by durable bookings growth and a meaningfully expanded product platform and TAM over the last four years. Our go-forward ambition is to drive growth momentum with a lean team, forcing us to move much faster. Our organizational structure today is built for growth and speed - our current prime directive.

Ultimately, our focus is on translating greater organizational efficiency and speed into sustained growth, improved operating leverage, and long-term value creation.

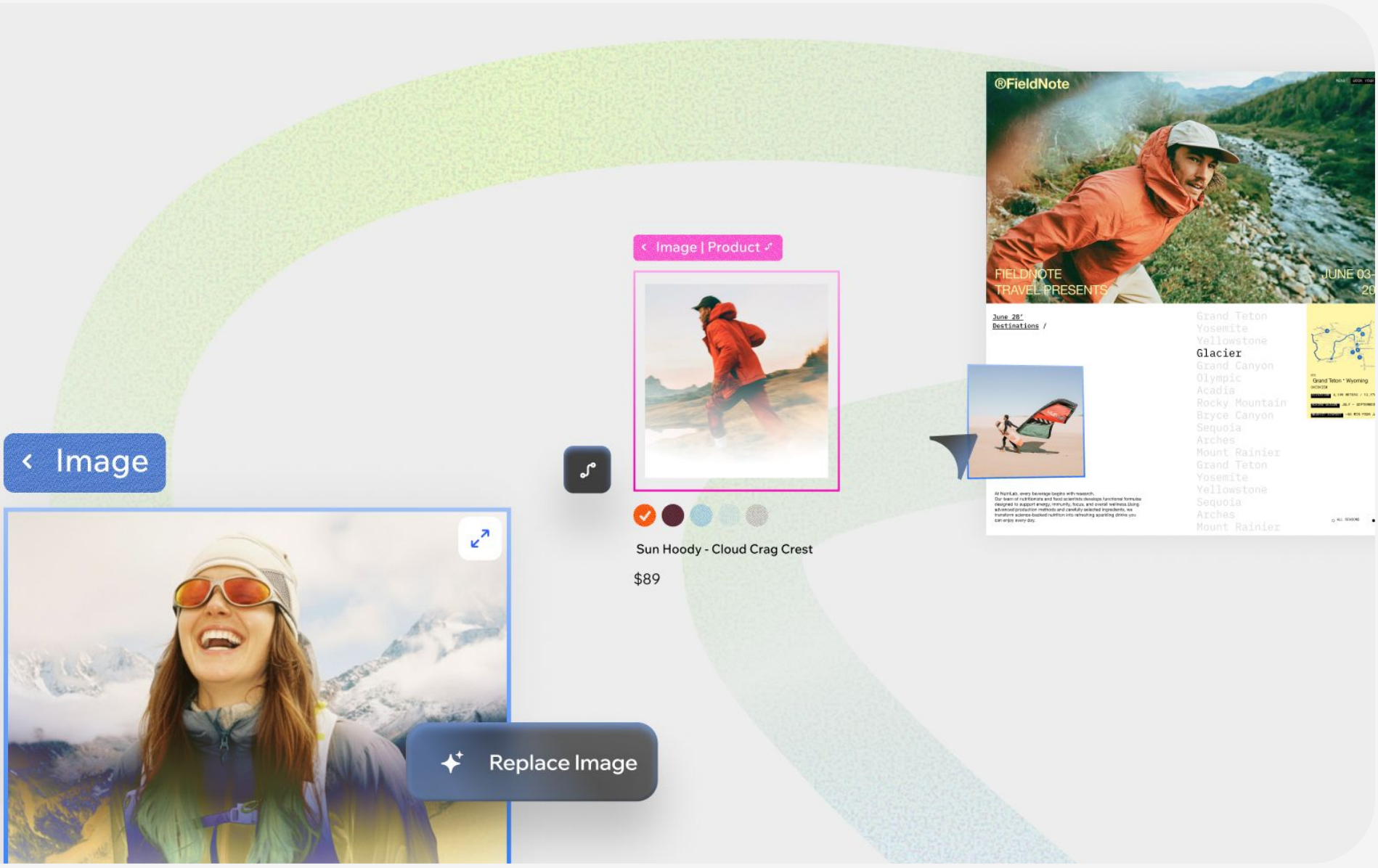
One more thing. Nir Zohar and I have been building Wix side by side for almost 20 years, and somewhere along the way we stopped needing to explain things to each other. Today we made that partnership official: Nir is now Co-CEO alongside me.

In practice, little changes. Nir runs the business; I run product and AI. What does change is that I get to spend more of my time where the technology is moving fastest, knowing the rest of the company is in hands I trust completely. I can't think of a better setup for the phase ahead.

Sincerely, Avishai Abrahami Co-Founder and CEO



Product & Business Updates



Wix

Symphony by Wix: From Building Businesses to Running Them

Launched Symphony by Wix, a standalone, platform-agnostic AI multi-agent platform that gives SMBs a proactive team of agents coordinated by a central agent, Maestro, to manage, automate, and grow their business. Symphony now also connects to Stripe Link, allowing its agents to complete tasks through to payment, such as paying bills or reordering inventory, with owner approval on every purchase.

Studio Two: An Open, AI-Native Editor for Professionals

Introduced Studio Two, one of the most advanced editors in Wix's history, where generating with Aria 2.0, designing on the canvas, and working in standard React code become one continuous way of building. It is truly open: professionals can build with a range of AI tools, export projects as standard code to Claude, Codex, Cursor, or other IDEs, and deploy on Wix or anywhere else. Built on the same foundation as Wix Harmony, it also lets partners pick up any Harmony site, creating a new lead funnel from DIY users who need professional help.

Wix Headless Brings Wix's Full Business Infrastructure to AI Coding Agents

Wix Headless now connects with leading AI agents, personal assistants, and creation platforms, including ChatGPT, Claude, Gemini, Grok, and Figma, letting builders turn AI-generated front-ends into fully operational businesses with Wix-managed hosting, payments, bookings, CMS, SEO, analytics, and more, without building their own backend. Builders can freely switch between AI agents and continue working on the same project across platforms.

Elavon and Wix Unified Commerce Solution

Elavon, a wholly owned subsidiary of U.S. Bank, together with Wix, built a Unified Commerce Solution. It is now available to help small businesses grow and scale with a single platform for online and in-person sales, bookings, inventory, and analytics, connected to Elavon payments.

Wix Harmony Now in Gemini and Grok Build

Users can now type "@Wix" in Google Gemini, describe what they want, and build a Wix Harmony site without leaving the conversation. Wix is also now available in Grok Build, joining ChatGPT, Copilot, and Claude as surfaces where Wix meets builders where they already are, another step in extending Wix's presence in the agentic world.

Base44

Base Code: Base44 for Existing Codebases

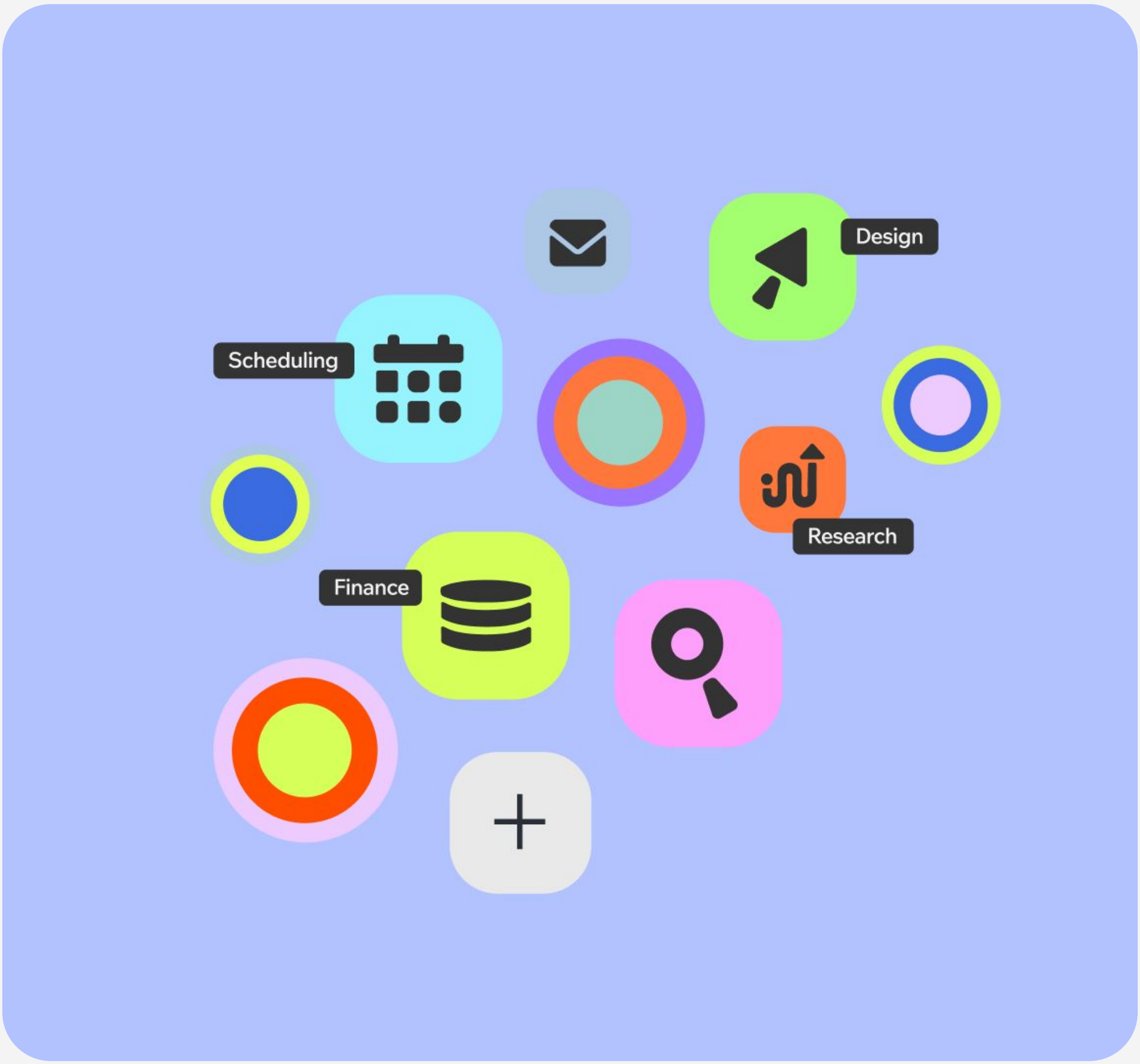
Launched Base Code, a standalone product that connects a GitHub repository to a collaborative cloud environment where any team member can make changes via natural language and iterate on them within the team's existing development workflows, joining the only AI platforms operating on real production software.

Google Ads Built Into Base44

In collaboration with Google, builders can now create, launch, and manage Google Ads Performance Max campaigns directly from Base44, with account, and campaign content generated automatically from their app.

Superagents Can Now Make Phone Calls

Superagents can now call on a user's behalf, booking and rescheduling appointments, navigating phone menus, asking questions, and following up when no one answers.



Financial Review

Base44: First-Year Performance

Base44 continued to outperform expectations this quarter, with ARR now near $250 million as the demand funnel remained robust through Q3. **Beyond higher top-of-funnel volume, new users to the platform also tended to have greater AI fluency compared to prior cohorts and a stronger understanding of vibe coding's potential, translating into significantly improved conversion behavior over the past few months**.

This quarter, we marked the one-year anniversary of our first Base44 cohorts onboarded last August and September. **Retention of these earliest users was strong, with both monthly and annual subscription renewal rates at the 12-month mark exceeding initial expectations. Encouragingly, Base44 renewal rates have steadily improved across each new subsequent user cohort.** Bookings retention of our first quarterly Base44 cohort performed even better, driven by this strong renewal behavior as well as users regularly upgrading to higher-tier subscriptions. **Subscription mix is also improving, with annual plans accounting for more than 20% of subscriptions purchased by the September 2026 new Base44 cohort - a significant increase from ~5% in the September 2025 cohort.**

These cohort trends give us confidence that Base44 is a scalable business with a compelling operating model and the potential to deliver durable, long-term growth. As a result, we accelerated marketing investments in Q3'26 to support the strong demand volume we saw for Base44. We expect marketing investments to remain elevated through the rest of the year as long as top-of-funnel demand remains strong and quality of the user base continues to improve.

As part of our S&M activity, we are investing in building out a best-in-class enterprise sales team for Base44, which we expect to ramp up in the coming quarters. We are organically already serving many of the Fortune 500, and believe that with a focused sales effort with a leading product, we can unlock even more TAM.

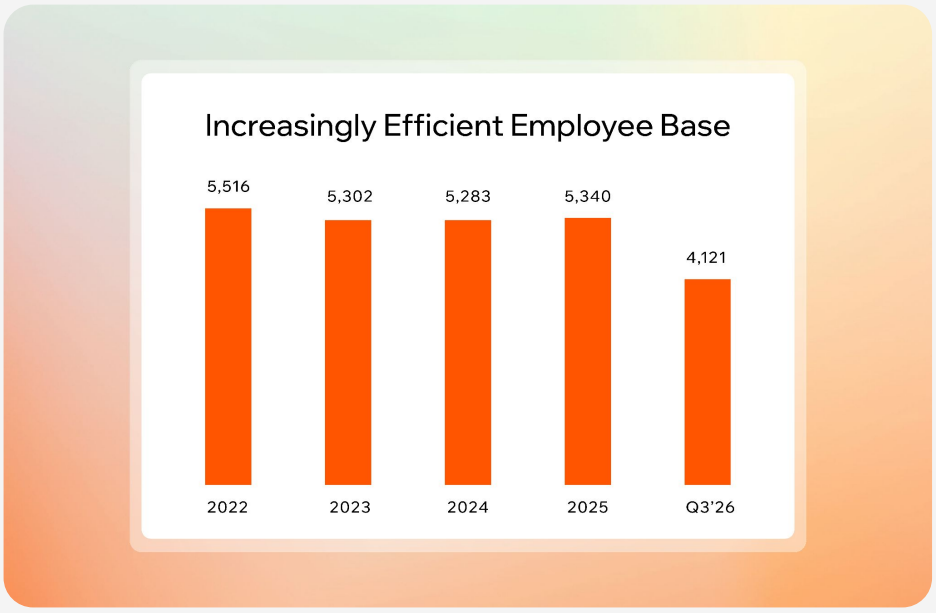
We anticipate higher sales and marketing spend to be partially offset by significantly improved gross margins driven by a meaningful reduction in AI inference costs. **In Q3'26, Base44 achieved a non-GAAP gross margin of 58%, an improvement from the near-zero non-GAAP gross margin in the first quarter - a remarkable accomplishment in just six months.** We expect Base44 to step up margin further in the fourth quarter, resulting in a non-GAAP gross margin of approximately 60% for the second half of the year. **Looking ahead, we believe Base44 margins can approach that of core Wix next year**.

Impact of June Reorganization

In June, we announced an organizational realignment to streamline operations and reallocate resources to support our top strategic priorities. This recent execution builds upon our proven track record of continuously improving operational efficiency as we scale the business and grow our TAM.

As a result, our total headcount as of the end of the most recent quarter was 25% lower compared to the end of 2022. This headcount includes ~300 Base44 employees, making the reduction in core Wix headcount even more significant.

Notably, our Customer Care organization has seen a nearly 50% reduction in headcount costs over this time period, while impressively supporting over 33% more users. This demonstrates our success leveraging AI to accomplish more with less, with AI automation and self-service support tools resolving approximately 80% of support inquiries today.



Our total employee count at the end of Q3'26 was 4,121, a decrease of 250 employees from the previous quarter.

Revenue and Bookings

Total revenue grew to $570.2 million in Q3'26, up 13% y/y. Total bookings grew to $573.0 million in Q3'26, up 11% y/y.

Total ARR was $2.02 billion at the end of Q3'26, up 15% y/y. We ended Q3'26 with approximately 323 million registered users across both Base44 and core Wix.

Core Wix Business

Performance of creation products in our core Wix business was in-line with expectations in the third quarter. Key trends were similar to previous quarters. Partners growth decelerated due to continued macro headwinds, in-line with our expectations earlier this year. Subsequent to quarter-end, we launched Studio Two, which we believe may help reignite growth in Partners in the coming years.

Self Creators and Partners

Self Creators revenue of $357.8 million in Q3'26 grew 14% y/y, demonstrating solid momentum driven by the ramp in Base44 outperformance and supported by continued growth in our core Wix business.

Partners revenue in Q3'26 totaled $212.4 million, or 37% of total revenue, up 11% y/y. This softening of growth was in-line with expectations as we pulled back on Partner investments. Our Partners business remains an area of strategic focus going forward, underscored by last week's launch of Studio Two, our new marquee offering for professional designers. Partners revenue included modest, but steadily increasing, contribution from Base44 as professionals increasingly leverage AI and AI agents in their workflows.

Creative Subscriptions Revenue and Bookings

Creative Subscriptions revenue grew to $406.7 million in Q3'26, up 14% y/y. Creative Subscriptions bookings grew to $407.0 million in Q3'26, up 11% y/y.

Top-line growth was a result of Base44 outperformance, driven by a larger and better monetized new cohort with improved conversion behavior as well as better than anticipated retention of previous cohorts. Base44 strength was coupled with in-line performance in the core Wix business. Contribution from Symphony, which was launched in late August, was minimal in the third quarter.

Business Solutions Revenue and Bookings

Business Solutions revenue grew to $163.5 million in Q3'26, up 10% y/y. Business Solutions bookings grew to $166.0 million in Q3'26, up 12% 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 third quarter was $3.62 billion, down slightly y/y, reflecting a full quarter of headwind from inkFrog, a subsidiary we wound down as part of our June organizational realignment. Excluding the impact of inkFrog, Q3'26 GPV grew 5% y/y. We expect this sunset to remain a headwind to y/y GPV growth in the next couple of quarters. GPV contribution from Base44 continues to increase, but remains immaterial.

While the inkFrog wind-down was a significant headwind 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 Q3'26 was $73.1 million, up 12% y/y and 45% of our Business Solutions revenue. Take rate in the third quarter increased to 2.02% as a result of this GPV monetization mix dynamic and merchants continued to adopt Wix Payments, with particularly strong growth in our subsidiary, DeviantArt, and our Point-of-Sale business.

Gross Profit and Margin

Total non-GAAP gross margin was 69% in Q3'26, consistent with 69% in Q3'25 and up two percentage points sequentially, as we primarily benefited from a full quarter of the rollout of our Base44 model, Base 1, during the third quarter.

Creative Subscriptions non-GAAP gross margin was 83% in Q3'26, down slightly from 84% in Q3'25, and improved by more than two percentage points as compared to Q2'26. Stable Creative Subscriptions non-GAAP gross margin in our core Wix business was offset by an accelerating contribution from Base44. Over time we believe that the margin profile of Base44 can approach that of the core Wix business.

Business Solutions non-GAAP gross margin was 33% in Q3'26, relatively consistent as compared to the year-ago and prior quarters.

Base44 Gross Margin
In the third quarter of 2026, Base44 achieved a non-GAAP gross margin of 58%, an improvement from the near-zero non-GAAP gross margin in the first quarter. This is a remarkable accomplishment in just six months. Consistent with our previous expectations, we continue to expect Base44 to achieve a further step-up in margin in Q4, resulting in a non-GAAP gross margin of approximately 60% in the second half of the year.

The Base 1 model is delivering exceptional results, with the cost-of-bookings significantly outperforming initial expectations. We previously expected that as a percentage of total Base44 bookings, total AI costs would decline significantly to approximately 30-40% in the second half of 2026. **We now expect total AI costs for all free and paid users to represent less than 30% of total bookings in 2H.**

As a reminder, this comprehensive AI cost metric captures total AI usage across both free and paid users and excludes all other costs associated with revenue. By comparison, the non-GAAP gross margin referenced above takes into account only AI costs incurred by paid users as well as hosting, customer care and overhead expenses.

Operating Expenses and Margin

Non-GAAP R&D expenses were $103.0 million in Q3'26, a decrease of 2% both y/y and q/q. This decrease was a result of lower payroll expenses as we steadily drove efficiencies across the organization over the past year. This was partially offset by increased GPU investments to support the training of our proprietary AI models as we gradually reduce our reliance on third-party LLMs to process Base44 and Wix AI usage. As a percent of revenue, non-GAAP R&D expenses were 18% in Q3'26, down from the year-ago and previous quarters.

Non-GAAP S&M expenses were $185.5 million in Q3'26, an increase of 46% y/y and 7% q/q. As a percent of revenue, non-GAAP S&M expenses were 33% in Q3'26, stable compared to the first half of the year.

We meaningfully accelerated non-GAAP S&M spend in the third quarter to capitalize on strong top-of-funnel demand, a trend that has remained robust over the past several months. These investments have been key to driving Base44's growth, bringing the business close to a new ARR milestone of $250 million and demonstrating the success of our marketing and brand-building strategy, particularly as organic demand continues to strengthen. We also incurred a modest amount of marketing costs to support the launch of Symphony. As part of our go-forward S&M activity, we are investing in building out a best-in-class enterprise sales team for Base44, which we expect to ramp up in the coming quarters. We are organically already serving many of the Fortune 500, and believe that with a focused sales effort with a leading product, we can unlock even more TAM.

As we continued to onboard millions of new Base44 users, AI inference and compute costs attributable to free users decreased by more than 50% sequentially. This significant cost reduction was driven primarily by routing free-user prompt traffic through Base 1.

Non-GAAP G&A expenses were $34.0 million in Q3'26, an increase of 23% y/y and 5% q/q. As a percent of revenue, non-GAAP G&A expenses were 6% in Q3'26, similar to the previous year and prior quarters.

Non-GAAP operating income was $68.7 million in Q3'26 with an operating margin of 12%, stable from the previous quarter. This excludes $32.0 million of non-cash acquisition-related expenses associated with the accrual of earnout payments for the Base44 team.

Earnings and Earnings Per Share Data

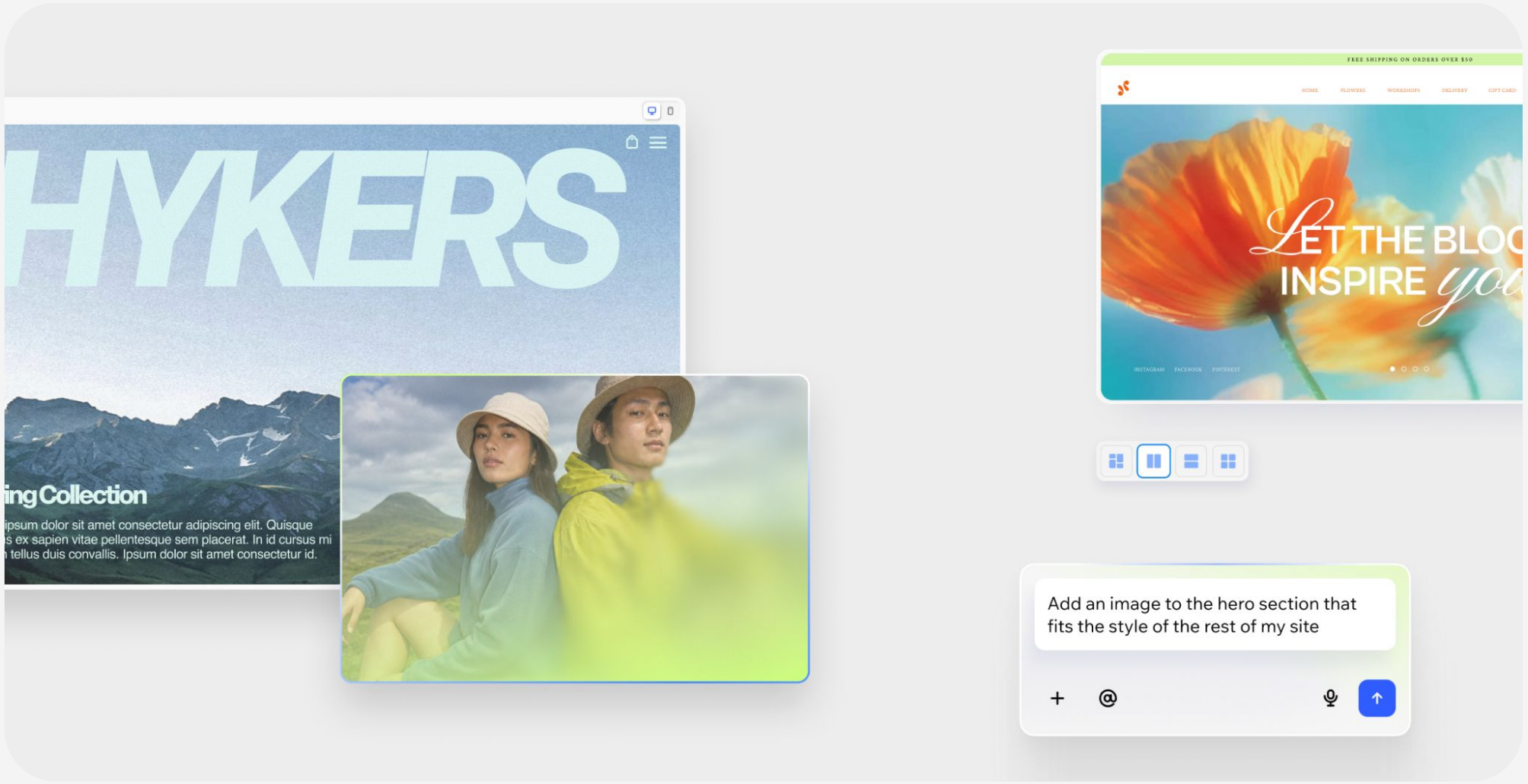
Non-GAAP net income was $69.3 million in Q3'26, 12% of revenue, or $1.64 per basic share and $1.42 per diluted share. On a GAAP basis, we saw a net loss of $13.7 million in Q3'26, or a loss of $0.32 per basic and diluted share. GAAP net loss was primarily driven by stock-based compensation and the above-mentioned Base44 earnout payments, which were excluded from non-GAAP results.

Cash Flow and Balance Sheet

Free cash flow excluding restructuring expenses totaled $99.6 million in Q3'26, or 17% of revenue, up from 11% of revenue in the prior quarter. Including the payout of approximately $25.2 million of restructuring costs accrued in the previous quarter, free cash flow was $74.5 million in Q3'26. There were no cash earnout payments related to the Base44 acquisition paid out in the quarter.

We ended Q3'26 with approximately $1.05 billion in cash and cash equivalents and $1.63 billion in short- and long-term debt.

Outlook



For the full year 2026, we are maintaining our top-line guidance. We 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. Growth is anticipated to be driven by Base44's continued strong growth trajectory through the remainder of the year.

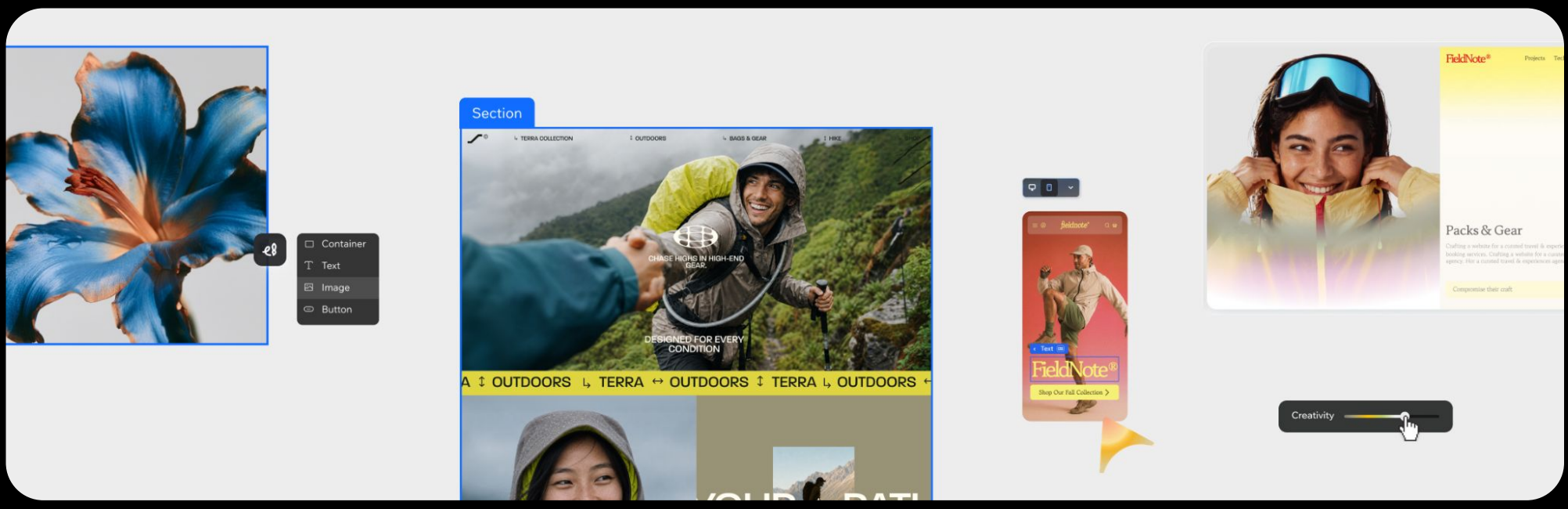
For fourth quarter 2026, we expect revenue to grow at a low-double-digits percentage on a year-over-year basis and expect fourth quarter bookings growth to continue to lag revenue growth as a result of the more immediate impact of Partners softness on bookings.

For full year 2026, we now expect FCF margin excluding acquisition-related and restructuring costs to be approximately 16%, down from the high-teens previously anticipated, primarily due to accelerated sales and marketing investments in Base44. This outlook still assumes Base44 non-GAAP gross margin of approximately 60% in 2H with margin exiting the year above 60%. We expect further gross margin improvement to be reinvested into Base44 sales and marketing in the fourth quarter in order to position ourselves well to capture the continued elevated demand for Base44.

Our aggressive push into marketing is paying off - this is clearly reflected in Base44's milestone ARR of nearly $250 million today. With the majority of Base44 subscriptions billed monthly and growth expected to ramp through the latter half of the year, we expect the strong ARR momentum this year to gradually translate into bookings and revenue dollars over the coming quarters.

In addition, we expect a working capital headwind in the fourth quarter of ~$10 million related to the prepayment of GPUs required to run our models for the next couple of years.

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, November 10, 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, and 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 not have 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 income (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, Studio Two, 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 Studio Two product, as well as the “vibe-coding” market and 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, including our ability to scale Base44 usage and revenue and improve its gross margins; 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, inflation, 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, Base44, and Wix Harmony, and our increased sales and marketing investments; 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 Q3	2026 Q4	2026 Q1	2026 Q2	2026 Q3	FY 2023	FY 2024	FY 2025
Revenues	$505,194	$524,269	$541,171	$563,058	$570,165	$1,561,665	$1,760,650	$1,993,044
Change in deferred revenues	$18,316	$14,985	$48,915	$8,314	($297)	$76,193	$74,450	$103,895
Change in unbilled contractual obligations	($8,967)	($4,737)	($5,094)	($2,243)	$3,135	($40,355)	($5,048)	($27,050)
Bookings	$514,543	$534,517	$584,992	$569,129	$573,003	$1,597,503	$1,830,052	$2,069,889
Creative Subscriptions Revenues	$356,174	$370,421	$382,361	$398,350	$406,709	$1,152,007	$1,264,975	$1,409,727
Change in deferred revenues	$19,143	$10,157	$41,504	$9,708	($2,822)	$63,124	$55,518	$93,854
Change in unbilled contractual obligations	($8,967)	($4,737)	($5,094)	($2,243)	$3,135	($40,355)	($5,048)	($27,050)
Creative Subscriptions Bookings	$366,350	$375,841	$418,771	$405,815	$407,022	$1,174,776	$1,315,445	$1,476,531
Business Solutions Revenues	$149,020	$153,848	$158,810	$164,708	$163,456	$409,658	$495,675	$583,317
Change in deferred revenues	($827)	$4,828	$7,411	($1,394)	$2,525	$13,069	$18,932	$10,041
Business Solutions Bookings	$148,193	$158,676	$166,221	$163,314	$165,981	$422,727	$514,607	$593,358
Gross Profit	$345,266	$352,976	$353,366	$370,341	$386,816	$1,049,137	$1,196,015	$1,356,691
Share based compensation expenses	$3,539	$3,584	$3,272	$3,042	$2,942	$15,013	$14,146	$13,915
Acquisition related expenses	$20	$22	$21	$23	$22	$229	-	$205
Amortization	$915	$2,170	$1,455	$1,455	$1,454	$2,669	$2,669	$4,420
Non GAAP Gross Profit	$349,740	$358,752	$358,114	$374,861	$391,234	$1,067,048	$1,212,830	$1,375,231
Non GAAP Gross margin	*69%*	*68%*	*66%*	*67%*	*69%*	*68%*	*69%*	*69%*

in 000s	2025	2026				FY	FY	FY
	Q3	Q4	Q1	Q2	Q3	2023	2024	2025
Gross Profit - Creative Subscriptions	$297,073	$302,432	$303,868	$317,300	$334,109	$936,492	$1,051,553	$1,172,439
Share based compensation expenses	$2,494	$2,532	$2,312	$2,152	$2,097	$11,081	$10,232	$9,835
Acquisition related expenses	$20	$22	$21	$23	$22	-	-	$205
Amortization	-	$1,553	$709	$709	$710	-	-	$1,553
Non GAAP Gross Profit - Creative Subscriptions	$299,587	$306,539	$306,910	$320,184	$336,938	$947,573	$1,061,785	$1,184,032
Non GAAP Gross margin - Creative Subscriptions	*84%*	*83%*	*80%*	*80%*	*83%*	*82%*	*84%*	*84%*
Gross Profit - Business Solutions	$48,193	$50,544	$49,498	$53,041	$52,707	$112,645	$144,462	$184,252
Share based compensation expenses	$1,045	$1,052	$960	$890	$845	$3,932	$3,914	$4,080
Acquisition related expenses	-	-	-	-	-	$229	-	-
Amortization	$915	$617	$746	$746	$744	$2,669	$2,669	$2,867
Non GAAP Gross Profit - Business Solutions	$50,153	$52,213	$51,204	$54,677	$54,296	$119,475	$151,045	$191,199
Non GAAP Gross margin - Business Solutions	*34%*	*34%*	*32%*	*33%*	*33%*	*29%*	*30%*	*33%*
Research and development (GAAP)	$172,025	$211,244	$178,218	$175,685	$169,432	$481,293	$495,281	$645,501
Share Based Compensation	$32,233	$31,681	$32,383	$29,974	$28,778	$119,482	$126,462	$127,503
Acquisition related expenses	$34,929	$74,582	$38,927	$41,036	$37,656	$237	$6	$113,759
Non-GAAP research and development	$104,863	$104,981	$106,908	$104,675	$102,998	$361,574	$368,813	$404,239
% of revenue	*21%*	*20%*	*20%*	*19%*	*18%*	*23%*	*21%*	*20%*
Selling and marketing (GAAP)	$137,428	$152,134	$199,590	$181,705	$193,192	$399,577	$425,457	$514,280
Share Based Compensation	$9,448	$9,300	$8,246	$8,050	$7,147	$41,277	$38,755	$36,971
Amortization	$439	$752	$579	$579	$580	$3,282	$3,570	$2,585
Acquisition related expenses	$313	($30)	$107	-	-	-	-	$283
Non-GAAP selling and marketing	$127,228	$142,112	$190,658	$173,076	$185,465	$355,018	$383,132	$474,441
% of revenue	*25%*	*27%*	*35%*	*31%*	*33%*	*23%*	*22%*	*24%*
% of Non- GAAP Gross Profit	*36%*	*40%*	*53%*	*46%*	*47%*	*33%*	*32%*	*34%*

in 000s	2025 Q3	2025 Q4	2026 Q1	2026 Q2	2026 Q3	FY 2023	FY 2024	FY 2025
General and administrative (GAAP)	$43,184	$62,186	$45,278	$44,641	$40,603	$160,033	$175,136	$195,158
Share Based Compensation	$14,345	$13,546	$13,045	$12,306	$11,880	$48,853	$61,358	$58,987
Amortization	$1	$1	$1	-	-	$4	$4	$4
Acquisition related expenses	$170	$15,470	($1,147)	-	($5,653)	$6	-	$17,316
Sales tax accrual and other G&A expenses (income)	$945	$2,694	$617	$52	$339	$748	$1,464	$3,400
Non-GAAP general and administrative	$27,723	$30,475	$32,762	$32,283	$34,037	$110,422	$112,310	$115,451
% of revenue	*5%*	*6%*	*6%*	*6%*	*6%*	*7%*	*6%*	*6%*
GAAP Operating Income (Loss)	($7,371)	($72,588)	($69,720)	($58,799)	($16,411)	($24,380)	$100,141	$1,752
Share Based Compensation	$59,565	$58,111	$56,946	$53,372	$50,747	$224,625	$240,721	$237,376
Amortization	$1,355	$2,923	$2,035	$2,034	$2,034	$5,955	$6,243	$7,009
Acquisition related expenses	$35,432	$90,044	$37,908	$41,059	$32,025	$472	$6	$131,563
Sales tax accrual and other G&A expenses (income)	$945	$2,694	$617	$52	$339	$748	$1,464	$3,400
Restructuring	-	-	-	$27,109	-	$32,614	-	-
Non-GAAP Operating Income (Loss)	$89,926	$81,184	$27,786	$64,827	$68,734	$240,034	$348,575	$381,100
% of revenue	*18%*	*15%*	*5%*	*12%*	*12%*	*15%*	*20%*	*19%*
Non-GAAP Net Income	$100,197	$111,321	$42,459	$68,242	$69,332	$268,299	$383,266	$441,636
% of revenue	*20%*	*21%*	*8%*	*12%*	*12%*	*17%*	*22%*	*22%*
Net cash provided by operating activities	$128,699	$158,333	$78,528	$55,562	$78,282	$248,246	$497,415	$582,858
Capital expenditures, net	($1,417)	($2,764)	($3,555)	($2,920)	($3,811)	($66,049)	($19,336)	($9,901)
Free Cash Flow	$127,282	$155,569	$74,973	$52,642	$74,471	$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	$25,166	$5,915	-	-
Free Cash Flow (excluding capex and other cash costs)	$159,410	$155,569	$112,252	$61,176	$99,637	$246,058	$488,404	$605,085
% of revenue	*32%*	*30%*	*21%*	*11%*	*17%*	*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 Q3
Bookings	$573,003
Adjustment for FX changes	$312
Bookings excl. FX Impact	$573,315
Revenues	$570,165
Adjustment for FX changes	$641
Revenues excl. FX Impact	$570,806