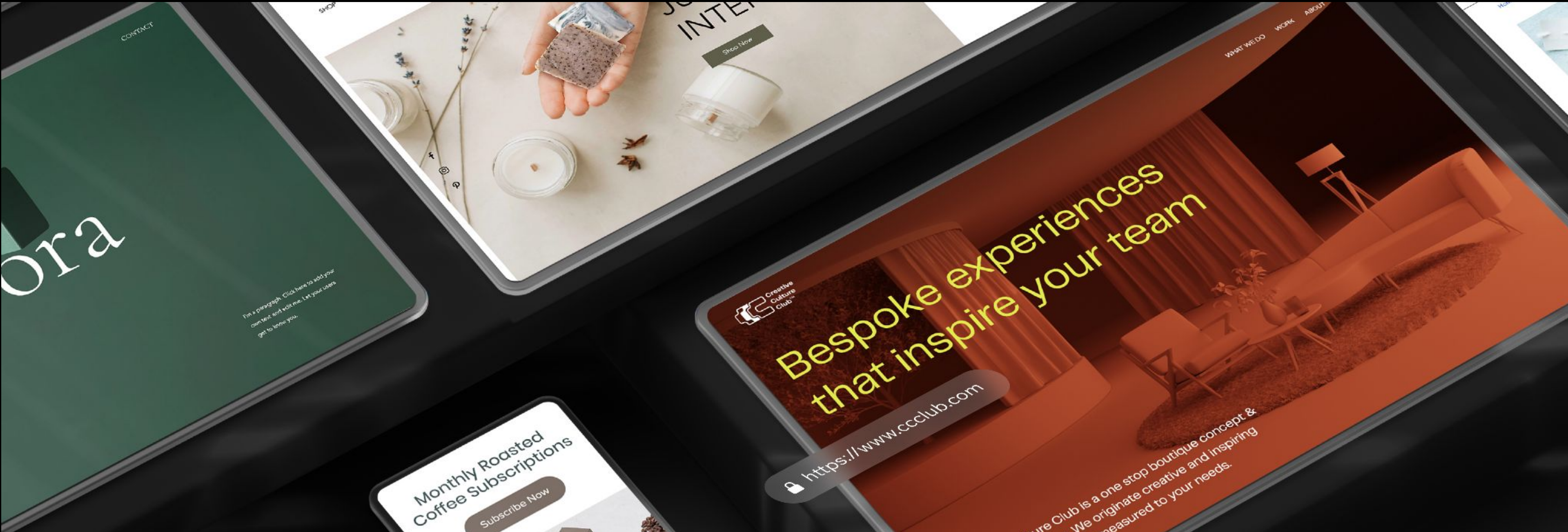
3-year Plan

Lior Shemesh
CFO



Safe Harbor

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, revenue on a constant currency basis, non-GAAP gross margin, non-GAAP operating income (loss), free cash flow, free cash flow margins, non-GAAP operating expenses, non-GAAP cost of revenue expense (collectively the "Non-GAAP financial measures"). 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 recognised as revenues upon receipt. Committed payments are recognised 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 expenses and sales tax expense accrual and other G&A expenses (income). Free cash flow represents net cash provided by (used in) operating activities less capital expenditures. 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 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.

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 margins, cumulative cohort bookings, non-GAAP gross margin, and non-GAAP operating expenses 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.

Safe Harbor

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,” “project,” “outlook,” “future,” “will,” “seek” and similar terms or phrases. The forward-looking statements contained in this document, including the and annual and multi-year 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 generate new premium subscriptions; our expectation that we will be able to increase the revenue we derive from the sale of premium subscriptions and business solutions, through our partners; our expectation that new products and developments, 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; our assumption that historical user behavior can be extrapolated to predict future user behavior; our expectations regarding execution of our multi-year strategic plan, our prediction of the future revenues generated by our user cohorts and our ability to maintain and increase such revenue growth; our expectation to maintain and enhance our brand and reputation; our expectation that we will effectively execute our initiatives to scale and improve our user support function through our Customer Care team, and thereby increase user retention, user engagement and sales; our expectation that our products created for markets outside of North America will continue to generate growth in those markets; our plans to successfully localize our products, including by making our product, support and communication channels available in additional languages and to expand our payment infrastructure to transact in additional local currencies and accept additional payment methods; our expectations regarding the extent of the impact on our business and operations of the COVID-19 pandemic, including uncertainty relating to expected consumer dynamics after the COVID-19 pandemic subsides, the effectiveness of government policies, vaccine administration rates and other factors; our expectation regarding the impact of fluctuations in foreign currency exchange rates on our business; our expectations relating to the repurchase of our ordinary shares and/or Convertible Notes pursuant to our expected repurchase program; our expectation that we will effectively manage the growth of our infrastructure; changes we expect may occur to technologies used in our solutions; 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, as well as our ability to achieve profitability; our expectations regarding changes in the global, national, regional or local economic, business, competitive, market, and regulatory landscape, including as a result of COVID-19 and as a result of the military invasion of Ukraine by Russia; 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; our expectations about entering into new markets and attracting new customer demographics, including our ability to successfully attract new partners and grow our partner activities 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, 2021 filed with the Securities and Exchange Commission on April 1, 2022. 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.

Executive Summary

1. Self Creators business is durable and profitable, having already achieved Rule of 40 for several years

2. Partners business is in early stages, but growing significantly with potential for higher margins compared to Self Creators

3. We are planning to generate significant gross margin and operating leverage

4. For 2025, we anticipate to achieve Rule of 40 for the full business, with revenue growth of ~20% and ~20% FCF margin per our recently adopted, board-approved financial plan

~$2.5 billion of revenue and ~$500 million of FCF for FY 2025

Key framework assumptions

➔ Current economic headwinds persist through 2022

➔ Revenue growth starting in 2023 assumes online activity recovers and market returns to normalized growth levels

➔ Moderate employee headcount increase annually

➔ Split between Self Creators and Partners businesses includes assumptions around allocation of indirect costs

➔ Current FX spot rates

Self Creators - already a durable and profitable business

Scaled business already at Rule of 40 with ~$1 billion of revenue and ~$193 million of FCF in 2021

Self Creators	2019A	2020A	2021A
Revenue Growth	**21%**	**25%**	**20%**
Creative Subscriptions Revenue Growth	19%	18%	15%
Business Solutions Revenue Growth	30%	64%	43%
CS / BS Revenue Mix (%)	85 / 15	81 / 19	77 / 23
GM% CS	**83%**	**82%**	**82%**
GM% BS	**38%**	**31%**	**25%**
Operating Expenses as % of Revenue	**71%**	**68%**	**60%**
FCF Margin	**19%**	**21%**	**20%**
Rule of 40	**40%**	**46%**	**40%**

Note: Gross margin and operating expenses are non-GAAP figures. We define "Rule of 40" as the total of revenue growth % and FCF margin

Self Creators - continued profitability despite near-term headwinds

Self Creators	2019A	2020A	2021A	2022E
Revenue Growth	**21%**	**25%**	**20%**	**5 - 8%**
Creative Subscriptions Revenue Growth	19%	18%	15%	5 - 8%
Business Solutions Revenue Growth	30%	64%	43%	4 - 9%
GM% CS	**83%**	**82%**	**82%**	**~82%**
GM% BS	**38%**	**31%**	**25%**	**25 - 26%**
Operating Expenses as % of Revenue	**71%**	**68%**	**60%**	**61 - 62%**
FCF Margin	**19%**	**21%**	**20%**	**14 - 19%**
Rule of 40	**40%**	**46%**	**40%**	**19 - 27%**

Maintained Rule of 40 in 2022, excluding impact of macroeconomic headwinds

Note: Gross margin and operating expenses are non-GAAP figures. We define "Rule of 40" as the total of revenue growth % and FCF margin

Self Creators – long-term framework

Long-term gross margin targets already achieved and continued scale will drive long term FCF margin

Self Creators	2019A	2020A	2021A	2022E	2023E – 2025E	Long-term
Revenue Growth	**21%**	**25%**	**20%**	**5 - 8%**	**17 - 19% annually**	
Creative Subscriptions Revenue Growth	19%	18%	15%	5 - 8%	13 - 17% annually	**~15%**
Business Solutions Revenue Growth	30%	64%	43%	4 - 9%	22 - 39% annually	
GM% CS	**83%**	**82%**	**82%**	**~82%**	**82 - 84%**	**83 - 85%**
GM% BS	**38%**	**31%**	**25%**	**25 - 26%**	**29 - 33%**	**35%+**
Operating Expenses as % of Revenue	**71%**	**68%**	**60%**	**61 - 62%**	**51 - 59%**	**<50%**
FCF Margin	**19%**	**21%**	**20%**	**14 - 19%**	**24 - 29%**	**~30%**
Rule of 40	**40%**	**46%**	**40%**	**19 - 27%**	**43 - 45%**	**~45%**

Note: Gross margin and operating expenses are non-GAAP figures. We define "Rule of 40" as the total of revenue growth % and FCF margin

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Partners – in scaling phase

Partners	2019A	2020A	2021A
Revenue Growth	**72%**	**65%**	**75%**
Creative Subscriptions Revenue Growth	53%	46%	58%
Business Solutions Revenue Growth	402%	167%	124%
CS / BS Revenue Mix (%)	84 / 16	74 / 26	67 / 33
GM% CS	**74%**	**63%**	**52%**
GM% BS	**34%**	**20%**	**14%**
Operating Expenses as % of Revenue	**63%**	**102%**	**108%**
FCF Margin	**4%**	**(28%)**	**(53%)**

Note: Gross margin and operating expenses are non-GAAP figures.

Partners – continued growth in 2022

Partners	2019A	2020A	2021A	2022E
Revenue Growth	**72%**	**65%**	**75%**	**30 - 31%**
Creative Subscriptions Revenue Growth	53%	46%	58%	28 - 30%
Business Solutions Revenue Growth	402%	167%	124%	32 - 34%
GM% CS	**74%**	**63%**	**52%**	**55 - 56%**
GM% BS	**34%**	**20%**	**14%**	**14 - 15%**
Operating Expenses as % of Revenue	**63%**	**102%**	**108%**	**96 - 99%**
FCF Margin	**4%**	**(28%)**	**(53%)**	**(36) - (33)%**

Note: Gross margin and operating expenses are non-GAAP figures.

Partners – long-term framework

Partners	2019A	2020A	2021A	2022E	2023E	2024E	2025E	Long-term
Revenue Growth	**72%**	**65%**	**75%**	**30 - 31%**	**32 - 37% annually**			**~20%**
Creative Subscriptions Revenue Growth	53%	46%	58%	28 - 30%	32 - 34% annually			
Business Solutions Revenue Growth	402%	167%	124%	32- 34%	32 - 44% annually			
GM% CS	**74%**	**63%**	**52%**	**55 - 56%**	**62 - 73%**			**85%+**
GM% BS	**34%**	**20%**	**14%**	**14 - 15%**	**22 - 34%**			**35%+**
Operating Expenses as % of Revenue	**63%**	**102%**	**108%**	**96 - 99%**	**65 - 89%**			**<50%**
FCF Margin	**4%**	**(28%)**	**(53%)**	**(36) - (33)%**	**(27) - 1%**			**~30%**
Rule of 40					**10 - 33%**			**~50%**

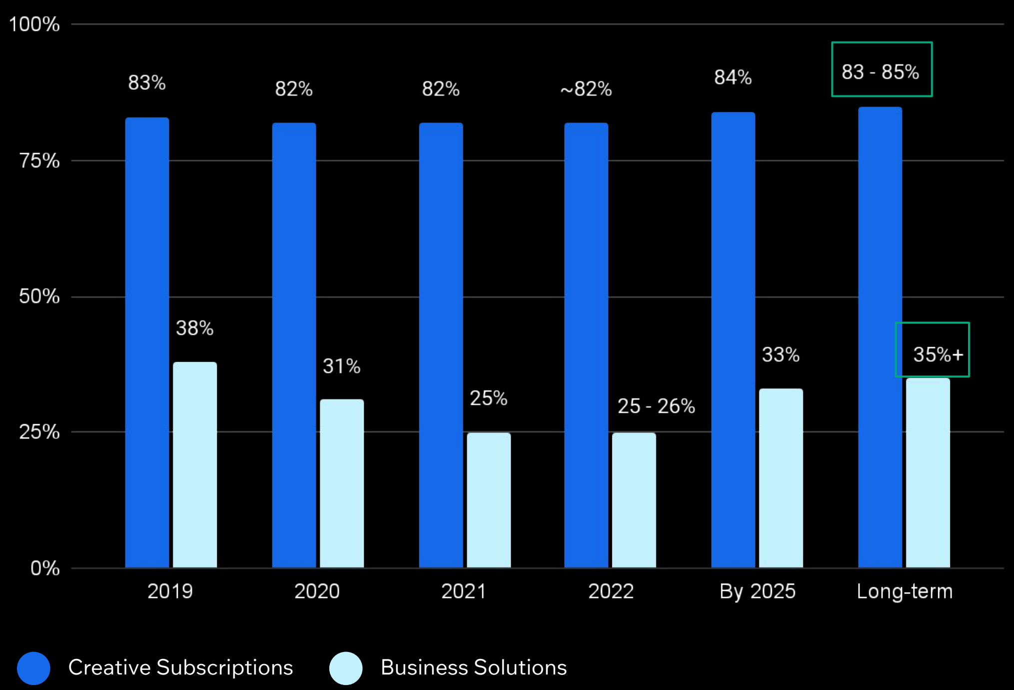
Note: Gross margin and operating expenses are non-GAAP figures. We define “Rule of 40” as the total of revenue growth % and FCF margin

Scaling to ~$2.5 billion of revenue and ~$500 million of FCF for FY 2025

Total	2019A	2020A	2021A	2022E	2023E	2024E	2025E	Long-term
Revenue Growth	**26%**	**30%**	**29%**	**10 - 13%**		**21 - 23% annually**		
Creative Subscriptions Revenue Growth	23%	22%	21%	9 - 12%		17 - 19% annually		**~17%**
Business Solutions Revenue Growth	44%	78%	59%	12 - 16%		25 - 41% annually		
GM% CS	**82%**	**80%**	**77%**	**~76%**		**77 - 81%**		**85%+**
GM% BS	**37%**	**29%**	**22%**	**~22%**		**27 - 34%**		**35%+**
Operating Expenses as % of Revenue	**70%**	**73%**	**70%**	**~70%**		**56 - 67%**		**<50%**
FCF Margin	**17%**	**13%**	**4%**	**2 - 5%**		**10 - 20%**		**~30%**
Rule of 40	**42%**	**43%**	**33%**	**12 - 18%**		**33 - 41%**		**~47%**

Note: Gross margin and operating expenses are non-GAAP figures. We define "Rule of 40" as the total of revenue growth % and FCF margin

Self Creators gross margin nearing long-term target range

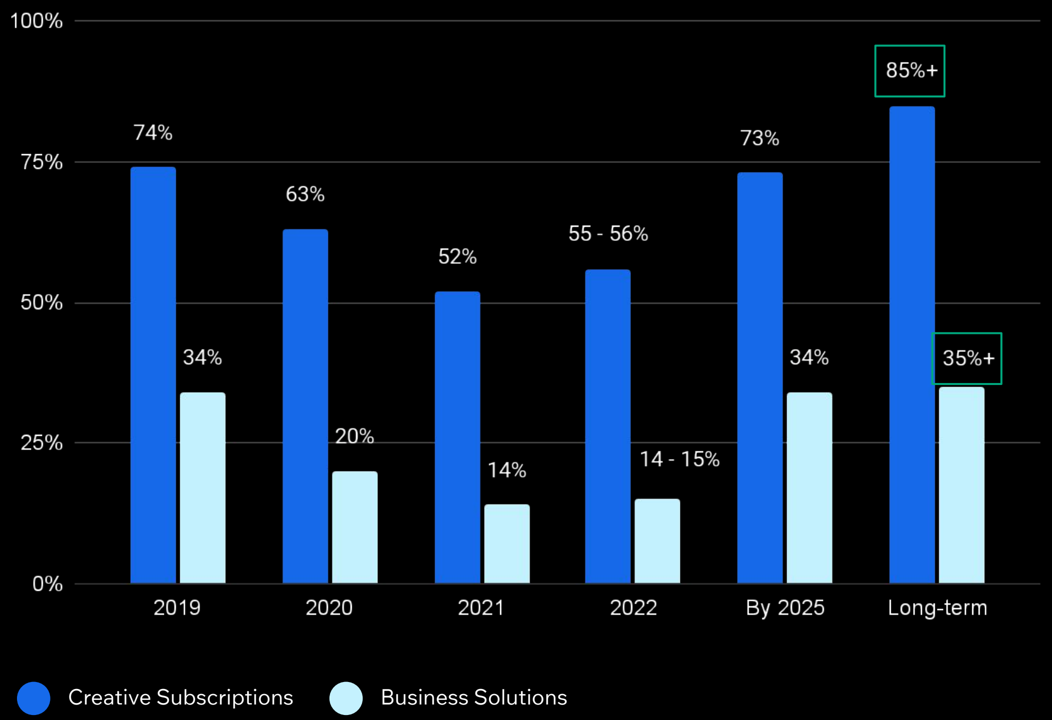


➔ **Gross margin of Creative Subscriptions business is already near long-term target range**

➔ Opportunity for incremental margin improvement for Business Solutions – driven primarily by better transaction margins as business scales

Note: Gross margin figures are non-GAAP.

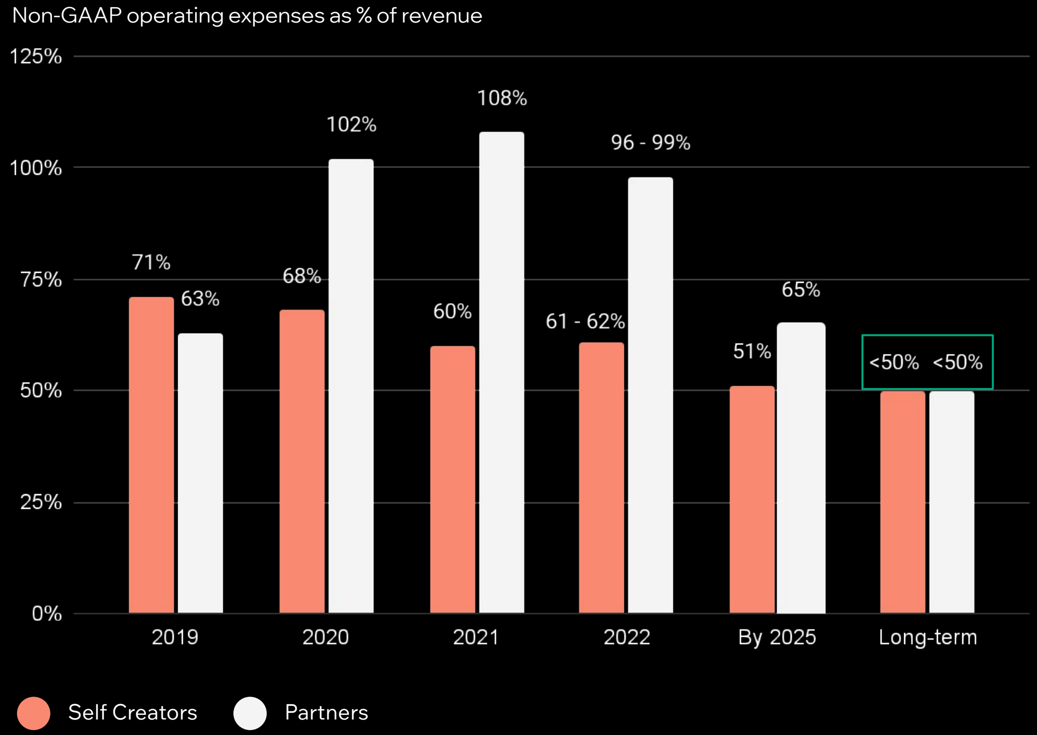
Partners gross margin improving meaningfully with scale



- Creative Subscriptions gross margin improvement driven by:
  - Scaling of business
  - Recent buildout investments, mostly in headcount and hosting, are not expected to repeat
- Business Solutions gross margin improvement driven by better transaction margins as business scales
- Partners Creative Subscriptions gross margin expected to exceed Self Creators Creative Subscriptions gross margin in the long term

Note: Gross margin figures are non-GAAP.

Path to 2025 Operating Leverage



- ➔ Operating expenses targeted to be less than 50% of revenue for both Self creators and Partners over the long-term
- ➔ Improvement in operating margin driven by leverage from recent R&D and S&M investments, which will not repeat
- ➔ **Meaningful improvement in Partners operating margin (~10% annually) as business scales rapidly**

Note: Gross margin figures are non-GAAP.

Key takeaways

- ➔ Self Creators business generating significant cash flow and will continue to deliver profitable double-digit growth in the long term
- ➔ Partners business is synergistic and while still early, gaining scale quickly with profitability in sight
- ➔ Plan to significantly improve margins, achieving 20% FCF margin and Rule of 40 for 2025
- ➔ Long-term target model of ~17% annual revenue growth and ~30% FCF margin
- ➔ Scaling to ~$2.5 billion of revenue and ~$500 million of FCF for full year 2025

Appendix


ZOFÍA OTERO
Culinary Consultant
MOLLARD
WE ARE DIGITAL EXPERTS READY TO TAKE YOUR COMPANY TO NEW HEIGHTS. YOU HAVE AN ESTABLISHED BUSINESS. WE CAN TURN IT INTO A SUCCESSFUL BRAND.
Created on Editor X

Notes

Creative Subscription Revenue and Creative Subscription Bookings refer to revenue or bookings, as applicable, generated from premium subscriptions, 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.

Unbilled contractual obligations: we present firm multi-year commitments for the full contract term of B2B partnerships in bookings in the quarter in which the agreement is executed. The first year commitment amount 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.

Commerce revenue includes revenue generated from subscriptions and other complementary products or services that support commerce activities

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.

Notes

Partners is defined as agencies and freelancers that build sites or applications for other users, as well as B2B partnerships, such as LegalZoom or Vistaprint. We identify Partners 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, among other criteria.

Partners revenue is defined as revenue generated through Partners. Partners revenue includes revenue from both the Creative Subscriptions and Business Solutions segments.

Partners cohort bookings is bookings attributed to cohorts based on the period in which a user registered with Wix, and has since been identified as a Partner. Cohort bookings include bookings from both the Creative Subscriptions and Business Solutions segments and excludes bookings from B2B partnerships, DeviantArt, Wix Answers, or recent acquisitions.

Immaterial prior year adjustment: we revised the previously reported financial statements to reflect revenue recognition timing differences related to the sale of Google Workspace solutions. This revision had an immaterial impact on previously issued financial statements (the impact on full year 2021 revenue was approximately $5 million). All financial data referenced in our earnings materials reflect the revised figures. Please refer to the Interactive Analyst Center on ir.wix.com for revised historical figures.

Reconciliation of GAAP to Non-GAAP financial measures

in millions	Q1'10	Q1'11	Q1'12	Q1'13	Q1'14	Q1'15	Q1'16	Q1'17	Q1'18	Q1'19	Q1'20	Q1'21	Q1'22
Cumulative Cohort revenue	$1	$2	$2	$6	$8	$10	$13	$16	$20	$22	$24	$28	$21
Cumulative Cohort change in deferred revenue	$32	$45	$55	$111	$151	$152	$169	$182	$176	$147	$113	$70	$7
Cumulative Cohort bookings	**$33**	**$47**	**$57**	**$117**	**$159**	**$162**	**$182**	**$198**	**$196**	**$169**	**$137**	**$98**	**$28**

Reconciliation of GAAP to Non-GAAP financial measures

in 000s	2019 FY	2020 FY	2021 FY
Gross Profit	$562,847	$671,348	$781,078
Share based compensation expenses	$5,854	$9,127	$15,462
Acquisition related expenses	$0	$765	$484
Amortization	$1,951	$316	$2,030
Non GAAP Gross Profit	**$570,652**	**$681,556**	**$799,054**
Non GAAP Gross margin	*75%*	*69%*	*63%*
Gross Profit - Creative Subscriptions	$523,586	$615,917	$717,680
Share based compensation expenses	$4,994	$7,140	$11,446
Non GAAP Gross Profit - Creative Subscriptions	**$528,580**	**$623,057**	**$729,126**
Non GAAP Gross margin - Creative Subscriptions	*82%*	*80%*	*77%*

Reconciliation of GAAP to Non-GAAP financial measures

in 000s	2019 FY	2020 FY	2021 FY
Gross Profit - Business Solutions	$39,260	$55,431	$ 63,398
Share based compensation expenses	$860	$1,987	$4,016
Acquisition related expenses	$0	$765	$484
Amortization	$1,951	$316	$2,030
Non GAAP Gross Profit - Business Solutions	**$42,071**	**$58,499**	**$69,928**
Non GAAP Gross margin - Business Solutions	*37%*	*29%*	*22%*
GAAP Operating Loss	$(81,584)	$(199,055)	$(325,534)
Share Based Compensation	$109,337	$147,313	$221,391
Amortization	$4,588	$2,577	$4,952
Acquisition related expenses	$2,485	$5,811	$8,680
Sales tax accrual and other G&A expenses (income)	$5,309	$4,299	$1,692
Non-GAAP Operating Income (Loss)	**$40,135**	**$(39,055)**	**$(88,819)**

Reconciliation of GAAP to Non-GAAP financial measures

in 000s	2019 FY	2020 FY	2021 FY
Net cash provided (used) by operating activities	$149,564	$148,049	$65,685
Capital expenditures, net	$(22,066)	$(18,853)	$(37,700)
Free Cash Flow	**$127,498**	**$129,196**	**$27,985**