Initiating Coverage

June 24, 2026

Rating	Buy
Price (June 23, 2026)	$15.27
Price Target	$22.55

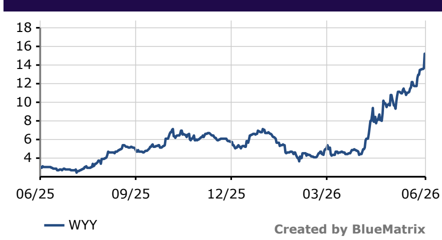
Market Data	
Average Daily Volume	0
52-Week Range	$2.80- $13.89
Book Value	$1.17
Dividend Yield	0.0%
Enterprise Value ($M)	$96

Estimates

EPS	Q1(Mar)	Q2(Jun)	Q3(Sep)	Q4(Dec)
2026E	0.03	0.06	0.07	0.09
2027E	0.17	0.20	0.23	0.23
2028E	0.25	0.27	0.34	0.39
Rev (M)	**Q1(Mar)**	**Q2(Jun)**	**Q3(Sep)**	**Q4(Dec)**
2026E	40.6	42.0	43.0	44.0
2027E	48.0	49.0	51.0	52.0
2028E	52.0	54.0	57.0	60.0

FY	2026E	2027E	2028E
EPS	0.25	0.83	1.25
P/E	61x	18x	12x
Rev (M)	169.6	200.0	223.0

Performance Chart



General Technology Topics

WidePoint (WYY)

Technology Services Leader Expanding Commercial Revenues and Gross Margins

Expanding Technology Solutions Portfolio Drives Revenue Growth and Margin Expansion. WidePoint looks well positioned to grow the contribution of its higher-margin managed services segment over the next six to eight quarters. As revenue mix shifts toward managed services we expect gross margins could expand by as much as 400 basis points over the next twelve months, supporting meaningful operating leverage and earnings growth.

Initiating Estimates with Significant Potential Margin Upside. Our forecasts are based on revenue opportunities currently visible to management and expected to materialize through 2027. We initiate FY26 estimates of $169.6 million in revenue and EPS of $0.25, FY27 estimates of $200 million and EPS of $0.83, and FY28 estimates of $223.0 million and EPS of $1.25. Current consensus estimates call for FY26 revenue of $170.9 million and EPS of $0.04, and FY27 revenue of $189.6 million and EPS of $0.36. We do not find a source for FY28 estimates beyond our own AmerX estimates.

Near-Term Catalyst: DHS Cellular Wireless Managed Services (CWMS) 3.0. WidePoint is competing for the next-generation DHS wireless managed services contract, which will replace the current CWMS 2.0 program. As the incumbent provider, WidePoint enters the procurement process with established customer relationships, operational experience, and a proven performance record. A contract award would act as a significant catalyst for the shares. While the transition was originally expected to occur following the expiration of CWMS 2.0 in November 2025, funding hold-ups in U.S. Congress have delayed the final award. The existing CWMS program has been continued until June 24 to maintain services for the departments served between the CWMS 2.0 and CWMS 3.0. With a funding plan for DHS being passed in the Senate in early June, House and Presidential approval should follow in coming weeks and a final award can be made by the end of 3Q 2026.

Initiating Coverage with a Buy Rating and $22.55 Price Target. We initiate coverage of WidePoint Corporation with a Buy rating and a $22.55 price target. WidePoint is transforming from a government contractor into a full-fledged technology services company offering a wide range of telecommunications, cybersecurity and identity management solutions. We believe these expanding commercial business lines, combined with the company's strong government-focused technology services, and telecommunications management solutions, create a unique investment opportunity. We derive our $22.55 price target by applying a peer group multiple on price-to-sales (P/S) multiple of 1.0x to our FY28 revenue estimate for WidePoint of $223M. WidePoint currently trades at 0.7x our FY28 revenue estimates.

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WidePoint Business Overview

WidePoint operates in two key segments Carrier Services and Managed Services. Carrier Services is an enabling business for WidePoint, allowing it to sell higher margin Managed Services to large scale federal customers.

WidePoint Carrier Services

WidePoint provides wireless carrier services, including voice, data, satellite connectivity, and related mobile communications solutions for connected devices and endpoints. The company procures, manages, processes, and pays carrier invoices on behalf of customers, primarily federal and state government agencies.

Carrier services account for a significant portion of WidePoint's reported revenue but contribute only a small percentage of gross profit due to their commodity-like nature and near-zero margin profile. While these services are not a major driver of profitability, they serve as a strategic entry point into large government agencies and create opportunities to cross-sell higher-margin managed services.

Carrier Services Create Access to Large Government Customers

WidePoint has established strong relationships with federal and state government agencies through its carrier services platform. These engagements position the company to expand into higher-value managed services, cybersecurity, identity management, and IT solutions. We estimate that WidePoint's government contracts provide access to more than one million end-users across some of the largest public-sector organizations in the United States.

WidePoint Managed Services

WidePoint's managed services portfolio includes telecommunications lifecycle management, mobile and identity management, digital billing and analytics solutions, cybersecurity services, and IT-as-a-Service (ITaaS). These offerings represent the company's primary source of margin expansion and long-term growth.

Telecommunications Lifecycle Management

WidePoint provides cloud-based telecommunications lifecycle management solutions that enable organizations to manage wireless assets, devices, usage, billing, procurement, and support through a centralized platform. The company's solutions provide customers with full visibility into their telecommunications environments while reducing administrative complexity and total cost of ownership. WidePoint supplements its software platform with 24/7 customer support and managed services capabilities.

Mobile and Identity Management

WidePoint is one of only two Department of Defense-designated External Certificate Authorities (ECAs), providing federally certified digital credentials and identity management solutions across government agencies and commercial enterprises.

The company enables secure access to government networks, facilities, applications, and mobile devices through multi-factor authentication (MFA), credential management, and mobile security solutions. WidePoint's offerings provide commercial customers with the same security standards and cybersecurity assurance used by federal agencies.

Digital Billing and Communications Analytics

WidePoint delivers digital billing, communications management, and analytics solutions to communications service providers and enterprise customers. Through secure, cloud-based platforms, customers can view, manage, and analyze billing data in real time. These solutions improve operational efficiency, enhance customer experience, and provide greater visibility into usage and revenue trends.

IT-as-a-Service

WidePoint offers a broad portfolio of IT-as-a-Service solutions, including cybersecurity, cloud migration, network operations, managed infrastructure, professional services, artificial intelligence implementation, and Microsoft-based enterprise technologies.

The company provides end-to-end IT outsourcing capabilities spanning hardware, software, networking, cloud infrastructure, and ongoing management. WidePoint's cloud migration services help customers reduce costs, improve scalability, and enhance resiliency through modern cloud architectures.

Device-as-a-Service Represents a Significant Growth Opportunity

WidePoint's Device-as-a-Service (DaaS) initiative extends the company's longstanding expertise managing wireless devices for large federal agencies into the commercial enterprise market.

Management has indicated that approximately 90% of the current DaaS pipeline consists of large commercial opportunities, supporting the company's strategy to diversify beyond government customers. Importantly, DaaS contracts have the potential to generate significant gross margins approaching 80%. As adoption accelerates, DaaS could become a meaningful contributor to both revenue growth and margin expansion.

Cybersecurity and Identity Management

WidePoint Cybersecurity Solutions Corp. provides identity and access management (IAM), public key infrastructure (PKI), credential management, and quantum-resistant cybersecurity solutions. As one of only two DoD-certified External Certificate Authorities worldwide, WidePoint occupies a highly differentiated position within the federal identity security ecosystem.

We believe the company possesses deep expertise across digital identity, credential issuance, authentication, and PKI infrastructure, positioning it well to capitalize on growing demand for secure identity solutions across both government and commercial markets.

MobileAnchor: A Differentiated Derived PIV Platform

MobileAnchor is WidePoint's flagship identity management platform and a core component of its cybersecurity strategy. The solution operates as a Derived Personal Identity Verification (PIV) credential, enabling users to securely authenticate and access systems through mobile devices rather than relying on physical smart cards.

The platform leverages an individual's existing PIV credential and stores a secure X.509 digital certificate, which can be thought of as strongly secured digital passport of an employee or government agent all built into the user's mobile device. This 'digital passport' can provide strong identity management more easily than physical identification technologies like fingerprint readers or eye scanning solutions. The WidePoint solution enables strong multi-factor authentication while maintaining compliance with federal security standards.

The key benefits of MobileAnchor include:

1. Enhanced mobility through secure access to government and enterprise resources from mobile devices.
2. Compliance with HSPD-12 and FIPS 201 identity management requirements.
3. Improved user convenience by eliminating reliance on physical smart cards.
4. Enhanced security through certificate-based authentication and reduced credential attack surfaces.

As government agencies and enterprises continue to modernize identity infrastructure and support mobile workforces, we believe MobileAnchor represents one of WidePoint's most attractive long-term growth opportunities.

Key Partnerships

WidePoint has secured several key partnerships to help the company grow beyond the company's federal government core business offerings. The most significant commercial partnership in our view is the relationship with CDW (NC-CDW Corporation). CDW is a broad business and technology services solutions provider that generates over $20B per year in revenues and serves corporate and government customers globally.

WidePoint is working with CDW on a potential contract tied to the 2028 Olympics and Paralympics in Los Angeles. The LA '28 opportunity would be to provide device as a service (DaaS) to athletes and Olympic staff. CDW is also the key partner for WidePoint for the 2030 U.S. Census which is a significant revenue opportunity for the company.

Federal Contracts Provide Cornerstone for Growth

WidePoint's business has historically been heavily leveraged to the U.S. federal government. In 1Q 2026, WidePoint reported that 85% of revenues came from federal government customers. Federal government customers use both Carrier Services and Managed Services from WidePoint. As a result of this concentration of revenues, the company depends on several large contract awards from key government agencies. Some of WidePoint's most important contracts include:

U.S. Navy Wireless Spiral 4 – An Indefinite Delivery/Indefinite Quantity (IDIQ) contract that enables the Department of Defense and federal civilian agencies to procure wireless carrier services, devices, and related communications solutions. Spiral 4 is the mandatory procurement vehicle for the Department of Defense's unclassified wireless communications requirements.

DHS Cellular Wireless Managed Services (CWMS) 2.0 – Provides comprehensive wireless managed services to the Department of Homeland Security and its component agencies. The contract includes a customized web portal for wireless program management and administration. CWMS 2.0 is scheduled to conclude in November 2025.

State of Texas Department of Information Resources (DIR) – WidePoint holds Software COTS and Related Services Contract DIR-CPO-5432, allowing Texas state and local governments, educational institutions, healthcare organizations, and public safety entities to procure WidePoint's telecom expense management and SaaS solutions. Through Texas' Interstate Cooperation Contract (ICC) program, eligible public entities in other states may also access these services.

U.S. Census 2030. WidePoint was the provider of mobile devices for the 2020 U.S. Census and is competing alongside its key partner CDW to win the 2030 U.S. census, which could provide meaningful revenues once that project begins.

General Services Administration (GSA) – WidePoint holds a long-term GSA contract vehicle that allows federal agencies, tribal governments, the District of Columbia, and U.S. territories to procure IT hardware, software, professional services, staffing, and broader technology solutions. The contract extends through 2039.

DHS Cellular Wireless Managed Services (CWMS) 3.0 Recompete – WidePoint is competing for the next-generation DHS wireless managed services contract that will replace CWMS 2.0. DHS released a draft solicitation in June 2025 with a potential contract ceiling of approximately $3.1 billion, representing a substantial increase from the original CWMS 2.0 contract value of $500 million, which expanded to more than $720 million over its lifecycle. The new IDIQ contract was originally expected to begin immediately following the expiration of CWMS 2.0 in November 2025. However, the final proposal request (RFP) has been delayed because of funding disputes for the Department of Immigration and Customs Enforcement (ICE) and the Department of Customers and Border Patrol (CBP). Each of these two departments are key customers of the services to be provided in the CWMS 3.0 contract. Currently, the U.S. Senate has approved a three-year funding bill for each department - ICE and CBP - with House approval remaining to be secured followed by Presidential approval. We do not expect a final decision on the awarding for the CWMS until the end of 3Q 2026.

We would expect WidePoint to be the winner of this contract award when the CWMS 3.0 is awarded. WidePoint possesses several competitive advantages that should support its position in the CWMS 3.0 procurement process. The company maintains FedRAMP-authorized status, a key contract requirement. It also qualifies as a small business, another important eligibility factor. In addition, the contract is expected to be awarded on a best-value basis, placing significant emphasis on technical capabilities, past performance, and execution reliability alongside pricing. WidePoint's incumbent status and long operating history supporting DHS wireless programs may provide additional competitive advantages during the evaluation process.

Overall WidePoint serves federal, state and local government customers which employ over 1M civilian workers, providing significant opportunities for WidePoint to sell a wide range of Carrier Services and Managed Services to each of these sizable entities.

Figure 1: Government Agency Employees Served by WidePoint

Agency / Entity	Civilian Employees Covered
Department of Defense	600,000
Department of Homeland Security	260,000
Department of Education	2,100
Texas State Employees	137,000
Government Services Agency (GSA)	12,000
Total Covered Workforce	**1,011,100**

Source: Government reports

Key Commercial Opportunities and Contracts

WidePoint has built-out its product offerings beyond its core federal government core and now offers multiple managed services for large enterprise and commercial organizations. Noteworthy commercial opportunities for WidePoint include:

1. Major Wireless Carrier. The most important recent commercial opportunity is a SaaS win with an unnamed U.S. wireless carrier, which is likely to be one of the top three carriers in the U.S. - Verizon (NC-VZ), AT&T (NC-T) and T-Mobile (NC-TMUS).
2. 2028 Olympics. WidePoint is working with key partner CDW Corporation (NC-CDW) to win the management of mobile devices for the Los Angeles Olympics and Paralympics- LA '28. WidePoint estimates that this opportunity will support between 95,000 to 135,000 athletes and support staff.
3. National Beverage Bottler (Unnamed) - In February, and again in April, WidePoint was awarded contracts from a national bottler. Combined the two awards (of $1.3M and $1.5M) are worth $2.8m and the deal appears to show WidePoint supporting procurement and vendor management functions at the bottler. We cite this win because it is a commercial win for higher-margin managed services for WidePoint.

Margin Expansion Key Trend for WidePoint

We see the biggest catalyst for WidePoint shares as the potential gross margin expansion that we are modeling as it transitions more revenues to higher gross margin Managed Services . Managed Services gross margins vary by specific product line, but can range from 30%-60%, compared to Carrier Services which historically have carried gross margins of 0%-5%. As the revenue mix shifts towards Managed Services, we estimate that gross margins can expand by 400 basis points in 2027 over 2026. We expect to see sequential gross margin increases begin in 2Q FY26 and to trend higher through 4Q 2028.

Figure 2: WidePoint Forecast for Revenue Mix Shift and Gross Margin Expansion

WYY Margin Expansion Roadmap	1Q FY26 A	2Q FY27 E	Long Term Target (AmerX Est.)
Carrier Services GM%	2%	0%	0%
Carrier Services % of Revenues	64%	51%	42%
Managed Services GM %	36%	40%	40%
Managed Services % of Revenues	41%	49%	58%
Total WidePoint GM%	**14%**	**20%**	**23%**

Source: Company reports and AmerX estimates

We expect WidePoint operating expenses to remain flat to down on a percentage of sales basis, while increasing only modestly on a dollar basis, providing significant operating leverage as the revenue mix and associated gross margin improvements take hold in coming quarters.

Competition

WidePoint has large, mid-size, and small competitors across each of its service segments. In mobility management its primary competitors include Avalon Technologies, Profitline, and Tangoe. In cybersecurity and consulting, WidePoint competes for government contracts against major defense contractors such as Lockheed Martin (NC-LMT) and Northrop Grumman (NC-NOC).

In commercial markets and in certain international government opportunities, WidePoint competes with several providers of PIV, Derived PIV, and digital identity solutions, including:

IDEMIA – A global provider of identity and security technologies serving governments and enterprises. IDEMIA offers FIPS 201-compliant smart cards, USB security keys, biometric authentication solutions, and digital credential platforms for government agencies and commercial organizations.

Entrust – A global identity and cybersecurity company that provides digital identity, credential issuance, and authentication solutions. Entrust offers a comprehensive Derived PIV credential platform, including mobile applications for iOS and Android that function as digital smart cards.

Intercede – A provider of digital identity management solutions focused on government and regulated industries. Its MyID credential management platform enables federal agencies and contractors to issue, manage, and secure digital identities and PIV credentials.

Thales – Through its digital identity and cybersecurity portfolio, strengthened by the acquisition of Gemalto, Thales provides identity verification, access management, data protection, biometrics, mobile identity, and secure credentialing solutions for governments and enterprises worldwide.

HID Global – HID Global offers identity and access management solutions including biometric readers, card printers, access control systems, RFID technologies, and digital identity platforms. The company provides end-to-end PIV credential issuance, management, and authentication solutions for government and enterprise customers.

SecureW2 – SecureW2 provides passwordless network security and certificate-based authentication solutions for enterprise, education, and healthcare customers. Its platform focuses on the complete PIV credential lifecycle, including certificate provisioning, management, revocation, and secure multi-factor authentication (MFA).

Management

The compan is led by an experienced and stable management team with key leaders having been in place at WidePoint for a number of years. They include:

Jin Kang –Chief Executive Officer (CEO) - Jin Kang is CEO and a Director of WidePoint Corporation. With over 30 years of experience in IT, mergers and acquisitions, corporate management, and business development, Mr. Kang is an expert in trusted mobility management (TM2) for both public and private sectors. He has held senior roles at leading technology firms and contributed to major government programs including CODIS, D/SIDDOMS, and DBSS. Mr. Kang holds Bachelor's and Master's degrees in Computer Science and Computer Systems Management from the University of Maryland.

Robert "Bob" George – Chief Financial Officer (CFO) - Bob George is CFO of WidePoint Corporation, and has 30 years of financial leadership across entrepreneurial firms and multinational corporations. He has served as CFO of Exovera LLC, a SOSi subsidiary, and has expertise in strategic planning, financial systems, U.S. GAAP/SEC reporting, taxation, and federal contracting. Earlier in his career he held executive roles at Exelis, CSC, OAO Technology Solutions, and AppNet Systems, where he led 32 M&A transactions totaling $3.4 billion. Mr. George holds a B.S. in Accounting from the University of Maryland.

Ian Sparling – Chief Operating Officer, International & CEO, Soft-ex Communications - He has led Soft-ex since 2006 after serving as CFO from 2001 to 2005. Previously, Mr. Sparling was the Group Financial Controller at Fitzwilton Plc and qualified as a Chartered Accountant with PwC. Mr. Sparling is a Fellow of the Institute of Chartered Accountants and holds a B.Comm. and postgraduate finance degree from University College Dublin, along with additional credentials in corporate governance and international business. He also lectures on strategy and leadership in MBA programs.

Jason Holloway – President and Chief Revenue Officer - Jason Holloway is President and Chief Revenue Officer of WidePoint Corporation. With over 25 years in the IT industry, he has extensive experience in business development, sales, and executive management across government, finance, healthcare, technology, and other sectors. Mr. Holloway founded Nexcentri in 2001, serving as President and CEO until 2013, where he launched three financial services software products and expanded internationally. He previously led Networked Knowledge Systems, growing revenue more than 800% in five years while serving clients such as IBM and PwC. He has also held leadership roles in multiple technology startups preparing for IPO.

Todd Dzyak – Chief Operating Officer - Todd Dzyak is COO of WidePoint Corporation with extensive experience in Managed Mobility and Telecom Expense Management. He has led large-scale programs for Fortune 100 companies and U.S. government agencies, including DHS and the U.S. Census Bureau. Mr. Dzyak holds a B.S. in Psychology from Bowling Green State University.

AmerX

Income Statement Figures in $ Millions, Except EPS	FY24A	FY25A	Q1A	Q2E	Q3E	Q4E	FY26E	Q1E	Q2E	Q3E	Q4E	FY27E	Q1E	Q2E	Q3E	Q4E	FY28E
Street Revs			**39.2**	**42.2**	**41.9**	**47.6**	**170.9**	**43.7**	**46.4**	**46.7**	**52.8**	**189.6**					
Street EPS																	
Street EBITDA																	
Company Rev Guide																	
Company EPS Guide																	
Company EBITA Guide																	
For the Fiscal Period Ending	**FY24A**	**FY25A**	**Q1A**	**Q2E**	**Q3E**	**Q4E**	**FY26E**	**Q1E**	**Q2E**	**Q3E**	**Q4E**	**FY27E**	**Q1E**	**Q2E**	**Q3E**	**Q4E**	**FY28E**
Revenue	142.6	150.5	40.6	42.0	43.0	44.0	169.6	48.0	49.0	51.0	52.0	200.0	52.0	54.0	57.0	60.0	223.0
Q/Q %			-4%	3%	2%	2%		9%	2%	4%	2%		0%	4%	6%	5%	
YoY %	34%	6%	19%	11%	19%	4%	13%	18%	17%	19%	18%	18%	8%	10%	12%	15%	12%
Carrier Services $	86.7	91.9	25.8	23.0	24.0	25.0	97.8	25.0	25.0	25.0	25.0	100.0	25.0	25.0	25.0	25.0	100.0
Managed Services $	55.8	58.7	14.8	19.0	20.0	21.0	74.8	23.0	24.0	26.0	27.0	100.0	27.0	29.0	32.0	35.0	123.0
Carrier Services %	61%	61%	64%	55%	56%	57%	58%	52%	51%	49%	48%	50%	48%	46%	44%	42%	45%
Managed Servicces %	39%	39%	36%	45%	47%	48%	44%	48%	49%	51%	52%	50%	52%	54%	56%	58%	55%
Total Revenue	**142.6**	**150.5**	**40.6**	**42.0**	**43.0**	**44.0**	**169.6**	**48.0**	**49.0**	**51.0**	**52.0**	**200.0**	**52.0**	**54.0**	**57.0**	**60.0**	**223.0**
Q/Q %			**-4%**	**3%**	**2%**	**2%**		**9%**	**2%**	**4%**	**2%**		**0%**	**4%**	**6%**	**5%**	
YoY %	**34%**	**6%**	**19%**	**11%**	**19%**	**4%**	**13%**	**18%**	**17%**	**19%**	**18%**	**18%**	**8%**	**10%**	**12%**	**15%**	**12%**
Cost Of Goods Sold	123.9	129.6	35.0	35.4	36.0	36.6	142.9	39.3	39.4	40.6	41.2	160.5	41.2	42.4	44.2	46.0	173.8
Gross Profit	**18.7**	**20.9**	**5.6**	**6.7**	**7.0**	**7.5**	26.7	**8.7**	**9.6**	**10.4**	**10.8**	39.5	**10.8**	**11.6**	**12.8**	**14.0**	49.2
GM%	13%	14%	14%	16%	16%	17%		18%	20%	20%	21%		21%	21%	22%	23%	
Sales & Marketing	11.3	2.7	0.6	1.0	1.0	1.0	3.6	1.1	1.3	1.4	1.5	5.3	1.5	2.0	2.1	2.3	7.9
General & Admin	8.7	19.7	4.8	5.0	5.2	5.4	20.4	5.4	5.5	5.7	6.0	22.6	6.0	6.0	6.2	6.4	24.6
R & D Exp.	0.0	0.0	0	0	0	0	0.0	0	0	0	0	0.0	0	0	0	0	0.0
Other Operating Exp., Total	19.9	22.4	**5.4**	**6.0**	**6.2**	**6.4**	24.0	**6.5**	**6.8**	**7.1**	**7.5**	27.9	**7.5**	**8.0**	**8.3**	**8.7**	32.5
Operating Income	-1.9	-1.5	**0.2**	**0.6**	**0.8**	**1.1**	2.7	**2.2**	**2.8**	**3.3**	**3.3**	11.6	**3.3**	**3.6**	**4.5**	**5.3**	16.7
Interest Expense	-0.8	-0.2	(0.0)	0	0	0	0.0	0	0	0	0	0.0	0	0	0	0	0.0
Interest and Invest. Income	0.2	0.4	0.1	0	0	0	0.1	0	0	0	0	0.0	0	0	0	0	0.0
Net Interest Exp.	-0.6	0.2	**0.1**	**0**	**0**	**0**	0.1	**0**	**0**	**0**	**0**	0.0	**0**	**0**	**0**	**0**	0.0
Pre-Tax Income	(2.43)	(1.28)	0.3	0.6	0.8	1.1	2.8	2.2	2.8	3.3	3.3	11.6	3.3	3.6	4.5	5.3	16.7
Income Tax Expense			0	0.1	0.1	0.1	(0.3)	0.4	0.6	0.7	0.7	(2.3)	0.3	0.4	0.5	0.5	(1.7)
Earnings from Cont. Ops.	**(2.4)**	**(1.5)**	**0.3**	**0.6**	**0.7**	**0.9**	**2.5**	**1.8**	**2.2**	**2.6**	**2.6**	**9.3**	**3.0**	**3.2**	**4.1**	**4.8**	**15.0**
Diluted EPS (Non-GAAP - Excludes Depr and Amort / Non-cash Items)	**$ (0.26)**	**$ (0.16)**	$0.03	$0.06	$0.07	$0.09	**$0.25**	$0.17	$0.2	$0.23	$0.23	**$0.83**	$0.25	$0.27	$0.34	$0.39	**$1.25**
Weighted Avg. Diluted Shares Out.		9.8	10.1	10.0	10.5	10.8	10.8	10.8	11.0	11.4	11.6	11.6	11.8	11.9	12.0	12.1	12.1

Source: Company Reports, AmerX estimates

Company Description for: WidePoint (WYY)

WidePoint Corporation was founded in 1997 and is headquartered in Fairfax, Virginia. The company operates as a Managed Solutions Provider (MSP), specializing in the management and security of mobile, telecommunications, and enterprise technology environments. In recent years, WidePoint has expanded its focus into identity management, credentialing, and cybersecurity solutions.

The company's core offerings include Identity and Access Management (IAM), Mobility Managed Services (MMS), Telecom Lifecycle Management (TLM), IT-as-a-Service (ITaaS), cloud security, digital billing, and communications analytics. Through these solutions, WidePoint helps organizations manage technology assets, secure user identities, control costs, and improve operational efficiency.

WidePoint serves a diverse customer base that includes major U.S. federal agencies such as the Department of Homeland Security (DHS), Department of Defense (DoD), U.S. Coast Guard, and Federal Communications Commission (FCC), as well as commercial enterprises across a variety of industries. The company's long-standing government relationships provide a foundation for expanding higher-margin managed services, cybersecurity, and digital identity offerings.

Valuation for: WidePoint (WYY)

We initiate coverage of WidePoint Corporation with a Buy rating and a $22.55 price target. WidePoint is transforming from a government contractor into a full-fledged technology services company offering a wide range of telecommunications, cybersecurity and identity management solutions. These expanding commercial business lines combined with the company's strong government-focused technology services, and telecommunications management solutions create a unique investment opportunity.

For valuation purposes, the most relevant peers are government and enterprise IT services providers, particularly companies with significant federal government exposure. We view companies like Booz Allen Hamilton (NC-BAH), Dell (NC-DELL), and Hewlett Packard Enterprises (NC-HPE) as good valuation peers given each company's deep relationships with U.S. government agencies and broad commercial technology services.

We derive our $22.55 price target by applying a peer group price-to-sales (P/S) multiple of 1.0x to our FY28 revenue estimate for WidePoint of $223M. WidePoint currently trades at 0.7X our FY28 revenue estimates of $223M. We note that WidePoint is a smaller company that could grow revenues and earnings faster than the large companies in the peer group, which could suggest higher multiples and price targets in the future.

Figure 3: Comparative Valuation as of June 23, 2026

Company	Ticker	Last Price	Market Cap ($MM)	Shares O/S	2027 P/E	2028 P/E	2027 P/S	2028 P/S
BOOZ ALLEN HAMILTON HOLDING CORPORATION (XNYS:BAH)	BAH	$ 63.87	$ 7,660	119,934,000	10.2x	9.4x	0.7	0.6
CDW CORPORATION (XNAS:CDW)	CDW	$ 130.06	$ 16,616	127,753,400	11.5x	10.5x	0.7	0.7
DELL TECHNOLOGIES INC. (XNYS:DELL)	DELL	$ 427.79	$ 276,413	646,142,500	30.0x	19.8x	1.8	1.4
HEWLETT PACKARD ENTERPRISE COMPANY (XNYS:HPE)	HPE	$ 48.93	$ 64,793	1,324,203,000	12.4x	11.5x	1.3	1.2
Average					**16.0x**	**12.8x**	**1.1**	**1.0**
WIDEPOINT CORPORATION (XNYS:WYY)	WYY	$ 15.27	$ 151	9,887,180	18.4x	12.2x	0.8	0.7

Source: Factset, AmerX estimates

Risks for: WidePoint (WYY)

WidePoint Corporation's business faces potential risks from a range of directions, including those related to holding the U.S. federal government as a customer, as well as more traditional risks such as customer concentration and the financial risks of the enterprise. Key risks to consider include the following:

- Federal contracts allow audits and penalties, which can lead to financial and operational risks.
- Government shutdowns or budget cuts may disrupt cash flow and operations.
- Anti-fraud efforts could result in agency closures, threatening revenue.
- Cybersecurity breaches may damage reputation and result in customer loss.
- DHS CWMS 2.0 contract, a major revenue source, is up for renewal and may not be retained.

- Intense market competition and rapid technological change challenge product relevance and profitability.
- Failure to innovate quickly could lead to obsolescence and reduced customer retention.
- Loss of major contracts like DHS CWMS 2.0 could force cost-cutting and reduce financial health.
- Long, unpredictable sales cycles make revenue forecasting difficult.
- Standardized technology could reduce the value of TMaaS and limit competitiveness.
- Carrier restrictions on data sharing could reduce solution value and competitiveness.
- Government shutdowns and budget shifts could reduce contract funding and revenue.
- DOGE agency actions may cut contracts or eliminate agencies, impacting revenue.
- Competitive bidding is costly and uncertain, with risks of losing key contracts.
- Failure to maintain security clearances could disqualify the company from classified work.
- Government contracts allow termination and modification, posing revenue risks.
- Intellectual property infringement claims could lead to costly litigation or product redesigns.
- Regulatory audits may result in penalties or reputational harm.

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