Company Update
August 17, 2026

Rating	Buy
Price (August 14, 2026)	$9.45
Price Target	$22.55

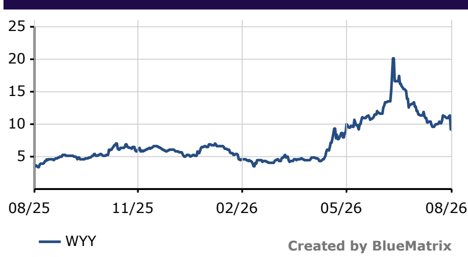
Market Data	
Average Daily Volume	0
52-Week Range	$3.25- $24.30
Book Value	$1.15
Dividend Yield	0.0%
Enterprise Value ($M)	$85

Estimates

EPS	Q1(Mar)	Q2(Jun)	Q3(Sep)	Q4(Dec)
2026E	0.03	0.02	0.05	0.05
2027E	0.06	0.07	0.15	0.22
2028E	0.28	0.31	0.38	0.44
Rev (M)	**Q1(Mar)**	**Q2(Jun)**	**Q3(Sep)**	**Q4(Dec)**
2026E	40.6	38.0	39.0	40.0
2027E	41.0	42.0	45.0	48.0
2028E	52.0	54.0	57.0	60.0

FY	2026E	2027E	2028E
EPS	0.15 ↓*0.25*	0.50 ↓*0.83*	1.41 ↑*1.25*
P/E	63x	19x	7x
Rev (M)	157.6 ↓*169.6*	176.0 ↓*200.0*	223.0

Performance Chart



General Technology Topics

WidePoint Corporation (WYY)

Contract Delays Hamper 2Q, Shift Revenue Ramp to 2027

Reports Challenging 2Q, Marked by Delays and Protests. WidePoint Corporation reported 2Q results on Thursday, 13 August with revenue and EPS of $38M / $0.02 compared to AmerX expectations for $42M / $0.06. Challenges included timing delays with a key wireless carrier for the launch of services, a protest from a competitor against WidePoint's awarded win for the CWMS 3.0 contract with the Department of Homeland Security (DHS) and other smaller award decisions from a range of customers. We see the 2Q challenges moving the time frame for realising our expectation for increasing revenues and gross margins into late 2026 or early 2027, versus our original expectations of 3Q 2026 for the start of this ramp.

Adjusting Estimates with New Time Frames for Revenue and Margin Ramps. We continue to believe WidePoint will survive the competitor challenge on their core DHS contract, the CWMS 3.0 win. We believe that important commercial contract wins will begin to move into their revenue phases and overcome customer launch delays. Our forecasts now see FY26 at $157.6M / $0.15 versus $169.6M / $0.25. We now see FY27E at $176M / $0.50 versus $200M / $0.83 previously. While we see our FY26 and FY27 estimates take the brunt of expected delays, we actually keep our FY28 estimate for revenues at $223M and see EPS improving to $1.41 from $1.25 previously.

Reiterate Buy Rating and $22.55 Price Target. We reiterate our Buy rating and a $22.55 price target. We believe WidePoint is transforming from a government contractor into a fully 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, in our view. 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 0.4X our FY28 revenue estimates of $223M. The peer group trades at a 1.1x Prices/Sales (P/S) multiple on FY28 estimated revenues (Factset).

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WidePoint Corporation

Income Statement																
Figures in $ Millions, Except EPS	**FY25A**	**Q1A**	**Q2A**	**Q3E**	**Q4E**	**FY26E**	**Q1E**	**Q2E**	**Q3E**	**Q4E**	**FY27E**	**Q1E**	**Q2E**	**Q3E**	**Q4E**	**FY28E**
Street Revs		**39.2**	**42.2**													
Street EPS																
Street EBITDA																
Company Rev Guide																
Company EPS Guide																
Company EBITA Guide																
	FY25A	**Q1A**	**Q2A**	**Q3E**	**Q4E**	**FY26E**	**Q1E**	**Q2E**	**Q3E**	**Q4E**	**FY27E**	**Q1E**	**Q2E**	**Q3E**	**Q4E**	**FY28E**
Revenue	150.5	40.6	38.0	39.0	40.0	157.6	41.0	42.0	45.0	48.0	176.0	52.0	54.0	57.0	60.0	223.0
Q/Q %		-4%	-6%	3%	3%		2%	2%	7%	7%		8%	4%	6%	5%	
YoY %	6%	19%	0%	8%	-5%	5%	1%	11%	15%	20%	12%	27%	29%	27%	25%	27%
Carrier Services $	91.9	25.8	24.1	24.0	24.0	97.9	25.0	25.0	25.0	25.0	100.0	25.0	25.0	25.0	25.0	100.0
Managed Services $	58.7	14.8	13.9	15.0	16.0	59.7	16.0	17.0	20.0	23.0	76.0	27.0	29.0	32.0	35.0	123.0
	5%	25%	-11%	-5%	3%	2%	8%	22%	33%	44%	27%	69%	71%	60%	52%	62%
Carrier Services %	61%	64%	63%	62%	60%	62%	61%	60%	56%	52%	57%	48%	46%	44%	42%	45%
Managed Servicces %	39%	36%	37%	38%	40%	38%	39%	40%	44%	48%	43%	52%	54%	56%	58%	55%
Total Revenue	**150.5**	**40.6**	**38.0**	**39.0**	**40.0**	**157.6**	**41.0**	**42.0**	**45.0**	**48.0**	**176.0**	**52.0**	**54.0**	**57.0**	**60.0**	**223.0**
Q/Q %		**-4%**	**-6%**	**3%**	**3%**		**2%**	**2%**	**7%**	**7%**		**8%**	**4%**	**6%**	**5%**	
YoY %	**6%**	**19%**	**0%**	**8%**	**-5%**	**5%**	**1%**	**11%**	**15%**	**20%**	**12%**	**27%**	**29%**	**27%**	**25%**	**27%**
Cost Of Goods Sold	129.6	35.0	32.2	32.6	33.2	132.9	33.8	34.4	36.0	37.7	141.8	41.2	42.4	44.2	46.0	173.8
Carrier Services COGS $	91.9	25.2	23.3	22.8	22.8	94.1	25.0	25.0	25.0	25.0	100.0	25.0	25.0	25.0	25.0	100.0
Managed Services COGS $	37.8	9.5	8.6	9.8	10.4	38.3	8.8	9.4	11.0	12.7	41.8	16.2	17.4	19.2	21.0	73.8
Carrier Services COGS %		98%	97%	95%	95%		100%	100%	100%	100%		100%	100%	100%	100%	
Managed Services COGS %		64%	62%	65%	65%		55%	55%	55%	55%		60%	60%	60%	60%	
Gross Profit	20.9	**5.6**	**5.8**	**6.5**	**6.8**	24.7	**7.2**	**7.7**	**9.0**	**10.4**	34.2	**10.8**	**11.6**	**12.8**	**14.0**	49.2
	14%	14%	15%	17%	17%		18%	18%	20%	22%		21%	21%	22%	23%	
Sales & Marketing	2.7	0.6	0.7	0.8	0.9	3.0	1.1	1.3	1.4	1.5	5.3	1.5	2.0	2.1	2.3	7.9
General & Admin	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
Total Operating Expenses	22.4	**5.4**	**5.7**	**6.0**	**6.3**	23.4	**6.5**	**6.8**	**7.1**	**7.5**	27.9	**7.5**	**8.0**	**8.3**	**8.7**	32.5
Operating Income	-1.5	**0.2**	**0.1**	**0.5**	**0.5**	1.3	**0.7**	**0.8**	**1.9**	**2.9**	6.3	**3.3**	**3.6**	**4.5**	**5.3**	16.7
Interest Expense	-0.2	(0.0)	(0.0)	0	0	-0.1	0	0	0	0	0.0	0	0	0	0	0.0
Interest and Invest. Income	0.4	0.1	0.1	0.1	0.1	0.4	0.1	0.1	0.1	0.1	0.4	0.1	0.1	0.1	0.1	0.4
Net Interest Exp.	0.2	**0.1**	**0.1**	**0.1**	**0.1**	0.4	**0.1**	**0.1**	**0.1**	**0.1**	0.4	**0.1**	**0.1**	**0.1**	**0.1**	0.4
Pre-Tax Income	(1.28)	0.3	0.2	0.6	0.6	1.6	0.8	1.0	2.0	3.0	6.7	3.4	3.7	4.6	5.4	17.1
Income Tax Expense		0	0.0	0.1	0.1	0.1	0.2	0.2	0.4	0.6	1.3	0.3	0.4	0.5	0.5	1.7
Net Income	**(1.5)**	**0.3**	**0.2**	**0.5**	**0.5**	**1.5**	**0.6**	**0.8**	**1.6**	**2.4**	**5.4**	**3.1**	**3.3**	**4.1**	**4.9**	**15.4**
Diluted EPS (Non-GAAP - Excludes Depr and Amort / Non-cash Items)	**$ (0.16)**	$0.03	$0.02	$0.05	$0.05	**$0.15**	$0.06	$0.07	$0.15	$0.22	**$0.50**	$0.28	$0.31	$0.38	$0.44	**$1.41**
Weighted Avg. Diluted Shares Out.	9.8	10.1	10.2	10.3	10.4	10.4	10.4	10.5	10.6	10.8	10.8	10.8	10.9	11.0	11.1	11.1

Source: Company Reports, AmerX estimates

Company Description for: WidePoint Corporation (WYY)

WidePoint Corporation (NYSE American: WYY), founded in 1997 and headquartered in Fairfax, Virginia, is a Managed Solutions Provider (MSP) focused on securing and managing mobile, telecommunications, and enterprise technology environments. The company's Technology Management as a Service (TMaaS) platform integrates Identity and Access Management (IAM), Mobility Managed Services (MMS), Telecom Lifecycle Management (TLM), IT-as-a-Service (ITaaS), cloud security, digital billing, and analytics. WidePoint serves U.S. federal agencies, including the Department of Homeland Security (DHS) and Department of Defense (DoD), as well as commercial customers.

Valuation for: WidePoint Corporation (WYY)

Reiterate Buy Rating and $22.55 Price Target. We reiterate our Buy rating and a $22.55 price target. WidePoint is transforming from a government contractor into a fully 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, in our view.

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 0.4X our FY28 revenue estimates of $223M. The peer group trades at a 1.1x Prices/ Sales (P/S) multiple on FY28 estimated revenues (Factset). 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 1: Comparative Valuation as of August 14, 2026

Company	Ticker	Last Price	2027 P/E	2028 P/E	2027 EPS E	2028 EPS E	2027 Revs E	2028 Revs E	2027 P/S	2028 P/S
BOOZ ALLEN HAMILTON HOLDING CORPORATION (XNYS:BAH)	BAH	$ 77.46	12.1x	11.5x	$6.41	$6.72	$11,385	$11,861	0.8	0.8
CDW CORPORATION (XNAS:CDW)	CDW	$ 139.42	11.7x	10.7x	$11.94	$13.00	$25,134	$25,842	0.7	0.7
DELL TECHNOLOGIES INC. (XNYS:DELL)	DELL	$ 490.81	26.2x	21.6x	$18.71	$22.69	$172,740	$198,352	1.8	1.6
HEWLETT PACKARD ENTERPRISE COMPANY (XNYS:HPE)	HPE	$ 58.71	14.5x	13.5x	$4.04	$4.34	$50,158	$52,989	1.5	1.5
Average			**16.1x**	**14.4x**					**1.2**	**1.1**
WIDEPOINT CORPORATION (XNYS:WYY)	WYY	$ 9.37	18.7x	6.6x	$0.50	$1.41	$176	$223	0.5	0.4

Source: Factset, AmerX estimates

Risks for: WidePoint Corporation (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:

- **Government Contract Exposure:** Federal contracts are subject to audits, compliance reviews, penalties, modification, and termination, potentially resulting in financial losses or operational disruption.
- **Government Funding Risk:** Shutdowns, budget constraints, appropriations delays, or shifting federal priorities could delay contract awards, disrupt cash flow, and reduce revenue.
- **Contract Concentration:** The loss or non-renewal of major programs, including DHS CWMS 2.0, could materially affect revenue, profitability, and operating scale.
- **Competitive Bidding:** Government procurement is highly competitive, costly, and uncertain, creating risk around contract renewals and new awards.
- **Technology and Competitive Risk:** Rapid technological change and intense competition require continued investment in product development. Failure to innovate could result in product obsolescence, customer losses, and margin pressure.
- **Sales-Cycle Risk:** Long and unpredictable government and enterprise sales cycles can delay contract awards and make revenue

forecasting more difficult.

- **Technology Commoditization:** Increasing standardization of underlying technologies could reduce differentiation and the value proposition of TMaaS offerings.
- **Data Access Risk:** Carrier restrictions on data access or sharing could impair solution functionality, customer value, and competitive positioning.
- **Security Clearance Risk:** Failure to obtain or maintain required personnel or facility security clearances could limit eligibility for classified government contracts.
- **Intellectual Property Risk:** Patent or other intellectual property disputes could result in costly litigation, licensing obligations, product redesigns, or restrictions on product offerings.

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Rating distribution as of August 2, 2026	Investment Banking Relationships
Buy: 75.2%	Buy: 84.6%
Neutral: 16.1%	Neutral: 15.4%
Sell: 0.0%	Sell: 0.0%
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