

**WidePoint Corporation**  
NYSE American: WYY

September 4, 2026

Price (close Sep 4, 2026)  
**\$10.94**

Rating  
**BUY**

12-Month Target Price  
**\$14.25**

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#### Company Description

WidePoint Corporation provides secure mobility and identity-management services to U.S. federal and commercial customers. Its platform combines telecom lifecycle management, managed mobility, identity and access management, IT-as-a-service, and analytics. DHS represents the majority of revenue; newer SaaS, DaaS and contract-vehicle awards are intended to lift recurring, higher-margin services.

We initiate WidePoint Corporation (NYSE American: WYY) with a BUY rating and a \$14.25 target, implying 30% upside from the September 4, 2026 close. The thesis is an earnings inflection: the legacy CWMS base and \$219 million federal backlog support the floor, while ATV SaaS and CWMS 3.0 can lift mix and operating leverage through 2028. Our 50/50 DCF/P-E target probability-weights the pending protest of the \$3.1 billion-ceiling CWMS 3.0 award, due for a GAO decision by October 7, 2026.

#### BUY: Contract wins can drive a multi-year margin inflection

|                         |                  |                       |        |
|-------------------------|------------------|-----------------------|--------|
| 52-Week Range           | \$3.96 – \$24.30 | Bank Debt             | \$0M   |
| Shares Outstanding      | 10.0M            | Lease Liabilities     | \$4.3M |
| Insider / Institutional | 12.0% / 26.9%    | ROE (LTM)             | NM     |
| Public Float            | 8.6M             | Book Value / Share    | \$1.17 |
| Market Capitalization   | \$94.6M          | Daily Volume (20-day) | 144K   |

| FYE Dec          | FY2025A   | FY2026E |          | FY2027E |          |
|------------------|-----------|---------|----------|---------|----------|
| Diluted EPS (\$) | ACTUAL    | CURRENT | PREVIOUS | CURRENT | PREVIOUS |
| Q1 Mar           | (\$0.08)A | \$0.01A |          | \$0.08E |          |
| Q2 Jun           | (\$0.06)A | \$0.01A |          | \$0.10E |          |
| Q3 Sep           | (\$0.05)A | \$0.01E |          | \$0.16E |          |
| Q4 Dec           | (\$0.09)A | \$0.04E |          | \$0.24E |          |
| Year*            | (\$0.28)A | \$0.07E |          | \$0.58E |          |
| P/E Ratio        | NM        | 135.1x  |          | 16.3x   |          |
| Change           | NM        | NM      |          | +729%   |          |

| FYE Dec       | FY2025A  | FY2026E  |          | FY2027E  |          |
|---------------|----------|----------|----------|----------|----------|
| Revenue (\$M) | ACTUAL   | CURRENT  | PREVIOUS | CURRENT  | PREVIOUS |
| Q1 Mar        | \$33.5A  | \$40.6A  |          | \$43.0E  |          |
| Q2 Jun        | \$37.3A  | \$38.0A  |          | \$45.0E  |          |
| Q3 Sep        | \$37.4A  | \$39.5E  |          | \$48.0E  |          |
| Q4 Dec        | \$42.3A  | \$44.0E  |          | \$54.0E  |          |
| Year*         | \$150.5A | \$162.1E |          | \$190.0E |          |
| Change        | +5.6%    | +7.7%    |          | +17.2%   |          |

\* Actuals are from company filings. 2026E and 2027E are Singular Research estimates; numbers may not add due to rounding.

#### Investment Thesis

- CWMS 3.0 expands the earnings ceiling; the \$3.1B ceiling is not guaranteed revenue.
- The \$113M CWMS 2.5 bridge protects continuity through the protest.
- ATV adds about \$9M of annual SaaS revenue at an estimated 70% gross margin.
- H1 2026 delivered \$1.4M of adjusted EBITDA and two positive EPS quarters.
- \$10.0M of cash and no bank debt fund the ramp; working capital remains tight.
- \$14.25 target weights a 75% success path and a 25% loss-or-delay path.

#### Primary Risks

- CWMS protest and 85% federal revenue concentration.
- Task-order conversion, ATV launch and margin execution.
- Micro-cap liquidity, ATM dilution and leadership transition.

## Company Background

WidePoint Corporation is a secure mobility and identity-management provider headquartered in Fairfax, Virginia. The company serves federal agencies, commercial enterprises and selected international customers through a technology-management-as-a-service platform that combines telecom lifecycle management, managed mobility, identity and access management, IT-as-a-service, cloud security, and analytics and billing.

The investment case is not a conventional government-reseller story. Carrier services create substantial reported revenue but only modest gross profit; the economic engine is the managed-services layer that sits above those carrier bills. WidePoint manages device inventories, service plans, security credentials, usage, billing, policy compliance and lifecycle workflows. The platform becomes more valuable as the number of devices, agencies and service types rises, while incremental software and solutions work can scale without a proportionate increase in headcount.

The company has spent more than two decades inside the Department of Homeland Security mobility environment. That incumbency is both its primary competitive advantage and its largest concentration risk. In the first half of 2026, the U.S. federal government represented 85% of revenue, 80% of trade accounts receivable and 99% of unbilled accounts receivable.

Source: [2026 Q2 Form 10-Q](#); [2025 Form 10-K](#)

### Exhibit 1: WidePoint at a Glance

| Metric                        | Current / Latest                                              |
|-------------------------------|---------------------------------------------------------------|
| Headquarters                  | Fairfax, Virginia                                             |
| Employees                     | 247                                                           |
| Federal revenue concentration | 85% of H1 2026 revenue                                        |
| Federal backlog               | \$219M at June 30, 2026                                       |
| Unrestricted cash / bank debt | \$10.0M / \$0                                                 |
| CWMS 3.0                      | Single awardee; 10-year IDIQ; \$3.1B ceiling; protest pending |
| ATV SaaS contract             | ~\$45M over five years; ~70% estimated gross margin           |

Source: [Company filings and Q2 2026 release](#)

### Why the Story Changed

Three developments shifted WYY from a low-margin, modest-growth managed-services vendor to a potential earnings inflection. First, DHS selected WidePoint as the single awardee for CWMS 3.0. Second, the company expanded the implementation scope of its large carrier SaaS contract and expects a year-end launch. Third, first-half profitability improved before either program reached full contribution. These events raise the earnings ceiling, but they do not remove execution risk: CWMS 3.0 remains under protest, and contract ceilings require task-order conversion before they become revenue.

## Investment Thesis

### 1. CWMS 3.0 Can Reprice the Earnings Power

CWMS 3.0 is a ten-year indefinite-delivery/indefinite-quantity vehicle with a ceiling of approximately \$3.1 billion. Management frames the ceiling as roughly \$300 million of average annual capacity—about twice the historical CWMS 2.0 run rate. The original roughly \$150 million annual base is expected to remain predominantly carrier revenue, while much of the incremental opportunity is expected to be solution-based managed services. Management stated that this incremental work can support 8%–10% net margins once fully scaled.

We do not model the ceiling as committed revenue. Our 2028 revenue estimate of \$245 million captures only a portion of the contemplated capacity and assumes a multi-year, uneven task-order ramp. This is important: the upside case comes from mix and operating leverage, not from treating a ceiling as a backlog.

### 2. The Existing Business and Bridge Contract Protect the Near-Term Floor

DHS awarded WidePoint a six-month CWMS 2.5 bridge contract with a \$113 million ceiling, structured as a three-month base period plus three one-month options. Existing CWMS 2.0 task orders extend into 2027, and management reported that modifications and quote revisions were already underway. The bridge substantially reduces the risk of an abrupt revenue gap during the protest window, although it cannot eliminate a longer-term loss-of-award scenario.

### 3. ATV Adds a Higher-Margin Commercial Engine

The carrier SaaS engagement—referred to as ATV—was originally valued at approximately \$45 million over five years, or roughly \$9 million annually, at an estimated 70% gross margin. Management expects initial devices to go live by year-end 2026 and the deployment to reach scale over the following three to six months. The existing federal scope covers an estimated 2.0–2.5 million devices; state and local expansion is in early discussion and is excluded from our base forecast.

#### 4. The Financial Inflection Has Begun

First-half 2026 revenue increased 11% to \$78.6 million, gross profit rose to \$11.4 million, adjusted EBITDA increased more than fivefold to \$1.4 million, and net income reached \$143 thousand. The company delivered its second consecutive EPS-positive quarter in Q2. These are still small absolute profits, but they demonstrate that cost control and mix can move earnings before the principal growth programs are fully deployed.

#### 5. The Balance Sheet Provides Time, Not Immunity

At June 30, 2026, WidePoint held \$10.0 million of unrestricted cash and no bank debt. Including lease liabilities, net cash was approximately \$5.7 million. The company also has a \$4 million revolving line and a \$15.5 million at-the-market equity facility; management said it had not used the ATM and did not intend to do so at then-current valuations. The liquidity position can fund targeted investment, but \$2.8 million of working capital and large unbilled receivables leave cash flow sensitive to federal billing and payment timing.

Source: [Q2 2026 earnings release](#); [Q2 call transcript filed with SEC](#)

## Industry and Business Model

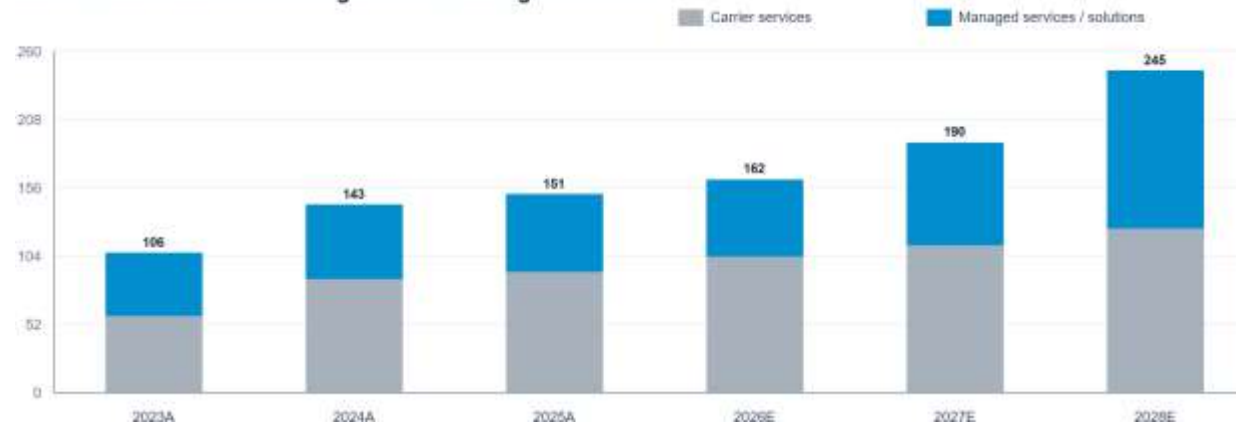
### Secure Mobility Management

Government mobility has expanded from smartphones to tablets, laptops, internet-of-things endpoints and specialized connected devices. Each endpoint creates procurement, inventory, carrier-billing, identity, security, compliance and retirement workflows. Agencies can address those functions separately or outsource them to an integrated managed-services platform. WidePoint competes by combining carrier-agnostic telecom management with federally certified identity and security capabilities.

### The Revenue-Gross Profit Disconnect

Carrier services are reported gross because WidePoint is the principal in the transaction, but those dollars carry low margins. In Q2 2026, carrier revenue was \$24.1 million and generated only \$0.8 million of gross profit, a 3% margin. Managed services generated \$13.9 million of revenue and \$5.1 million of gross profit, a 36% margin. Investors should therefore monitor managed-services revenue and gross profit rather than total revenue in isolation.

Revenue Mix Shifts Toward Higher-Value Managed Services



Source: [2023–2025 company filings](#); [2026E–2028E Singular Research estimates](#)

### Exhibit 2: Revenue Economics by Category

| Category         | Q2 2026 Revenue | Q2 2026 Gross Profit | Gross Margin | Economic Role                                   |
|------------------|-----------------|----------------------|--------------|-------------------------------------------------|
| Carrier services | \$24.1M         | \$0.8M               | 3%           | Scale, procurement and billing layer            |
| Managed services | \$13.9M         | \$5.1M               | 36%          | Software, services, security and workflow value |
| Total            | \$38.0M         | \$5.8M               | 15%          | Reported company results                        |

Source: [WidePoint Q2 2026 Form 10-Q](#)

## Competitive Position

WidePoint's defensibility rests on authorization, integration and past performance rather than on corporate scale. FedRAMP authorization, external certificate-authority status, embedded DHS workflows and multi-carrier independence raise switching costs. Larger federal integrators have greater resources and broader contract portfolios, while telecom carriers and specialized mobility vendors can compete in individual layers. WidePoint's differentiation is the integrated stack and its operating history inside sensitive federal environments.

## Contract Architecture and Catalysts

Exhibit 3: Contract and Catalyst Map

| Program / Event           | Economics                             | Timing                          | What Matters                                               |
|---------------------------|---------------------------------------|---------------------------------|------------------------------------------------------------|
| CWMS 3.0 protest decision | \$3.1B ten-year ceiling               | By Oct. 7, 2026                 | Award upheld, remand, corrective action or new competition |
| CWMS 2.5 bridge           | \$113M ceiling                        | Aug. 2026–early 2027            | Continuity and task-order modifications                    |
| ATV SaaS launch           | ~\$45M / five years; ~70% GM          | Year-end 2026                   | Initial devices and 3–6 month ramp                         |
| NASA SEWP VI              | \$60B government-wide vehicle ceiling | Ordering Nov. 1, 2026           | Task orders—not vehicle ceiling—drive value                |
| DaaS / LA28               | Not disclosed                         | Negotiations through early 2027 | Terms, award and device deployment                         |
| Q3 2026 results           | No formal guidance                    | Expected Nov. 2026              | Margin durability and protest-era continuity               |

Source: [Company releases and earnings call](#); [SEC-filed transcript](#)

### CWMS 3.0 Protest: The Central Near-Term Event

An unsuccessful bidder protested the CWMS 3.0 award. Management stated that GAO's outside decision date is October 7, 2026 and that WidePoint prevailed in protests involving CWMS 1.0, CWMS 2.0 and the predecessor GSA FSSI TEMS vehicle. Prior outcomes support confidence but do not determine this case. Our valuation assigns a 75% probability to an upheld or economically continuing path and 25% to loss or material delay. Those probabilities are Singular Research assumptions, not company guidance or market-implied odds.

### SEWP VI and DaaS: Valuable Options, Not Base-Case Commitments

NASA's SEWP VI is a government-wide acquisition vehicle. Being named a prime contractor can shorten procurement cycles and expand WidePoint's addressable opportunity, but the \$60 billion vehicle ceiling is shared across vendors and does not guarantee revenue. We include only modest contribution in the forecast. Similarly, the LA 2028 Olympics DaaS opportunity, additional carrier discussions and MobileAnchor commercial partnerships are treated as upside options until contracts and economics are disclosed.

## Financial Review and Forecast

### Historical Performance

Revenue expanded from \$106.0 million in 2023 to \$150.5 million in 2025, driven primarily by carrier pass-through activity. Gross profit increased more slowly, from \$15.6 million to \$21.0 million, while operating losses persisted. Adjusted EBITDA remained positive but declined from \$2.6 million in 2024 to \$1.1 million in 2025. First-half 2026 marked a turn: revenue rose 11%, managed-services gross margin improved to 35%, and operating loss narrowed to \$48 thousand.

### Forecast Framework

Our estimates separate carrier revenue from managed services. For 2026, we assume continued CWMS continuity and only limited ATV contribution. In 2027, we model the ATV ramp and initial CWMS 3.0 task orders. In 2028, managed-services revenue accelerates as more solution work is converted. We do not assume full utilization of the CWMS 3.0 ceiling, state/local ATV expansion, another carrier contract, or a major DaaS win.

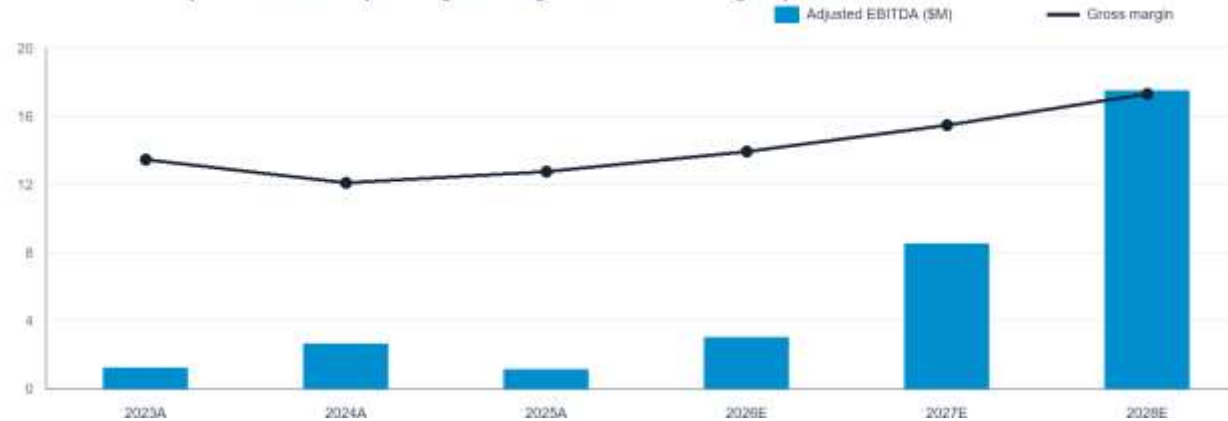
Exhibit 4: Income Statement and Cash Flow Summary

| \$M except per share | 2023A | 2024A | 2025A | 2026E | 2027E | 2028E |
|----------------------|-------|-------|-------|-------|-------|-------|
| Revenue              | 106.0 | 142.6 | 150.5 | 162.1 | 190.0 | 245.0 |
| Revenue growth       | 16.0% | 34.5% | 5.6%  | 7.7%  | 17.2% | 28.9% |
| Gross profit         | 15.6  | 19.0  | 21.0  | 24.8  | 32.3  | 46.6  |
| Gross margin         | 14.8% | 13.3% | 14.0% | 15.3% | 17.0% | 19.0% |
| Adjusted EBITDA      | 1.2   | 2.6   | 1.1   | 3.0   | 8.5   | 17.5  |
| Operating income     | (3.7) | (1.9) | (2.8) | 0.8   | 6.7   | 14.7  |

| \$M except per share | 2023A    | 2024A    | 2025A    | 2026E  | 2027E  | 2028E  |
|----------------------|----------|----------|----------|--------|--------|--------|
| Diluted EPS          | (\$0.46) | (\$0.21) | (\$0.28) | \$0.07 | \$0.58 | \$1.18 |
| Diluted shares       | 8.8      | 9.3      | 9.7      | 10.2   | 10.2   | 10.2   |
| Company-defined FCF  | NM       | 2.5      | 0.8      | 2.4    | 7.3    | 16.0   |

Source: [2023–2025 company filings; estimates by Singular Research](#)

#### Our Forecast Requires Mix and Operating Leverage—Not Full Ceiling Capture



Source: [Company filings and Singular Research estimates](#)

### Cash Flow and Working Capital

Reported operating cash flow can diverge from earnings because WidePoint bills large carrier and federal balances. First-half 2026 operating cash flow was negative \$1.0 million even as adjusted EBITDA and company-defined free cash flow improved, reflecting accounts-receivable growth and payable timing. Our valuation uses unlevered FCFF with a normalized working-capital charge rather than the company's adjusted-EBITDA-minus-capex definition. This prevents pass-through working-capital timing from being mistaken for structural economics.

## Management, Governance and Ownership

### Exhibit 5: Executive Team

| Executive      | Role                                        | Assessment                                                                     |
|----------------|---------------------------------------------|--------------------------------------------------------------------------------|
| Jin Kang       | President & CEO; director                   | Deep federal IT and company operating history; central to DHS relationships    |
| Todd Dzyak     | Chief Operating Officer                     | Execution responsibility across delivery and scale-up                          |
| Robert George  | Chief Financial Officer                     | Financial controls, liquidity and accelerated-filer transition                 |
| Ian Sparling   | COO, International                          | International operations and managed-services delivery                         |
| Jason Holloway | Chief Revenue Officer through Dec. 31, 2026 | Retiring for personal/family reasons; transition is a near-term execution item |

Source: [2026 proxy statement](#); [August 2026 Form 8-K](#)

### Execution Record

Management deserves credit for preserving the DHS franchise, securing the CWMS 3.0 selection, maintaining positive adjusted EBITDA through a difficult period, and returning to positive quarterly EPS. The record is not unblemished: 2025 revenue and contract objectives fell below target under the company's incentive framework, profitability remained thin, and major commercial initiatives took longer than initially expected. We therefore underwrite disclosed awards and current milestones, not management's full opportunity commentary.

## Ownership and Trading

Insiders owned approximately 12.0% and institutions 26.9% of shares in the latest market-data snapshot. The public float is roughly 8.6 million shares, while twenty-day average volume was about 144 thousand shares. This structure can amplify both positive and negative event reactions. Short interest of approximately 439 thousand shares represented about 5.1% of float. Ownership data vary across vendors and should be read as approximate.

Source: [S&P Global data via StockAnalysis, Aug. 24, 2026](#)

## Valuation

We derive a twelve-month target using the standard Singular Research methodology: 50% probability-weighted two-stage FCFF DCF and 50% forward P/E. The valuation date is August 26, 2026, when WYY closed at \$9.45. The resulting \$14.28 blended value is rounded to a \$14.25 target, implying 51% upside and supporting a BUY rating under the Singular Research rating framework.

### Forward P/E Comparable Analysis

The peer set comprises larger government technology and professional-services companies. Their scale, diversification, liquidity and margins are materially superior to WidePoint's, so the comparison is a reference range rather than a direct match. Current forward P/E multiples range from approximately 11.7x to 18.9x with a 13.2x median. We use 15.0x on probability-weighted 2028 EPS of \$1.00 because the twelve-month target date falls in late 2027, when 2028 earnings should become the principal forward year. The modest premium to the peer median reflects faster modeled growth; the discount to the high end reflects concentration, size and execution risk.

#### Exhibit 6: Forward P/E Peer Framework

| Company             | Ticker | Forward P/E | Relevance / Limitation                                   |
|---------------------|--------|-------------|----------------------------------------------------------|
| Leidos              | LDOS   | 11.7x       | Diversified federal technology; much larger scale        |
| Booz Allen Hamilton | BAH    | 12.3x       | Federal consulting and cyber; mature margin profile      |
| SAIC                | SAIC   | 13.2x       | Federal mission integrator; slower growth                |
| Parsons             | PSN    | 14.6x       | Federal and critical-infrastructure technology           |
| CACI International  | CACI   | 18.9x       | Higher growth and margins; significant scale premium     |
| Peer median         | —      | 13.2x       | Reference midpoint                                       |
| Selected multiple   | WYY    | 15.0x       | Growth premium offset by size and concentration discount |

Source: [S&P Global data via StockAnalysis, Aug. 26, 2026](#)

#### Exhibit 7: Relative-Valuation Price Target

| Component             | Success Path | Loss / Delay Path | Probability-Weighted |
|-----------------------|--------------|-------------------|----------------------|
| Assigned probability  | 75%          | 25%               | 100%                 |
| 2028E diluted EPS     | \$1.18       | \$0.46            | \$1.00               |
| Selected forward P/E  | 15.0x        | 15.0x             | 15.0x                |
| Implied value / share | \$17.70      | \$6.90            | \$15.00              |

Source: [Singular Research estimates](#)

### Discounted Cash Flow

The DCF explicitly models 2026–2032 FCFF and a 2.5% terminal growth rate. We use a 13.5% WACC, close to the market-data estimate of 13.7% and consistent with WYY's 1.80 beta, micro-cap size, contract concentration and current 4.64% ten-year Treasury yield. The model adds \$6.5 million of net cash after lease obligations and uses 10.2 million diluted shares. The success path assumes CWMS 3.0 is upheld or continues economically; the downside path assumes the award is lost or materially delayed while ATV and the legacy base continue.

#### Exhibit 8: Probability-Weighted FCFF DCF

| DCF Component        | Success Path | Loss / Delay Path | Probability-Weighted |
|----------------------|--------------|-------------------|----------------------|
| Assigned probability | 75%          | 25%               | 100%                 |
| 2028E revenue        | \$245M       | \$175M            | \$228M               |

| DCF Component          | Success Path | Loss / Delay Path | Probability-Weighted |
|------------------------|--------------|-------------------|----------------------|
| 2032E EBIT margin      | 9.5%         | 5.0%              | 8.4%                 |
| WACC / terminal growth | 13.5% / 2.5% | 13.5% / 2.5%      | 13.5% / 2.5%         |
| DCF value / share      | \$16.10      | \$5.95            | \$13.56              |

Source: [Singular Research estimates](#); [U.S. Treasury, Aug. 26, 2026](#)

#### Exhibit 9: DCF Sensitivity (\$ per share)

| WACC / g | 1.5%    | 2.0%    | 2.5%    | 3.0%    | 3.5%    |
|----------|---------|---------|---------|---------|---------|
| 12.5%    | \$14.20 | \$14.65 | \$15.15 | \$15.70 | \$16.31 |
| 13.0%    | \$13.47 | \$13.87 | \$14.32 | \$14.80 | \$15.34 |
| 13.5%    | \$12.81 | \$13.17 | \$13.56 | \$13.99 | \$14.46 |
| 14.0%    | \$12.20 | \$12.52 | \$12.87 | \$13.26 | \$13.67 |
| 14.5%    | \$11.64 | \$11.93 | \$12.25 | \$12.59 | \$12.96 |

Source: [Singular Research estimates](#)

#### Exhibit 10: Twelve-Month Price Target

| Method                           | Weight | Value / Share | Weighted Value |
|----------------------------------|--------|---------------|----------------|
| Probability-weighted FCFF DCF    | 50%    | \$13.56       | \$6.78         |
| Probability-weighted forward P/E | 50%    | \$15.00       | \$7.50         |
| Blended indicated value          | 100%   | \$14.28       | \$14.28        |
| Rounded price target             | —      | \$14.25       | \$14.25        |
| Current price / upside           | —      | \$9.45        | 51%            |

Source: [Singular Research estimates](#); [price as of Aug. 26, 2026](#)

## Scenario Analysis, Risks and What Would Change Our View

#### Exhibit 11: Operating Scenarios

| Scenario | Key Assumptions                                                                                              | Indicative Value | Investment Read                              |
|----------|--------------------------------------------------------------------------------------------------------------|------------------|----------------------------------------------|
| Bull     | Protest resolved favorably; faster CWMS task orders; ATV and one option contract scale; 2028 revenue >\$270M | \$20–\$22        | Operating leverage exceeds base case         |
| Base     | 75% success weighting; ATV launches; gradual CWMS ramp; 2028 revenue \$245M in success path                  | \$14.25          | 50/50 hybrid target                          |
| Bear     | CWMS 3.0 lost or materially delayed; ATV continues; limited new task orders; margins recover slowly          | \$5–\$7          | Legacy base and net cash preserve some value |

Source: [Singular Research estimates](#)

#### Primary Risks

- **CWMS 3.0 outcome and concentration.** A protest loss, corrective action, new competition, task-order delay, federal shutdown or budget disruption can materially reduce revenue and earnings. DHS is the dominant customer.
- **Ceiling-to-revenue conversion.** IDIQ ceilings represent maximum ordering capacity, not committed revenue. The base case requires task orders to arrive and contain the higher-value solution mix management expects.

- **ATV implementation.** The carrier engagement has already required expanded implementation work. Delays, scope changes, customer acceptance or lower-than-expected device economics would reduce the 2027 ramp.
- **Working capital and accounting.** Gross carrier billing creates large receivable, unbilled-receivable, payable and accrued balances. Quarterly cash flow can be volatile, and reported revenue growth may overstate underlying gross-profit growth.
- **Margin and cost pressure.** Accelerated-filer expenses, labor, health insurance, compliance and post-quantum investment may offset incremental gross profit. The company also expects a contingent one-time incentive payment if the protest resolves favorably.
- **People and governance.** CRO Jason Holloway is retiring at year-end 2026. A small leadership bench and three-member board increase key-person and oversight sensitivity.
- **Liquidity and dilution.** The balance sheet has cash and no bank debt, but working capital is narrow. The ATM could dilute shareholders if cash needs rise, and thin trading liquidity can magnify volatility.

### What Would Raise Our Target

A clean protest resolution, disclosed CWMS task orders with a larger managed-services mix, on-time ATV deployment, a second carrier agreement, or 2027 gross margin above 17% would increase both forecast earnings and the justified multiple. The most valuable confirmation would be reported gross profit and cash conversion—not headline contract ceilings.

### What Would Lower Our Target

A loss or lengthy remand of CWMS 3.0, material Q3/Q4 disruption, ATV slippage beyond mid-2027, sustained operating losses, use of the ATM at depressed prices, or evidence that incremental solution work requires substantial headcount would reduce our probability weighting and earnings estimates.

## Latest Quarterly Results

Q2 2026 revenue was \$38.0 million, up 2% year over year. Gross profit rose 14% to \$5.8 million, with total gross margin of 15% and managed-services margin of 36%. Net income was \$66 thousand, or \$0.01 per diluted share, compared with a \$618 thousand loss a year earlier. Adjusted EBITDA increased to \$635 thousand from \$183 thousand. Federal backlog was approximately \$219 million, cash was \$10.0 million and the company had no bank debt.

The quarter was strategically strong but financially modest. Revenue growth was led by carrier services, while managed-services revenue declined against prior-year one-time resale activity. The positive read is that gross profit and earnings improved before CWMS 3.0 and ATV scaled. The caution is that the current valuation already anticipates a meaningful 2027–2028 earnings ramp.

Source: [WidePoint Q2 2026 results](#); [Form 10-Q](#)

## Technical Analysis

WYY Price and Moving Averages



Source: [StockAnalysis / S&P Global daily closes through Aug. 26, 2026](#)

WYY closed at \$9.45, below its approximately \$12.30 fifty-day moving average but above its approximately \$7.99 two-hundred-day moving average. The shares reached a 52-week high of \$24.30 following the CWMS 3.0 selection and then retraced as the protest and execution timeline returned to focus. Technical momentum is therefore neutral-to-weak in the near term, while the longer trend remains above the 200-day average. Given the event risk and thin liquidity, position sizing should be driven by fundamental downside tolerance rather than chart levels alone.

## Analytical Appendix: Valuation, Financials, Coverage and Ownership

The schedules below make the valuation reproducible and separate reported results from Singular Research estimates. Dollars are in millions except per-share data, prices and percentages. Historical figures are reported by WidePoint; estimates and scenario weights are Singular Research assumptions.

### Hybrid 50/50 Valuation Proof

The 12-month target assigns equal weight to a probability-weighted FCFF DCF and a probability-weighted forward P/E. The DCF explicitly forecasts unlevered cash flow through 2032 and applies a 2.5% perpetual-growth rate. The relative method applies 15.0x to probability-weighted 2028 EPS because near-term earnings do not yet reflect the anticipated CWMS 3.0 and ATV ramp. A 75% success / 25% loss-or-delay weighting is applied consistently to both methods.

### Probability-Weighted DCF Table

| Probability-weighted FCFF | 2026E    | 2027E    | 2028E    | 2029E    | 2030E    | 2031E    | 2032E    |
|---------------------------|----------|----------|----------|----------|----------|----------|----------|
| Revenue                   | \$162.1  | \$185.0  | \$227.5  | \$254.8  | \$282.0  | \$309.5  | \$337.0  |
| Growth                    | 7.7%     | 14.1%    | 23.0%    | 12.0%    | 10.7%    | 9.8%     | 8.9%     |
| EBIT                      | \$0.81   | \$5.63   | \$12.12  | \$16.13  | \$20.64  | \$25.17  | \$29.84  |
| Cash tax on EBIT          | \$0.00   | \$(0.50) | \$(1.65) | \$(3.16) | \$(4.14) | \$(5.16) | \$(6.24) |
| NOPAT                     | \$0.81   | \$5.13   | \$10.47  | \$12.97  | \$16.50  | \$20.01  | \$23.60  |
| D&A                       | \$1.80   | \$1.98   | \$2.23   | \$2.55   | \$2.80   | \$3.05   | \$3.30   |
| Capital expenditures      | \$(1.00) | \$(1.43) | \$(1.83) | \$(2.15) | \$(2.40) | \$(2.65) | \$(2.76) |
| Investment in NWC         | \$(0.48) | \$(0.65) | \$(1.15) | \$(0.93) | \$(0.93) | \$(0.93) | \$(1.76) |
| FCFF                      | \$1.14   | \$5.03   | \$9.72   | \$12.45  | \$15.97  | \$19.48  | \$22.38  |
| Discount factor           | 0.881    | 0.776    | 0.684    | 0.603    | 0.531    | 0.468    | 0.412    |
| Present value of FCFF     | \$1.00   | \$3.90   | \$6.64   | \$7.50   | \$8.48   | \$9.11   | \$9.23   |

## DCF and Hybrid Target Bridge

| Valuation proof          | Calculation / probability input                           | Value    | Weight | Contribution |
|--------------------------|-----------------------------------------------------------|----------|--------|--------------|
| PV of explicit FCFF      | Sum of 2026E–2032E discounted FCFF                        | \$45.86  | —      | —            |
| PV of terminal value     | $\$22.38 \times 1.025 \div (13.5\% - 2.5\%) \times 0.412$ | \$85.96  | —      | —            |
| Enterprise value         | $\$45.86 + \$85.96$                                       | \$131.83 | —      | —            |
| Equity value             | EV + \$6.50 net cash / lease bridge                       | \$138.33 | —      | —            |
| DCF value / share        | $\$138.33 \div 10.20$ diluted shares                      | \$13.56  | 50%    | \$6.78       |
| Forward P/E              | $15.0x \times (75\% \times \$1.18 + 25\% \times \$0.46)$  | \$15.00  | 50%    | \$7.50       |
| Unrounded hybrid value   | $\$6.78 + \$7.50$                                         | \$14.28  | 100%   | \$14.28      |
| Published target         | Rounded to nearest \$0.25                                 | \$14.25  | —      | \$14.25      |
| Upside vs. Aug. 26 close | $\$14.25 \div \$9.45 - 1$                                 | 50.8%    | —      | 51%          |

Sources: Singular Research estimates and calculations; [U.S. Treasury yield curve](#); [StockAnalysis / S&P Global close of \\$9.45 on August 26, 2026](#).

## Three Financial Statements

The statements pair the latest comparable interim results with current annual estimates. Reported cash flow from operations differs from WidePoint's company-defined free cash flow, which is adjusted EBITDA less capital expenditures; both measures are shown to prevent a non-GAAP/GAAP mismatch.

### Condensed Income Statement

| \$M except EPS          | H1 2025A | H1 2026A | 2026E   | 2027E   | 2028E   |
|-------------------------|----------|----------|---------|---------|---------|
| Revenue                 | \$70.79  | \$78.58  | \$162.1 | \$190.0 | \$245.0 |
| Revenue growth          | —        | 11.0%    | 7.7%    | 17.2%   | 28.9%   |
| Gross profit            | \$9.90   | \$11.44  | \$24.8  | \$32.3  | \$46.6  |
| Gross margin            | 14.0%    | 14.6%    | 15.3%   | 17.0%   | 19.0%   |
| Operating income (loss) | \$(1.52) | \$(0.05) | \$0.8   | \$6.7   | \$14.7  |
| Net income (loss)       | \$(1.34) | \$0.14   | \$0.7   | \$5.9   | \$12.0  |
| Diluted EPS             | \$(0.14) | \$0.01   | \$0.07  | \$0.58  | \$1.18  |
| Adjusted EBITDA         | \$0.28   | \$1.40   | \$3.0   | \$8.5   | \$17.5  |

## Condensed Balance Sheet

| \$M                              | Dec. 31, 2025A | June 30, 2026A |
|----------------------------------|----------------|----------------|
| Cash and equivalents             | \$9.82         | \$10.02        |
| Restricted cash                  | \$2.65         | \$0.75         |
| Accounts receivable              | \$15.00        | \$15.19        |
| Unbilled accounts receivable     | \$33.55        | \$41.79        |
| Other current assets             | \$5.20         | \$7.99         |
| Total current assets             | \$66.21        | \$75.74        |
| Property and equipment, net      | \$0.48         | \$0.40         |
| Lease right-of-use assets        | \$3.90         | \$3.52         |
| Intangibles, net                 | \$3.35         | \$2.81         |
| Goodwill                         | \$5.81         | \$5.81         |
| Total assets                     | \$79.81        | \$88.93        |
| Accounts payable                 | \$25.89        | \$25.32        |
| Accrued expenses                 | \$31.16        | \$38.95        |
| Current deferred revenue         | \$6.11         | \$7.91         |
| Current lease liabilities        | \$0.75         | \$0.76         |
| Total current liabilities        | \$63.92        | \$72.94        |
| Long-term lease liabilities      | \$3.93         | \$3.56         |
| Total liabilities                | \$68.28        | \$77.25        |
| Stockholders' equity             | \$11.53        | \$11.68        |
| Working capital                  | \$2.30         | \$2.80         |
| Net cash after lease liabilities | \$5.14         | \$5.70         |
| Shares outstanding               | 9.89           | 9.99           |

Balance-sheet read-through: working capital remains positive but narrow because carrier pass-through billing creates large and offsetting receivable, payable and accrued balances. Unbilled receivables rose \$8.24 million during H1 2026, explaining why GAAP operating cash flow was negative even as company-defined free cash flow remained positive.

## Condensed Cash Flow Statement

| \$M                                  | H1 2025A | H1 2026A | 2026E  | 2027E  | 2028E  |
|--------------------------------------|----------|----------|--------|--------|--------|
| Net income (loss)                    | \$(1.34) | \$0.14   | \$0.7  | \$5.9  | \$12.0 |
| Depreciation & amortization          | \$1.44   | \$0.96   | —      | —      | —      |
| Share-based compensation             | \$0.36   | \$0.42   | —      | —      | —      |
| A/R and unbilled receivables         | \$(2.12) | \$(8.43) | —      | —      | —      |
| Other current assets                 | \$(4.06) | \$(2.70) | —      | —      | —      |
| A/P and accrued expenses             | \$2.29   | \$7.23   | —      | —      | —      |
| Deferred revenue / other liabilities | \$3.51   | \$2.00   | —      | —      | —      |
| Cash from operations                 | \$(0.06) | \$(1.03) | —      | —      | —      |
| Capital expenditures                 | \$(0.12) | \$(0.09) | —      | —      | —      |
| Company-defined free cash flow       | \$0.16   | \$1.31   | \$2.4  | \$7.3  | \$16.0 |
| Probability-weighted FCFF (DCF)      | —        | —        | \$1.14 | \$5.03 | \$9.72 |

Source: [WidePoint Q2 2026 Form 10-Q](#) and [Q2 2026 results release](#).

## Other Published Research Coverage and Price Targets

Publicly visible coverage is limited and not synchronized. Targets below were issued on different dates, use different methodologies and in several cases predate the CWMS 3.0 award; they should not be averaged mechanically. The table is a selected, verifiable history rather than a complete consensus roster.

| Date          | Firm / analyst                | Rating / action   | Target  | Upside vs. \$9.45 | Method / context                     |
|---------------|-------------------------------|-------------------|---------|-------------------|--------------------------------------|
| Aug. 27, 2026 | Singular Research             | BUY               | \$14.25 | 50.8%             | 50% DCF / 50% P/E                    |
| Jun. 24, 2026 | AmerX / Casey Ryan            | BUY initiation    | \$22.55 | 138.6%            | 1.0x FY2028 sales estimate           |
| Mar. 30, 2026 | H.C. Wainwright / Scott Buck  | BUY reiterated    | \$9.00  | (4.8%)            | Published target history             |
| Oct. 7, 2025  | WestPark / Casey Ryan         | BUY reiterated    | \$9.00  | (4.8%)            | Published target history             |
| Aug. 15, 2025 | Litchfield Hills / Barry Sine | BUY reiterated    | \$8.00  | (15.3%)           | EV/EBITDA-oriented framework         |
| Aug. 13, 2026 | Zacks                         | Downgrade to Hold | —       | —                 | Quantitative rating; no target shown |

Sources: [AmerX initiation summary](#); [selected rating/target history](#); [Litchfield Hills research](#).

## Analyst Questions, Management Answers and Singular Comments

| Analyst / topic                  | Question (paraphrased)                                                  | Management answer (paraphrased)                                                                                                                                                                        | Singular Research comment                                                                                            |
|----------------------------------|-------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|
| Scott Buck — ATV ramp            | How long from launch to full deployment?                                | Initial devices are expected in Q4 2026; ramp to scale near end-Q1 or early Q2 2027.                                                                                                                   | Supports a 2027 earnings inflection; our 2026 estimate includes little full-run-rate benefit.                        |
| Scott Buck — state/local         | What could state and local expansion add?                               | The device population could rival federal and potentially double devices; Fortune 500 expansion could add more, but the carrier customer base is not yet known.                                        | Excluded from the base case. It is upside optionality, not contracted revenue.                                       |
| Scott Buck — backlog             | How should investors read \$219M of backlog outside CWMS?               | Backlog represents executed federal task orders, mostly funded, generally recognized over 12–18 months.                                                                                                | Improves revenue visibility, but unbilled receivables make quarterly cash conversion timing-sensitive.               |
| Casey Ryan — second carrier      | Are the other major U.S. carriers realistic, comparable opportunities?  | Both are targets and could be comparable in size; discussions are preliminary and nothing is material yet.                                                                                             | No value is included in the base case until an agreement is disclosed.                                               |
| Casey Ryan — LA28 / MobileAnchor | When must LA28 terms be set, and how is MobileAnchor demand developing? | Management hopes to complete terms by year-end 2026 for a quick license-led ramp; MobileAnchor interest is both outbound and unsolicited, with CDW, Ingram Micro and Tech Data as commercial partners. | Potentially high-margin, but timing and customer conversion remain unproven; treated as catalyst, not core forecast. |

Source: [WidePoint Q2 2026 earnings-call transcript](#). Questions and answers are paraphrased.

## Institutional and Insider Ownership

Ownership is fragmented, consistent with WYY's micro-cap size and trading liquidity. Institutional positions are the latest publicly summarized Q2 2026 Form 13F holdings. Insider counts use each person's most recent Form 4 or proxy disclosure through July 13, 2026 and therefore do not share one synchronized record date.

### Largest Disclosed Institutional Positions

| Manager                     | Shares    | % of June 30 shares | Reporting period |
|-----------------------------|-----------|---------------------|------------------|
| Vanguard Capital Management | 360,356   | 3.61%               | Q2 2026          |
| Potomac Capital Management  | 272,780   | 2.73%               | Q2 2026          |
| Focus Partners Wealth       | 157,046   | 1.57%               | Q2 2026          |
| Renaissance Technologies    | 120,321   | 1.20%               | Q2 2026          |
| Summit Financial Strategies | 98,457    | 0.98%               | Q2 2026          |
| Geode Capital Management    | 88,742    | 0.89%               | Q2 2026          |
| Dimensional Fund Advisors   | 77,243    | 0.77%               | Q2 2026          |
| LPL Financial               | 70,911    | 0.71%               | Q2 2026          |
| BlackRock                   | 61,667    | 0.62%               | Q2 2026          |
| Informed Momentum           | 54,122    | 0.54%               | Q2 2026          |
| Top-ten total               | 1,361,645 | 13.62%              | Q2 2026          |

Source: [InsiderSet summary of Q2 2026 Form 13F filings](#).

## Latest Reported Insider Holdings

| Insider              | Role               | Shares    | % of June 30 shares | Latest report date        |
|----------------------|--------------------|-----------|---------------------|---------------------------|
| Jin Kang             | CEO / director     | 649,481   | 6.50%               | Apr. 20, 2026             |
| Philip Garfinkle     | Chair / director   | 185,361   | 1.85%               | Jan. 2, 2026              |
| Todd Dzyak           | COO                | 110,436   | 1.10%               | Jul. 9, 2026              |
| Jason Holloway       | CRO                | 100,018   | 1.00%               | Jun. 26, 2026             |
| John Fitzgerald      | Director           | 90,414    | 0.90%               | Jul. 6, 2026              |
| Robert George        | CFO                | 19,842    | 0.20%               | Jun. 29, 2026             |
| Ian Sparling         | COO, International | 15,977    | 0.16%               | Jun. 26, 2026             |
| Listed-insider total | —                  | 1,171,529 | 11.72%              | Latest individual filings |

Insider percentages use 9,994,617 shares outstanding at June 30, 2026. Holloway's total includes 14,918 directly held shares and 85,100 shares held in trust for his benefit. Garfinkle's total includes 183,861 directly held shares and 1,500 in UTMA accounts. Unexercised options are excluded. Recent insider sales following the CWMS 3.0 award reduce alignment at the margin and warrant monitoring, though CEO ownership remains the largest insider position.

Sources: [WidePoint 2026 proxy](#); [WidePoint Q2 2026 Form 10-Q](#); [SEC insider filing index](#).

## Sources and Methodology

This report uses WidePoint SEC filings, company releases and SEC-filed earnings-call materials as primary sources. Market price, trading, ownership and peer-multiple data are secondary market-data inputs identified below. Historical financial statement figures are reported; all forecast figures, scenario probabilities, DCF assumptions and the price target are Singular Research estimates unless explicitly attributed to management.

- [WidePoint Q2 2026 Form 10-Q](#)
- [WidePoint 2025 Form 10-K](#)
- [WidePoint 2026 proxy statement](#)
- [WidePoint Q2 2026 earnings release](#)
- [WidePoint Q2 2026 SEC-filed transcript](#)
- [WYY market statistics via StockAnalysis / S&P Global](#)
- [WYY August 26, 2026 close via StockAnalysis / S&P Global](#)
- [U.S. Treasury daily par yield curve](#)

## Important Disclosures

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