

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2023

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number: 001-33035

WidePoint Corporation

(Exact name of Registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

52-2040275

(I.R.S. employer
identification no.)

11250 Waples Mill Road , South Tower 210 , Fairfax ,
Virginia

(Address of principal executive offices)

22030

(Zip Code)

(703) 349-2577

(Registrant's telephone number, including area code) Securities Registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol	Name of Exchange on Which Registered
Common Stock, \$0.001 par value per share	WYY	NYSE American

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days: Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files): Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. Yes ☐ No ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

As of November 14, 2023, there were 8,843,673 shares of the registrant's Common Stock issued and outstanding.

WIDEPOINT CORPORATION

INDEX

Part I.	FINANCIAL INFORMATION	Page No.
Item 1.	Condensed Consolidated Financial Statements (Unaudited)	3
	Condensed Consolidated Statements of Operations for the three and nine month periods ended September 30, 2023 and 2022	3
	Condensed Consolidated Statements of Comprehensive Loss for the three and nine month periods ended September 30, 2023 and 2022	4
	Condensed Consolidated Balance Sheets as of September 30, 2023 and December 31, 2022	5
	Condensed Consolidated Statements of Cash Flows for the nine month periods ended September 30, 2023 and 2022	6
	Condensed Consolidated Statements of Changes in Stockholders' Equity for the three and nine month periods ended September 30, 2023 and 2022	8

<u>Notes to Condensed Consolidated Financial Statements</u>	9
<u>Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	22
<u>Item 3. Quantitative and Qualitative Disclosures About Market Risk</u>	28
<u>Item 4. Controls and Procedures</u>	29
<u>Part II. OTHER INFORMATION</u>	
<u>Item 1. Legal Proceedings</u>	30
<u>Item 1A. Risk Factors</u>	30
<u>Item 2. Unregistered Sales of Equity Securities and Use of Proceeds</u>	30
<u>Item 3. Default Upon Senior Securities</u>	30
<u>Item 4. Mine Safety Disclosures</u>	30
<u>Item 5. Other Information</u>	30
<u>Item 6. Exhibits</u>	31
<u>SIGNATURES</u>	32
<u>CERTIFICATIONS</u>	

[Table of Contents](#)

PART I. FINANCIAL INFORMATION

ITEM 1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS.

**WIDEPOINT CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**

	THREE MONTHS ENDED SEPTEMBER 30,		NINE MONTHS ENDED SEPTEMBER 30,	
	2023	2022	2023	2022
	(Unaudited)			
REVENUES	\$ 25,733,657	\$ 25,271,572	\$ 77,770,195	\$ 70,765,353
COST OF REVENUES (including amortization and depreciation of \$ 528,298 , \$ 366,885 , \$ 1,538,883 , and \$ 961,341 , respectively)	21,838,836	21,472,120	66,155,797	59,749,532
GROSS PROFIT	3,894,821	3,799,452	11,614,398	11,015,821
OPERATING EXPENSES				
Sales and marketing	490,037	527,726	1,553,887	1,665,518
General and administrative expenses (including share-based compensation of \$ 276,570 , \$ 115,141 , \$ 235,570 and \$ 269,126 , respectively)	3,977,709	3,595,145	11,719,042	11,157,690
Goodwill impairment	-	-	-	16,277,000
Depreciation and amortization	259,804	272,203	789,331	810,652
Total operating expenses	4,727,550	4,395,074	14,062,260	29,910,860
LOSS FROM OPERATIONS	(832,729)	(595,622)	(2,447,862)	(18,895,039)
OTHER INCOME (EXPENSE)				
Interest income	27,681	6,398	39,122	17,126
Interest expense	(69,095)	(62,841)	(184,783)	(189,188)
Other (expense) income, net	(33,663)	(6,999)	(52,721)	964,004
Total other income (expense), net	(75,077)	(63,442)	(198,382)	791,942
LOSS BEFORE INCOME TAX PROVISION (BENEFIT)	(907,806)	(659,064)	(2,646,244)	(18,103,097)
INCOME TAX PROVISION (BENEFIT)	13,308	(118,181)	68,422	(3,410,108)
NET LOSS	\$ (921,114)	\$ (540,883)	\$ (2,714,666)	\$ (14,692,989)
EARNINGS PER SHARE, BASIC AND DILUTED	\$ (0.10)	\$ (0.06)	\$ (0.31)	\$ (1.68)
WEIGHTED-AVERAGE SHARES OUTSTANDING, BASIC AND DILUTED	8,893,220	8,725,476	8,809,644	8,734,471

The accompanying notes are an integral part of these condensed consolidated financial statements.

[Table of Contents](#)

WIDEPOINT CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

	THREE MONTHS ENDED SEPTEMBER 30,		NINE MONTHS ENDED SEPTEMBER 30,	
	2023	2022	2023	2022
	(Unaudited)			
NET LOSS	\$ (921,114)	\$ (540,883)	\$ (2,714,666)	\$ (14,692,989)
Other comprehensive income (loss):				
Foreign currency translation adjustments, net of tax	(77,162)	(118,524)	(7,510)	(258,213)
Other comprehensive income (loss):	(77,162)	(118,524)	(7,510)	(258,213)
COMPREHENSIVE LOSS	\$ (998,276)	\$ (659,407)	\$ (2,722,176)	\$ (14,951,202)

The accompanying notes are an integral part of these condensed consolidated financial statements.

[Table of Contents](#)

**WIDEPOINT CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS**

	SEPTEMBER 30, 2023	DECEMBER 31, 2022
	(Unaudited)	
ASSETS		
CURRENT ASSETS		
Cash	\$ 8,458,048	\$ 7,530,864
Accounts receivable, net of allowance for credit losses of \$ 72,398 and \$ 51,666 , respectively	8,911,875	9,277,109
Unbilled accounts receivable	9,956,194	10,244,101
Other current assets	1,402,845	935,978
Total current assets	28,728,962	27,988,052
NONCURRENT ASSETS		
Property and equipment, net	857,867	978,218
Lease right of use asset, net	4,215,558	4,723,899
Intangible assets, net	7,133,845	7,398,160
Goodwill	5,811,578	5,811,578
Deferred tax assets, net	85,888	86,909
Other long-term assets	1,556,995	2,025,845
Total assets	\$ 48,390,693	\$ 49,012,661
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	\$ 13,855,297	\$ 12,515,081
Accrued expenses	10,624,832	11,327,269
Current portion of deferred revenue	2,209,524	1,704,933
Current portion of lease liabilities	626,955	596,529
Total current liabilities	27,316,608	26,143,812

NONCURRENT LIABILITIES

Lease liabilities, net of current portion	4,298,076	4,745,909
Contingent consideration	6,900	6,900
Deferred revenue, net of current portion	1,208,293	364,837

Total liabilities	32,829,877	31,261,458
-------------------	------------	------------

Commitments and contingencies (Note 16)	-	-
---	---	---

STOCKHOLDERS' EQUITY

Preferred stock, \$ 0.001 par value; 10,000,000 shares authorized; 2,045,714 shares issued and none outstanding	-	-
Common stock, \$ 0.001 par value; 30,000,000 shares authorized; 8,893,220 and 8,725,476 shares issued and outstanding, respectively	8,894	8,726
Additional paid-in capital	101,725,806	101,194,185
Accumulated other comprehensive loss	(357,744)	(350,234)
Accumulated deficit	(85,816,140)	(83,101,474)

Total stockholders' equity	15,560,816	17,751,203
----------------------------	------------	------------

Total liabilities and stockholders' equity	\$ 48,390,693	\$ 49,012,661
--	---------------	---------------

The accompanying notes are an integral part of these condensed consolidated financial statements.

[Table of Contents](#)

**WIDEPOINT CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**

NINE MONTHS ENDED

SEPTEMBER 30,

2023 2022

(Unaudited)

CASH FLOWS FROM OPERATING ACTIVITIES

Net loss	\$ (2,714,666)	\$ (14,692,989)
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Deferred income tax benefit	-	(3,176,568)
Depreciation expense	794,344	813,624
Goodwill impairment charge	-	16,277,000
Provision for credit losses	39,979	244
Amortization of intangibles	1,533,870	958,369
Share-based compensation expense	535,417	384,267
Warrants expense	-	108,000
Change in fair value of contingent consideration	-	(960,000)
Loss on disposal of fixed assets	3,211	-
Changes in assets and liabilities:		
Accounts receivable and unbilled receivables	1,208,899	2,804,675
Inventories	(271,869)	47,618
Other current assets	(198,992)	209,399
Other assets	27,161	27,966
Accounts payable and accrued expenses	(504,739)	1,080,368
Income tax payable	29,780	7,600
Deferred revenue and other liabilities	1,352,781	(314,226)
Other liabilities	-	(358,000)
Net cash provided by operating activities	1,835,176	3,217,347

CASH FLOWS FROM INVESTING ACTIVITIES

Purchases of property and equipment	(166,210)	(239,233)
Capitalized hardware and software development costs	(810,219)	(2,823,887)
Proceeds from beneficial interest in sold receivables	469,104	-
Net cash used in investing activities	(507,325)	(3,063,120)

CASH FLOWS FROM FINANCING ACTIVITIES

Advances on bank line of credit	6,493,284	4,455,523
Repayments of bank line of credit advances	(6,493,284)	(4,455,523)
Principal repayments under finance lease obligations	(420,139)	(446,691)
Withholding taxes paid on behalf of employees on net settled restricted stock awards	(3,628)	(49,224)
Common stock repurchased	-	(818,211)
Net cash used in financing activities	(423,767)	(1,314,126)
Net effect of exchange rate on cash	23,100	(258,761)

NET INCREASE (DECREASE) IN CASH 927,184 (1,418,660)

CASH, beginning of period 7,530,864 6,479,980

CASH, end of period \$ 8,458,048 \$ 5,061,320

The accompanying notes are an integral part of these condensed consolidated financial statements.

[Table of Contents](#)

WIDEPOINT CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (continued)

NINE MONTHS ENDED SEPTEMBER 30,	
2023	2022

(Unaudited)

SUPPLEMENTAL CASH FLOW INFORMATION

Cash paid for interest	\$ 168,083	\$ 141,924
Cash paid for income taxes	\$ -	\$ 27,559

NONCASH INVESTING AND FINANCING ACTIVITIES

Capitalized hardware and software development costs in accounts payable	\$ 22,198	\$ 90,854
Leased assets and lease liabilities terminated	\$ -	\$ 876,281

The accompanying notes are an integral part of these condensed consolidated financial statements.

[Table of Contents](#)

WIDEPOINT CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

	Common Stock		Additional	Accumulated	Accumulated	
	Issued	Amount	Paid-In	OCI	Deficit	Total
			Capital			
	(Unaudited)					
Balance, January 1, 2022	8,842,026	\$ 8,842	\$ 101,424,922	\$ (241,586)	\$ (59,516,183)	\$ 41,675,995
Common stock repurchased	(196,586)	(197)	(818,014)	-	-	(818,211)
Issuance of common stock — restricted	50,345	51	(49,275)	-	-	(49,224)
Issuance of warrants in acquisition of IT Authorities, Inc.	-	-	108,000	-	-	108,000
Stock compensation expense —restricted	-	-	179,741	-	-	179,741
Foreign currency translation —(loss)	-	-	-	(4,835)	-	(4,835)
Net loss	-	-	-	-	(392,897)	(392,897)

Balance, March 31, 2022	<u>8,695,785</u>	<u>\$ 8,696</u>	<u>\$100,845,374</u>	<u>\$ (246,421)</u>	<u>\$ (59,909,080)</u>	<u>\$40,698,569</u>
Issuance of common stock — restricted	29,691	30	(30)	-	-	-
Stock compensation expense — restricted	-	-	89,385	-	-	89,385
Foreign currency translation —(loss)	-	-	-	(134,854)	-	(134,854)
Net Loss					(13,759,209)	(13,759,209)
Balance, June 30, 2022	<u>8,725,476</u>	<u>\$ 8,726</u>	<u>\$100,934,729</u>	<u>\$ (381,275)</u>	<u>\$ (73,668,289)</u>	<u>\$26,893,891</u>
Stock compensation expense — restricted	-	-	115,141	-	-	115,141
Foreign currency translation —(loss)	-	-	-	(118,524)	-	(118,524)
Net Loss					(540,883)	(540,883)
Balance, September 30, 2022	<u>8,725,476</u>	<u>\$ 8,726</u>	<u>\$101,049,870</u>	<u>\$ (499,799)</u>	<u>\$ (74,209,172)</u>	<u>\$26,349,625</u>

	Common Stock		Additional	Accumulated	Accumulated	
	Issued	Amount	Paid-In	OCI	Deficit	Total
			Capital	(Unaudited)		
Balance, January 1, 2023	8,725,476	\$ 8,726	101,194,185	(350,234)	(83,101,474)	17,751,203
Issuance of common stock — restricted	13,841	14	(3,642)	-	-	(3,628)
Stock compensation expense — restricted	-	-	140,116	-	-	140,116
Foreign currency translation — gain	-	-	-	37,248	-	37,248
Net loss	-	-	-	-	(951,479)	(951,479)
Balance, March 31, 2023	<u>8,739,317</u>	<u>\$ 8,740</u>	<u>\$101,330,659</u>	<u>\$ (312,986)</u>	<u>\$ (84,052,953)</u>	<u>\$16,973,460</u>
Issuance of common stock — restricted	153,903	154	(154)	-	-	-
Stock compensation expense — restricted	-	-	95,454	-	-	95,454
Foreign currency translation —gain	-	-	-	32,404	-	32,404
Net loss					(842,073)	(842,073)
Balance, June 30, 2023	<u>8,893,220</u>	<u>\$ 8,894</u>	<u>\$101,425,959</u>	<u>\$ (280,582)</u>	<u>\$ (84,895,026)</u>	<u>\$16,259,245</u>
Stock compensation expense — restricted	-	-	276,570	-	-	276,570
Stock compensation expense — non-qualified stock options	-	-	23,277	-	-	23,277
Foreign currency translation — loss	-	-	-	(77,162)	-	(77,162)
Net loss					(921,114)	(921,114)
Balance, September 30, 2023	<u>8,893,220</u>	<u>\$ 8,894</u>	<u>\$101,725,806</u>	<u>\$ (357,744)</u>	<u>\$ (85,816,140)</u>	<u>\$15,560,816</u>

The accompanying notes are an integral part of these condensed consolidated financial statements.

[Table of Contents](#)

WIDEPOINT CORPORATION AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. Organization and Nature of Operations

Organization

WidePoint Corporation ("WidePoint" or the "Company") was incorporated in Delaware on May 30, 1997 and conducts operations through its wholly-owned operating subsidiaries throughout the continental United States, Ireland, the Netherlands and the United Kingdom. The Company's principal executive and administrative headquarters is located in Fairfax, Virginia.

Nature of Operations

The Company is a leading provider of Technology Management as a Service (TMaaS). The Company's TMaaS platform and service solutions enable its customers to efficiently secure, manage and analyze the entire lifecycle of their mobile communications assets through its federally compliant platform Intelligent Technology Management System (ITMS™). The Company's ITMS platform is SSAE 18 compliant and was granted an Authority to Operate by the U.S. Department of Homeland Security. Additionally, the Company was granted an Authority to Operate by the General Services Administration with regard to its identity credentialing component of its TMaaS platform. The Company's TMaaS platform is internally hosted and accessible on-demand through a secure customer portal that is specially configured for each customer. The Company can deliver these solutions in a number of configurations ranging from utilizing the platform as a service to a full-service solution that includes full lifecycle support for all end users and the organization.

A significant portion of the Company's expenses, such as personnel and facilities costs, are fixed in the short term and may not be easily modified to manage through changes in the Company's market place that may create pressure on pricing and/or costs to deliver its services.

The Company has periodic capital expense requirements to maintain and upgrade its internal technology infrastructure tied to its hosted solutions and other such costs may be significant when incurred in any given quarter.

2. Basis of Presentation and Accounting Policies

Basis of Presentation

The unaudited condensed consolidated financial statements as of September 30, 2023 and for each of the three and nine month periods ended September 30, 2023 and 2022, included herein have been prepared by the Company pursuant to the rules and regulations of the Securities and Exchange

Commission (the "SEC"). Pursuant to such regulations, certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States ("U.S. GAAP") have been condensed or omitted. It is the opinion of management that all adjustments (which include normal recurring adjustments) necessary for a fair statement of financial results are reflected in the financial statements for the interim periods presented. The condensed consolidated balance sheet as of December 31, 2022 was derived from the audited consolidated financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2022. The results of operations for the three and nine month periods ended September 30, 2023 are not necessarily indicative of the operating results for the full year.

Principles of Consolidation

The accompanying condensed consolidated financial statements include the accounts of the Company, its wholly owned subsidiaries and acquired entities since their respective dates of acquisition. All significant inter-company amounts were eliminated in consolidation.

[Table of Contents](#)

Foreign Currency

Assets and liabilities denominated in foreign currencies are translated into U.S. dollars based upon exchange rates prevailing at the end of each reporting period. The resulting translation adjustments, along with any related tax effects, are included in accumulated other comprehensive income, a component of stockholders' equity. Translation adjustments are reclassified to earnings upon the sale or substantial liquidation of investments in foreign operations. Revenues and expenses are translated at the average month-end exchange rates during the year. Gains and losses related to transactions in a currency other than the functional currency, including operations outside the U.S. where the functional currency is the U.S. dollar, are reported net in the Company's condensed consolidated statements of operations, depending on the nature of the activity.

Use of Estimates

The preparation of condensed consolidated financial statements in conformity with accounting principles generally accepted in the U.S. requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The more significant areas requiring use of estimates and judgment relate to revenue recognition, allowance for credit losses, ability to realize intangible assets and goodwill, ability to realize deferred income tax assets, fair value of certain financial instruments and the evaluation of contingencies and litigation. Management bases its estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances. Actual results could differ from those estimates. There were no significant changes in accounting estimates used by management during the quarter.

Segment Reporting

The Company's TMaaS offerings are substantially managed service driven solutions that use our proprietary technology platform to deliver our services and reported on that basis to its Chief Operating Decision Maker who evaluates its business as a single segment. See Note 15 for detailed information regarding the composition of revenues.

Significant Accounting Policies

There were no significant changes in the Company's significant accounting policies during the first nine months of 2023 from those disclosed in the Company's Annual Report on Form 10-K for the year ended December 31, 2022 filed with the SEC on March 31, 2023.

Recently Adopted Accounting Standards

In June 2016, the FASB issued ASU No. 2016-13, "Financial Instruments - Credit Losses (Topic 326): *Measurement of Credit Losses on Financial Instruments*" ("Topic 326"). Topic 326 amends guidance on reporting credit losses for assets held at amortized cost basis and available for sale debt securities. For assets held at amortized cost basis, Topic 326 eliminates the probable initial recognition threshold in current GAAP and, instead, requires an entity to reflect its current estimate of all expected credit losses. The allowance for credit losses is a valuation account that is deducted from the amortized cost basis of the financial assets to present the net amount expected to be collected. For available for sale debt securities, credit losses should be measured in a manner similar to current GAAP, however Topic 326 requires that credit losses be presented as an allowance rather than as a write-down. The adoption of this standard on January 1, 2023, did not have a material impact on the consolidated financial statements.

[Table of Contents](#)

3. Fair Value Measurements

The following tables present information about the Company's liabilities measured at fair value on a recurring basis in the condensed consolidated balance sheets:

Description	SEPTEMBER 30, 2023	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Liabilities:		(Unaudited)		
Contingent consideration - cash settled	\$ 6,500	-	-	\$ 6,500
Contingent consideration - warrants	400	-	-	400
Total liabilities measured and recorded at fair value	\$ 6,900	\$ -	\$ -	\$ 6,900

Description	DECEMBER 31, 2022	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Liabilities:				
Contingent consideration - cash settled	\$ 6,500	-	-	\$ 6,500
Contingent consideration - warrants	400	-	-	400
Total liabilities measured and recorded at fair value	\$ 6,900	\$ -	\$ -	\$ 6,900

The Company's contingent consideration is categorized as Level 3 within the fair value hierarchy. The contingent consideration has been recorded at their fair value using a Monte Carlo simulation model. This model incorporates probability of achievement of certain milestones, risk-free rates and volatility. The development and determination of the unobservable inputs for Level 3 fair value measurements and fair value calculations are the responsibility of the Company's management with the assistance of a third-party valuation specialist.

Management estimates the fair value of the contingent consideration liability based on financial projections of IT Authorities, Inc.'s (ITA) business and forecasted results, including revenue growth rates, costs and expenses, volatility, and discount rates. The Company evaluates, on a routine, periodic basis, the estimated fair value of the contingent consideration and quarterly changes in estimated fair value are reflected in other income in the consolidated statements of operations. Changes in the fair value of contingent consideration obligations may result from changes in changes of any of the key assumptions that are used. Changes in the estimated fair value of contingent consideration liability may have a material impact on the Company's operating results.

There was no change in fair value of contingent consideration for the three and nine month periods ended September 30, 2023.

[Table of Contents](#)

4. Accounts Receivable and Significant Concentrations

A significant portion of the Company's receivables are billed under firm fixed price contracts with agencies of the U.S. federal government and similar pricing structures with several corporations. Accounts receivable consist of the following by customer type in the table below as of the periods presented:

	SEPTEMBER 30, 2023	DECEMBER 31, 2022
	(Unaudited)	
U.S. Federal, State, and Local Government (1)	\$ 6,740,135	\$ 7,272,993
Commercial (2)	2,244,138	2,055,782
Gross accounts receivable	8,984,273	9,328,775
Less: allowances for credit losses (3)	72,398	51,666
Accounts receivable, net	\$ 8,911,875	\$ 9,277,109

(1) Government contracts are generally firm fixed price not to exceed arrangements with a term of five (5) years, which consists of a base year and four (4) annual option year renewals. Government receivables are billed under a single consolidated monthly invoice and are billed approximately thirty (30) to sixty (60) days in arrears from the date of service and payment is generally due within thirty (30) days of the invoice date. Government accounts receivable payments could be delayed due to administrative processing delays by the government agency, continuing budget resolutions or a government shutdown that may delay availability of contract funding, and/or administrative only invoice correction requests by contracting officers that may delay payment processing by our government customers.

(2) Commercial contracts are generally fixed price arrangements with contract terms ranging from two (2) to three (3) years. Commercial accounts receivables are billed based on the underlying contract terms and conditions which generally have repayment terms that range from thirty (30) to ninety (90) days. Commercial receivables are stated at amounts due from customers net of an allowance for credit losses if deemed necessary.

(3) For the nine month period ended September 30, 2023, the Company did not recognize any material provisions of recoveries of existing provision for credit losses. The Company has not historically maintained an allowance for credit losses for its government customers as it has not experienced material or recurring credit losses and the nature and size of the contracts has not necessitated the Company's establishment of such an allowance for credit losses.

Significant Concentrations

The following table presents consolidated trade accounts receivable by customer as of the periods presented below:

Customer Type	SEPTEMBER 30, 2023 As a % of Receivables (Unaudited)	DECEMBER 31, 2022 As a % of Receivables
U.S. Federal Government	73%	78%

The following table presents revenue by customer for each of the periods presented:

Customer Type	THREE MONTHS ENDED SEPTEMBER 30, 2023	2022	NINE MONTHS ENDED SEPTEMBER 30, 2023	2022
	(Unaudited)			
U.S. Federal Government (1)	78.8%	78.5%	79.9%	78.9%

(1) Sales to the U.S. federal government include sales from contracts for which we are the prime contractor, as well as those for which we are a subcontractor and the ultimate customer is the U.S. government.

[Table of Contents](#)

Credit Risk

Financial instruments that potentially expose the Company to concentrations of credit risk consist principally of cash on deposit with financial institutions, the balances of which frequently exceed federally insured limits. If the financial institution with whom we do business were to be placed into receivership, we may be unable to access to the cash we have on deposit with such institutions. If we are unable to access our cash and cash equivalents as needed, our financial position and ability to operate our business could be adversely affected. At September 30, 2023, the Company had deposits in excess of FDIC limits of approximately \$ 7.1 million. The Company also maintains deposits with a financial institution in Ireland that are insured by the Central Bank of Ireland up to a maximum of €100,000 per financial institution. At September 30, 2023, the Company had foreign bank deposits in excess of insured limits of approximately € 560,000 .

5. Unbilled Accounts Receivable

Unbilled accounts receivable represent revenues earned but not invoiced to the customer at the balance sheet date due to either timing of invoice processing or delays due to fixed contractual billing schedules. A significant portion of our unbilled accounts receivable consist of carrier services and hardware and software products delivered but not invoiced at the end of the reporting period.

The following table presents customers that represent ten (10) percent or more of consolidated unbilled accounts receivable as of the dates presented below:

Customer Type	SEPTEMBER 30, 2023 As a % of Receivables	DECEMBER 31, 2022 As a % of Receivables
	(Unaudited)	
U.S. Federal Government	96%	97%

6. Other Current Assets and Accrued Expenses

Other current assets consisted of the following as of the dates presented below:

	SEPTEMBER 30, 2023	DECEMBER 31, 2022
	(Unaudited)	
Inventories	\$ 494,101	\$ 222,279
Prepaid insurance and other assets	908,744	713,699
Total other current assets	<u>\$ 1,402,845</u>	<u>\$ 935,978</u>

[Table of Contents](#)

Accrued expenses consisted of the following as of the dates presented below:

	SEPTEMBER 30, 2023	DECEMBER 31, 2022
	(Unaudited)	
Carrier service costs	\$ 7,845,150	\$ 8,402,770
Salaries and payroll taxes	1,665,088	1,637,628
Inventory purchases, consultants and other costs	1,004,362	1,205,209
Severance costs	7,612	7,612
U.S. income tax payable	46,720	61,490
Foreign income tax payable	55,900	12,560
Total accrued expenses	<u>\$ 10,624,832</u>	<u>\$ 11,327,269</u>

7. Property and Equipment

Major classes of property and equipment consisted of the following as of the dates presented below:

	SEPTEMBER 30, 2023	DECEMBER 31, 2022
	(Unaudited)	
Computer hardware and software	\$ 3,277,478	\$ 3,158,428
Furniture and fixtures	498,461	502,391
Leasehold improvements	318,320	284,321
Automobiles	124,214	122,524
Gross property and equipment	4,218,473	4,067,664
Less: accumulated depreciation and amortization	<u>3,360,606</u>	<u>3,089,446</u>
Property and equipment, net	<u>\$ 857,867</u>	<u>\$ 978,218</u>

During the three and nine month periods ended September 30, 2023, property and equipment depreciation expense was approximately \$ 91,900 and \$ 281,900 , respectively. During the three and nine month periods ended September 30, 2022, property and equipment depreciation expense was approximately \$ 102,000 and \$ 305,100 , respectively.

During the three and nine month periods ended September 30, 2023 and 2022, there were no material disposals of owned property and equipment.

There were no changes in the estimated useful lives used to depreciate property and equipment during the three and nine month periods ended September 30, 2023 and 2022.

[Table of Contents](#)

8. Leases

On January 1, 2022, the Company entered into an amendment to its lease agreement for its Tampa office to amend the term and the extension option. The amendment updated the term of the lease from sixty (60) calendar months ending December 31, 2026 to the Company's ability to terminate the lease on June 30, 2022. As a result of the amendment, the Company removed the lease right of use asset and lease liability for its Tampa office from its condensed consolidated balance sheet. The Company accounted for the lease as month to month and recorded the monthly rent expense in its condensed consolidated statement of operations.

9. Goodwill and Intangible Assets

The Company has recorded goodwill of \$ 5,811,578 as of September 30, 2023 and December 31, 2022. There were no changes in the carrying amount of goodwill during the nine month period ended September 30, 2023.

Intangible assets consists of the following:

SEPTEMBER 30, 2023			
	Gross Carrying Amount	Accumulated Amortization (Unaudited)	Net Book Value
Customer Relationships	\$ 2,392,000	\$ (478,400)	\$ 1,913,600
Channel Relationships	2,628,080	(1,649,850)	978,230
Internally Developed Software	6,929,439	(3,696,876)	3,232,563
Trade Name and Trademarks	1,330,472	(321,020)	1,009,452
	<u>\$ 13,279,991</u>	<u>\$ (6,146,146)</u>	<u>\$ 7,133,845</u>
DECEMBER 31, 2022			
	Gross Carrying Amount	Accumulated Amortization	Net Book Value
Customer Relationships	\$ 2,392,000	\$ (299,000)	\$ 2,093,000
Channel Relationships	2,628,080	(1,518,446)	1,109,634
Internally Developed Software	5,665,957	(2,546,407)	3,119,550
Trade Name and Trademarks	1,330,472	(254,496)	1,075,976
	<u>\$ 12,016,509</u>	<u>\$ (4,618,349)</u>	<u>\$ 7,398,160</u>

For the three and nine month periods ended September 30, 2023, the Company capitalized \$ 139,600 and \$ 832,400 , respectively, of internally developed software costs, primarily associated with upgrading our ITMS™ (Intelligent Technology Management System), secure identity management technology and secure network operations center of which \$ 509,700 was transferred from capital work in progress to internally developed software during the nine month period. Capital work in progress is included in other long-term assets in the consolidated balance sheet.

For the three and nine month periods ended September 30, 2022, the Company capitalized \$ 1.1 million and \$ 2.9 million, respectively, of internally developed software costs, primarily associated with upgrading our ITMS™ (Intelligent Technology Management System), next generation TDI™ application, secure identity management technology and secure network operations center of which \$ 1.3 million was transferred from capital work in progress to internally developed software and \$ 316,900 was transferred from capital work in progress to property and equipment during the nine month period. Capital work in progress is included in other long-term assets in the consolidated balance sheet.

[Table of Contents](#)

There were no disposals of intangible assets during the three and nine month period ended September 30, 2023.

The aggregate amortization expense recorded for the three month periods ended September 30, 2023 and 2022 were approximately \$ 526,300 and \$ 365,800 , respectively. The aggregate amortization expense recorded for the nine month periods ended September 30, 2023 and 2022 were approximately \$ 1,533,900 and \$ 958,400 , respectively

As of September 30, 2023, estimated annual amortization for our intangible assets is approximately:

Remainder of 2023	\$ 566,031
2024	2,123,820
2025	1,450,258
2026	727,570
2027	503,106
Thereafter	1,763,060
Total	<u>\$ 7,133,845</u>

10. Line of Credit and Factoring Agreement

From June 15, 2017 to June 2023, the Company had a Loan and Security Agreement with Atlantic Union Bank (the "Loan Agreement"). The available amount under the working capital line of credit was subject to a borrowing base, which was equal to the lesser of (i) \$ 7.0 million or (ii) sum of 90 % of the net unpaid balance of the Company's eligible government accounts receivable and 80% of the net unpaid balance of the Company's eligible commercial accounts receivable. The facility was secured by a first lien security interest on all of the Company's assets in the United States. The Loan Agreement with Atlantic Union Bank matured in June 2023 and was not renewed.

On April 28, 2023, the Company entered into an Accounts Receivable Purchase Agreement (the "Purchase Agreement") with Republic Capital

Access, LLC (the "Buyer") for the non-recourse sale of eligible accounts receivable relating to U.S. Government prime contracts or subcontracts of the Company (collectively, the "Purchased Receivables") to replace the Company's matured Loan and Security Agreement with Atlantic Union Bank. Upon purchase, Buyer becomes the absolute owner of any such Purchased Receivables, which are payable directly to the Buyer. The total amount of Purchased Receivables is subject to a maximum limit of \$ 4 million outstanding Purchased Receivables at any time, with an available increase to \$ 14 million, subject to adequate receivables. The Purchase Agreement contains customary fees, covenants and representations.

Pursuant to the Purchase Agreement, the Company may from time to time offer and sell eligible accounts receivable to the Buyer. The Buyer pays the sales proceed of the purchase of the receivable invoices in two installments; first installment is Initial Purchase Price, which is 90% if the debtor is an agency of the U.S. Government, and 85% if the debtor is not an agency of the U.S. Government, of the invoice amount. The second and final installment is the residual purchase price that is the invoice amount less the initial purchase price less applicable discount factor and fees.

During the three month and nine month periods ended September 30, 2023, the Company sold a total of \$ 3.6 million and \$ 5.2 million, respectively, of receivables for proceeds net of fees of \$ 3.5 million and \$ 5.1 million, respectively. As of September 30, 2023, there is no outstanding residual payment balance and availability under the Purchase Agreement of \$ 4 million.

[Table of Contents](#)

11. Income Taxes

The Company's effective tax rate was (1.5)% and (2.6)% for the three and nine month periods ended September 30, 2023, respectively. The Company's effective tax rate was 18 % and 19 % for the three and nine month periods ended September 30, 2022, respectively. The difference in the effective tax rate and the U.S. federal statutory rate was primarily due to the full valuation allowance the Company maintains against its deferred tax assets and state minimum taxes in the United States. The effective tax rate is calculated by dividing the Provision (benefit) for income taxes by the loss before provision (benefit) for income taxes.

12. Stockholders' Equity

Common Stock

The Company is authorized to issue 30,000,000 shares of common stock, \$ 0.001 par value per share. As of September 30, 2023, there were 8,893,220 shares issued and outstanding.

On June 22, 2023, the stockholders of the Company approved an amendment and restatement of the 2017 WidePoint Omnibus Incentive Plan (the "Plan") to increase the number of shares authorized for issuance by one million three hundred thousand shares (1,300,000).

There were no shares of common stock vested under the vesting terms of the RSAs during the three month period ended September 30, 2023. During the nine month period ended September 30, 2023, there were 169,737 shares of common stock vested in accordance with the vesting terms of the RSAs. Two employees received less than the shares vested because they elected to have a total of 1,993 shares withheld in satisfaction of the employees corresponding tax liability of approximately \$ 3,600 . The Company's payment of this tax liability was recorded as a cash flow from financing activity on the consolidated statement of cash flows.

There were no shares of common stock vested under the vesting terms of the RSAs during the three month period ended September 30, 2022. During the nine month period ended September 30, 2022, there were 83,728 shares of common stock vested in accordance with the vesting terms of the RSAs. Three employees received less than the shares vested because they elected to have a total of 11,280 shares withheld in satisfaction of the employees corresponding tax liability of approximately \$ 49,300 . The Company's payment of this tax liability was recorded as a cash flow from financing activity on the consolidated statement of cash flows.

There were no stock option exercises during the three and nine month periods ended September 30, 2023 and 2022.

Contingent Warrants

Liability-classified warrants consist of warrants to acquire common stock at an exercise price of \$5.33 per share as part of the consideration for the acquisition of ITA in 2021, during the earn-out period from 2021 to 2024. Based on our consideration of the ASC 815-40 guidance, we account for these contingent warrants as a liability. The estimated fair value of outstanding contingent warrants accounted for as liabilities is determined at each balance sheet date. Any decrease or increase in the estimated fair value of the warrant liability since the most recent balance sheet date is recorded in the consolidated statement of operations as other income (expense). Refer to Note 3 for more information about the warrants.

Warrants Issued

On March 31, 2022, the Company issued a warrant to purchase 75,000 shares of common stock as part of the contingent consideration earned by ITA for 2021 EBITDA achievement. The warrant contains a strike price of \$ 5.33 and has a four-year contractual term. The warrant is classified within stockholders' equity at its fair value. The fair value of the warrant was determined to be \$ 108,000 utilizing the Black-Scholes-Merton option-pricing model at the time of issuance. Following such issuance, the Company has outstanding warrants to acquire 150,000 shares of common stock at a strike price of \$ 5.33 that expire on October 1, 2025.

[Table of Contents](#)

Stock Repurchase Program

On October 7, 2019, the Company announced that its Board of Directors approved a stock repurchase plan (the “Repurchase Plan”) to purchase up to \$ 2.5 million of the Company’s common stock. Any repurchases will be made in compliance with the SEC’s Rule 10b-18 if applicable, and may be made in the open market or in privately negotiated transactions, including the entry into derivatives transactions. During November 2021, the Board increased the size of the Repurchase Plan to up to \$5.0 million of the Company’s common stock, increasing the amount available for future purchases under the Repurchase Plan to \$4.6 million. During the three-month period ended March 31, 2022, we repurchased 196,586 shares of our common stock for a total of \$ 818,200 and subsequently in March of 2022, the Board suspended the repurchase plan in order to use the company’s excess funds to invest into the business. The Company retired all common stock it repurchased.

At The Market Offering Agreement

On August 18, 2020, the Company entered into an At-The-Market Issuance Sales Agreement (the “Sales Agreement”).

Effective March 27, 2023, the Company provided notice to the sales agents under its At the Market Sales Agreement that it was terminating the agreement. Accordingly, no additional sales of shares of common stock will be made pursuant to such agreement.

13. Share-based Compensation

Share-based compensation (including restricted stock awards) represents both stock option-based expense and stock grant expense. The following table sets forth the composition of stock compensation expense included in general and administrative expense for the periods then ended:

	THREE MONTHS ENDED SEPTEMBER 30,		NINE MONTHS ENDED SEPTEMBER 30,	
	2023	2022	2023	2022
	(Unaudited)			
Restricted share-based compensation expense	\$ 276,570	\$ 115,141	\$ 512,140	\$ 384,267
Non-qualified option share-based compensation expense	23,277	-	23,277	-
Total share-based compensation before taxes	<u>\$ 299,847</u>	<u>\$ 115,141</u>	<u>\$ 535,417</u>	<u>\$ 384,267</u>

The Company’s stock incentive plan is administered by the Compensation Committee of the Board of Directors and authorizes the grant or award of incentive stock options (ISO), nonqualified stock options (NQSO), restricted stock awards (RSA), restricted stock units, stock appreciation rights, dividend equivalent rights, performance unit awards and phantom shares. The Company issues new shares of common stock upon the exercise of stock options.

Restricted Stock

The Company records the fair value of all restricted stock shares based on the grant date fair value and amortizes stock compensation on a straight-line basis over the vesting period. Restricted stock shares are issued when vested and included in the total number of common shares issued and outstanding. During the three and nine month period ended September 30, 2023, the Company granted 628,572 restricted stock shares. During the three and nine month periods ended September 30, 2022, the Company granted 153,903 RSAs.

[Table of Contents](#)

Stock Options

The Company estimates the fair value of nonqualified stock awards using a Black-Scholes Option Pricing model ("Black-Scholes model"). The fair value of each stock award is estimated on the date of grant using the Black-Scholes model, which requires an assumption of dividend yield, risk free interest rates, volatility, and expected option life. The risk-free interest rates are based on the U.S. Treasury yield for a period consistent with the expected term of the option in effect at the time of the grant. Expected volatilities are based on the historical volatility of our common stock over the expected option term. The expected term of options granted is calculated using the simplified method. The Company recognizes forfeitures as they occur. There were 288,570 stock option awards granted during the three and nine month period ended September 30, 2023. There were no stock option awards granted during the three and nine month period September 30, 2022.

Option pricing model assumptions for NQSO awards granted were valued using the following assumptions for the years then ended as set forth below:

	THREE MONTHS ENDED SEPTEMBER 30,		NINE MONTHS ENDED SEPTEMBER 30,	
	2023	2022	2023	2022
Stock options granted	288,570	--	288,570	--
Expected dividend yield	0 %	--	0%	--
Expected volatility	61.6 %- 62.2 %	--	61.6 %- 62.2 %	--
Risk-free interest rate	4.1 %	--	4.1 %	--
Term	4 years	--	4 years	--

At September 30, 2023, the Company had approximately \$ 1.2 million of total unrecognized share-based compensation expense, net of estimated forfeitures, related to share-based compensation that will be recognized over the weighted average remaining period of 1 .0 years.

Long-Term Incentive Plan

The Company maintains a long-term incentive plan (LTIP) that covers the period of January 1, 2023 through January 1, 2026. The plan was approved by the Board of Directors in August 2023. The LTIP has two components of equity-based compensation. The first is 250,000 RSUs that will be awarded to management, of which 83,333 will be issued on January 1 of the years 2024, 2025, and 2026. The second is 250,000 performance based restricted stock units (PSRUs) that would vest upon meeting, by January 1, 2026 , certain revenue and adjusted EBITDA performance targets. As of September 30, 2023, the Company has not awarded the RSUs or PRSUs under this plan.

14. Earnings Per Common Share (EPS)

The computations of basic and diluted earnings per share were as follows for the periods presented below:

	THREE MONTHS ENDED SEPTEMBER 30,		NINE MONTHS ENDED SEPTEMBER 30,	
	2023	2022	2023	2022
(Unaudited)				
Basic and Diluted Earnings Per Share Computation:				
Net loss	\$ (921,114)	\$ (540,883)	\$ (2,714,666)	\$ (14,692,989)
Weighted average number of common shares	8,893,220	8,725,476	8,809,644	8,734,471

Basic and Diluted Loss Per Share	<u>\$ (0.10)</u>	<u>\$ (0.06)</u>	<u>\$ (0.31)</u>	<u>\$ (1.68)</u>
----------------------------------	------------------	------------------	------------------	------------------

[Table of Contents](#)

For the three month ended September 30, 2023 and 2022, the Company had unexercised stock options and RSAs of 55,117 and 43,058 , respectively, and warrants to purchase 150,000 and 150,000 , respectively, shares of common stock, outstanding, that were anti-dilutive.

For the nine month ended September 30, 2023 and 2022, the Company had unexercised stock options and RSAs of 43,103 and 64,012 , respectively, and warrants to purchase 150,000 and 150,000 , respectively, shares of common stock, outstanding, that were anti-dilutive.

15. Revenue from Contracts with Customers

The following table was prepared to provide additional information about the composition of revenues from contracts with customers for the periods presented:

	THREE MONTHS ENDED SEPTEMBER 30,		NINE MONTHS ENDED SEPTEMBER 30,	
	2023	2022	2023	2022
	(Unaudited)			
Carrier Services	\$ 14,648,545	\$ 14,062,700	\$ 42,487,301	\$ 39,495,108
Managed Services	11,085,112	11,208,872	35,282,894	31,270,245
	<u>\$ 25,733,657</u>	<u>\$ 25,271,572</u>	<u>\$ 77,770,195</u>	<u>\$ 70,765,353</u>

The Company recognized revenues from contracts with customers for the following customer types as set forth below:

	THREE MONTHS ENDED SEPTEMBER 30,		NINE MONTHS ENDED SEPTEMBER 30,	
	2023	2022	2023	2022
	(Unaudited)			
U.S. Federal Government	\$ 20,285,569	\$ 19,840,322	\$ 62,160,270	\$ 55,846,663
U.S. State and Local Governments	113,814	86,091	318,528	313,112
Foreign Governments	22,364	17,787	61,942	74,253
Commercial Enterprises	5,311,910	5,327,372	15,229,455	14,531,325
	<u>\$ 25,733,657</u>	<u>\$ 25,271,572</u>	<u>\$ 77,770,195</u>	<u>\$ 70,765,353</u>

[Table of Contents](#)

The Company recognized revenues from contracts with customers in the following geographic regions:

	THREE MONTHS ENDED SEPTEMBER 30,		NINE MONTHS ENDED SEPTEMBER 30,	
	2023	2022	2023	2022
	(Unaudited)			
North America	\$ 24,817,014	\$ 24,552,201	\$ 74,712,967	\$ 68,222,879
Europe	916,643	719,371	3,057,228	2,542,474
	<u>\$ 25,733,657</u>	<u>\$ 25,271,572</u>	<u>\$ 77,770,195</u>	<u>\$ 70,765,353</u>

During the three months ended September 30, 2023 and 2022, the Company recognized approximately \$ 352,100 and \$ 485,400 , respectively, of revenue related to amounts that were included in deferred revenue as of December 31, 2022 and 2021, respectively.

During the nine months ended September 30, 2023 and 2022, the Company recognized approximately \$ 1.6 million and \$ 2.1 million, respectively, of revenue related to amounts that were included in deferred revenue as of December 31, 2022 and 2021, respectively.

16. Commitments and Contingencies

Employment Agreements

The Company has employment agreements with certain executives that set forth compensation levels and provide for severance payments in certain instances.

Litigation

The Company is not involved in any material legal proceedings.

[Table of Contents](#)

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

Cautionary Note Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q contains forward-looking statements concerning our business, operations and financial performance and condition as well as our plans, objectives and expectations for our business operations and financial performance and condition that are subject to risks and uncertainties. All statements other than statements of historical fact included in this Form 10-Q are forward-looking statements. You can identify these statements by words such as "aim," "anticipate," "assume," "believe," "could," "due," "estimate," "expect," "goal," "intend," "may," "objective," "plan," "potential," "positioned," "predict," "should," "target," "will," "would" and other similar expressions that are predictions of or indicate future events and future trends. These forward-looking statements are based on current expectations, estimates, forecasts and projections about our business and the industry in which we operate and our management's beliefs and assumptions. These statements are not guarantees of future performance or development and involve known and unknown risks, uncertainties and other factors that are in some cases beyond our control. All forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially from those that we expected, including:

- The impact of supply chain issues;
- Our ability to successfully execute our strategy;
- Our ability to sustain profitability and positive cash flows;
- Our ability to gain market acceptance for our products;
- Our ability to win new contracts, execute contract extensions and expand scope of services on existing contracts;
- Our ability to compete with companies that have greater resources than us;
- Our ability to penetrate the commercial sector to expand our business;
- Our ability to identify potential acquisition targets and close such acquisitions;
- Our ability to successfully integrate acquired businesses with our existing operations;
- Our ability to maintain a sufficient level of inventory necessary to meet our customers demand due to supply shortage and pricing;
- Our ability to retain key personnel;
- The impact of increasingly volatile public equity markets on our market capitalization;
- The impact and outcome of negotiations around the Federal budget;
- Our ability to mitigate the impact of inflation; and
- The risk factors set forth in our Annual Report on Form 10-K for the year ended December 31, 2022 filed with the SEC on March 31, 2023.

The forward-looking statements included in this Form 10-Q are made only as of the date hereof. We undertake no obligation to publicly update or revise any forward-looking statement as a result of new information, future events or otherwise, except as otherwise required by law. Readers are cautioned not to put undue reliance on forward-looking statements. In this Quarterly Report on Form 10-Q, unless the context indicates otherwise, the terms "Company" and "WidePoint," as well as the words "we," "our," "ours" and "us," refer collectively to WidePoint Corporation and its consolidated subsidiaries.

Business Overview

We are a leading provider of Technology Management as a Service (TMaaS) that consists of federally certified communications management, identity

management, interactive bill presentment and analytics, and Information Technology as a Service solutions. We help our clients achieve their organizational missions for mobility management, information technology management, and cybersecurity objectives in this challenging and complex business environment.

We offer our TMaaS solutions through a flexible managed services model which includes both a scalable and comprehensive set of functional capabilities that can be used by any customer to meet the most common functional, technical and security requirements for mobility management. Our TMaaS solutions were designed and implemented with flexibility in mind such that it can accommodate a large variety of customer requirements through simple configuration settings rather than through costly software development. The flexibility of our TMaaS solutions enables our customers to be able to quickly expand or contract their mobility management requirements. Our TMaaS solutions are hosted and accessible on-demand through both a secure federal government certified proprietary portal and/or through a secure enterprise portal that provides our customers with the ability to manage, analyze and protect their valuable communications assets, and deploy identity management solutions that provide secured virtual and physical access to restricted environments.

Revenue Mix

Our revenue mix fluctuates due to customer driven factors including: i) timing of technology and accessory refresh requirements from our customers; ii) onboarding of new customers that require carrier services; iii) subsequent decreases in carrier services as we optimize their data and voice usage; iv) delays in delivering products or services; and v) changes in control or leadership of our customers that lengthens our sales cycle, changes in laws or funding, among other circumstances that may unexpectedly change the revenue earned and/or duration of our services. As a result, our revenue will vary by quarter.

For additional information related to our business operations, see the description of our business set forth in our Annual Report on Form 10-K for the year ended December 31, 2022 filed with the SEC on March 31, 2023.

[Table of Contents](#)

Strategic Focus and Notable Events

Our longer-term strategic focus and goals are driven by our need to expand our critical mass so that we have more flexibility to fund investments in technology solutions and introduce new sales and marketing initiatives in order to expand our marketplace share and increase the breadth of our offerings in order to improve company sustainability and growth.

During 2023, we continue to focus on the following key goals:

- Continue to find additional avenues for capturing new sales opportunities in the post pandemic environment,
- Continue to provide unmatched level of services to our current customer base,
- Attain full FedRAMP certification and, if necessary, make strategic investments in our delivery infrastructure,
- Grow our recurring high margin managed services revenues,
- Add incremental capabilities to our Technology Management solution set and develop or acquire new high margin business lines,
- Enhance our software platforms to grow our SaaS revenues and take advantage of the opportunities emerging from the growth in remote working,
- Expand our customer base organically,
- Continue to leverage the R2v3 Certification to further our ESG commitment
- Executing cross-sell opportunities identified from ITA acquisition, including Identity Management (IdM), Telecommunications Lifecycle Management (TLM) and Digital Billing & Analytics (DB&A) solution,
- Growing our sales pipeline by continuing to invest in our business development and sales team assets,
- Pursuing additional opportunities with our key systems integrator and strategic partners, and
- Expanding our solution offerings into the commercial space.

Our strategy for achieving our longer-term goals include:

- Establishing a market leadership position in the trusted mobility management (TM2) sector,
- pursuing accretive and strategic acquisitions to expand our solutions and our customer base,
- delivering new incremental offerings to add to our existing TM2 offering,
- developing and testing innovative new offerings that enhance our TM2 offering, and
- transitioning our data center and support infrastructure into a more cost-effective and federally approved cloud environment to comply with perceived future contract requirements.

We believe these actions could drive a strategic repositioning of our TM2 offering and may include the sale of non-aligned offerings coupled with acquisitions of complementary and supplementary offerings that could result in a more focused core set of TM2 offerings.

We continue to experience ongoing supply chain issues and have changed from just-in-time inventory for accessory items to keeping sufficient stock on hand and having to locate alternative sources if traditional suppliers cannot fulfill in a timely manner. In addition, we continue to experience supply price increases that we seek to mitigate by seeking volume discounts. Overall, the customers are understanding that these supply chain issues are a global and not just impacting orders they place with us and have been willing to work with us to find alternative solutions or delay the purchases until the requested products are available. It is difficult to forecast when and if the supply chain will normalize.

Results of Operations
Three Months Ended September 30, 2023 as Compared to Three Months Ended September 30, 2022

Revenues. Revenues for the three month period ended September 30, 2023 were approximately \$25.7 million, an increase of approximately \$0.5 million (or 2%), as compared to approximately \$25.3 million in the same period in 2022. Our mix of revenues for the periods presented is set forth below:

	THREE MONTHS ENDED SEPTEMBER 30,		Dollar Variance
	2023	2022	
	(Unaudited)		
Carrier Services	\$ 14,648,540	\$ 14,062,700	\$ 585,840
Managed Services:			
Managed Service Fees	8,094,912	7,513,642	581,270
Billable Service Fees	1,560,177	909,943	650,234
Reselling and Other Services	1,430,028	2,785,287	(1,355,259)
	<u>11,085,117</u>	<u>11,208,872</u>	<u>(123,755)</u>
	<u>\$ 25,733,657</u>	<u>\$ 25,271,572</u>	<u>\$ 462,085</u>

Our carrier services revenue was \$14.6 million, an increase of approximately \$0.5 million, as compared with the same period in 2022.

Our managed service fees were \$8.1 million and remained relatively constant from period to period.

Billable service fees, were \$1.6 million, an increase of approximately \$0.6 million compared with the same period in 2022. Billable service fees increased as a result of more billable positions on our federal contracts.

Reselling and other services decreased by approximately \$1.4 million from the same period last year primarily due to the timing of reselling opportunities near the government fiscal year end. Reselling and other services are transactional in nature, and the amount and timing of revenue will vary significantly from quarter to quarter.

Cost of Revenues. Cost of revenues for the three month period ended September 30, 2023 were \$21.8 million (or 85% of revenues), which is consistent with \$21.5 million (or 85% of revenues) in 2022.

Gross Profit. Gross profit for the three month period ended September 30, 2023 was \$3.8 million (or 15% of revenues), as compared to approximately \$3.8 million (or 15% of revenues) in 2022.

Sales and Marketing. Sales and marketing expense for the three month period ended September 30, 2023 was approximately \$0.5 million (or -2% of revenues), as compared to approximately \$0.5 million (or 2% of revenues) in 2022.

General and Administrative. General and administrative expenses for the three month period ended September 30, 2023 were approximately \$4.0 million (or 15% of revenues), as compared to approximately \$3.6 million (or 14% of revenues) in 2022. The increase primarily relates to an increase in share based compensation expense compared to the same period last year.

Depreciation and Amortization. Depreciation and amortization expense for the three month period ended September 30, 2023 was approximately \$259,800 as compared to approximately \$272,200 in 2022. The change in depreciation and amortization expense is related to capital investments in our delivery platforms reaching completion and beginning to be amortized.

Other Expense. Other expense for the three month period ended September 30, 2023 was approximately \$75,100 as compared to approximately \$63,400 in 2022.

Income Taxes. Income tax provision for the three month period ended September 30, 2023 was \$13,300 as compared to income tax benefit of \$118,200 in 2022. Income taxes were accrued at an estimated effective tax rate of (1.5)% for the three month period ended September 30, 2023 compared to 18% for the three month period ended September 30, 2022.

Net Loss. As a result of the cumulative factors annotated above, net loss for the three month period September 30, 2023 was approximately \$921,100 as compared to net loss of approximately \$540,900 in the same period last year.

[Table of Contents](#)

Nine Months Ended September 30, 2023 as Compared to Nine Months Ended September 30, 2022

Revenues. Revenues for the nine month period ended September 30, 2023 were \$77.8 million, an increase of \$7.0 million (or 8%), as compared to \$70.8 million in 2022. Our mix of revenues for the periods presented is set forth below:

	NINE MONTHS ENDED SEPTEMBER 30,		Dollar Variance
	2023	2022	
	(Unaudited)		
Carrier Services	\$ 42,487,299	\$ 39,495,109	\$ 2,992,190
Managed Services:			
Managed Service Fees	21,865,158	21,470,041	395,117
Billable Service Fees	4,666,084	3,016,746	1,649,338
Reselling and Other Services	8,751,654	6,783,457	1,968,197
	<u>35,282,896</u>	<u>31,270,244</u>	<u>4,012,652</u>
	<u>\$ 77,770,195</u>	<u>\$ 70,765,353</u>	<u>\$ 7,004,842</u>

Our carrier services revenue was \$42.5 million, an increase of approximately \$2.9 million, as compared with the same period in 2022. The increase is primarily due to increased contracting activity with our federal customers.

Our managed service fees were \$21.8 million and remained relatively constant from period to period.

Billable service fees increased by approximately \$1.6 million from the same period last year. Billable service fees increased as a result of more billable positions on our federal contracts and increased billable implementation services in our Soft-ex subsidiary.

Reselling and other services increased by \$1.9 million from the same period last year primarily due to the resale of new capabilities provided by a third party partner for several federal customers. Reselling and other services are transactional in nature, and the amount and timing of revenue could vary significantly from quarter to quarter.

Cost of Revenues. Cost of revenues for the nine month period ended September 30, 2023 were \$66.1 million (or 85% of revenues), as compared to approximately \$59.7 million (or 84% of revenues) in 2022. The increase in cost of revenues was a result of the corresponding costs related to the resale of the new capabilities provided by a third-party partner for several federal customers. As well as an increase of \$346,000 of amortization and depreciations in cost of revenues, from the same period last year.

Gross Profit. Gross profit for the nine month period ended September 30, 2023 was \$11.6 million (or 15% of revenues), as compared to \$11.0 million (or 16% of revenues) in 2022.

The Gross Profit percentage excluding carrier services was 37% for the nine-month period ended September 30, 2023 compared to 34% in the same period last year. The lower gross margin percentage excluding carrier services is related to the corresponding costs related to the resale of the new capabilities provided by a third-party partner and increased depreciation and amortization related to capital investments in our delivery platforms reaching completion and beginning to be amortized. Our gross profit percentage will vary from quarter to quarter due to our revenue mix.

[Table of Contents](#)

Sales and Marketing. Sales and marketing expense for the nine month period ended September 30, 2023 was \$1.5 million (or -2% of revenues), as compared to \$1.6 million (or 2% of revenues) in 2022.

General and Administrative. General and administrative expenses for the nine month period ended September 30, 2023 were \$11.7 million (or 15% of revenues), as compared to \$11.2 million (or 16% of revenues) in 2022.

Goodwill Impairment. We recorded non-cash goodwill impairment charge of \$16.3 million for the nine month period ended September 30, 2022 following goodwill impairment testing performed as a result of sustained decreases in our publicly quoted share price and market capitalization. There was no goodwill impairment during the same period in 2023.

Depreciation and Amortization. Depreciation and amortization expense for the nine month period ended September 30, 2023 was \$789,300 as compared to \$810,700 in 2022. The change in depreciation and amortization expense is related to capital investments in our delivery platforms reaching

completion and beginning to be amortized.

Other Income (Expense). Other income (expense) for the nine month period ended September 30, 2023 was an expense of \$(198,400) as compared to income of \$791,900 in 2022. The income in 2022 is primarily driven by the fair value adjustments of contingent consideration which we do not expect to recur in 2023.

Income Taxes. Income tax provision for the nine month period ended September 30, 2023 was \$68,400 as compared to income tax benefit of \$3.4 million in 2022. Income taxes were accrued at an estimated effective tax rate of (3)% for the nine month period ended September 30, 2023 compared to 19% for the nine month period ended September 30, 2022.

Net Loss. As a result of the cumulative factors annotated above, net loss for the nine month period ended September 30, 2023 was approximately \$2.7 million as compared to net loss of approximately \$14.7 million in the same period last year.

Liquidity and Capital Resources

Our immediate sources of liquidity include cash, accounts receivable, unbilled receivables and access to a factoring arrangement with Republic Capital Access, LLC with an initial capacity of \$4 million, expandable to \$14 million if needed.

At September 30, 2023, our net working capital was approximately \$1.4 million as compared to \$1.8 million at December 31, 2022. The decrease in net working capital was primarily driven by investments in computer hardware and software purchases and capitalized internally developed software costs, which was partially offset by temporary receivable/payable timing differences and an increase in deferred revenue. We believe that our existing cash and our anticipated cash flows from operations, along with access to the factoring arrangement, will be sufficient to meet our working capital, expenditure, and contractual obligation requirements for the next 12 months and the foreseeable future. At September 30, 2023, our cash balance was \$8.5 million. In preparation for a potential US government shutdown, even though much of our services are considered essential and should not be affected by a government shutdown, we took a defensive position and managed working capital to temporally increase our cash reserves, should the government shut down. Accordingly, the cash balance reported at September 30, 2023 is higher than we expect to report in subsequent quarters which we will continue to monitor.

[Table of Contents](#)

[Cash Flows from Operating Activities](#)

For the nine months ended September 30, 2023, net cash provided by operations was approximately \$1.8 million as compared to approximately \$3.2 million net cash provided by operations for the nine months ended September 30, 2022. The decrease from the same period in 2022 is a result of systems and process changes that slowed billing in the first half of 2023. The Company expects that billings will resume to a regular pace, or faster during 2023. The Company also received a payment in advance from a customer of \$1.7 million, which will be recognized over a three-year period.

Our single largest cash operating expense is the cost of labor and the Company sponsored healthcare benefit programs. Our second largest cash operating expense is our facility costs and related technology communication costs to support delivery of our services to our customers. We lease most of our facilities under non-cancellable long term contracts that may limit our ability to reduce fixed infrastructure expenditures in the short term. Any changes to our fixed labor and/or infrastructure costs may require a significant amount of time to take effect depending on the nature of the change made. We also may experience temporary collection timing differences from time to time due to customer invoice processing delays that are often beyond our control.

[Cash Flows from Investing Activities](#)

Cash used in investing activities provides an indication of our long term infrastructure investments. We maintain our own technology infrastructure and may need to make additional purchases of computer hardware, software and other fixed infrastructure assets to ensure our environment is properly maintained and can support our customer obligations. We typically fund purchases of long term infrastructure assets with available cash or capital lease financing agreements.

For the nine months ended September 30, 2023, cash used in investing activities was approximately \$0.5 million and consisted of proceeds from factoring arrangement, computer hardware and software purchases and capitalized internally developed software costs, primarily associated with upgrading our ITMS™ platform, secure identity management technology and network operations center. The decrease in amounts capitalized in the three and nine months ended September 30, 2023 reflects the capital investments in our delivery platforms beginning to reach completion.

For the nine months ended September 30, 2022, cash used in investing activities was approximately \$3.1 million and consisted of computer hardware and software purchases and capitalized internally developed software costs, primarily associated with upgrading our ITMS™ platform, secure identity management technology and network operations center, and TDI™.

Cash Flows from Financing Activities

Cash provided by (used in) financing activities provides an indication of our debt financing and and stock option exercises.

For the nine months ended September 30, 2023, cash used in financing activities was approximately \$0.4 million and reflects line of credit advances and payments of approximately \$6.5 million, lease principal repayments of approximately \$420,100, and withholding taxes paid on behalf of employees on net settled restricted stock awards of approximately \$3,600.

For the nine months ended September 30, 2022, cash used in financing activities was approximately \$1.3 million and reflects line of credit advances and payments of approximately \$4.5 million, lease principal repayments of approximately \$446,700, repurchases of common stock of \$818,200 and withholding taxes paid on behalf of employees on net settled restricted stock awards of approximately \$49,200.

Net Effect of Exchange Rate on Cash and Equivalents

For the nine months ended September 30, 2023 and 2022, the gradual appreciation of the Euro relative to the US dollar increased the translated value of our foreign cash balances by approximately \$23,100 as compared to last year.

[Table of Contents](#)

Inflation

Heightened levels of inflation and the potential worsening of macro-economic conditions, including slower growth or recession, changes to fiscal and monetary policy, tighter credit, higher interest rates and currency fluctuations, present a risk for us, both in or US government and Commercial business, and our suppliers. If inflation remains at current levels for an extended period, or increases, and we are unable to successfully mitigate the impact, our costs are

likely to increase, resulting in pressure on our profits, margins and cash flows, particularly for existing fixed-price contracts. To date we have not been able to secure economic price (EPA) adjustments on our fixed-price contracts which would permit, subject to the particular contractual terms, cost adjustments in fixed-price contracts for unexpected inflation. Inflation will affect our cost of borrowing and may affect our gross and net margin as a result of wage inflation, and fair value measurements of our intangible assets which are measured using discounted cash flow analyses which rely on significant judgement and assumptions about expected future cash flows, weighted-average cost of capital, discount rates, and operating margins. Management will continue to monitor inflation and evaluate the possible effects of inflation on our business and operations.

Off-Balance Sheet Arrangements

The Company has no existing off-balance sheet arrangements as defined under SEC regulations.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not required.

[Table of Contents](#)

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures. Under the supervision and with the participation of our management, including our chief executive officer and chief financial officer, we conducted an evaluation of our disclosure controls and procedures, as such term is defined under Rule 13a-15(e) and 15d-15(e) promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Based on this evaluation, our chief executive officer and chief financial officer concluded that our disclosure controls and procedures were effective as of the end of the period covered by this quarterly report on Form 10-Q to ensure information required to be disclosed in the reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported, within the time period specified in the SEC's rules and forms. These disclosure controls and procedures include controls and procedures designed to ensure that information required to be disclosed by us in the reports we file or submit is accumulated and communicated to management, including our chief executive officer and chief financial officer, as appropriate, to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting

There were no changes in the Company's internal control over financial reporting during the three month period ended September 30, 2023 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

[Table of Contents](#)

PART II – OTHER INFORMATION

ITEM 1 LEGAL PROCEEDINGS

The Company is not currently involved in any material legal proceeding.

ITEM 1A RISK FACTORS

Our risk factors have not changed materially from those disclosed in our Annual Report on Form 10-K for the year ended December 31, 2022.

ITEM 2 UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Stock Repurchase Plan

On October 7, 2019, the Company announced that its Board of Directors approved a stock repurchase plan (the "Repurchase Plan") to purchase up to \$2.5 million of the Company's common stock. Any repurchases will be made in compliance with the SEC's Rule 10b-18 if applicable, and may be made in the open market or in privately negotiated transactions, including the entry into derivatives transactions. During November 2021, the Board increased the size of the Repurchase Plan to up to \$5.0 million of the Company's common stock. During the quarter ended March 31, 2022, we repurchased 196,586 shares of our common stock for a total of \$818,200 and subsequently in March of 2022, the board suspended the repurchase plan in order to use the company's excess funds to invest into the business.

Repurchase of Securities

The following table represents information with respect to shares of common stock withheld from vesting's of stock-based compensation awards for employee income tax withholding for the periods indicated:

	Total Number of Shares Purchased	Average Price Paid Per Share	Dollar Value of Shares Purchased as as Part of Publicly Announced Plans or Programs	Maximum Dollar Value of Shares that may be Purchased Under Approved Plans or Programs
March	1,993	\$ 1.82	-	\$ -
Total	1,993	\$ 1.82	-	\$ -

ITEM 3 DEFAULT UPON SENIOR SECURITIES

None

ITEM 4 MINE SAFETY DISCLOSURES

None

ITEM 5 OTHER INFORMATION

During the three months ended September 30, 2023, there were no modifications, adoptions or terminations by any directors or officers to any contract, instruction or written plan for the purchase or sale of securities of the Company that is intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or non-Rule 10b5-1 trading agreements.

[Table of Contents](#)

ITEM 6. EXHIBITS

EXHIBIT

NO. DESCRIPTION

10.1*	Task Order dated October 11, 2023 (filed herewith)
31.1	Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (Filed herewith)
31.2	Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (Filed herewith)
32	Certification of Chief Executive Officer and Chief Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Furnished herewith)
101.	Interactive Data Files

101.	INS+ XBRL Instance Document
101.	SCH+ XBRL Taxonomy Extension Schema Document
101.	CAL+ XBRL Taxonomy Extension Calculation Linkbase Document
101.	DEF+ XBRL Taxonomy Definition Linkbase Document
101.	LAB+ XBRL Taxonomy Extension Label Linkbase Document
101.	PRE+ XBRL Taxonomy Extension Presentation Linkbase Document
104.	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)

[Table of Contents](#)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: November 14, 2023

WIDEPOINT CORPORATION

/s/ JIN H. KANG
 Jin H. Kang
 President and Chief Executive Officer

Date: November 14, 2023

/s/ ROBERT J. GEORGE
 Robert J. George
 Chief Financial Officer

SOLICITATION/CONTRACT/ORDER FOR COMMERCIAL ITEMS				1. REQUISITION NUMBER		PAGE OF	
OFFEROR TO COMPLETE BLOCKS 12, 17, 23, 24, & 30				DEMO1.PRY2024		1 14	
2. CONTRACT NO. 70RTAC21D00000001		3. AWARD EFFECTIVE DATE		4. ORDER NUMBER 70FA3024F000000001		5. SOLICITATION NUMBER	
7. FOR SOLICITATION INFORMATION CALL:		6. NAME Cordelia Johnson		8. TELEPHONE NUMBER (No collect calls)		9. OFFER DUE DATE/LOCAL TIME EST	
9. ISSUED BY 70FA30 FEDERAL EMERGENCY MANAGEMENT AGENCY INFORMATION TECHNOLOGY COMMODITIES AND TELECOMMUNICATIONS 500 C STREET SW 3RD FLOOR WASHINGTON DC 20472		10. THIS ACQUISITION IS <input type="checkbox"/> SMALL BUSINESS <input type="checkbox"/> HUBBONE SMALL BUSINESS <input type="checkbox"/> SERVICE-DISABLED VETERAN-OWNED SMALL BUSINESS		<input checked="" type="checkbox"/> UNRESTRICTED OR <input type="checkbox"/> SET-ASIDE: WOMEN-OWNED SMALL BUSINESS (WOSE) ELIGIBLE UNDER THE WOMEN-OWNED SMALL BUSINESS PROGRAM EDWOSB NAICS: 517121 SIZE STANDARD: 1,500		11. DELIVERY FOR FOD DESTINATION UNLESS BLOCK 16 MARKED <input checked="" type="checkbox"/> SEE SCHEDULE	
12. DISCOUNT TERMS		13a. THIS CONTRACT IS A RATED ORDER UNDER DFAS (15 CFR 700)		13b. RATING		14. METHOD OF SOLICITATION <input type="checkbox"/> RFQ <input type="checkbox"/> IFB <input type="checkbox"/> RFP	
15. DELIVERY TO Multiple Destinations		16. ADMINISTERED BY 70FA30 FEDERAL EMERGENCY MANAGEMENT AGENCY INFORMATION TECHNOLOGY COMMODITIES AND TELECOMMUNICATIONS 500 C STREET SW 3RD FLOOR WASHINGTON DC 20472		17a. CONTRACTOR OFFEROR CODE MKJGBYTR5MM4 FACILITY CODE		17b. PAYMENT WILL BE MADE BY CODE FEMA	
17c. CONTRACTOR OFFEROR WIDEPOINT INTEGRATED SOLUTIONS CORP ATTN LJUBICA SREDOJEVIC-GIRON 11250 NAPLES MILL RD SOUTH TOWER SUITE 210 FAIRFAX VA 22030		17d. PAYMENT WILL BE MADE BY FEMA FINANCE CENTER FEMA FINANCE CENTER PO BOX 9001 WINCHESTER VA 22604		18. CHECK IF REMITTANCE IS DIFFERENT AND PUT SUCH ADDRESS IN OFFER		19. SUBMIT INVOICES TO ADDRESS SHOWN IN BLOCK 18a UNLESS BLOCK 19b BELOW IS CHECKED <input type="checkbox"/> SEE ADDENDUM	
19. ITEM NO.		20. SCHEDULE OF SUPPLIES/SERVICES		21. QUANTITY		22. UNIT	
		23. UNIT PRICE		24. AMOUNT			
		25. ACCOUNTING AND APPROPRIATION DATA 2024-OS-A701-A600--2500		26. TOTAL AWARD AMOUNT (For Govt. Use Only) \$20,169,765.04			
27a. SOLICITATION INCORPORATES BY REFERENCE FAR 52.212-1, 52.212-4, FAR 52.212-3 AND 52.212-5 ARE ATTACHED. ADDENDA		27b. CONTRACT/PURCHASE ORDER INCORPORATES BY REFERENCE FAR 52.212-4, FAR 52.212-5 IS ATTACHED. ADDENDA		28. CONTRACTOR IS REQUIRED TO SIGN THIS DOCUMENT AND RETURN COPIES TO ISSUING OFFICE. CONTRACTOR AGREES TO FURNISH AND DELIVER ALL ITEMS SET FORTH OR OTHERWISE IDENTIFIED ABOVE AND ON ANY ADDITIONAL SHEETS SUBJECT TO THE TERMS AND CONDITIONS SPECIFIED.		29. AWARD OF CONTRACT: DATED _____ YOUR OFFER ON SOLICITATION (BLOCK 5), INCLUDING ANY ADDITIONS OR CHANGES WHICH ARE SET FORTH HEREIN, IS ACCEPTED AS TO ITEMS:	
30a. SIGNATURE OF OFFEROR/CONTRACTOR		30b. NAME AND TITLE OF SIGNER (Type or print) Todd Dryak COO		30c. DATE SIGNED 10/11/2023		31a. UNITED STATES OF AMERICA (SIGNATURE OF CONTRACTING OFFICER) Digitally signed by CORNELL E HOUSE	
31b. NAME OF CONTRACTING OFFICER (Type or print) Cornell E. House		31c. DATE SIGNED 10/11/2023		32. AUTHORIZED FOR LOCAL REPRODUCTION PREVIOUS EDITION IS NOT USABLE		STANDARD FORM 1489 (REV. 7/2012) Prescribed by GSA - FAR (48 CFR) 83.212	

18. ITEM NO.	25. SCHEDULE OF SUPPLIES/SERVICES	21. QUANTITY	22. UNIT	23. UNIT PRICE	24. AMOUNT
	Base: October 11, 2023 - October 10, 2024 Option One: October 11, 2024 - October 10, 2025 Option Two: October 11, 2025 - October 10, 2026 DO/DPAS Rating: A-NONE BFY: 2024 Fund Code: OS Program: A701 Organization: A600 Object Class: 2500 Fund Type: D Period of Performance: 10/11/2023 to 10/10/2024				
0001	CLIN 3001B Core Services (December 1, 2023, to October 1, 2024) [REDACTED] Accounting Info: 2024-OS-A701-A600--2500 BFY: 2024 Fund Code: OS Program: A701 Organization: A600 Object Class: 2500 Fund Type: D SAF Amount: [REDACTED] (Subject to Availability of Funds)				0.00
0002	CLIN 3001B Core Services (October 1, 2023 to November 31, 2023) [REDACTED] [REDACTED] Continued ...				0.00

32a. QUANTITY IN COLUMN 21 HAS BEEN:

☐ RECEIVED ☐ INSPECTED ☐ ACCEPTED, AND CONFORMS TO THE CONTRACT, EXCEPT AS NOTED:

32b. SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE		32c. DATE	32d. PRINTED NAME AND TITLE OF AUTHORIZED GOVERNMENT REPRESENTATIVE	
32e. MAILING ADDRESS OF AUTHORIZED GOVERNMENT REPRESENTATIVE			32f. TELEPHONE NUMBER OF AUTHORIZED GOVERNMENT REPRESENTATIVE	
			32g. E-MAIL OF AUTHORIZED GOVERNMENT REPRESENTATIVE	
33. SHIP NUMBER	34. VOUCHER NUMBER	35. AMOUNT VERIFIED CORRECT FOR	36. PAYMENT <input type="checkbox"/> COMPLETE <input type="checkbox"/> PARTIAL <input type="checkbox"/> FINAL	37. CHECK NUMBER
<input type="checkbox"/> PARTIAL <input type="checkbox"/> FINAL				
38. SRV ACCOUNT NUMBER	39. SRV VOUCHER NUMBER	40. PAID BY		
41a. I CERTIFY THIS ACCOUNT IS CORRECT AND PROPER FOR PAYMENT			42a. RECEIVED BY (Print)	
41b. SIGNATURE AND TITLE OF CERTIFYING OFFICER			42b. RECEIVED AT (Location)	
			42c. DATE RECD (YYMMDD)	42d. TOTAL CONTAINERS

CONTINUATION SHEET

REFERENCE NO. OF DOCUMENT BEING CONTINUED
70RTAC21D00000001/70FA3024F00000001

PAGE 3 OF 14

NAME OF OFFEROR OR CONTRACTOR

WIDEPOINT INTEGRATED SOLUTIONS CORP

ITEM NO. (A)	SUPPLIES/SERVICES (B)	QUANTITY (C)	UNIT (D)	UNIT PRICE (E)	AMOUNT (F)
	Accounting Info: 2024-OS-A701-A600--2500 BFY: 2024 Fund Code: OS Program: A701 Organization: A600 Object Class: 2500 Fund Type: D SAF Amount: [REDACTED] Fund: [REDACTED]				
0003	CLIN 3004A - Help Desk Specialist (Journeyman) [REDACTED] Accounting Info: 2024-OS-A701-A600--2500 BFY: 2024 Fund Code: OS Program: A701 Organization: A600 Object Class: 2500 Fund Type: D SAF Amount: [REDACTED] Fund: [REDACTED]				0.00
0004 0.00	CLIN 3004A Help Desk Specialist (Senior) Help Desk Specialist (Senior) [REDACTED] Accounting Info: 2024-OS-A701-A600--2500 BFY: 2024 Fund Code: OS Program: A701 Organization: A600 Object Class: 2500 Fund Type: D SAF Amount: [REDACTED] Fund: [REDACTED]				
0005	CLIN 3004A Network Engineer [REDACTED] Accounting Info: 2024-OS-A701-A600--2500 BFY: 2024 Fund Code: OS Program: A701 Organization: A600 Object Class: 2500 Fund Type: D SAF Amount: [REDACTED] Fund: [REDACTED] Continued ...				0.00

CONTINUATION SHEET		REFERENCE NO. OF DOCUMENT BEING CONTINUED		PAGE OF	
		70RTAC21D00000001/70FA3024F00000001		4 14	
NAME OF OFFEROR OR CONTRACTOR					
WIDEPOINT INTEGRATED SOLUTIONS CORP					
ITEM NO. (A)	SUPPLIES/SERVICES (B)	QUANTITY (C)	UNIT (D)	UNIT PRICE (E)	AMOUNT (F)
0006	CLIN 3005 Carrier Services (AT&T) International [REDACTED] Accounting Info: 2024-OS-A701-A600--2500 BFY: 2024 Fund Code: OS Program: A701 Organization: A600 Object Class: 2500 Fund Type: D SAF Amount: [REDACTED] [REDACTED]				0.00
0007	CLIN 3005 Carrier Services (FirstNet) Message Archiving Fee [REDACTED] Accounting Info: 2024-OS-A701-A600--2500 BFY: 2024 Fund Code: OS Program: A701 Organization: A600 Object Class: 2500 Fund Type: D SAF Amount: [REDACTED] [REDACTED]				0.00
0008	CLIN 3005 Carrier Services (FirstNet) Primary User Unlimited Enhanced for Smartphones [REDACTED] [REDACTED] Accounting Info: 2024-OS-A701-A600--2500 BFY: 2024 Fund Code: OS Program: A701 Organization: A600 Object Class: 2500 Fund Type: D SAF Amount: [REDACTED] [REDACTED]				0.00
0009	CLIN 3005 Carrier Services (FirstNet) Primary User Unlimited for Data-only devices [REDACTED] [REDACTED] Continued ...				0.00

OPTIONAL FORM 350 (4-86)
Sponsored by GSA
FAR (48 CFR) 83.110

NAME OF OFFEROR OR CONTRACTOR
WIDEPOINT INTEGRATED SOLUTIONS CORP

ITEM NO. (A)	SUPPLIES/SERVICES (B)	QUANTITY (C)	UNIT (D)	UNIT PRICE (E)	AMOUNT (F)
	Accounting Info: 2024-OS-A701-A600--2500 BFY: 2024 Fund Code: OS Program: A701 Organization: A600 Object Class: 2500 Fund Type: D SAF Amount: [REDACTED]				
0010	CLIN 3005 Carrier Services (FirstNet) Primary User Unlimited for Data-only devices - Onboarding [REDACTED]				0.00
	Accounting Info: 2024-OS-A701-A600--2500 BFY: 2024 Fund Code: OS Program: A701 Organization: A600 Object Class: 2500 Fund Type: D SAF Amount: [REDACTED]				
0011	CLIN 3005 Carrier Services (Verizon) Custom 4G Unlimited Smartphone Plan with Mobile Broadband Priority and Preemption for National Security, Public Safety, and First Responders [REDACTED]				0.00
	Accounting Info: 2024-OS-A701-A600--2500 BFY: 2024 Fund Code: OS Program: A701 Organization: A600 Object Class: 2500 Fund Type: D SAF Amount: [REDACTED]				
0012	CLIN 3005 Carrier Services (Verizon) Custom 4G Unlimited Mobile Broadband Plan with Mobile Broadband Priority and Preemption for National - Verizon Aircard Public Sector Mobile Continued ...				0.00

NAME OF OFFEROR OR CONTRACTOR
WIDEPOINT INTEGRATED SOLUTIONS CORP

ITEM NO. (A)	SUPPLIER/SERVICES (B)	QUANTITY (C)	UNIT (D)	UNIT PRICE (E)	AMOUNT (F)
	Broadband/M2M Plans 20GB" [REDACTED] [REDACTED]				
	Accounting Info: 2024-OS-A701-A600--2500 BFY: 2024 Fund Code: OS Program: A701 Organization: A600 Object Class: 2500 Fund Type: D SAF Amount [REDACTED] [REDACTED]				
0013	CLIN 3005 Carrier Services (Verizon) Custom 4G Unlimited Mobile Broadband Plan with Mobile Broadband Priority and Preemption for National Security, Public Safety, and First Responders - Smartphone [REDACTED]				0.00
	Accounting Info: 2024-OS-A701-A600--2500 BFY: 2024 Fund Code: OS Program: A701 Organization: A600 Object Class: 2500 Fund Type: D SAF Amount [REDACTED] [REDACTED]				
0014	CLIN 3005 Verizon Data Loader - V2Access Calling Plans (National Access/Broadband Access and Global Access) [REDACTED]				0.00
	Accounting Info: 2024-OS-A701-A600--2500 BFY: 2024 Fund Code: OS Program: A701 Organization: A600 Object Class: 2500 Fund Type: D SAF Amount [REDACTED] [REDACTED]				
0015	CLIN 3005 Verizon Data Loader - V2Access Calling Continued ...				0.00

NAME OF OFFEROR OR CONTRACTOR
WIDEPOINT INTEGRATED SOLUTIONS CORP

ITEM NO. (A)	SUPPLIES/SERVICES (B)	QUANTITY (C)	UNIT (D)	UNIT PRICE (E)	AMOUNT (F)
	Plans (National Access/Broadband Access and Global Access): [REDACTED] [REDACTED] Accounting Info: 2024-OS-A701-A600--2500 BFY: 2024 Fund Code: OS Program: A701 Organization: A600 Object Class: 2500 Fund Type: D SAF Amount: [REDACTED] [REDACTED]				
0016	CLIN 3005 Verizon SmartPhone Loaner - (Global) America's Choice for Government Voice & Global Data Plans [REDACTED] [REDACTED] Accounting Info: 2024-OS-A701-A600--2500 BFY: 2024 Fund Code: OS Program: A701 Organization: A600 Object Class: 2500 Fund Type: D SAF Amount: [REDACTED] [REDACTED]				0.00
0017 0.00	CLIN 4001B Core Services (October 1-2024 - November 31, 2024) 2 months 31206 devices Amount: [REDACTED] Date Option to be Exercised 09/02/2024				
0018 0.00	CLIN 4001B Core Services (December 1, 2024, to October 1, 2025) 10 months for 31206 Devices Amount: [REDACTED] Date Option to be Exercised 09/02/2024				
0019	CLIN 4004A Help Desk Specialist (Journeyman) 3760 hours Amount: [REDACTED] Continued ...				0.0

CONTINUATION SHEET	REFERENCE NO. OF DOCUMENT BEING CONTINUED	PAGE	OF
	70RTAC21D000000001/70FA3024F000000001	8	14

NAME OF OFFEROR OR CONTRACTOR
WIDEPOINT INTEGRATED SOLUTIONS CORP

ITEM NO. (A)	SUPPLIES/SERVICES (B)	QUANTITY (C)	UNIT (D)	UNIT PRICE (E)	AMOUNT (F)
	Date Option to be Exercised 09/02/2024 Product/Service Code: DE11 Product/Service Description: IT AND TELECOM - MOBILE DEVICE AS A SERVICE				
0020	CLIN 4004A Help Desk Specialist (Senior) 5640 hours Amount: [REDACTED] Date Option to be Exercised 09/02/2024 Product/Service Code: DE11 Product/Service Description: IT AND TELECOM - MOBILE DEVICE AS A SERVICE				0.00
0021 0.00	CLIN 4004A Network Engineer 3760 hours Amount: [REDACTED] Date Option to be Exercised 09/02/2024 Product/Service Code: DE11 Product/Service Description: IT AND TELECOM - MOBILE DEVICE AS A SERVICE				
0022	CLIN 4005 Carrier Services (AT&T) International Daily Pass 160 Passes Amount: [REDACTED] Date Option to be Exercised 09/02/2024 Product/Service Code: DE11 Product/Service Description: IT AND TELECOM - MOBILE DEVICE AS A SERVICE				0.00
0023	CLIN 4005 Carrier Services (FirstNet) Message Archiving Fee 12 months 24506 devices Amount: [REDACTED] Date Option to be Exercised 09/02/2024				0.00
0024	CLIN 4005 Carrier Services (FirstNet) Primary User Unlimited Enhanced for Smartphones 12 months for 24619 devices Amount: [REDACTED] Date Option to be Exercised 09/02/2024 Continued ...				0.00

NRN 7540-01-192-007

OPTIONAL FORM 336 (4-06)
Sponsored by GSA
FAR (48 CFR) 53.119

CONTINUATION SHEET

REFERENCE NO. OF DOCUMENT BEING CONTINUED
70RTAC21D00000001/70FA3D24F00000001

PAGE 9 OF 14

NAME OF OFFEROR OR CONTRACTOR

WIDEPOINT INTEGRATED SOLUTIONS CORP

ITEM NO. (A)	SUPPLIES/SERVICES (B)	QUANTITY (C)	UNIT (D)	UNIT PRICE (E)	AMOUNT (F)
	Product/Service Code: DELL Product/Service Description: IT AND TELECOM - MOBILE DEVICE AS A SERVICE				
0025	CLIN 4005 Carrier Services (FirstNet) Primary User Unlimited for Data-only devices months devices Amount: [REDACTED] Date Option to be Exercised 09/02/2024 Product/Service Code: DELL Product/Service Description: IT AND TELECOM - MOBILE DEVICE AS A SERVICE				0.00
0026	CLIN 4005 Carrier Services (FirstNet) Primary User Unlimited for Data-only devices - Onboarding 12 months 380 devices Amount: [REDACTED] Date Option to be Exercised 09/02/2024				0.00
0027	CLIN 4005 Carrier Services (Verizon) Custom 4G Unlimited Mobile Broadband Plan with Mobile Broadband Priority and Preemption for National Security, Public Safety, and First Responders - Ancillary Devices 12months 1440 devices Amount: [REDACTED] Date Option to be Exercised 09/02/2024 Product/Service Code: DELL Product/Service Description: IT AND TELECOM - MOBILE DEVICE AS A SERVICE				0.00
0028	CLIN 4005 Carrier Services (Verizon) Custom 4G Unlimited Mobile Broadband Plan with Mobile Broadband Priority and Preemption for National - Verizon Aircard Public Sector Mobile Broadband/M2M Plans 20GB 12 months 199 devices Amount: [REDACTED] Continued ...				0.00

HSR 7540-91-152-0087

OPTIONAL FORM 346 (A-88)
Sponsored by GSA
FAR (48 CFR) 53.110

CONTINUATION SHEET

REFERENCE NO. OF DOCUMENT BEING CONTINUED

70RTAC21D00000001/70FA3024F00000001

PAGE

OF

10

14

NAME OF OFFEROR OR CONTRACTOR

WIDEPOINT INTEGRATED SOLUTIONS CORP

ITEM NO. (A)	SUPPLIES/SERVICES (B)	QUANTITY (C)	UNIT (D)	UNIT PRICE (E)	AMOUNT (F)
	Date Option to be Exercised 09/02/2024 Product/Service Code: DELL Product/Service Description: IT AND TELECOM - MOBILE DEVICE AS A SERVICE				
0029	CLIN 4005 Carrier Services (Verizon) Custom 4G Unlimited Mobile Broadband Plan with Mobile Broadband Priority and Preemption for National Security, Public Safety, and First Responders - Smartphone Amount: Date Option to be Exercised 09/02/2024 Product/Service Code: DELL Product/Service Description: IT AND TELECOM - MOBILE DEVICE AS A SERVICE				0.00
0030	CLIN 4005 Verizon Data Loaner - VZAccess Calling Plans (NationalAccess/BroadbandAccess and GlobalAccess) 12 months 10 devices Amount: Date Option to be Exercised 09/02/2024 Product/Service Code: DELL Product/Service Description: IT AND TELECOM - MOBILE DEVICE AS A SERVICE				0.00
0031	CLIN 4005 Verizon Data Loaner - VZAccess Calling Plans (NationalAccess/BroadbandAccess and GlobalAccess) - International Usage 12 months 10 devices Amount: Date Option to be Exercised 09/02/2024 Product/Service Code: DELL Product/Service Description: IT AND TELECOM - MOBILE DEVICE AS A SERVICE				0.00
0032	CLIN 4005 Verizon SmartPhone Loaner - (Global) America's Choice for Government Voice & Global Continued ...				0.00

CONTINUATION SHEET	REFERENCE NO. OF DOCUMENT BEING CONTINUED	PAGE	OF
	70RTAC21D00000001/70FA3024F00000001	11	14

NAME OF OFFEROR OR CONTRACTOR
WIDEPOINT INTEGRATED SOLUTIONS CORP

ITEM NO. (A)	SUPPLIES/SERVICES (B)	QUANTITY (C)	UNIT (D)	UNIT PRICE (E)	AMOUNT (F)
	Data Plans 400 min Pooled 12 months 25 devices Amount: [REDACTED] Date Option to be Exercised 09/02/2024 Product/Service Code: DE11 Product/Service Description: IT AND TELECOM - MOBILE DEVICE AS A SERVICE				
0033 0.00	CLIN 5001B Core Services 2 months (October 2025 November 2025) 31206 devices Amount: [REDACTED] Date Option to be Exercised 09/01/2025				
0034	CLIN 5004A Help Desk Specialist (Journeyman) months 3760 hours Amount: [REDACTED] Date Option to be Exercised 09/01/2025 Product/Service Code: DE11 Product/Service Description: IT AND TELECOM - MOBILE DEVICE AS A SERVICE	12			0.0
0035	CLIN 5004A Help Desk Specialist (Senior) 12 months 5670 hours Amount: [REDACTED] Date Option to be Exercised 09/01/2025 Product/Service Code: DE11 Product/Service Description: IT AND TELECOM - MOBILE DEVICE AS A SERVICE				0.00
0036 0.00	CLIN 5004A Network Engineer 12 months 3760 hours Amount: [REDACTED] Date Option to be Exercised 09/01/2025 Product/Service Code: DE11 Product/Service Description: IT AND TELECOM - MOBILE DEVICE AS A SERVICE Continued ...				

NON 7540-01-752-8087

OPTIONAL FORM 336 (4-86)
Sponsored by GSA
FAR (48 CFR) 53.110

CONTINUATION SHEET

REFERENCE NO. OF DOCUMENT BEING CONTINUED
70RTAC21D00000001/70FA3024F00000001PAGE OF
12 14

NAME OF OFFEROR OR CONTRACTOR

WIDEPOINT INTEGRATED SOLUTIONS CORP

ITEM NO. (A)	SUPPLIES/SERVICES (B)	QUANTITY (C)	UNIT (D)	UNIT PRICE (E)	AMOUNT (F)
0037	CLIN 5005 Carrier Services (AT&T) International Daily Pass 12 months 160 Passes Amount: [REDACTED] Date Option to be Exercised 09/01/2025 Product/Service Code: DE11 Product/Service Description: IT AND TELECOM - MOBILE DEVICE AS A SERVICE				0.00
0038	CLIN 5005 Carrier Services (FirstNet) Message Archiving Fee 12 months 24506 devices Amount: [REDACTED] Date Option to be Exercised 09/01/2025				0.00
0039	CLIN 5005 Carrier Services (FirstNet) Primary User Unlimited Enhanced for Smartphones 12 months 24619 devices Amount: [REDACTED] Date Option to be Exercised 09/01/2025 Product/Service Code: DE11 Product/Service Description: IT AND TELECOM - MOBILE DEVICE AS A SERVICE				0.00
0040	CLIN 5005 Carrier Services (FirstNet) Primary User Unlimited for Data-only devices 12 months 1624 devices Amount: [REDACTED] Date Option to be Exercised 09/01/2025 Product/Service Code: DE11 Product/Service Description: IT AND TELECOM - MOBILE DEVICE AS A SERVICE				0.00
0041	CLIN 5005 Carrier Services (FirstNet) Primary User Unlimited for Data-only devices - Onboarding 12 months 380 devices Amount: [REDACTED] Continued ...				0.00

NBN 7540-01-152-9007

OPTIONAL FORM 330 (4-80)
Sponsored by GSA
FAR (48 CFR) 53.110

CONTINUATION SHEET

REFERENCE NO. OF DOCUMENT BEING CONTINUED
70RTAC21D00000001/70FA3024F00000001

PAGE OF
13 14

NAME OF OFFEROR OR CONTRACTOR
WIDEPOINT INTEGRATED SOLUTIONS CORP

ITEM NO. (A)	SUPPLIES/SERVICES (B)	QUANTITY (C)	UNIT (D)	UNIT PRICE (E)	AMOUNT (F)
	Date Option to be Exercised 09/01/2025				
0042	CLIN 5005 Carrier Services (Verizon) Custom 4G Unlimited Mobile Broadband Plan with Mobile Broadband Priority and Preemption for National Security, Public Safety, and First Responders - Ancillary Devices [REDACTED] Amount: [REDACTED] Date Option to be Exercised 09/01/2025 Product/Service Code: DELL Product/Service Description: IT AND TELECOM - MOBILE DEVICE AS A SERVICE				0.00
0043	CLIN 5005 "Carrier Services (Verizon) Custom 4G Unlimited Mobile Broadband Plan with Mobile Broadband Priority and Preemption for National - Verizon Aircard Public Sector Mobile Broadband/M2M Plans 20GB" [REDACTED] Amount: [REDACTED] Date Option to be Exercised 09/01/2025 Product/Service Code: DELL Product/Service Description: IT AND TELECOM - MOBILE DEVICE AS A SERVICE				0.00
0044	CLIN 5005 Carrier Services (Verizon) Custom 4G Unlimited Mobile Broadband Plan with Mobile Broadband Priority and Preemption for National Security, Public Safety, and First Responders - Smartphone [REDACTED] Amount: [REDACTED] Date Option to be Exercised 09/01/2025 Product/Service Code: DELL Product/Service Description: IT AND TELECOM - MOBILE DEVICE AS A SERVICE				0.00
0045	CLIN 5005 Verizon Data Loaner - VZAccess Calling Plans (NationalAccess/BroadbandAccess and Continued ...				0.00

CONTINUATION SHEET

REFERENCE NO. OF DOCUMENT BEING CONTINUED
70KTAC21D00000001/70FA3024F00000001

PAGE OF
14 14

NAME OF OFFEROR OR CONTRACTOR

WIDEPOINT INTEGRATED SOLUTIONS CORP

ITEM NO. (A)	SUPPLIES/SERVICES (B)	QUANTITY (C)	UNIT (D)	UNIT PRICE (E)	AMOUNT (F)
	GlobalAccess) 12 months 10 devices Amount: [REDACTED] Data Option to be Exercised 09/01/2025 Product/Service Code: DE11 Product/Service Description: IT AND TELECOM - MOBILE DEVICE AS A SERVICE				
0046	CLIN 5005 Verizon Data Loaner - VZAccess Calling Plans (NationalAccess/BroadbandAccess and GlobalAccess) - International Usage 12 months 10 devices Amount: [REDACTED] Data Option to be Exercised 09/01/2025 Product/Service Code: DE11 Product/Service Description: IT AND TELECOM - MOBILE DEVICE AS A SERVICE				0.00
0047	CLIN 5005 Verizon SmartPhone Loaner - (Global) America's Choice for Government Voice & Global Data Plans 400 min Pooled 12 months 25 devices Amount: [REDACTED] Data Option to be Exercised 09/01/2025 Product/Service Code: DE11 Product/Service Description: IT AND TELECOM - MOBILE DEVICE AS A SERVICE				0.00

Certification of Chief Executive Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act and Rule 13a-14(a)
or 15d-14(a) under the Securities Exchange Act of 1934

I, Jin H. Kang, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of WidePoint Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation, and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 14, 2023

By: /s/ JIN H. KANG
Jin H. Kang
Chief Executive Officer

Certification of Chief Financial Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act and Rule 13a-14(a)
or 15d-14(a) under the Securities Exchange Act of 1934

I, Robert J. George, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of WidePoint Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation, and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 14, 2023

By: /s/ ROBERT J. GEORGE
Robert J. George
Chief Financial Officer

Written Statement of the Chief Executive Officer and Chief Financial Officer
Pursuant to 18 U.S.C. § 1350

Solely for the purposes of complying with 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, we, the undersigned Chief Executive Officer and Chief Financial Officer of WidePoint Corporation (the "Company"), respectively, hereby certify, based on our knowledge, that the Quarterly Report on Form 10-Q of the Company for the quarter ended September 30, 2023 (the "Report"), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ JIN H. KANG

Jin H. Kang
Chief Executive Officer

/s/ ROBERT J. GEORGE

Robert J. George
Chief Financial Officer

Date: November 14, 2023