

# PCS EDVENTURES!, INC.

## FORM 10-K (Annual Report)

Filed 06/30/25 for the Period Ending 03/31/25

Address	941 S. INDUSTRY WAY MERIDIAN, ID, 83642
Telephone	208-343-3110
CIK	0001122020
Symbol	PCSV
SIC Code	8200 - Services-Educational Services
Industry	Professional Information Services
Sector	Industrials
Fiscal Year	03/31

---

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

**FORM 10-K**

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

**For the fiscal year ended March 31, 2025**

☐ TRANSITION REPORT UNDER SECTION 13 OF 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

**Commission file number: 000-49990**

**PCS Edventures!, Inc.**

(Exact name of Registrant as specified in its charter)

**Idaho**

(State or other jurisdiction of  
Incorporation or organization)

**82-0475383**

(I.R.S. Employer  
Identification No.)

941 S. Industry Way Meridian, ID

(Address of principal executive offices)

83642

(Zip code)

Registrant's telephone number, including area code: (208) 343-3110

Securities registered under Section 12(b) of the Exchange Act: None.

Securities registered pursuant to Section 12(g) of the Exchange Act:

Common Stock - No Par Value

Indicate by check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act. Yes ☐ No ☒.

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act 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 and posted 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 and post 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.

Large accelerated filer ☐

Non-accelerated filer ☐

Accelerated filer ☐

Smaller reporting company ☒

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. ☐

Indicate by check mark whether the Registrant has filed a report on the attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C.7362(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by

any of the Registrant’s executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

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

On September 30, 2024, the last business day of the Registrant’s completed second quarter, the aggregate market value of the Registrant’s common stock held by non-affiliates of the Registrant was \$15,357,736, based upon 63,990,148 shares of common stock of the Registrant being then owned by such persons, and based upon the closing price of the Registrant’s common stock on the OTC Markets Group, LLC (the “OTC Markets”) “QB Tier” under the trading symbol “PCSV” of \$0.24 per share on September 30, 2024.

*Indicate the number of shares outstanding of each of the Registrant’s classes of common stock, as of the latest practicable date: As of June 30, 2025, the Registrant had 121,924,804 shares of common stock outstanding.*

**Forward-Looking Statements**

When used in this Annual Report on Commission Form 10-K, the words or phrases “would be,” “will allow,” “intends to,” “will likely result,” “are expected to,” “will continue,” “is anticipated,” “estimate,” “project” or similar expressions are intended to identify “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. You should be aware that these forward-looking statements are subject to risks and uncertainties that are beyond our control. Although management believes that the assumptions underlying the forward-looking statements included in this Annual Report are reasonable, they do not guarantee our future performance, and actual results could differ from those contemplated by these forward-looking statements. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of their dates. Unless otherwise required by applicable law, we do not undertake, and specifically disclaim any obligation, to update any forward-looking statements to reflect occurrences, developments, unanticipated events, or circumstances after the date of such statement.

**Cautionary Statement**

Summaries of all agreements or other documents referenced herein or attached hereto by Hyperlink in Part IV, Item 15, and incorporated herein by reference or otherwise, do not purport to be all inclusive of the terms, conditions and other provisions of such agreements or documents, and accordingly, all such summaries are modified in their entirety to the referenced and Hyperlinked respective agreements or documents in Part IV, Item 15 hereof.

**Documents Incorporated by Reference**

See Part IV, Item 15.

---

---

## TABLE OF CONTENTS

	<b>Page</b>
<b><u>PART I</u></b>	
Item 1. <a href="#"><u>Business</u></a>	3
Item 1A. <a href="#"><u>Risk Factors</u></a>	10
Item 1B. <a href="#"><u>Unresolved Staff Comments</u></a>	10
Item 1C. <a href="#"><u>Cybersecurity</u></a>	10
Item 2. <a href="#"><u>Properties</u></a>	10
Item 3. <a href="#"><u>Legal Proceedings</u></a>	10
Item 4. <a href="#"><u>Mine Safety Disclosures</u></a>	10
<b><u>PART II</u></b>	
Item 5. <a href="#"><u>Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities</u></a>	11
Item 6. <a href="#"><u>Reserved for Future Use</u></a>	12
Item 7. <a href="#"><u>Management’s Discussion and Analysis of Financial Condition and Results of Operations</u></a>	12
Item 7A. <a href="#"><u>Quantitative and Qualitative Disclosures About Market Risk</u></a>	16
Item 8. <a href="#"><u>Financial Statements and Supplementary Data</u></a>	16
Item 9. <a href="#"><u>Changes in and Disagreements with Accountants on Accounting and Financial Disclosure</u></a>	31
Item 9A. <a href="#"><u>Controls and Procedures</u></a>	31
Item 9B. <a href="#"><u>Other Information</u></a>	32
Item 9C. <a href="#"><u>Disclosure Regarding Foreign Jurisdictions that Prevent Inspections</u></a>	32
<b><u>PART III</u></b>	
Item 10. <a href="#"><u>Directors, Executive Officers and Corporate Governance</u></a>	33
Item 11. <a href="#"><u>Executive Compensation</u></a>	35
Item 12. <a href="#"><u>Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters</u></a>	36
Item 13. <a href="#"><u>Certain Relationships and Related Transactions, and Director Independence</u></a>	37
Item 14. <a href="#"><u>Principal Accounting Fees and Services</u></a>	38
<b><u>PART IV</u></b>	
Item 15. <a href="#"><u>Exhibits and Financial Statement Schedules</u></a>	39
<a href="#"><u>Signatures</u></a>	40

## PART I

### **Item 1. Business.**

#### **History and Organization**

PCS Edventures!, Inc., an Idaho corporation (“PCS,” the “Company,” “we,” “our,” “us,” and words of similar import), was originated under the laws of the State of Idaho on August 3, 1994, as “PCS Education Systems, Inc.” On March 27, 2000, we changed our name from “PCS Education Systems, Inc.” to “PCS Edventures!.com, Inc.”; and on August 31, 2015, we changed our name from “PCS Edventures!.com, Inc.” to “PCS Edventures!, Inc.” PCS Edventures!, Inc. is our current company name.

On February 18, 2016, we announced the completion of an asset purchase of Thrust-UAV, a privately-held company focused on drone technology.

On March 27, 2017, the Company filed a Form 15-12g with the Securities and Exchange Commission (the “Commission”) whereby, under Rule 12g-4(a)(1) and Rule 12h-3 (b)(1)(i), it terminated its duty to file reports with the Commission.

Effective December 31, 2017, the Company’s Executive Vice President, Director, and highest-ranking operations officer, resigned to pursue other interests. Given his tenure at the Company of over 20 years and his position at the time of his departure, this effectively caused a change in executive leadership at the Company. On January 1, 2018, Michael J. Bledsoe, then Vice President and Treasurer, and a Director, was appointed to assume responsibility for the operational oversight of the Company. On April 23, 2018, he was promoted to President, a position he currently holds. Todd R. Hackett was Chairman of the Board and CEO at the time of this transition and remains in those positions with the Company.

The Company’s Board of Directors determined that it was in the best interests of the shareholders of the Company to register its common stock pursuant to Section 12(g) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and return to its former status as a “fully-reporting” entity with the Commission given the Company’s improved financial condition and management’s desire to improve the Company’s reporting quality to shareholders. Accordingly, the Company filed a Form 10 Registration Statement with the Commission on October 3, 2023, which became effective December 4, 2023 (the “Form 10 Registration Statement”).

On January 22, 2025, the Board of Directors appointed Sean P. Iddings to the Board, bringing the Board members to three (3) Directors.

## Overview

The Company specializes in creating experiential, hands-on, transitional kindergarten through 12<sup>th</sup> grade (TK-12) STEM (Science, Technology, Engineering, and Math) education products and curriculum. “STEM” is often abbreviated as STEAM – Science, Technology, Engineering, Arts, and Math – to include the arts. We use the terms STEM and STEAM interchangeably throughout this Annual Report and make no significant distinction between the two terms. Through our acquisition of Thrust-UAV, we developed educational drones and drone curriculum. Our customers include schools and school districts from the collegiate to transitional kindergarten level, and providers of out-of-school programming, which include after-school programs, military education programs, home-schooling programs, summer programs, and corporate outreach programs. We sell predominately in the United States and sell into nearly every state in the nation. We have a few international customers, but revenue from customers outside of the United States is not material, and we do not focus our sales efforts on international markets at this time.

Our products facilitate STEM education by providing engaging activities that demonstrate STEM concepts and inspire further STEM studies, with the goal of ultimately leading students to pursue STEM career pathways. Due to our exceptionally detailed curriculum, our products are easy to teach and do not require a teaching degree or experience to administer.

PCS’ educational products are developed from both in-house efforts and contracted services. They are marketed through reseller channels, direct sales efforts, partner networks, and web-based channels.

## Products

PCS has developed and sells a variety of STEM education products into the TK-12 market, which can be categorized as follows:

1. Enrichment Programs

These camps are for the informal learning market and are designed to be highly engaging for students while easily administered by the instructor. The Company offers approximately 36 different enrichment programs and typically develops at least two (2) new programs each year. Some of the more popular programs include *Podcasting; Ready, Set, Drone!; Drone Designers; Rockin Robots; Claymation; Cubelets Bot Builder; Influencer Camp; The Science of Super Powers; Flight and Aerodynamics; and Build a Better World.*

2. Discover Series Products

These products are designed for the makerspace environment and include engaging STEM activities that motivate students to pursue educational pathways toward STEM careers. The Discover Series includes *Discover Engineering; Discover Robotics & Physics; Discover Robotics & Programming; Discover STEM; Discover Digital Video; and Discover Blocksmith: 3D Coding & Design.*

3. BrickLAB Products

These products are designed for the grade school market and use the Company’s proprietary bricks (which are Lego compatible) and curriculum to engage students to explore, imagine, and create within a STEM education framework. The Company offers a variety of grade-specific BrickLAB products.

4. Discover Drones, Add-on Drone Packages, and Ala Carte Drone Items

These products are designed around using drones as a platform for STEM education and career exploration. These titles include the Discover Drones series of Products; *Discover Drones Indoor Coding Bundle*; *Discover Drones Indoor Racing Add-On*; *Discover Drones Outdoor Practice Add-on*; and all the spare parts and ala carte drone items offered in the Company's comprehensive drone packages.

5. STEAMventures BUILD Activity Book

These series of activity books are designed for the TK-3 market and are ideal for a distance-learning environment. The series includes 12 different issues. Instructor guides and/or family engagement guides are included. The Company also provides the necessary bricks for the builds in the activity books as a separate, but related product.

6. Professional Development Training

The Company offers professional development trainings, for a fee, to educators who are implementing the Company's products in their classroom.

The Company intends to continue developing STEM education products that address demand from large markets.

### **Distribution Methods of Products**

The Company sells its products directly to customers and through resellers. The Company kits all of its products at its Meridian, Idaho facility and ships the products directly to customers. Resellers do not typically inventory the Company's products and the Company "drop ships" its products directly to the resellers' customers. Trainings and Professional Development sessions are conducted either at the Company's facilities or at the customer's location, depending on the desires of the customer. Customers can buy from the Company's website, from a reseller's website, or by presenting the Company with a valid purchase order.

### **Competition**

The STEM education market is not well defined and is very fragmented. Our products experience competition from multiple angles. Most schoolteachers with exposure to STEM can create their own lesson plans, using their own materials, to emulate the educational benefits of using the Company's products, at a fraction of the cost. The value proposition of our products is less compelling in a budget-constrained environment, as cost becomes an overriding factor in many such cases. Additionally, there are several sources of free and inexpensive curriculum that teachers can use to help them deliver STEM educational concepts similar to those experienced by the users of our products.

In addition to competition at the local level, many of our products face competition from similar products produced by multinational companies that have significant advantages over us in terms of financial resources, human resources, brand loyalty, supply-chain costs, and global reach. While many of these companies primarily target the toy industry, their sheer size and cost advantages allow them to easily breach the education market with their products. In this regard, the Company competes directly with Lego, Robolink, Fischertechnik, K'Nex (acquired by Basic Fun), and Vex IQ, among many others.

There are numerous for-profit companies of various sizes that develop and sell STEM educational products. A good example is Teacher Created Materials, a company headquartered in Huntington Beach, California. They are very similar to our company and much larger.

We also compete against non-profit organizations, such as Project Lead The Way, who have a mission to promote and implement STEM education. The programs they provide can be free, subsidized, government-sponsored, rigorously developed, and/or heavily promoted, creating intense competition for our products and services.

While there may be several characteristics that differentiate our Company's products from those of our competition, all of us are competing for a finite market. There are several potential solutions to STEM education demand and, oftentimes, companies can achieve a first-mover advantage by developing a relationship with a customer or distributor, and integrating their suite of products and services into the supply chain before we can showcase our offerings.

We believe that we have a competitive advantage in curriculum development. We employ STEM teachers who, through experience, understand the environment that educators operate within and the unique challenges they face, and we develop our curriculum with the educator in mind for an easy, successful, and consistent implementation. Many of our competitors' products focus on the product or the student, with the educator left to figure out the details of implementation.

### **Manufacturing, Supplies, and Quality Control**

Our Enrichment Programs contain several types of materials, kitted in a box. There is no manufacturing involved in the creation of our final product in the Enrichment Program category. Nearly all materials used are non-proprietary and commercially available. The materials are mostly consumer discretionary (paper, crayons, pencils, tape, yarn, etc.) and sourced from a variety of vendors, some of which are located outside of the United States. Some of our Enrichment Programs contain proprietary products from other companies, commercially available, and the Company maintains close relationships with these suppliers. The final creation of the product via kitting and packaging is done at our warehouse facility in Meridian, Idaho. This includes the printing of the curriculum. All curriculum development oversight is performed at our corporate facility, also in Meridian, Idaho, but separate from our warehouse facility.

We have been working closely with our vendors located outside of the United States to determine the impact of any tariff on our transactions. Most vendors pass a portion of the tariff amount onto their customers, including us. In some cases, we have negotiated to split the tariff amount with the vendor. Tariffs are a relatively new development, and we are proactively assessing the impact of them on our costs.

Our Discover series of products contains some proprietary products designed by our Company and manufactured abroad as well as non-proprietary, commercially available products. Most of our Discover series of products are comprised of other companies' final products, combined with our curriculum. Our RubiQ education drone is a proprietary product of the Company and is the main component in Discover Drones. The RubiQ education drone's components are manufactured abroad and quality-controlled at our corporate facility. The final creation of the product via kitting and packaging is done at our warehouse facility in Meridian, Idaho. This includes the printing of the curriculum. All curriculum development oversight is performed at our corporate facility, also in Meridian, Idaho, but separate from our warehouse facility.

Our BrickLAB products contain proprietary plastic building bricks (that are Lego compatible) manufactured for us by a long-time vendor with manufacturing facilities in South Korea. The final creation of the product via kitting and packaging is done at our warehouse facility in Meridian, Idaho. This includes the printing of the curriculum; and all curriculum development oversight is also performed at our corporate facility.

The STEAMventures BUILD Activity Book was developed at our corporate facility. The final creation of the product via kitting and packaging is done at our warehouse facility. This includes the printing of the curriculum; and all curriculum development oversight is also performed at our corporate facility.

### **Sources and Availability of Raw Materials and Names of Principal Suppliers**

Raw material procurement became more challenging in the immediate aftermath of the Covid-19 pandemic. Backlogs created availability problems for a few items, shipping congestion from time to time significantly delayed shipment of many items, and prices of nearly all items increased materially.

Supply chains recovered as the Covid-19 pandemic receded, but recent tariff activity by the U.S. has complicated supply chain management once again. We expect continued inflation in the materials we use in our final products.

With few exceptions, we can generally source materials from multiple vendors, although the pricing from different vendors varies considerably. Thus, supply problems that we experience generally do not impair our business from functioning. However, supply problems that cause us to procure from higher-priced sources negatively affect our gross margin as we cannot adjust our prices as quickly as the prices of our raw materials increase.



In response these challenging environments, we have raised prices on selected items every year to reset our margins back to desirable levels after price increases of inputs. Additionally, we buy in bulk to achieve better pricing, and have increased general inventory levels. While we purchase from numerous vendors, below are our most used vendors by dollar volume:

Mida's Global  
 Robolink  
 Amazon  
 FPVelite Electronics  
 Fischertechnik  
 Ernest Packaging Solutions  
 Modular Robotics  
 iCreate to Educate  
 Menards

### Dependence on One or a Few Major Customers

During Fiscal Year 2025, we had four (4) major customers who each accounted for at least 5% of sales and who, when aggregated, accounted for 27.8% of sales. The details of sales from our major customers are below:

Customer Designation	FY 2025	FY 2024	FY 2023	Relationship Duration
Customer A	8.7%	6.6%	4.2%	14 years
Customer B	7.9%	14.1%	6.9%	20 years
Customer C	6.1%	14.0%	37.9%	3 years
Customer D	5.1%	0.0%	0.0%	1 year

Customer A is a reseller. The sales from reseller customers represent the aggregation of many purchase orders each of these customers placed with us throughout the year. Our reseller customers place an order with us when their customer orders our product from them. This cycle recurs numerous times throughout any given year.

We work closely and frequently with our larger customers to ensure that they are receiving the value proposition and service from us they require to continue doing business with us. We would categorize our relationship with these customers as excellent and do not believe that there is a risk to any of these relationships over the next year. Customer C, being a contract with a specified ending date with no minimum order requirement in any given year, is not likely to experience the duration with us as our other major customers have, although the possibility exists that a new contract will be created to replace the current one when it expires.

We believe that the risk of losing any one (1) of these customers is small, and we are actively, and successfully, soliciting larger customers to diversify our current customer concentration. While we believe the risk of losing any one (1) of these major customers over the next year is small, the loss of any two (2) of these customers, without similar replacement, would pose a significant risk to the financial health of the Company.

### Seasonality of Business

Our business is subjected to strong seasonal patterns during any given year, with our busiest period coinciding with summer learning and the planning leading up to providing summer programs (January through July). The period between Thanksgiving and the New Year is our slowest time, coinciding with the holiday season, as most schools observe the holidays with significant time off during this period.

### Patents, Trademarks, Licenses, Franchises, Concessions, Royalty Agreements or Labor Contracts, including Duration

We do not have any designs or equipment which are patented, registered trademarked, or licensed.

### Research and Development Costs During the Last Two Fiscal Years

We currently expense our costs under a general operating expense category instead of capitalizing any research and development expenses.

### Employees

As of March 31, 2025, we had 25 full-time employees.

## **Impact of the Covid-19 Pandemic**

The pandemic affected our end markets considerably for a period of time when lockdown orders were enacted at schools and after-school programs. We sell to educational program providers, and our products are designed to be used in-person with group collaboration encouraged. School closures and a movement to remote learning during much of calendar year 2020 significantly and negatively impacted our revenue. Our revenue for fiscal year 2021 (ending March 31, 2021) declined 57.7% from our revenue for fiscal year 2020. For fiscal year 2022, the impact from the pandemic was negligible, as most TK-12 learning institutions and after-school programs resumed in-person learning and services. We reported record revenue in fiscal year 2023 and again in fiscal year 2024, indicating that the any lingering effects of the pandemic were insignificant.

During the pandemic when our markets were significantly impaired by mandated lockdowns, we developed a STEM activity book, titled STEAMventures, which could be used in a distance-learning environment. We also modified two (2) of our enrichment programs to be used at the individual level instead of at the group level, to accommodate areas where in-person learning was not possible. Through these developments, we believe that we have a better suite of offerings for distance-learning environments, should that environment arise again.

## **Impact of the Policies of the New Administration**

In January, we had a change in the Presidency of the United States and, with it, a sharp turn from past education policy. The current administration wants to end the Department of Education, which administers billions of dollars of grants nationwide. Some of these grants will likely cease, and some will likely be administered by a different agency or allocated to the states to administer. While nothing has been finalized yet, the uncertainty of what might happen has created confusion and anxiety in our market, which has frozen decision makers.

Schools that promote DEI policies have had funding terminated or have received threats of doing so should these policies continue to be promoted. Some of these schools have pursued legal action against the administration. This has also added to the confusion and anxiety in our market.

Additionally, as early as April of 2024, the prior administration granted extensions to the deadline of using ESSER funds, from September 30, 2024, to March of 2026. The new administration rescinded these extensions, complicating budgets for many schools that were counting on this funding extension. This has further added to the confusion and anxiety in our market.

Management believes that as these uncertainties are removed, these disruptions to our market will recede.

Additionally, the new administration has used tariffs as a policy tool to address trade imbalances. While nothing has been finalized yet, management believes that costs of raw materials procured from overseas suppliers will likely increase due to some sort of permanent tariff policy. While the ultimate magnitude of these cost increases is yet unknown, the likelihood of their continued existence is high, which translates into increased raw materials costs. The Company has been working with its vendors, one at a time, to manage through these uncertain times regarding tariff rates. The Company reprices its products once per year, and will likely pass the majority of any tariff-related cost increases on to the customer.

## **Growth Plan**

Our primary focus is to continue penetrating the U.S. market with our current product line as we feel the market is large relative to our current market share and receptive to our value proposition of high-quality, easily implemented, hands-on STEM programs. We are actively pursuing larger customers who can implement our programs at multiple sites, recognizing that some unique product development may be required for these sales. We intend to develop new products and to enhance our current product line based on market feedback we receive, both solicited and unsolicited, and based on developments within our market. We intend to further develop and enhance our educational drone product line, and we are prepared to compete intensely in this product category, as we believe that 1), our curriculum offers us a competitive advantage in this space, and 2), the educational drone market is nascent and is expected to continue to grow significantly.

In response to new policies on education by the new administration, we are embarking on two (2) new initiatives that complement our current strategies. The first initiative is to align our products more closely with state and standards and quality guidelines, especially where such a conversion is easy. In the past, we have aligned our products closer to national standards and quality guidelines (than state standards) for the following three reasons:

1. Many of the programs we serve receive their funding from federal grants;
2. When state standards are relevant, they are loosely applied to out-of-school-time programs; and
3. There is considerable overlap between federal standards and many of the state's standards.

Given the new administration's vocal desire to return education administration to the states, we believe that if it is successful in that endeavor, then paying more attention to state-level priorities will enhance the competitiveness and attractiveness of our products.

The second initiative is to provide evidence that our products accomplish certain desired educational outcomes. Many of the opportunities that we see that are sponsored by a state entity require evidence-based solutions. We anticipate that the evidence-based requirement will grow over time, so we are commissioning studies to be done on a handful of our products to produce evidence of various positive outcomes. We are early in this process and do not expect to have the final results until early in calendar year 2026.

### **Regulation and Environmental Compliance**

Presently, none of our products are in highly regulated industries.

### **Need for any Governmental Approval of Principal Products or Services**

No products presently being manufactured or sold by us are subject to prior governmental approvals. Notwithstanding the forgoing, the educational drone market is relatively new and undergoing significant regulatory evolution. We stay current on these regulatory developments and help our customers understand and comply with new regulations.

### **Effect of Existing or Probable Governmental Regulations on the Business**

Our Form 10 Registration Statement became effective 60 days after filing with the Commission (December 4, 2023, by reason of the 60<sup>th</sup> day being a Saturday), at which point our securities became registered pursuant to Section 12(g) of the Exchange Act. Issuers with securities registered under Section 12(g) are subject to numerous regulatory requirements under the Exchange Act. For example, we are subject to the Sarbanes-Oxley Act of 2002. The Sarbanes-Oxley Act creates a strong and independent accounting oversight board to oversee the conduct of auditors of public companies and strengthens auditor independence. It also requires steps to enhance the direct responsibility of senior members of management for financial reporting and for the quality of financial disclosures made by public companies; establishes clear statutory rules to limit, and to expose to public view, possible conflicts of interest affecting securities analysts; creates guidelines for audit committee members appointment, compensation, and oversight of the work of public companies' auditors; prohibits certain insider trading during pension fund blackout periods; and establishes a federal crime of securities fraud, among other provisions.

Section 14(a) of the Exchange Act requires all companies with securities registered pursuant to Section 12(g) of the Exchange Act to comply with the rules and regulations of the Commission regarding proxy solicitations, as outlined in Regulation 14A. Matters submitted to stockholders of our Company at a special or annual meeting thereof or pursuant to a written consent will require that we provide our stockholders with the information outlined in Schedules 14A or 14C of Regulation 14; preliminary copies of this information must be submitted to the Commission at least 10 days prior to the date that definitive copies of this information are forwarded to our stockholders.

With the effectiveness of our Form 10 Registration Statement, we also became required to file annual reports on Form 10-K and quarterly reports on Form 10-Q with the Commission on a regular basis, and will be required to timely disclose certain material events (e.g., changes in corporate control; acquisitions or dispositions of a significant amount of assets other than in the ordinary course of business; changes in executive officers and directors; and bankruptcy) in a Current Report on Form 8-K.

The Company currently does not hold any intellectual property rights. While we use reasonable efforts to protect our trade and business secrets, we cannot assure that our employees, consultants, contractors, or advisors will not, unintentionally or willfully, disclose our trade secrets to competitors or other third parties. In addition, courts outside the United States are sometimes less willing to protect trade secrets. Moreover, the Company's competitors may independently develop equivalent knowledge, methods, and know-how. If we are unable to defend our trade secrets from others use, or if our competitors develop equivalent knowledge, it could have a material adverse effect on our business. Any infringement of our proprietary rights could result in significant litigation costs, and any failure to adequately protect our proprietary rights could result in our competitors offering similar products, potentially resulting in loss of a competitive advantage and decreased revenue. Existing patent, copyright, trademark, and trade secret laws afford only limited protection. In addition, the laws of some foreign countries do not protect our proprietary rights to the same extent as do the laws of the United States. Therefore, we may not be able to protect our proprietary rights against unauthorized third-party use. Enforcing a claim that a third party illegally obtained and is using the Company's trade secrets could be expensive and time-consuming, and the outcome of such a claim is unpredictable. Litigation may be necessary in the future to protect our trade secrets or to determine the validity and scope of the proprietary rights of others. This litigation could result in substantial costs and diversion of resources and could materially adversely affect our future operating results.

#### **Item 1A. Risk Factors**

As a smaller reporting company, we are not required to respond to this Item.

#### **Item 1B. Unresolved Staff Comments**

None.

#### **Item 1C. Cybersecurity**

Processes for assessing, identifying, and managing material risks from cybersecurity threats are conducted in-house, with the help of analytics and notifications that are built-in to our third-party tools. These processes include:

- a. Providing employees with tools and training to minimize and report cybersecurity risks;
- b. Monitoring databases and tools for unusual activity or suspicious login attempts;
- c. Tracking, managing, and safely disposing of physical hardware; and
- d. Responding to any identified threats and reporting these situations to management.

Cybersecurity threats could potentially result in slowed or halted business operations, such as shipping, closing sales, marketing engagement, and other communications. This would negatively impact the Company's financial condition until the issue is resolved. Such threats could impact customers of certain programs that rely on digital resources, but a majority of our products would not be materially affected. Other threats may include the compromise of customer personally-identifiable information. We continually monitor for threats to avoid risks to Company or individuals' data, interruptions to business operations, or financial losses.

No cybersecurity incidents were identified this year. One threat was identified: insecurely stored credentials. This was responded to by implementing an encrypted password manager Company-wide. We will continue to monitor for threats to avoid risks to Company or individuals' data, interruptions to business operations, or financial losses. Information about risks or any identified cybersecurity threats are reported by our Director of Technology to our President.

Identified cybersecurity risks are reported to IT, where they are assessed and responded to. Any actions taken or cybersecurity incidents identified are reported to the Director of Technology. Qualifications for these individuals include prior experience, education, and/or training in cybersecurity.

#### **Item 2. Properties**

We own no real properties. Our corporate headquarters are located at 941 S. Industry Way, Meridian, ID 83642, where we occupy 5,016 square feet of office space under a triple net lease with a monthly rental amount that started at \$5,225, not including the triple net amounts, and escalates by 3% each December through the end of the lease on November 30, 2029.

Our R&D and warehouse facility is located at 1135 N. Hickory Ave, Suite 130, Meridian, ID 83642, where we occupy 20,880 square feet of warehouse space under a triple net lease with a monthly rental amount that started at \$15,660, not including the triple net amounts, and escalates by 3% each December through the end of the lease on November 30, 2029.

#### **Item 3. Legal Proceedings**

There are no pending legal proceedings to which we are a party or of which any of our properties are the subject.

#### **Item 4. Mine Safety Disclosures**

None; not applicable.

## PART II

### **Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities**

#### **Market Information**

Since August 1, 2001, our common stock has been quoted in the OTC Markets under the symbol "PCSV." Our common stock was traded on the OTC Markets "Pink Tier" until June 2, 2025, at which time it began trading on the OTC Markets "QB Tier." Any OTC Markets quotations for our common stock reflect inter-dealer prices, without retail mark-up, mark-down or commission, and may not necessarily reflect actual transactions.

The following table summarizes our common stock quote history, as provided to us by the OTC Markets:

<b>Period</b>	<b>Closing Bid</b>	<b>High Closing Bid</b>	<b>Low Closing Bid</b>	<b>High Price</b>	<b>Low Price</b>	<b>Closing Price</b>
1/1/2025 – 3/31/2025	.152	.250	.136	.250	.136	.160
10/1/2024 – 12/31/2024	.240	.252	.220	.260	.210	.240
7/1/2024 – 9/30/2024	.224	.300	.225	.300	.190	.240
4/1/2024 – 6/30/2024	.260	.270	.182	.280	.182	.280
1/1/2024 – 3/31/2024	.185	.190	.165	.200	.165	.165
10/1/2023 – 12/31/2023	.185	.210	.161	.210	.170	.185
7/1/2023 – 9/30/2023	.185	.185	.065	.190	.069	.185
4/1/2023 – 6/30/2023	.065	.075	.057	.088	.042	.065
1/1/2023 – 3/31/2023	.075	.087	.055	.089	.056	.079
10/1/2022 – 12/31/2022	.060	.070	.050	.089	.049	.055
7/1/2022 – 9/30/2022	.046	.052	.041	.060	.045	.045
4/1/2022 – 6/30/2022	.041	.066	.041	.075	.041	.041

#### **Holders**

As of March 31, 2025, we had 122,189,763 shares of our common stock outstanding, and there were approximately 223 accounts of record; this number does not include an indeterminate number of stockholders whose shares may be held by brokers in street name.

#### **Dividends**

We have not declared any cash dividends with respect to our common stock, and do not intend to declare dividends in the foreseeable future. Our future dividend policy cannot be ascertained with any certainty. There are no material restrictions limiting, or that are likely to limit, our ability to pay dividends on our securities.

#### **Securities Authorized For Issuance Under Equity Compensation Plans**

We have no active equity compensation plans and no securities are authorized for issuance under equity compensation plans.

#### **Performance Graph**

As a smaller reporting company, we are not required to respond to this item.

#### **Recent Sales of Unregistered Securities; Use of Proceeds from Registered Securities**

During the past three fiscal years ending March 31, 2025, 2024, and 2023, the Company has engaged in the following transactions:

On March 17, 2023, Michelle Fisher, our Director of Curriculum, exercised 250,000 performance options and purchased 250,000 shares of "restricted" Rule 144 common stock at \$0.02 per share, for total consideration of \$5,000. We used the proceeds from this sale for general corporate purposes.

On August 24, 2022, Michael J. Bledsoe, our President, exercised 1,000,000 performance options and purchased 1,000,000 shares of “restricted” Rule 144 common stock at \$0.025 per share, for total consideration of \$25,000. We used the proceeds from this sale for general corporate purposes.

#### **Item 6. Reserved for Future Use.**

#### **Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations.**

Cautionary Statements for Purposes of “Safe Harbor Provisions” of the Private Securities Litigation Reform Act of 1995:

Except for historical facts, all matters discussed in this Annual Report, which are forward-looking, involve a high degree of risk and uncertainty. Certain statements in this Annual Report set forth management’s intentions, plans, beliefs, expectations, or predictions of the future based on current facts and analyses. When we use the words “believe,” “expect,” “anticipate,” “estimate,” “intend,” or similar expressions, we intend to identify forward-looking statements. You should not place undue reliance on these forward-looking statements. Actual results may differ materially from those indicated in such statements, due to a variety of factors, risks, and uncertainties. Potential risks and uncertainties include, but are not limited to, competitive pressures from other companies within the Educational Industries, economic conditions in the Company’s primary markets, exchange rate fluctuation, reduced product demand, increased competition, inability to produce required capacity, unavailability of financing, government action, weather conditions, and other uncertainties, including those detailed in our Commission filings and at the forepart of this Annual Report. We assume no duty to update forward-looking statements to reflect events or circumstances after the date of such statements.

The following discussion should be read in conjunction with our financial statements contained in Part II, Item 8, Financial Statements, below, of this Annual Report.

#### **Overview of Current and Planned Operations**

PCS Edventures!, Inc. sells STEM/STEAM products to educational and recreational entities serving youth. Because the majority of our customers work in out-of-school-time settings, we have not attempted to align our products to fit in the classroom setting, until recently. Classroom curriculum must promote academic achievement through rigorous alignment with specific state standards to be considered for use. Each state has its own unique set of standards, making classroom curriculum development a state by-state endeavor.

On the other hand, out of school programs focus more broadly on the goals of engagement, career exploration and development of 21<sup>st</sup> century skills. This difference makes it easier to penetrate out-of-school programs, as more freedoms exist for curriculum development. We focus our efforts on these out-of-school programs, which include summer school, summer camps, YMCA programs, Boys and Girls club programs, and various other programs offered outside of the classroom, at all times of the year, that are too numerous to list. Oftentimes, these programs are sponsored, administered, and/or supported by local school districts, and we employ considerable efforts to build relationships with these types of school districts to provide desired programing for their out-of-school programs. The majority of the time, the out-of-school programs offered are funded with grants; however, some programs are run on a for-profit basis. The Company sells to all of these types of entities.

However, given the new administration’s stated goals of removing federal influence and administration from education, and returning those functions to the states, we are now considering which of our products would be adaptable to the educational standards of certain larger states. We intend to continue to weigh state-level priorities much more heavily in the development of future products as well. We view a transition from federal dominance to state dominance of the application of educational standards to curriculum as likely, albeit over a long time frame, and we are adapting our product development to this change in our market.

Market feedback also indicates that products that have evidence of their effectiveness are increasingly being demanded, especially in state-funded programs and larger programs. While we maintain a library of the evidence we have accumulated about the outcomes one can expect when using our products, and while this library of evidence has helped us win larger orders, we believe that expanding this library and upgrading the tiers of evidence we have will produce meaningful benefits for future sales.

We have engaged various firms to help us generate more compelling evidence of our products' effectiveness. We are early in this process, but we intend to substantially build out our library of evidence of our products' effectiveness. The course we take to accomplish this endeavor will depend on our experiences with these early initiatives.

We offer professional development training for instructors using our products, and typically charge a fee for this service, with the fee primarily covering our expenses. Management does not view this service as a profit center, but rather as a customer service component of our product that adds to its uniqueness and value in the marketplace, and as a market development endeavor to build out the Company's addressable market.

The nature of our target market produces considerable seasonality for the Company's revenue. The quarters ending June 30 and September 30 tend to be the peak of this seasonality (with the quarter ending March 31 being close to these quarters), while the quarter ending December 31 tends to be the low point of our seasonality. The Table below reflects this seasonality.

	Quarterly Revenue		
	2022	2023	2024
3/31	1,445,594	2,521,470	2,262,772
6/30	1,391,785	2,605,281	3,159,923
9/30	1,243,662	3,767,326	2,267,338
12/31	1,847,659	459,087	701,147

During the quarter ending December 31, we focus on product development, restocking inventory, and general planning for the next year. Sales and marketing activities remain fairly constant throughout the year.

## Results of Operations

### Revenue

For the year ended March 31, 2025, our revenue was \$7,421,228 compared to \$9,094,466 for the year ended March 31, 2024. There were five (5) factors that negatively impacted our revenue in fiscal year 2025 versus that in fiscal year 2024.

1. We did not win an Iowa STEM Scale-Up contract in fiscal year 2025 and reported no revenue from that customer. In fiscal year 2024, our revenue from our Iowa STEM Scale-Up contract was \$823,143. In fiscal year 2023, our revenue from this customer was \$467,457. We won a contract for fiscal year 2026 and expect associated revenue for this contract to be closer to our fiscal year 2023 experience.
2. Our Catapult order was significantly less in fiscal year 2025 versus that of fiscal year 2024. Catapult administers summer programming in Missouri due to the state's public funding of such programs. They experience annual fluctuations in their customer base, and they inventory our products over the course of the year. Thus, seasons when their customer base is down and when their inventory of our products is high produce smaller orders than seasons when their customer base is up and they have a low inventory of our products. We believe that their order placed with us in fiscal year 2025, in the aggregate amount of \$587,100, was under the former conditions, and that their order placed with us in fiscal year 2024, in the amount of \$1,286,695, was under the latter conditions.
3. Our Air Force JROTC ("AFJROTC") contract produces less revenue as the contract ages. The AFJROTC has approximately 884 sites, and we have sold into approximately 642 of them thus far.
4. The expiration of ESSER funds on September 30, 2024, eliminated a key funding stream for our products during the second half of our fiscal year.
5. The change in Presidential administration created significant changes in the education market regarding funding streams, administration of grants, and general federal influence over education. These changes were and still are disruptive to educational decision making and, thus, disruptive to our market.

The Company has been soliciting larger customers for over three (3) years and has seen some success. The AFJROTC is the Company's largest success by a wide margin, producing revenue of \$453,314 in the year ended March 31, 2025, \$1,269,036 in the year ended March 31, 2024, and \$2,655,336 in the year ended March 31, 2023.

We have experienced other successes in our campaign to find larger customers. The table below shows customer transactions by size for the periods indicated.

Number of Customer Transactions by size

	> \$1 million	>\$500,000	> \$100,000	> \$50,000	> \$25,000	> \$10,000
Year ended March 31, 2025	0	2	16	26	49	103
Year ended March 31, 2024	2	3	17	27	40	94
Year ended March 31, 2023	1	1	10	21	38	60

We believe that we can continue to experience success in soliciting larger customers, but we can offer no assurances that success will be certain, nor can we offer any numerical framework in describing the success that may occur. Risk factors include anything that would negatively affect educational funding in the United States; finding and retaining employees that meet our high standards; and anything that would negatively affect our supply chain of critical components.

#### *Cost of Sales*

For the year ended March 31, 2025, our cost of sales was \$2,983,940, or 40.2% of revenue. For the year ended March 31, 2024, our cost of sales was \$3,359,801, or 36.9% of revenue.

We strive to have a cost of sales that is less than 40% of revenue. We price our products once per year, at the beginning of the calendar year, and maintain that pricing level throughout the year. During inflationary environments, when the price level of the Company's raw materials is increasing, the Company must absorb that negative impact to gross margins until we can reprice our products at the beginning of the next calendar year. This repricing analysis considers the current pricing level of materials, as well as the likely increase in those levels in the year ahead. We attempt to incorporate shipping costs into the cost of raw materials, but oftentimes during the course of the year, we are compelled to ship in a more expedient manner, which is more expensive than our baseline assumptions.

Factors affecting cost of sales include:

Helps sub 40% cost of sales	Impedes sub 40% cost of sales
Higher revenue	Higher inflation
Larger order size	Expedited shipping
Ability to take advantage of volume discounts	Quality issues with raw materials
Lower percentage of reseller sales	Higher percentage of reseller sales

#### *Operating Expenses*

Operating expenses are divided into two categories – salary + wages, and general + administrative. Salary and wages tend to increase over time as the Company has been increasing its number of employees, and we expect to continue to do so in the future. Also, we desire to retain employees over the long term, which requires periodic increases in compensation as their value to the Company increases.

The Company also has a discretionary quarterly bonus program based on qualified revenue. Qualified revenue is defined as revenue where there are no reseller fees or other price adjustments associated with that revenue. Thus, all reseller sales are disqualified from the discretionary quarterly bonus calculation, as are other miscellaneous transactions where the Company did not receive a full margin. During quarters with higher revenue, salaries and wages will increase all other things equal.

Salary and wages were \$1,914,941 for the year ended March 31, 2025, compared to \$1,778,946 for the year ended March 31, 2024. As of March 31, 2025, we had 25 full-time employees. As of March 31, 2024, we had 22 full-time employees.



General and administrative expenses include all operating expenses outside of salaries and wages. These include the following categories:

1. Advertising and marketing expenses;
2. Trade show and travel expenses;
3. Product development expenses;
4. Finance charges;
5. Contract labor expenses;
6. Lease expenses;
7. Insurance premiums;
8. Workers' compensation expenses;
9. Office supplies and repairs;
10. Professional expenses;
11. Licenses;
12. State sales tax expenses; and
13. Office and warehouse infrastructure expenses.

Most of these expenses are not strongly correlated with changes in revenue, but they tend to increase over time. General and administrative expenses were \$1,439,014 for the year ended March 31, 2025. For the year ended March 31, 2024, general and administrative expenses were \$1,148,652. In late October and early November of 2024, we ended our lease on our 10,000 square foot combined warehouse and office facility, and entered into two (2) new leases - a 20,880 square foot warehouse and R&D facility, and a 5,016 square foot corporate office facility. This expansion was the primary driver in the increase in general and administrative expenses in fiscal year 2025 versus fiscal year 2024, although general inflation also played a significant role.

Total Operating expenses for the year ended March 31, 2025, were \$3,353,955, compared to \$2,927,598 for the year ended March 31, 2024.

#### *Other Income/Expenses*

Other income and expenses are those outside of the Company's ordinary course of business. During the Covid pandemic, the Employee Retention Tax Credit was offered to companies to keep employees on the payroll during the lockdowns. The Company qualified for those benefits, which are disclosed under other income and expenses.

Interest income and interest expense are also disclosed under other income and expenses. The Company had considerable interest expense prior to paying off all of its promissory note debt as of March 31, 2023. Since that time and as the Company has accumulated cash, it has invested surplus cash in a Vanguard money market fund that invests exclusively in repurchase agreements and short-term U.S. government securities. The ticker symbol of this fund is "VMFXX."

For the year ended March 31, 2025, other income and expenses were \$127,930, with net interest income comprising the entire amount. For the year ended March 31, 2024, other income and expenses were \$104,328, with interest income totaling \$48,904.

#### *Net Income Before Tax*

For the year ended March 31, 2025, net income before tax was \$1,211,263 versus \$2,911,395 for the year ended March 31, 2024. The Company experienced a lower sales level in fiscal year 2025 versus that of fiscal year 2024, which largely accounts for the difference in net income before tax for these two periods. Operating expenses in fiscal year 2025 were also higher than those for fiscal year 2024.

#### *Taxes*

The Company has significant net operating losses which arose due to past losses. At March 31, 2025, the Company had net operating losses of approximately \$8.0 million that may be offset against future taxable income. The federal net operating losses and tax credits expire in years beginning in 2029. The state net operating losses and tax credits expire in years beginning in 2026.

Prior to fiscal year 2023, the Company offset its potential tax benefit from the operating loss carry-forwards with a valuation allowance in the same amount. As it became clear that the Company will more likely than not use its tax loss carry-forward amounts, the valuation allowance was partially removed for the fiscal year ending March 31, 2023, such that the tax benefit recognized by us in fiscal year 2023 was \$1,011,466. The valuation allowance was fully removed as of March 31, 2024, resulting in a tax benefit of \$1,529,793 for fiscal year 2024. Once the valuation allowance was fully removed, a provision for income taxes was disclosed. For the fiscal year ending March 31, 2025, the Company's provision for income taxes was (\$264,865).

### *Net Income*

For the year ended March 31, 2025, net income was \$946,865 versus \$4,441,188 for the year ended March 31, 2024. Removing the tax loss carry-forward valuation allowance added \$1,529,793 to net income for the year ended March 31, 2024.

### **Liquidity and Capital Resources**

#### *Cash Flow from Operations*

For the year ended March 31, 2025, cash provided by operations was \$2,520,966 compared to cash provided by operations of \$975,680 for the year ended March 31, 2024. A decrease in accounts receivable and prepaid expenses, and a smaller increase in inventory as of March 31, 2025, compared to March 31, 2024, were the largest factors behind the increase of cash flow from operations in fiscal year 2025 over that in fiscal year 2024.

As of March 31, 2025, total current assets were \$5,918,984 and total current liabilities were \$326,439, resulting in working capital of \$5,592,545. As of March 31, 2024, total current assets were \$5,425,141 and total current liabilities were \$416,154, resulting in working capital of \$5,008,987.

The Company had a current ratio as of March 31, 2025, of 18.13 compared to a current ratio of 13.04 as of March 31, 2024.

As of March 31, 2025, we had \$3,223,147 in cash and cash equivalents compared to \$1,329,708 in cash as of March 31, 2024. The improvements in working capital, current ratio, and cash on hand are largely due to the realization of \$1,675,859 of accounts receivable during fiscal year 2025 that were on the books at the end of fiscal year 2024.

#### *Cash Flow from Investing Activities*

For the year ended March 31, 2025, cash used by investing activities was \$79,814 compared to cash used by investing activities of \$23,696 for the year ended March 31, 2024. We purchased warehouse and office equipment related to our move from one facility to two during fiscal year 2025, which accounts for the increase in cash used by investing activities.

#### *Cash Flow from Financing Activities*

For the year ended March 31, 2025, cash used by financing activities was \$547,713. We made the following common stock repurchase transactions during fiscal year 2025, which accounts for this activity:

Date	Shares	Price	Total Consideration
7/15/2024	250,000	\$ 0.195	\$ 48,750
9/24/2024	352,084	\$ 0.270	\$ 95,063
11/19/2024	1,172,417	\$ 0.210	\$ 246,208
2/7/2025	769,230	\$ 0.205	\$ 157,692
Total	2,543,731		547,713

For the year ended March 31, 2024, cash used by financing activities was \$64,933. We purchased 998,985 shares of our common stock for \$0.065 per share, which accounts for this activity.

#### *Off-Balance Sheet Arrangements*

We had no Off-Balance Sheet arrangements during the years ended March 31, 2025, or 2024.

### **Item 7A. Quantitative and Qualitative Disclosures About Market Risk**

Not required for smaller reporting companies.

### **Item 8. Financial Statements**

[Report of Independent Registered Public Accounting Firm](#)

[Balance Sheets as of March 31, 2025, and March 31, 2024](#)

[Statements of Operations for the years ended March 31, 2025, and 2024](#)

[Statements of Stockholders' Equity for the years ended March 31, 2025, and 2024](#)

[Statements of Cash Flows for the years ended March 31, 2025, and 2024](#)

[Notes to Financial Statements](#)

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and  
Stockholders of PCS Edventures!, Inc.

### Opinion on the Financial Statements

We have audited the accompanying balance sheets of PCS Edventures!, Inc. (the Company) as of March 31, 2025 and 2024, and the related statements of operations, stockholders' equity, and cash flows for each of the years in the two-year period ended March 31, 2025, and the related notes (collectively referred to as the financial statements). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2025 and 2024 and the results of its operations and its cash flows for each of the years in the two-year period ended March 31, 2025, in conformity with accounting principles generally accepted in the United States of America.

### Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

### Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

#### *Deferred Tax Asset*

*ASC 740 Income Taxes* discusses the considerations for valuing deferred tax assets. The Company has significant net operating losses (NOLs) resulting in the recognition of a significant deferred tax asset. The Company has determined that the asset will be fully realized based on current earnings trends. The Company uses judgment in order to determine whether an allowance is needed. We considered this a significant estimate that involved subjective judgments made by management.

#### *How We Addressed it During Our Audit*

We tested management's determination and calculations of their tax provision and deferred taxes, to ensure they were recorded in accordance with *ASC 740 Income Taxes*.

Haynie & Company  
Salt Lake City, Utah  
June 30, 2025  
PCAOB #457

We have served as the Company's auditor since 2019.

**PCS EDVENTURES!, INC.**  
**Balance Sheets**  
**(Audited)**

	<u>March 31, 2025</u>	<u>March 31, 2024</u>
<b>CURRENT ASSETS</b>		
Cash	\$ 3,223,147	\$ 1,329,708
Accounts receivable, net of allowance for credit losses of \$38,027 and \$34,204, respectively	383,826	1,675,859
Accounts receivable, other receivables	55	-
Prepaid expenses	247,422	394,091
Inventory, net	2,064,534	2,025,483
<b>Total Current Assets</b>	<u>5,918,984</u>	<u>5,425,141</u>
<b>NONCURRENT ASSETS</b>		
Lease Right-of-Use Asset	1,140,217	273,905
Deposits	29,747	6,300
Property and equipment, net	97,213	43,739
Deferred tax asset	2,276,861	2,541,259
<b>Total Noncurrent Assets</b>	<u>3,544,038</u>	<u>2,865,203</u>
<b>TOTAL ASSETS</b>	<u>\$ 9,463,022</u>	<u>\$ 8,290,344</u>
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 24,991	\$ 100,853
Payroll liabilities and accrued expenses	171,398	229,970
Deferred revenue	20,026	14,549
Lease Liability, current portion	110,024	70,782
<b>Total Current Liabilities</b>	<u>326,439</u>	<u>416,154</u>
Lease Liability, net of current portion	1,081,614	218,373
<b>TOTAL LIABILITIES</b>	<u>1,408,053</u>	<u>634,527</u>
<b>STOCKHOLDERS' EQUITY (DEFICIT)</b>		
Preferred stock, no par value, 20,000,000 authorized shares, no shares issued and outstanding	-	-
Common stock, no par value, 150,000,000 authorized shares, 122,189,763 and 124,733,494 shares issued and outstanding	-	-
Additional Paid-in Capital	40,022,746	40,570,459
Accumulated deficit	(31,967,777)	(32,914,642)
<b>Total Stockholders' Equity</b>	<u>8,054,969</u>	<u>7,655,817</u>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<u>\$ 9,463,022</u>	<u>\$ 8,290,344</u>

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

**PCS EDVENTURES!, INC.**  
**Statements of Operations**  
**(Audited)**

	<b>For the Years ended March 31,</b>	
	<b>2025</b>	<b>2024</b>
REVENUE	7,421,228	9,094,466
COST OF SALES	2,983,940	3,359,801
GROSS PROFIT	4,437,288	5,734,665
OPERATING EXPENSES		
Salaries and wages	1,914,941	1,778,946
General and administrative expenses	1,439,014	1,148,652
Total Operating Expenses	3,353,955	2,927,598
INCOME FROM OPERATIONS	1,083,333	2,807,067
OTHER INCOME AND EXPENSES		
Net Interest income	127,930	48,904
Tax credit	-	52,766
Loss on lease modification	-	2,658
Total Other Income	127,930	104,328
NET INCOME BEFORE INCOME TAX PROVISION	1,211,263	2,911,395
Income Tax Benefit (Provision)	(264,398)	1,529,793
NET INCOME	946,865	4,441,188
Net income per common share:		
Basic	0.01	0.04
Diluted	0.01	0.04
Weighted Average Common Shares Outstanding		
Basic	123,841,163	125,070,138
Diluted	123,841,163	125,070,138

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

**PCS EDVENTURES!, INC.**  
**Statements of Stockholders' Equity**  
**(Audited)**

	<b># of Common Shares O/S</b>	<b>Common Stock</b>	<b>Additional Paid-in Capital</b>	<b>Accumulated Deficit</b>	<b>Stockholders' Equity</b>
<b>Balance at 3/31/2023</b>	<b>125,732,479</b>	<b>-</b>	<b>\$ 40,635,392</b>	<b>\$ (37,355,830)</b>	<b>\$ 3,279,562</b>
Net Income	-	-	-	4,441,188	4,441,188
Shares Redeemed	(998,985)	-	(64,933)	-	(64,933)
<b>Balance at 3/31/2024</b>	<b>124,733,494</b>	<b>-</b>	<b>\$ 40,570,459</b>	<b>\$ (32,914,642)</b>	<b>\$ 7,655,817</b>
Net Income	-	-	-	946,865	946,865
Shares Redeemed	(2,543,731)	-	(547,713)	-	(547,713)
<b>Balance at 3/31/2025</b>	<b>122,189,763</b>	<b>-</b>	<b>\$ 40,022,746</b>	<b>\$ (31,967,777)</b>	<b>\$ 8,054,969</b>

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

**PCS EDVENTURES!, INC.**  
**Statements of Cash Flows**  
**(Audited)**

	For the years ended March 31,	
	2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net Income	\$ 946,865	4,441,188
Depreciation and amortization	26,339	11,490
Amortization of right of use asset	157,391	139,729
Provision for income tax	264,398	(1,529,793)
Changes in operating assets and liabilities		
(Increase) decrease in accounts receivable	1,291,978	(1,298,599)
(Increase) decrease in prepaid expenses	146,669	(177,173)
(Increase) decrease in inventories	(39,051)	(787,611)
(Decrease) increase in accounts payable and accrued liabilities	(134,434)	295,864
Increase (decrease) in lease liability	(121,220)	(126,878)
Increase (decrease) in unearned revenue	5,477	7,463
(Increase) decrease in deposits	(23,446)	-
Net Cash Provided by Operating Activities	2,520,966	975,680
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Cash paid for purchase of fixed assets	(79,814)	(23,696)
Net Cash Used by Investing Activities	(79,814)	(23,696)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Common stock repurchased and cancelled	(547,713)	(64,933)
Net Cash Used by Financing Activities	(547,713)	(64,933)
Net Increase in Cash	1,893,439	887,051
Cash at Beginning of Period	1,329,708	442,657
Cash at End of Period	3,223,147	1,329,708
Cash paid for taxes	\$ 125,861	\$ 83,440
Cash paid for interest	\$ 999	\$ 648
Right of use assets obtained in exchange for new operating lease liabilities	\$ 1,023,703	\$ 240,281

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

**PCS EDVENTURES!, INC.**  
**Notes to the Financial Statements**  
**March 31, 2025**  
**(Audited)**

**NOTE 1 - DESCRIPTION OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES**

**Description of Business**

The financial statements presented are those of PCS Edventures!, Inc., an Idaho corporation (the “Company,” “PCS,” “PCSV,” “we,” “our,” “us” or similar words), incorporated in 1994, in the State of Idaho. PCS specializes in experiential, hands-on, K12 education and drone technology. PCS has extensive experience and intellectual property (“IP”) that includes drone hardware, product designs, and K-12 curriculum content. PCS continually develops new educational products based upon market needs that the Company identifies through its sales and customer networks.

Our products facilitate STEM (“Science, Technology, Engineering, and Math”) education by providing engaging activities that demonstrate STEM concepts and inspire further STEM studies, with the goal of ultimately leading students to pursue STEM career pathways. Due to our exceptionally detailed curriculum, our products are easy to teach and do not require a teaching degree or experience to administer.

Our educational products are developed from both in-house efforts and contracted services. They are marketed through reseller channels, direct sales efforts, partner networks, and web-based channels.

PCS has developed and sells a variety of STEM education products into the K12 market, which can be categorized as follows:

1. **Enrichment Programs**

These camps are for the informal learning market and are designed to be highly engaging for students while easily administered by the instructor. The Company offers approximately 36 different enrichment programs and typically develops at least two (2) new programs each year. Some of the more popular programs include *Rockin’ Robots*; *Ready, Set, Drone!*; *Cubelets BOT Builder*; *Simple Machines*; *Drone Designers*; *Coding with Drones*; *Pirate Camp*; *Dirt Camp*; and *Claymation*.

2. **Discover Series Products**

These products are designed for the makerspace environment and include engaging STEM activities that motivate students to pursue educational pathways toward STEM careers. The Discover Series includes *Discover Podcasting*; *Discover STEM Dynamic Duo*; and *Discover Digital Video Lab*.

3. **BrickLAB Products**

These products are designed for the grade school market and use the Company’s proprietary bricks (which are Lego compatible) and curriculum to engage students to explore, imagine and create within a STEM education framework. The Company offers a variety of grade-specific BrickLAB products.

4. **Discover Drones, Add-on Drone Packages and Ala Carte Drone Items**

These products are designed around using drones as a platform for STEM education and career exploration. These titles include the *Discover Drones* series of Products; *Discover Drones Indoor Coding Bundle*; *Discover Drones Indoor Racing Add-On*; *Discover Drones Outdoor Practice Add-on*; and all the spare parts and ala carte drone items offered in the Company’s comprehensive drone packages.

5. **STEAMventures BUILD Activity Book**

These series of activity books are designed for the TK-3 market. The series includes 12 different issues. Instructor guides and/or family engagement guides are included. The Company also provides the necessary bricks for the builds in the activity books as a separate, but related product.



## 6. Professional Development Training

The Company offers professional development trainings, for a fee, to educators who are implementing the Company's products in their classroom.

The Company intends to continue developing STEM education products that address demand from large markets.

### Accounting Method

The Company's financial statements are prepared using the accrual method of accounting. The Company has elected a March 31<sup>st</sup> fiscal year end.

### Cash and Cash Equivalents

Cash and cash equivalents, totaling \$3,223,147 and \$1,329,708 at March 31, 2025, and March 31, 2024, respectively, consist of operating and savings accounts. For purposes of the statements of cash flows, the Company considers all highly-liquid financial instruments with original maturities of three months or less at date of purchase to be cash equivalents.

### Use of Estimates

The preparation of these financial statements in conformity with Generally Accepted Accounting Principles ("GAAP") requires management to make estimates and assumptions that affect the 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. Actual results could differ from those estimates. The Company's significant estimates include reserves related to accounts receivable and inventory, the valuation allowance related to deferred tax assets, the valuation of equity instruments, and debt discounts.

### Concentration of Credit Risks and Significant Customers

The Company extends credit to customers and is therefore subject to credit risk. Financial instruments that potentially subject the Company to concentration of credit risk consist primarily of trade receivables. In the normal course of business, the Company provides credit terms to its customers. Accordingly, the Company performs ongoing credit evaluations of its customers and maintains allowances for possible losses which, when realized, have been within the range of management's expectations. An allowance for credit losses is recorded to account for potential bad debts. Estimates are used in determining the allowance for credit losses and are based upon an assessment of selected accounts, historic averages, and as a percentage of remaining accounts receivable by aging category. In determining these percentages, the Company evaluates historical write-offs, and current trends in customer credit quality, as well as changes in credit policies. The Company generally does not require collateral from its customers. The Company has established an allowance for credit losses of \$38,027 as of March 31, 2025, and \$34,204 as of March 31, 2024.

The following Table shows the Company's concentration of credit risk, sorted by accounts receivable as of March 31, 2025, and 2024.

	2025 % of Revenue	3/31/2025 % of A/R	2024 % of Revenue	3/31/2024 % of A/R
Customer A	8.7%	24.0%	6.6%	2.0%
Customer B	1.8%	21.7%	0.5%	3.0%
Customer C	0.7%	14.2%	0.0%	0.0%
Customer D	0.5%	10.1%	0.0%	0.0%
Customer E	0.3%	5.2%	0.0%	0.0%

The following Table shows the Company's concentration of credit risk, sorted by revenue for fiscal years 2025 and 2024.

	2025 % of Revenue	3/31/2025 % of A/R	2024 % of Revenue	3/31/2024 % of A/R
Customer A	8.7%	24.0%	6.6%	2.0%
Customer F	7.9%	0.0%	14.1%	76.7%
Customer G	6.1%	0.0%	14.0%	0.0%
Customer H	5.1%	0.0%	0.1%	0.0%
Customer I	4.6%	2.7%	5.0%	3.2%

### Concentration of Credit Risk of Cash Deposits

We have three (3) operating accounts at two (2) different banks. We have a checking and depository account at one bank and a checking account at another bank. From time to time, cash balances in these accounts exceed the \$250,000 FDIC insurance limit. However, these instances occur infrequently as we strive to maintain balances below the \$250,000 limit in each of these accounts. We also have a Vanguard money market account where we invest our cash assets that are in excess of our working capital needs. The Vanguard money market account is not subject to FDIC insurance and invests exclusively in repurchase agreements and short-term U.S. government securities.

### Inventory

Finished goods inventory is composed of items produced in-house, as well as items from outside suppliers. These items include, but are not limited to, Fischertechnik® manipulatives, Brick manipulatives, drone components, robotics components, furniture units, curriculum, and other miscellaneous items used in our various labs. Our inventory is carried at the lower of cost or net realizable value and valued using the average cost method for each item.

When indicators of inventory impairment exist, the Company measures the carrying value of the inventory against its market value, and if the carrying value exceeds the market value, the inventory value is adjusted accordingly. The Company has established a provision for excess and obsolete inventory reserve of \$3,981 as of March 31, 2025, and \$3,274 as of March 31, 2024.

### Property, Plant and Equipment

Depreciation on property and equipment is computed using the straight-line method over the estimated useful life of the asset. The Company had fully depreciated property and equipment prior to March 31, 2018. Beginning in fiscal year 2022 through the current reporting period, the Company purchased various warehouse and office equipment for \$141,832 and recognized \$44,619 in depreciation of that equipment for a total property and equipment of \$97,213 as of March 31, 2025. As of March 31, 2024, property and equipment was \$43,739, which was net of \$18,280 in depreciation recognized.

Software has been fully depreciated as of March 31, 2025, and March 31, 2024.

### Impairment of Long-Lived Assets

Long-lived assets are reviewed for impairment annually, or when events or circumstances arise that indicate the existence of impairment for patents and other intangibles. There was no impairment recorded during the years ended March 31, 2025, and 2024.

### Income Taxes

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carry-forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rate is recognized in income in the period that includes the enactment date.

In November 2015, the Financial Accounting Standards Board ("FASB") issued ASU No. 2015-17, "Income Taxes (Topic 740)-Balance Sheet Classification of Deferred Taxes" (ASU 2015-17), which requires reporting the net amount of deferred tax assets and liabilities as a single noncurrent item on the classified balance sheet. Before this change, the net amounts of current and noncurrent deferred tax assets and liabilities were reported separately.

We account for income taxes in accordance with ASC 740, Income Taxes ("ASC 740"). ASC 740 prescribes the use of the asset and liability method to compute the differences between the tax bases of assets and liabilities and the related financial amounts, using currently enacted tax laws. If necessary, a valuation allowance is established, based on the weight of available evidence, to reduce deferred tax assets to the amount that is more likely than not to be realized. Realization of the deferred tax assets, net of deferred tax liabilities, is principally dependent upon achievement of sufficient future taxable income. We exercise significant judgment in determining our provisions for income taxes, our deferred tax assets and liabilities and our future taxable income for purposes of assessing our ability to utilize any future tax benefit from our deferred tax assets.

In accordance with GAAP, the Company has analyzed its filing positions in all jurisdictions where it is required to file income tax returns for the open tax years in such jurisdictions. The Company currently believes that all significant filing positions are highly certain and that all of its significant income tax filing positions and deductions would be sustained upon audit. Therefore, the Company has no significant reserves for uncertain tax positions, and no adjustment to such reserves was required by GAAP. No interest or penalties have been levied against the Company and none are anticipated; therefore no interest or penalty has been included in the provision for income taxes in the consolidated statements of operations. The Internal Revenue Code contains provisions which reduce or limit the availability and utilization of net operating loss (“NOL”) carry forwards in the event of a more than 50% change in ownership. If such an ownership change occurs with the Company, the use of these net operating losses could be limited.

The table below details the years that remain open to tax examinations:

Tax Year	Fiscal Year End	Filed Date	Open Through
2023	3/31/2024	8/26/2024	8/26/2027
2022	3/31/2023	8/23/2023	8/23/2026
2021	3/31/2022	2/3/2023	2/3/2026

### Revenue Recognition

The Company accounts for revenue in accordance with FASB ASC 606, *Revenue from Contracts with Customers*, which we adopted on April 1, 2018. Revenue amounts presented in our financial statements are recognized net of sales tax, value-added taxes, and other taxes. Amounts received as prepayment on future products or services are recorded as unearned revenues and recognized as income when the product is shipped, or service performed.

The Company had deferred revenue of \$20,026 as of March 31, 2025, related to contractual commitments with customers where the performance obligation will be satisfied within the fiscal year ending March 31, 2026. The revenue associated with these performance obligations is recognized as the obligation is satisfied. The Company had \$14,549 of deferred revenue as of March 31, 2024.

Most of our contracts with customers contain transaction prices with fixed consideration; however, some contracts may contain variable consideration in the form of discounts, rebates, refunds, credits, price concessions, incentives, penalties and other similar items. When a contract includes variable consideration, we evaluate the estimate of variable consideration to determine whether the estimate needs to be constrained; therefore, we include the variable consideration in the transaction price only to the extent that it is probable that a significant reversal of the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved. We recognize revenue when we satisfy a performance obligation by transferring control over a product or service to a customer. This can result in recognition of revenue over time as we perform services or at a point in time when the deliverable is transferred to the customer, depending on an evaluation of the criteria for over time recognition in FASB ASC 606. For certain fixed-fee per transaction contracts, such as delivering training courses or conducting workshops, revenue is recognized during the period in which services are delivered in accordance with the pricing outlined in the contracts.

### Stock-Based Compensation

We recognize stock-based compensation expense under the provisions of ASC 718, Compensation—Stock Compensation (“ASC 718”). We use the Black-Scholes option pricing model to calculate the fair value of stock options at their respective grant date. The use of option valuation models requires the input of highly subjective assumptions, including the expected stock price volatility and the expected term of the option. The fair value of restricted stock awards is the fair market value on the date of grant. We recognize these compensation costs on a straight-line basis over the requisite service period, which is generally the vesting period of the award.

During fiscal years 2025 and 2024, no performance options were issued or exercised.

As of March 31, 2025, and March 31, 2024, the Company had no outstanding warrants or options.

### Business Segments and Related Information

GAAP establishes standards for the way public business enterprises are to report information about operating segments in annual financial statements and requires enterprises to report selected information about operating segments in interim financial reports issued to shareholders. It also establishes standards for related disclosure about products and services, geographic areas and major customers. The Company currently operates as one (1) business segment.

### Recently Adopted Accounting Pronouncements

Beginning in fiscal year 2025 annual reporting, we adopted Accounting Standards Update (ASU) No. 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures (ASU 2023-07) that was issued by the FASB. This new standard requires an enhanced disclosure of significant segment expenses on an annual basis.

### Operating Segments and Related Disclosures

We manage our Company as one (1) reportable operating segment, STEM Supplies and Curriculum. The segment information aligns with how the Company's Chief Operating Decision Maker ("CODM") reviews and manages our business. The Company's CODM is the Company's President.

Financial information and annual operating plans and forecasts are prepared and reviewed by the CODM at a consolidated level. The CODM assesses performance for the STEM Supplies and Curriculum segment and decides how to better allocate resources based on net income reported on the Statements of Operations. The Company's objective in making resource allocation decisions is to optimize the financial results. The accounting policies of our STEM Supplies and Curriculum segment are the same as those described in the summary of significant accounting policies herein.

For single reportable segment-level financial information, total assets, and significant non-cash transactions, see our Financial Statements.

### Net Earnings (Loss) Per Share of Common Stock

The Company calculates net income (loss) per share in accordance with ASC 260, Earnings Per Share ("ASC 260"). Under ASC 260, basic net income (loss) per common share is calculated by dividing net income (loss) by the weighted-average number of common shares outstanding during the reporting period. The weighted average number of shares of common stock outstanding includes vested restricted stock awards. Diluted net income (loss) per share ("EPS") reflects the potential dilution that could occur assuming exercise of all dilutive unexercised stock options and warrants. The dilutive effect of these instruments was determined using the treasury stock method. Under the treasury stock method, the proceeds received from the exercise of stock options and restricted stock awards, the amount of compensation cost for future service not yet recognized by the Company and the amount of tax benefits that would be recorded as income tax expense when the stock options become deductible for income tax purposes are all assumed to be used to repurchase shares of the Company's common stock.

Common stock outstanding reflected in the Company's balance sheets includes "restricted" stock awards outstanding. Securities that may participate in undistributed net income with common stock are considered participating securities. The computation of diluted earnings per share does not assume exercise or conversion of securities that would have an anti-dilutive effect. The following schedules presents the calculation of basic and diluted net income per share:

	For the Years Ended March 31,	
	2025	2024
Net Income per common Share:		
Basic	\$ 0.01	\$ 0.04
Diluted	\$ 0.01	\$ 0.04
Weighted average number of common shares outstanding Basic	123,841,163	125,070,138
Weighted average number of common shares outstanding Fully Diluted	123,841,163	125,070,138

Net Income for the year ended March 31, 2025, and 2024, was \$946,865 and \$4,441,188, respectively.

As of March 31, 2025, and March 31, 2024, the Company had no outstanding dilutive instruments.

### Recently Issued Accounting Pronouncements

The Company has reviewed recent accounting pronouncements and has determined that they will not significantly impact the Company's results of operations or financial position.

### **NOTE 2 – BUSINESS CONDITION**

As of March 31, 2025, the Company had \$3.2 million in cash, \$2.1 million in inventory, and \$0.4 million in accounts receivable, with no debt. Management strongly believes that the Company can sustain its operations over the course of the next 12 months with the cash it has on hand, and with the revenue and associated profit generated from the sales expected over the course of the next 12 months, especially given the Company's large cash, inventory, and accounts receivable balances.

### **NOTE 3 – ACCOUNTS RECEIVABLE**

In the Company's normal course of business, the Company provides credit terms to its customers, which generally range from net 15 to 45 days. The Company performs ongoing credit evaluations of its customers. The Company established an allowance for credit losses of \$38,027 at March 31, 2025, and \$34,204 as of March 31, 2024.

### **NOTE 4 – ACCOUNTS RECEIVABLE, OTHER RECEIVABLES**

Other Receivables include receivables due to the Company derived from activities outside of its typical business transactions. As of March 31, 2025, the Company had \$55 of other receivables outstanding. As of March 31, 2024, the Company had no other receivables outstanding.

### **NOTE 5 - PREPAID EXPENSES**

Prepaid expenses for the periods are as follows:

	March 31, 2025	March 31, 2024
Prepaid insurance	\$ 11,960	\$ 10,915
Prepaid tradeshows	13,362	25,046
Prepaid inventory	178,660	319,977
Prepaid software	31,612	17,254
Prepaid other	11,828	20,899
Total Prepaid Expenses	<u>\$ 247,422</u>	<u>\$ 394,091</u>

### **NOTE 6 - COMMON AND PREFERRED STOCK TRANSACTIONS**

#### a. Common Stock

The Company has 150,000,000 authorized shares of common stock, no par value. At March 31, 2025, the total common shares issued and outstanding was 122,189,763. As of March 31, 2024, the total common shares issued and outstanding was 124,733,494.

During the years ended March 31, 2025, and 2024, the Company had no option expense.

During the years ended March 31, 2025, and 2024, the Company did not issue any shares of common stock.

During the year ended March 31, 2025, the Company made the following common stock repurchase transactions:

Date	Shares	Price	Total Consideration
7/15/2024	250,000	\$ 0.195	\$ 48,750
9/24/2024	352,084	\$ 0.270	\$ 95,063
11/19/2024	1,172,417	\$ 0.210	\$ 246,208
2/7/2025	769,230	\$ 0.205	\$ 157,692
Total	2,543,731		\$ 547,713

These shares repurchased were then immediately cancelled. During the year ended March 31, 2024, the Company repurchased 998,985 shares common stock at \$0.065 per share for total payments of \$64,933, then cancelled the shares.

**b. Preferred Stock**

The Company has 20,000,000 authorized shares of preferred stock. As of March 31, 2025, and March 31, 2024, there were no preferred shares issued or outstanding.

As of March 31, 2025, and 2024, the Company had no dilutive instruments outstanding.

**NOTE 7 – NOTES PAYABLE**

The Company had no notes payable outstanding as of March 31, 2025, and March 31, 2024.

**NOTE 8 – COMMITMENTS AND CONTINGENCIES**

**Leases**

The Company adopted ASC 842 as of November 9, 2019, using a modified retrospective transition approach for all leases existing at December 31, 2019, the date of the initial application. Consequently, financial information will not be updated, and disclosures required under ASC 842, will not be provided for dates and periods before January 1, 2020.

The Company determines if a contract is a lease or contains a lease at inception. Right of use assets related to operating type leases are reported in other noncurrent assets and the present value of remaining lease obligations is reported in accrued and other liabilities and other noncurrent liabilities on the Balance Sheets. The Company does not currently have any financing type leases.

Operating lease liabilities are recognized based on the present value of the future minimum lease payments over the lease term at commencement date. The Company's leases do not provide an implicit rate. The Company determines the incremental borrowing rates applicable to the economic environment based on the information available at commencement date, in determining the present value of future payments. The right of use asset for operating leases is measured using the lease liability adjusted for the impact of lease payments made prior to commencement, lease incentives received, initial direct costs incurred and any asset impairments. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the option will be exercised. Lease expense for minimum lease payments is recognized on a straight-line basis over the term of the lease.

The Company re-measures and reallocates the consideration in a lease when there is a modification of the lease that is not accounted for as a separate contract. The lease liability is re-measured when there is a change in the lease term or a change in the assessment of whether the Company will exercise a lease option. The Company assesses right of use assets for impairment in accordance with its long-lived asset impairment policy.

The Company accounts for lease agreements with contractually required lease and non-lease components on a combined basis. Lease payments made for cancellable leases, variable amounts that are not based on an observable index and lease agreements with an original duration of less than twelve months are recorded directly to lease expense.

**a. Warehouse**

The Company leases a 20,880 square foot warehouse facility located at 1135 N. Hickory Ave, Suite 130, Meridian, ID 83642, under a non-cancelable lease agreement, which commenced on October 1, 2024, and expires November 30, 2029. The first two (2) payments were deferred. This lease is accounted for as an operating lease. Monthly lease rates excluding triple net expenses started at \$15,660 and increase by 3% from the previous amount in the month of December each year.

**b. Office**

The Company leases a 5,016 square foot office facility located at 941 S. Industry Way, Meridian, Idaho, 83642 under a non-cancelable lease agreement, which commenced on October 21, 2024, and expires November 30, 2029. The first payment was deferred. The lease is accounted for as an operating lease. Monthly lease rates excluding triple net expenses started at \$5,225 and increase by 3% from the previous amount in the month of December each year.

**c. Equipment**

The Company leased a production printer for 63 months commencing on November 3, 2023. The first three (3) payments were deferred, with the first payment due February 3, 2024. Equipment lease expense was \$57,215 for the year ended March 31, 2025, and \$43,127 for year ended March 31, 2024.

As of March 31, 2025, accounted for and presented under ASC 842 guidance, the future minimum lease payments on operating leases, were as follows:

**Total minimum lease obligation over the next six (6) years**

Fiscal Year	Amount
2026	110,024
2027	206,153
2028	227,717
2029	252,334
2030	280,343
2031	115,067
Total	\$ 1,191,638

	Balance Sheet Location	March 31, 2025
Right of use assets	Other noncurrent assets	\$ 1,140,217
Lease payable	Current liabilities	\$ 110,024
Lease payable	Long-term liabilities	1,081,614
Total lease payable		\$ 1,191,638

Supplemental cash flow information related to operating leases:

	March 31, 2025
Operating cash paid to settle lease liabilities	\$ 143,935
Right of use asset additions in exchange for lease liabilities	1,023,703

	March 31, 2025	March 31, 2024
Weighted average remaining lease term (in years)	4.6	6.0
Weighted average discount rate	10%	10%

**NOTE 9 – ACCOUNTS PAYABLE**

Accounts payable for the periods are as follows:

	March 31, 2025	March 31, 2024
Accounts payable	\$ 24,286	\$ 90,800
Credit cards payable	705	10,053
Total	\$ 24,991	\$ 100,853

**NOTE 10 – PAYROLL LIABILITIES & ACCRUED EXPENSES**

Accrued expenses for the periods are as follows:

	March 31, 2025	March 31, 2024
Payroll liabilities	\$ 128,655	\$ 165,087
Sales tax payable	32,502	9,969
State income tax payable	(4,744)	39,929
Accrued expenses	14,985	14,985
Total	\$ 171,398	\$ 229,970

## NOTE 11 – INCOME TAXES

Prior to fiscal year 2023, the Company offset its potential tax benefit from the operating loss carry-forwards with a valuation allowance in the same amount. As it became clear that the Company will more likely than not use its tax loss carry-forward amounts, the valuation allowance was partially removed for the fiscal year ending March 31, 2023, such that the tax benefit recognized by us in fiscal year 2023 was \$1,011,466. The valuation allowance was fully removed as of March 31, 2024, resulting in a tax benefit of \$1,529,793 for fiscal year 2024. Once the valuation allowance was fully removed, a provision for income taxes was disclosed. For the fiscal year ending March 31, 2025, the Company's provision for income taxes was (\$264,398).

FASB ASC 740 prescribes a recognition threshold and a measurement attribute for the financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return. For those benefits to be recognized, a tax position must be more likely than not to be sustained upon examination by taxing authorities. The Company recognizes accrued interest and penalties related to unrecognized tax benefits as income tax expense. No amounts were accrued for the payment of interest and penalties as of March 31, 2025. The Company is currently not aware of any issues under review that could result in significant payments, accruals, or material deviation from its position. The Company is subject to income tax examinations by major taxing authorities since inception.

The Company may be subject to potential examination by federal, state, and city taxing authorities in the areas of income taxes. These potential examinations may include questioning the timing and amount of deductions, the nexus of income among various tax jurisdictions, and compliance with federal, state, and city tax laws. The Company's management does not expect that the total amount of unrecognized tax benefits will materially change over the next 12 months.

Although we believe that our tax estimates are reasonable, the ultimate tax determination involves significant judgments that could become subject to examination by tax authorities in the ordinary course of business. We periodically assess the likelihood of adverse outcomes resulting from these examinations to determine the impact on our deferred taxes and income tax liabilities and the adequacy of our provision for income taxes. Changes in income tax legislation, statutory income tax rates or future taxable income levels, among other things, could materially impact our valuation of income tax assets and liabilities and could cause our income tax provision to vary significantly among financial reporting periods.

The Company files income tax returns in the United States, the State of Idaho and the State of California. The statute of limitations on a Federal tax return is the due date of the tax return plus three (3) years. In the case of NOLs, the year in which the NOL was generated remains open up to the amount of the NOL until the statute of limitations expires on the year it was used. All required tax returns of the Company due since inception have been filed. The Company does not have any unrecognized tax benefits to report in the current period.

Net deferred tax assets and liabilities consist of the following components as of March 31, 2025, and 2024:

	March 31,	
	2025	2024
Deferred tax assets		
Right of use liabilities	333,659	76,693
Goodwill amortization	11,201	13,121
Charitable Contribution carryover	700	-
NOL carryover	2,253,412	2,539,181
Total deferred tax assets	2,598,972	2,628,995
Deferred tax liabilities		
Right of use assets	(319,261)	(76,693)
Depreciation	(2,850)	(11,043)
Total deferred tax liabilities	(322,111)	(87,736)
Net deferred tax assets	2,276,861	2,541,259
Less valuation allowance	-	-
Net deferred tax assets	2,276,861	2,541,259



The reconciliation of the Company's net income taxes for fiscal years 2025, and 2024 are as follows:

	March 31, 2025	March 31, 2024
U.S. Federal income tax at statutory rate	\$ 243,564	\$ 617,681
State taxes, net of Federal benefit	20,834	208,403
Change in valuation allowance	-	(2,355,877)
(Income Tax Benefit) Provision	264,398	(1,529,793)

The Company files income tax returns in the United States, the State of Idaho, and the State of California. The statute of limitations on a Federal tax return is the due date of the tax return plus three years. In the case of NOLs, the year in which the NOL was generated remains open up to the amount of the NOL until the statute of limitations expires on the year it was used. All required tax returns of the Company due since inception have been filed.

#### Summary of Federal Operating Loss Carryforwards

Unused operating loss carryforward March 31, 2024	\$ 9,234,609
Operating loss carryforwards realized	\$ 1,323,495
Unused operating loss carryforward March 31, 2025	\$ 7,911,114

#### **NOTE 12 - SUBSEQUENT EVENTS**

On May 21, 2025, the Company purchased 100,000 shares of its common stock on the open market at \$0.136 in a block trade for a total of \$13,600. On April 10, 2025, the Company issued a press release disclosing that the Board had authorized a share repurchase program to repurchase up to 10 million shares of its common stock over the next three (3) years. This purchase was part of that authorized buyback. The Company intends to continue to repurchase its common stock in the open market from time to time. When the Company accumulates a significant amount of its common shares, it intends to obtain those shares in certificate form and have its transfer agent cancel the shares.

On May 23, 2025, the Company concluded a private stock repurchase from a shareholder, buying 284,959 shares at \$0.14 per share, for total consideration of \$39,894.

On June 2, 2025, the common stock of the Company began trading on the OTC Markets QB Tier. Prior to that, it traded on the OTC Markets Pink Tier (which will become the OTCID on July 1, 2025).

In late May and early June, Management began the planning process for having an Annual Shareholders Meeting this year. Management plans to have the Meeting on Friday, September 26, 2025. The time of the meeting has not yet been determined. Further details will be disclosed when they become available.

#### **Item 9. Changes In and Disagreements With Accountants on Accounting and Financial Disclosure**

None.

#### **Item 9A. Controls and Procedures**

##### **Disclosure Controls and Procedures**

We maintain disclosure controls and procedures as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act that are designed to ensure that material information relating to us is made known to the officers who certify our financial reports and to other members of senior management and the Board of Directors. These disclosure controls and procedures are designed to ensure that information required to be disclosed in our reports that are filed or submitted under the Exchange Act are recorded, processed, summarized, and reported within the time periods specified in the Commission's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by an issuer in the reports that it files or submits under the Exchange Act is accumulated and communicated to our management, including our principal executive and principal financial officers, or persons performing similar functions, as appropriate, to allow timely decisions regarding required disclosure.

**Management's Annual Report on Internal Control Over Financial Reporting.**

Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act). Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Therefore, even those systems determined to be effective can provide only reasonable assurance of achieving their control objectives. Our management, including our Chief Executive Officer and Principal Financial Officer, in this case, our President, does not expect that our disclosure controls and procedures or our internal controls will prevent all error or fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Due to the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected. Management believes that the financial statements included in this report fairly present in all material respects our financial condition, results of operations and cash flows for the periods presented.

Management, with the participation of our Chief Executive Officer and our President who acts as our Principal Financial Officer have evaluated the effectiveness, as of March 31, 2025, of our disclosure controls and procedures. Based on that evaluation, our Chief Executive Officer and Principal Financial Officer concluded that our disclosure controls and procedures were effective as of March 31, 2025, due to the Company engaging the professional CPA firm of B.A. Harris, CPAs, to assist the Company in preparing our preliminary condensed financial statements and schedules for our auditor's review.

**Changes in Internal Control Over Financial Reporting**

At the end of fiscal year 2024, management recognized that it needed assistance in the preparation of financial statements. The Company engaged B.A. Harris, CPAs, to assist in the preparation of financial statements during fiscal year 2025. With the exception of engaging B.A. Harris, CPAs, there have been no changes in our internal control over financial reporting during the fiscal year ended March 31, 2025, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

**Item 9B. Other Information**

None.

**Item 9C. Disclosure Regarding Foreign Jurisdictions That Prevent Inspections**

None. Not applicable.

## PART III

### **Item 10. Directors, Executive Officers and Corporate Governance**

#### **Identification of Directors and Executive Officers.**

The following table sets forth the name, age and position of each officer and director of the Company:

<b><u>Name</u></b>	<b><u>Age</u></b>	<b><u>Positions Held</u></b>	<b><u>Date of Election or Designation</u></b>
Todd R. Hackett	64	CEO and Chairman	CEO, November 20, 2015 Chairman, December 10, 2015
Michael J. Bledsoe	59	President and Director	President, August 21, 2018 Director, July 1, 2016
Sean P. Iddings	37	Director	January 22, 2025

#### **Term of Office.**

The terms of office of our current directors shall continue until an annual meeting of stockholders is held. The Company plans to conduct an annual meeting in September of 2025. The annual meeting of the Board of Directors immediately follows the annual meeting of stockholders, at which time executive officers for the coming year are elected.

#### **Business Experience.**

##### **Todd R. Hackett – CEO and Chairman of the Board of Directors**

Mr. Hackett is the owner of a successful construction company in Iowa who first became aware of PCS as an investment opportunity in 2007. Over the past 10 years, his involvement with PCS has grown from a casual investor to a strong advocate for bringing educational opportunities to both children and young adults to strengthen their knowledge in math and science. He has demonstrated his abilities in the building of his own company from a startup in 1981 to a major construction firm now handling multimillion-dollar projects. Many of his projects involve educational institutions such as community colleges, middle schools, libraries, and applied technology labs.

Mr. Hackett is actively involved in his community, is passionate about the potential of PCS and is actively engaged in helping to create a company with deep shareholder value which also actively works to improve STEM education around the world.

##### **Michael J. Bledsoe – President and Director**

Mr. Bledsoe joined PCS in July of 2016. As President and a member of the Board of Directors, he brings over 20 years of financial experience, executive leadership, and strategic management to his position. Mike received a BBA in Quantitative Management with an emphasis in Finance, from Boise State University in 1989, and was honored as the top graduate in his major. In 1993, he earned his MBA from Boise State University.

Prior to joining PCS, Mike spent his career in the investment management field, most recently at D.A. Davidson, where he was a Senior Vice President and Portfolio Manager for 18 years. He earned the CFA Charterholder designation in 1994, and was an adjunct faculty member at Boise State University, where he taught classes in personal investing, fostering his passion for education and the sculpting of tomorrow's best thinkers.

##### **Sean P. Iddings - Director**

Mr. Iddings joined the Board of Directors in January of 2025. He brings extensive experience in scaling businesses, fostering investor engagement, and identifying high-growth opportunities. As Chief Community Officer at MicroCapClub LLC, he has helped build a premier network of experienced investors focused on discovering high-quality, high-potential microcap companies.

Prior to MicroCapClub, from 2019 to 2024, Sean founded and grew Immersion Factory LLC into the largest real estate photography company in Central NY, demonstrating his ability to scale businesses in niche markets. He is a licensed drone pilot, has over 15 years investment experience in the microcap space, and holds a B.A. from Berklee College of Music.

We believe that, based on education and experience, all of our directors are qualified to serve.

**Significant Employees.**

None.

**Family Relationships.**

There are no family relationships between our officers and directors.

**Involvement in Certain Legal Proceedings.**

During the past 10 years, none of our present directors, executive officers or persons nominated to become directors or executive officers have been involved in any of the following activities:

- (1) A petition under the Federal bankruptcy laws or any state insolvency law was filed by or against, or a receiver, fiscal agent or similar officer was appointed by a court for the business or property of such person, or any partnership in which he was a general partner at or within two years before the time of such filing, or any corporation or business association of which he was an executive officer at or within two years before the time of such filing;
- (2) Such person was convicted in a criminal proceeding or is a named subject of a pending criminal proceeding (excluding traffic violations and other minor offenses);
- (3) Such person was the subject of any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, permanently or temporarily enjoining him from, or otherwise limiting, the following activities:
  - (i) Acting as a futures commission merchant, introducing broker, commodity trading advisor, commodity pool operator, floor broker, leverage transaction merchant, any other person regulated by the Commodity Futures Trading Commission, or an associated person of any of the foregoing, or as an investment adviser, underwriter, broker or dealer in securities, or as an affiliated person, director or employee of any investment company, bank, savings and loan association or insurance company, or engaging in or continuing any conduct or practice in connection with such activity;
  - (ii) Engaging in any type of business practice; or
  - (iii) Engaging in any activity in connection with the purchase or sale of any security or commodity or in connection with any violation of Federal or State securities laws or Federal commodities laws;
- (4) Such person was the subject of any order, judgment or decree, not subsequently reversed, suspended or vacated, of any Federal or State authority barring, suspending or otherwise limiting for more than 60 days the right of such person to engage in any activity described in paragraph (f)(3)(i) of this section, or to be associated with persons engaged in any such activity;
- (5) Such person was found by a court of competent jurisdiction in a civil action or by the Commission to have violated any Federal or State securities law, and the judgment in such civil action or finding by the Commission has not been subsequently reversed, suspended, or vacated;
- (6) Such person was found by a court of competent jurisdiction in a civil action or by the Commodity Futures Trading Commission to have violated any Federal commodities law, and the judgment in such civil action or finding by the Commodity Futures Trading Commission has not been subsequently reversed, suspended or vacated;
- (7) Such person was the subject of, or a party to, any Federal or State judicial or administrative order, judgment, decree, or finding, not subsequently reversed, suspended or vacated, relating to an alleged violation of:
  - (i) Any Federal or State securities or commodities law or regulation; or

- (ii) Any law or regulation respecting financial institutions or insurance companies including, but not limited to, a temporary or permanent injunction, order of disgorgement or restitution, civil money penalty or temporary or permanent cease-and-desist order, or removal or prohibition order; or
- (iii) Any law or regulation prohibiting mail or wire fraud or fraud in connection with any business entity; or
- (8) Such person was the subject of, or a party to, any sanction or order, not subsequently reversed, suspended or vacated, of any self-regulatory organization (as defined in Section 3(a)(26) of the Exchange Act (15 U.S.C. 78c(a)(26)), any registered entity (as defined in Section 1(a)(29) of the Commodity Exchange Act (7 U.S.C. 1(a)(29)), or any equivalent exchange, association, entity or organization that has disciplinary authority over its members or persons associated with a member.

#### Compliance with Section 16(a) of the Exchange Act.

Based solely on our review of the copies of such forms received by us, or written representations from certain reporting persons, we believe that during fiscal year ended March 31, 2025, all filing requirements applicable to our officers, directors and greater than 10% percent beneficial owners were complied with.

#### Code of Ethics

We adopted a Code of Ethics and revised it in 2016. The Code was filed with the Form 10-K for March 31, 2024, on June 30, 2024, and is incorporated herein by reference.

#### Nominating Committee.

No changes have been made to the process by which shareholders may nominate a person or persons to serve as a member of the Company's Board of Directors.

#### Audit Committee.

As a smaller reporting company, we are not required to have an audit committee.

### Item 11. Executive Compensation

#### Compensation.

#### SUMMARY COMPENSATION TABLE FOR FISCAL YEARS 2024-2025

The following table sets forth the aggregate compensation paid by us for services rendered during the periods indicated:

SUMMARY COMPENSATION TABLE

Name and Principal Position	Year	Salary (\$)	Bonus (\$)	Stock Awards (\$)	Option Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	Nonqualified Deferred Compensation (\$)	All Other Compensation (\$)	Total (\$)
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
Todd R. Hackett	3/31/25	-	-	-	-	-	-	-	\$ 0
CEO & Chairman	3/31/24	-	-	-	-	-	-	-	\$ 0
Michael J. Bledsoe	3/31/25	\$ 132,500	\$ 10,805	-	-	-	-	-	\$ 143,305
President & Director	3/31/24	\$ 112,957	\$ 16,069	-	-	-	-	-	\$ 129,026

#### Outstanding Equity Awards

There were no options or warrants outstanding as of March 31, 2025, or March 31, 2024.

## Director Compensation

Name	Fees Earned or Paid in Cash (\$)	Stock Awards (\$)	Option Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	Nonqualified Deferred Compensation Earnings (\$)	All Other Compensation (\$)	Total (\$)
Todd R. Hackett	-	-	-	-	-	-	-
Michael J. Bledsoe	-	-	-	-	-	-	-
Sean P. Iddings	-	\$ 2,480	-	-	-	-	\$ 2,480

The Company does not currently compensate its internal directors for service as directors and has not for the past five (5) years. Sean P. Iddings is an independent director who began his service on January 22, 2025. He is compensated with 20,000 shares of PCSV common stock quarterly. Payment for the quarter ended March 31, 2025, was made in April of 2025.

## Employment Agreements

The Company does not have any employment agreements with any of its executive officers.

## Long-Term Incentive Plans

There are no arrangements or plans in which the Company would provide pension, retirement or similar benefits for our directors or executive officers.

## Compensation Committee

The Company currently does not have a compensation committee of the Board of Directors. The Board of Directors as a whole determines executive compensation.

## Options Grants in Last Fiscal Year.

The Company did not grant any options during fiscal years 2025 or 2024.

## Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

### Security Ownership of Certain Beneficial Owners

Under Rule 13d-3 of the Commission, a beneficial owner of a security includes any person who, directly or indirectly, through any contract, arrangement, understanding, relationship, or otherwise has or shares: (i) voting power, which includes the power to vote, or to direct the voting of shares; and (ii) investment power, which includes the power to dispose or direct the disposition of shares. Certain shares may be deemed to be beneficially owned by more than one person (if, for example, persons share the power to vote or the power to dispose of the shares). In addition, shares are deemed to be beneficially owned by a person if the person has the right to acquire the shares (for example, upon exercise of an option) within 60 days of the date as of which the information is provided. In computing the percentage ownership of any person, the number of shares outstanding is deemed to include the number of shares beneficially owned by such person (and only such person) by reason of these acquisition rights. As a result, the percentage of outstanding shares of any person as shown in this table does not necessarily reflect the person's actual ownership or voting power with respect to the number of shares of common stock actually outstanding.

The following table sets forth, as of March 31, 2025, the names, addresses and number of shares of common stock beneficially owned by all persons known to the management of PCS to be beneficial owners of more than 5% of the outstanding shares of common stock, and the names and number of shares beneficially owned by all directors of PCS and all executive officers and directors of PCS as a group (except as indicated, each beneficial owner listed exercises sole voting power and sole dispositive power over the shares beneficially owned).

For purposes of this table, information as to the beneficial ownership of shares of common stock is determined in accordance with the rules of the Commission and includes general voting power and/or investment power with respect to securities. Except as otherwise indicated, all shares of our common stock are beneficially owned, and sole investment and voting power is held, by the person named. For purposes of this table, a person or group of persons is deemed to have “beneficial ownership” of any shares of common stock which such person has the right to acquire within 60 days after the date hereof. The inclusion herein of such shares listed beneficially owned does not constitute an admission of beneficial ownership.

All percentages are calculated based upon a total number of 121,924,804 shares of common stock outstanding as of June 30, 2025.

Name and Address of Beneficial Owner of Common Stock	Amount of Beneficial Ownership	Percentage of Class
<b>Officers and Directors</b>		
Todd R. Hackett 941 S. Industry Way Meridian, ID 83642	55,465,380	45.49%
Michael J. Bledsoe 941 S. Industry Way Meridian, ID 83642	2,734,235	2.24%
All Officers as a group (two (2) persons)	58,199,615	47.73%
<b>Outside Directors</b>		
Sean P. Iddings 33 Bank Street Newfield, NY 14867	2,326,200	1.91%
All Directors as a group (three (3) persons)	60,525,815	49.64%
<b>&gt;5% Holders</b>		
Daniel Fuchs (1) 526 Shoup Ave. W., Suite K Twin Falls, ID 83301	11,662,001	9.56%
K2Red, LLC 526 Shoup Ave. W., Suite K Twin Falls, ID 83301	7,300,547	5.99%

(1) Includes shares owned in K2Red, LLC., in which Daniel Fuchs is a 33.3% owner and control person.

#### **Changes in Control.**

To our knowledge, there are no present arrangements or pledges of our securities that may result in a change in control of the Company.

#### **Item 13. Certain Relationships and Related Transactions, and Director Independence**

##### **Transactions with Related Persons**

During the fiscal years ending March 31, 2025, and 2024, the Company had no transactions with related persons.

##### **Transactions with Promoters and Control Persons**

There were no material transactions, or series of similar transactions, during our Company’s last five fiscal years, or any currently proposed transactions, or series of similar transactions, to which we were or are to be a party and in which any promoter or founder of ours or any member of the immediate family of any of the foregoing persons, had an interest. We have not had any promoters or parents during the past five (5) fiscal years.

**Parents.**

None, not applicable.

**Director Independence.**

Our Board of Directors is currently composed of three (3) members, Todd R. Hackett, Michael J. Bledsoe, and Sean P. Iddings. Todd R. Hackett and Michael J. Bledsoe do not qualify as independent directors in accordance with the published listing requirements of the NASDAQ Global Market (the Company has no plans to list on the NASDAQ Global Market).

Sean P. Iddings qualifies as an independent director in accordance with the published listing requirements of the NASDAQ Global Market. The NASDAQ independence definition includes a series of objective tests, such as that the director is not, and has not been for at least three (3) years, one of our employees and that neither the director, nor any of his family members has engaged in various types of business dealings with us.

In addition, our Board of Directors has not made a subjective determination, as to our directors, that no relationships exist which, in the opinion of our Board of Directors, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director, though such subjective determination is required by the NASDAQ rules. Had our Board of Directors made these determinations, our Board of Directors would have reviewed and discussed information provided by our directors and us with regard to our directors' business and personal activities and relationships as they may relate to us and our management.

**Securities Authorized for Issuance under Equity Compensation Plans**

Plan Category	Number of Securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans excluding securities reflected in column (a)
	(a)	(b)	(c)
Equity compensation plans approved by security holders	-	-	None
Equity compensation plans not approved by security holders	-	-	None
Total	-	-	None

**Item 14. Principal Accountant Fees and Services**

The following table sets forth the fees the Company paid for accounting services during the past two fiscal years.

Fee Category	FY2025	FY2024
Audit Fees	\$ 40,500	\$ 71,500
Audit Related Fees	-	3,000
Tax Fees	12,845	10,736
Total Fees	\$ 53,345	\$ 85,236

**Audit Fees** - Consists of fees for professional services rendered by our principal accountants for the audit of our annual financial statements and review of the financial statements included in our Forms 10-Q or services that are normally provided by our principal accountants in connection with statutory and regulatory filings or engagements.

**Audit-related Fees** - Consists of fees for assurance and related services by our principal accountants that are reasonably related to the performance of the audit or review of our financial statements and are not reported under "Audit fees."

**Tax Fees** - Consists of fees for professional services rendered by our principal accountants for tax compliance, tax advice and tax planning.



## PART IV

### **Item 15. Exhibits, Financial Statement Schedules**

(a)(3)

Exhibits. The following exhibits are filed as part of this Annual Report:

Exhibit 3.1	<a href="#"><u>Second Amended and Restated Articles of Incorporation filed October 2, 2006.</u></a>	Filed with the Form 10/A filed on November 15, 2023, and incorporated herein by reference.
Exhibit 3.2	<a href="#"><u>Articles of Amendment to Second Amended and Restated Articles of Incorporation filed April 4, 2012.</u></a>	Filed with the Form 10/A on November 15, 2023, and incorporated herein by reference.
Exhibit 3.3	<a href="#"><u>Articles of Amendment dated September 25, 2014</u></a>	Filed with the Form 10/A on November 15, 2023, and incorporated herein by reference.
Exhibit 3.4	<a href="#"><u>Articles of Amendment dated September 25, 2015</u></a>	Filed with the Form 10/A on November 15, 2023, and incorporated herein by reference.
Exhibit 3.5	<a href="#"><u>Articles of Amendment dated September 25, 2016</u></a>	Filed with the Form 10/A on November 15, 2023, and incorporated herein by reference.
Exhibit 3.6	<a href="#"><u>Third Amended Bylaws</u></a>	Filed with the Form 10/A on November 15, 2023, and incorporated herein by reference.
Exhibit 4	<a href="#"><u>Description of Registrant's Securities</u></a>	Filed with the Form 10-K for March 31, 2024, on June 30, 2024, and incorporated herein by reference..
Exhibit 14	<a href="#"><u>Code of Ethics</u></a>	Filed with the Form 10-K for March 31, 2024, on June 30, 2024, and incorporated herein by reference.
Exhibit 31.1	<a href="#"><u>Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</u></a>	Filed herewith.
Exhibit 31.2	<a href="#"><u>Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</u></a>	Filed herewith.
Exhibit 32	<a href="#"><u>Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</u></a>	Filed herewith.
101	The following materials from the Company's Annual Report on Form 10K for the year ended March 31, 2024, were formatted in Inline XBRL (Extensible Business Reporting Language): (i) Balance Sheets, (ii) Statements of Operations, (iii) Statements of Stockholders' Equity, (iv) Statements of Cash Flows, and (v) Notes to Financial Statements. The instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.	
104	Cover Page Interactive Data File - the cover page XBRL tags are embedded within the Inline XBRL.	

## SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

Dated: <u>06/30/2025</u>	By: <u>/s/ Todd R. Hackett</u> Todd R. Hackett Chairman of the Board and CEO
Dated: <u>06/30/2025</u>	By: <u>/s/ Michael J. Bledsoe</u> Michael J. Bledsoe President, Principal Financial Officer, Director
Dated: <u>06/30/2025</u>	By: <u>/s/ Sean P. Iddings</u> Sean P. Iddings Director

**CERTIFICATION PURSUANT TO  
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Todd R. Hackett, certify that:

1. I have reviewed this Annual Report on Form 10-K of PCS Edventures!, Inc.;
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(s) 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 Rule 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 (the Registrant's fourth fiscal quarter in the case of an annual report) 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(s) 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: June 30, 2025

By: /s/ Todd R. Hackett

Todd R. Hackett, Chairman of the Board and CEO

---

**CERTIFICATION PURSUANT TO  
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Michael J. Bledsoe, certify that:

1. I have reviewed this Annual Report on Form 10-K of PCS Edventures!, Inc.;
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(s) 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 Rule 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 (the Registrant's fourth fiscal quarter in the case of an annual report) 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(s) 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: June 30, 2025

By: /s/ Michael J. Bledsoe

Michael J. Bledsoe, President and Principal Financial Officer, Director

---

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of PCS Edventures!, Inc. (the “Registrant”) on Form 10-K for the fiscal year ending March 31, 2025, as filed with the Securities and Exchange Commission (the “Report”), I, Todd R. Hackett, Chairman of the Board and Chief Executive Officer of the Registrant, and I, Michael J. Bledsoe, President and Principal Financial Officer and Director of the Registrant, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Registrant.

Date: June 30, 2025

By: /s/ Todd R. Hackett  
Todd R. Hackett, Chairman of the Board and Chief Executive Officer

Date: June 30, 2025

By: /s/ Michael J. Bledsoe  
Michael J. Bledsoe, President and Principal Financial Officer and Director

---