BALTIC INTERNATIONAL USA INC

FORM 10-K
(Annual Report)

Filed 04/15/25 for the Period Ending 12/31/24

Address	6002 ROGERDALE ROAD
	SUITE 300
	HOUSTON, TX, 77072
Telephone	7139619299
CIK	0000918545
Symbol	BISA
SIC Code	6770 - Blank Checks
Industry	Holding Companies
Sector	Financials
Fiscal Year	12/31

U.S. SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM 10-K

(Mark One)

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

For the Fiscal Year Ended: December 31, 2024

OR

[ ] TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from __________ to __________.

Commission File Number: 0-26588

BALTIC INTERNATIONAL USA, INC.
(Name of small business issuer in its charter)

Texas	76-0336843
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)

6002 Rogerdale Road, Suite 300
Houston, Texas 77072
(Address of principal executive offices, including zip code)

(713) 961-9299
(Issuer's telephone number, including area code)

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

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

Common Stock, $0.01 par value
Warrants
(Title of Class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes [ ] No [X]

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes [ ] No [X]

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

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [X]

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

Large accelerated filer [ ] Accelerated filer [ ] Non-accelerated filer [X] Smaller reporting company [X] Emerging growth 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 is a shell company (as defined in Rule 12b-2 of the Act). Yes [X] No [ ]

Aggregate market value of the voting and non-voting common equity held by non- affiliates as of the last business day of the registrant's most recently completed second fiscal quarter (June 30, 2024) was $220,124.

As of April 15, 2025, there were 10,975,760 shares of common stock outstanding.

TABLE OF CONTENTS

PART I

Item 1. BUSINESS

Baltic International USA, Inc. ("Baltic") is a Texas corporation that has provided capital, management, and technical services to start-up and established private companies. In most instances, we are directly involved in management, and in all instances assists in allocation of capital either directly from us or through the investment of third parties. Baltic has not taken significant profits or management fees from these investments.

During 1999, we decided to sell most of our business interests in Eastern Europe and to focus on utilizing our assets to achieve profitability by acquiring business operations based in the United States. We have limited cash resources available for investment purposes.

Current Status as a Shell Company

Since March 2003, we have been classified as a "shell company". Rule 12b-2 of the Securities and Exchange Act of 1934, as amended (the "Exchange Act") defines "shell company," as a company (other than an asset-backed issuer), which has "no operations; and either no or nominal assets; assets consisting of solely cash and cash equivalents; or assets consisting of any amount of cash and cash equivalents and nominal other assets."

We currently plan to investigate and, if such investigation warrants, acquire a target company or business seeking the perceived advantages of being a publicly held corporation. Our principal business objective for the next 12 months and beyond, will be to achieve long-term growth potential through a combination with a business rather than immediate, short-term earnings. We will not restrict our potential candidate target companies to any specific business, industry or geographical location and, thus, may acquire any type of business.

The analysis of new business opportunities has and will be undertaken by or under the supervision of our executive officers. As of the date of this filing, we have not entered into any definitive agreement with any party, nor have there been any specific discussions with any potential business combination candidate regarding business opportunities for us. In our efforts to analyze potential acquisition targets, we will consider the following kinds of factors:

(a) Potential for growth, indicated by new technology, anticipated market expansion or new products;

(b) Competitive position as compared to other firms of similar size and experience within the industry segment as well as within the industry as a whole;

(c) Strength and diversity of management, either in place or scheduled for recruitment;

(d) Capital requirements and anticipated availability of required funds, to be provided by us or from operations, through the sale of additional securities, through joint ventures or similar arrangements or from other sources;

(e) The cost of participation by us as compared to the perceived tangible and intangible values and potentials;

(f) The extent to which the business opportunity can be advanced;

(g) The accessibility of required management expertise, personnel, raw materials, services, professional assistance and other required items; and

(h) Other relevant factors.

In applying the foregoing criteria, no one of which will be controlling, our management will attempt to analyze all factors and circumstances and make a determination based upon reasonable investigative measures and available data. Potentially available business opportunities may occur in many different industries, and at various stages of development, all of which will make the task of comparative investigation and analysis of such business opportunities extremely difficult and complex. Due to the limited capital we have available for investigation, we may not discover or adequately evaluate adverse facts about the opportunity to be acquired.

Form of Acquisition

The manner in which we participate in an opportunity will depend upon the nature of the opportunity, our respective needs and desires as well as those of the promoters of the opportunity, and the relative negotiating strength of us and such promoters.

It is likely that we will acquire our participation in a business opportunity through the issuance of common stock or other securities. This could result in substantial additional dilution to the equity of those who were our shareholders prior to such reorganization. Our present shareholders will likely not have control of a majority of our voting shares following a reorganization transaction. As part of such a transaction, all or a majority of our directors may resign and new directors may be appointed without any vote by shareholders.

In the case of an acquisition, the transaction may be accomplished upon the sole determination of our management without any vote or approval by shareholders. In the case of a statutory merger or consolidation directly involving the Company, it will likely be necessary to call a shareholders' meeting and obtain the approval of the holders of a majority of the outstanding shares. The necessity to obtain such shareholder approval may result in delay and additional expense in the consummation of any proposed transaction and will also give rise to certain appraisal rights to dissenting shareholders. Most likely, management will seek to structure any such transaction so as not to require shareholder approval.

It is anticipated that the investigation of specific business opportunities and the negotiation, drafting and execution of relevant agreements, disclosure documents and other instruments will require substantial management time and attention and substantial cost for accountants, attorneys and others. If a decision is made not to participate in a specific business opportunity, the costs theretofore incurred in the related investigation would not be recoverable. Furthermore, even if an agreement is reached for the participation in a specific business opportunity, the failure to consummate that transaction may result in our loss of the related costs incurred.

Employees

We currently employ no persons on a full-time basis and one person on a part-time basis. We have in the past, and will continue in the future, to employ independent contractors and to make extensive use of our outside directors and others as consultants. None of our employees and our subsidiaries and joint operations are represented by a labor organization.

Item 1A. RISK FACTORS

Our business is subject to numerous risk factors, including the following:

WE HAVE MINIMAL ASSETS AND HAVE HAD NO OPERATIONS AND GENERATED NO REVENUES FOR APPROXIMATELY THE LAST THREE YEARS.

We have had no operations nor any revenues or earnings from operations since March 2003. We have no significant assets or financial resources. We will, in all likelihood, sustain operating expenses without corresponding revenues, at least until the consummation of a business combination. This may result in us incurring a net operating loss which will increase continuously until we can consummate a business combination with a target company. There is no assurance that we can identify such a target company and consummate such a business combination.

THERE MAY BE CONFLICTS OF INTEREST BETWEEN OUR MANAGEMENT AND OUR NON- MANAGEMENT SHAREHOLDERS.

Conflicts of interest create the risk that management may have an incentive to act adversely to the interests of other investors. A conflict of interest may arise between our management's personal pecuniary interest and its fiduciary duty to our shareholders. Further, our management's own pecuniary interest may at some point compromise its fiduciary duty to our shareholders.

THE NATURE OF OUR PROPOSED OPERATIONS IS HIGHLY SPECULATIVE.

The success of our proposed plan of operation will depend to a great extent on the operations, financial condition and management of the identified target company. While management will prefer business combinations with entities having established operating histories, there can be no assurance that we will be successful in locating candidates meeting such criteria. In the event we complete a business combination, of which there can be no assurance, the success of our operations will be dependent upon management of the target company and numerous other factors beyond our control.

THE COMPETITION FOR BUSINESS OPPORTUNITIES AND COMBINATIONS IS GREAT.

We are and will continue to be an insignificant participant in the business of seeking mergers with and acquisitions of business entities. A large number of established and well-financed entities, including venture capital firms, are active in mergers and acquisitions of companies which may be merger or acquisition target candidates for us. Nearly all such entities have significantly greater financial resources, technical expertise and managerial capabilities than us and, consequently, we will be at a competitive disadvantage in identifying possible business opportunities and successfully completing a business combination. Moreover, we will also compete with numerous other small public companies in seeking merger or acquisition candidates.

IT WILL BE IMPRACTICABLE FOR US TO CONDUCT AN EXHAUSTIVE INVESTIGATION PRIOR TO ANY BUSINESS COMBINATION, WHICH MAY LEAD TO A FAILURE TO MEET OUR FIDUCIARY OBLIGATIONS TO OUR SHAREHOLDERS.

Our limited funds and the fact that we only have two part-time officers will likely make it impracticable to conduct a complete and exhaustive investigation and analysis of a target company. The decision to enter into a business combination, therefore, will likely be made without detailed feasibility studies, independent analysis, market surveys or similar information which, if we had more funds available to it, would be desirable. We will be particularly dependent in making decisions upon information provided by the principals and advisors associated with the business entity seeking our participation. Management may not be able to meet its fiduciary obligation to us and our shareholders due to the impracticability of completing thorough due diligence of a target company. By our failure to complete a thorough due diligence and exhaustive investigation of a target company, we are more susceptible to derivative litigation or other shareholder suits. In addition, this failure to meet our fiduciary obligations increases the likelihood of plaintiff success in such litigation.

WE HAVE NO CURRENT AGREEMENTS IN PLACE FOR A BUSINESS COMBINATION OR OTHER TRANSACTION, AND WE CURRENTLY HAVE NO STANDARDS FOR POTENTIAL BUSINESS COMBINATIONS.

We have no current arrangement, agreement or understanding with respect to engaging in a business combination with a specific entity. There can be no assurance that we will be successful in identifying and evaluating suitable business opportunities or in concluding a business combination. Management has not identified any particular industry or specific business within an industry for evaluation by us. There is no assurance that we will be able to negotiate a business combination on terms favorable to us. We have not established a specific length of operating history or a specified level of earnings, assets, net worth or other criteria which we will require a target company to have achieved, or without which we would not consider a business combination with such business entity. Accordingly, we may enter into a business combination with a business entity having no significant operating history, losses, limited or no potential for immediate earnings, limited assets, negative net worth or other negative characteristics.

ANY FUTURE BUSINESS COMBINATION IS HIGHLY DEPENDENT ON THE ACTIONS OF OUR TWO OFFICERS, WHO MAY ONLY HAVE A LIMITED AMOUNT OF TIME AVAILABLE TO CONCENTRATE US.

While seeking a business combination, management anticipates devoting only a limited amount of time per month to our business. Our officers have not entered into a written employment agreement with us and they are not expected to do so in the foreseeable future. We have not obtained key man life insurance on our officers. Notwithstanding the combined limited experience and time commitment of management, loss of the services of our officers would adversely affect development of our business and likelihood of continuing operations.

THERE IS SUBSTANTIAL DOUBT AS TO WHETHER WE CAN CONTINUE AS A GOING CONCERN.

We have not generated any revenues since March 2003, nor have we had any operations since March 2003. We had an accumulated deficit of $18,955,933 as of December 31, 2024. These factors among others indicate that we may be unable to continue as a going concern, particularly in the event that we cannot obtain additional financing and/or attain profitable operations. The accompanying financial statements do not include any adjustments that might result from the outcome of this uncertainty and if we cannot continue as a going concern, your investment in us could become devalued or even worthless.

REPORTING REQUIREMENTS MAY DELAY OR PRECLUDE AN ACQUISITION.

Section 13 of the Exchange Act requires companies subject thereto to provide certain information about significant acquisitions including audited financial statements for the company acquired and a detailed description of the business operations and risks associated with such company's operations. The time and additional costs that may be incurred by some target companies to prepare such financial statements and descriptive information may significantly delay or essentially preclude consummation of an otherwise desirable acquisition by us. Additionally, acquisition prospects that do not have or are unable to obtain the required audited statements may not be appropriate for acquisition so long as the reporting requirements of the Exchange Act are applicable.

WE HAVE NOT CONDUCTED ANY MARKET RESEARCH REGARDING ANY POTENTIAL BUSINESS COMBINATIONS.

We have neither conducted, nor have others made available to it, market research indicating that demand exists for the transactions contemplated by us. Even in the event demand exists for a transaction of the type contemplated by us, there is no assurance we will be successful in completing any such business combination.

WE DO NOT PLAN TO DIVERSIFY OUR OPERATIONS IN THE EVENT OF A BUSINESS COMBINATION.

Our proposed operations, even if successful, will in all likelihood result in our engaging in a business combination with only one target company. Consequently, our activities will be limited to those engaged in by the business entity which we will merge with or acquire. Our inability to diversify its activities into a number of areas may subject us to economic fluctuations within a particular business or industry and therefore increase the risks associated with our operations.

ANY BUSINESS COMBINATION WILL LIKELY RESULT IN A CHANGE IN CONTROL AND IN OUR MANAGEMENT.

A business combination involving the issuance of our common stock will, in all likelihood, result in shareholders of a target company obtaining a controlling interest in the Company. Any such business combination may require our shareholder to sell or transfer all or a portion of their common stock.

REDUCTION OF PERCENTAGE SHARE OWNERSHIP FOLLOWING BUSINESS COMBINATION.

Our primary plan of operation is based upon a business combination with a business entity which, in all likelihood, will result in our issuing securities to shareholders of such business entity. The issuance of previously authorized and unissued common stock would result in a reduction in percentage of shares owned by our present shareholders and could therefore result in a change in control of our management.

FEDERAL AND STATE TAXATION RULES COULD ADVERSELY EFFECT ANY BUSINESS COMBINATION WE MAY UNDERTAKE.

Federal and state tax consequences will, in all likelihood, be major considerations in any business combination we may undertake. Currently, such transactions may be structured so as to result in tax-free treatment to both companies, pursuant to various federal and state tax provisions. We intend to structure any business combination so as to minimize the federal and state tax consequences to both us and the target company; however, there can be no assurance that such business combination will meet the statutory requirements of a tax-free reorganization or that the parties will obtain the intended tax- free treatment upon a transfer of stock or assets. A non-qualifying reorganization could result in the imposition of both federal and state taxes which may have an adverse effect on both parties to the transaction.

WE MAY BE FORCED TO RELY ON UNAUDITED FINANCIAL STATEMENTS IN CONNECTION WITH ANY BUSINESS COMBINATION.

We will require audited financial statements from any business entity we propose to acquire. No assurance can be given; however, that audited financials will be available to us prior to a business combination. In cases where audited financials are unavailable, we will have to rely upon unaudited information that has not been verified by outside auditors in making our decision to engage in a transaction with the business entity. The lack of the type of independent verification which audited financial statements would provide increases the risk that we, in evaluating a transaction with such a target company, will not have the benefit of full and accurate information about the financial condition and operating history of the target company. This risk increases the prospect that a business combination with such a business entity might prove to be an unfavorable one for us.

WE MAY BE SUBJECT TO FURTHER GOVERNMENT REGULATION WHICH WOULD ADVERSELY AFFECT OUR OPERATIONS.

Although we will be subject to the reporting requirements under the Exchange Act, management believes we will not be subject to regulation under the Investment Company Act of 1940, as amended (the "Investment Company Act"), since we will not be engaged in the business of investing or trading in securities. If we engage in business combinations which result in our holding passive investment interests in a number of entities, we could be subject to regulation under the Investment Company Act. If so, we would be required to register as an investment company and could be expected to incur significant registration and compliance costs. We have obtained no formal determination from the Securities and Exchange Commission as to our status under the

Investment Company Act and, consequently, violation of the Act could subject us to material adverse consequences.

OUR BUSINESS WILL HAVE NO REVENUES UNLESS AND UNTIL WE MERGE WITH OR ACQUIRE AN OPERATING BUSINESS.

We have had no revenues from operations for approximately the past four years. We have had no operations for approximately the past four years. We may not realize any revenues unless and until we successfully merge with or acquire an operating business.

THE COMPANY MAY ISSUE MORE SHARES IN CONNECTION WITH A MERGER OR ACQUISITION, WHICH WOULD RESULT IN SUBSTANTIAL DILUTION.

Our Certificate of Incorporation authorizes the issuance of a maximum of 40,000,000 shares of common stock and a maximum of 500,000 shares of preferred stock. Any merger or acquisition effected by us may result in the issuance of additional securities without shareholder approval and may result in substantial dilution in the percentage of our common stock held by our then existing shareholders. Moreover, the common stock issued in any such merger or acquisition transaction may be valued on an arbitrary or non-arm's-length basis by our management, resulting in an additional reduction in the percentage of common stock held by our then existing shareholders. Our Board of Directors has the power to issue any or all of such authorized but unissued shares without shareholder approval. To the extent that additional shares of common stock or preferred stock are issued in connection with a business combination or otherwise, dilution to the interests of our shareholders will occur and the rights of the holders of common stock might be materially adversely affected.

WE CANNOT ASSURE YOU THAT FOLLOWING A BUSINESS COMBINATION WITH AN OPERATING BUSINESS, OUR COMMON STOCK WILL BE LISTED ON NASDAQ OR ANY OTHER SECURITIES EXCHANGE.

Following a business combination, we may seek the listing of our common stock on NASDAQ or the American Stock Exchange. However, we cannot assure you that following such a transaction, we will be able to meet the initial listing standards of either of those or any other stock exchange, or that we will be able to maintain a listing of our common stock on either of those or any other stock exchange. After completing a business combination, until our common stock is listed on the NASDAQ or another stock exchange, we expect that our common stock would be eligible to trade on the OTC Bulletin Board, or another over-the-counter quotation system," where our shareholders may find it more difficult to dispose of shares or obtain accurate quotations as to the market value of our common stock. In addition, we would be subject to an SEC rule that, if it failed to meet the criteria set forth in such rule, imposes various practice requirements on broker-dealers who sell securities governed by the rule to persons other than established customers and accredited investors. Consequently, such rule may deter broker-dealers from recommending or selling our common stock, which may further affect its liquidity. This would also make it more difficult for us to raise additional capital following a business combination. Additionally, there can be no assurances that we will be able to obtain listing on the OTC Bulletin Board, which failure could cause our common stock become worthless.

WE HAVE PREFERRED STOCK AUTHORIZED, WHICH PREFERRED STOCK MAY BE ISSUED BY OUR BOARD OF DIRECTORS WITHOUT FURTHER SHAREHOLDER APPROVAL AND WHICH MAY HAVE RIGHTS AND PREFERENCES GREATER THAN OUR COMMON STOCK.

Our Certificate of Incorporation authorizes the issuance of up to 500,000 shares of preferred stock with designations, rights and preferences determined from time to time by its Board of Directors. Accordingly, our Board of Directors is empowered, without shareholder approval, to issue preferred stock with dividend, liquidation, conversion, voting, or other rights which could adversely affect the voting power or other rights of the holders of the common stock. In the event of issuance, the preferred stock could be utilized, under certain circumstances, as a method of discouraging, delaying or preventing a change in control of the Company. Although we have no present intention to issue any shares of its authorized preferred stock, there can be no assurance that the Company will not do so in the future.

Item 2. PROPERTIES

Our corporate office is currently at the offices of our chief executive officer in Houston, Texas.

Item 3. LEGAL PROCEEDINGS

We are not aware of any material pending legal proceeding by or about us.

Item 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II

Item 5. MARKET FOR COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

Our common stock is currently traded on the over-the-counter (OTC) market and is quoted on the Pink Sheets under the symbol "BISA."

As of March 31, 2025, the last sales price for the common stock was $0.0151 and we believe there were approximately 1,000 beneficial holders of our common stock.

We have not paid, and do not currently intend to pay, cash dividends on our common stock. The current policy of our Board of Directors is to retain earnings, if any, to provide funds for operation and expansion of our business. Such policy will be reviewed by our Board of Directors from time to time in light of, among other things, our earnings and financial position.

Item 6. SELECTED FINANCIAL DATA

As a smaller reporting company, we are not required to provide the information required by this Item.

Item 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION

The following discussions contain forward-looking information. Readers are cautioned that such information involves risks and uncertainties, including those created by general market conditions, competition and the possibility of events may occur which limit our ability to maintain or improve our operating results or execute our primary growth strategy. Although we believe that the assumptions underlying the forward-looking statements are reasonable, any of the assumptions could be inaccurate, and there can therefore be no assurance that the forward-looking statements included herein will prove to be accurate. The inclusion of such information should not be regarded as a representation by us or any other person that our objectives and plans will be achieved.

The following discussion should be read in conjunction with the financial statements and notes thereto included elsewhere herein.

CURRENT PLAN OF OPERATIONS

Our current business objective for the next 12 months is to investigate and, if such investigation warrants, acquire a target company or business seeking the perceived advantages of being a publicly held corporation. Our principal business objective for the next 12 months and beyond will be to achieve long- term growth potential through a combination with a business rather than immediate, short-term earnings. We will not restrict our potential candidate target companies to any specific business, industry or geographical location and, thus, may acquire any type of business.

We do not currently engage in any business activities that provide us with positive cash flows. As such, the costs of investigating and analyzing business combinations for the next approximately 12 months and beyond will be paid with our current cash on hand and through funds from financing to be obtained.

During the next 12 months we anticipate incurring costs related to filing of Exchange Act reports and costs relating to consummating an acquisition.

We believe we will be able to meet these costs with our current cash on hand and additional amounts, as necessary, to be loaned to or invested in us by our stockholders or other investors.

We may consider a business which has recently commenced operations, is a developing company in need of additional funds for expansion into new products or markets, is seeking to develop a new product or service, or is an established business which may be experiencing financial or operating difficulties and is in need of additional capital. In the alternative, a business combination may involve the acquisition of, or merger with, a company which does not need substantial additional capital, but which desires to establish a public trading market for its shares, while avoiding, among other things, the time delays, significant expense, and loss of voting control which may occur in a public offering.

Any target business that is selected may be a financially unstable company or an entity in its early stages of development or growth, including entities without established records of sales or earnings. In that event, we will be subject to numerous risks inherent in the business and operations of financially unstable and early stage or potential emerging growth companies. In addition, we may effect a business combination with an entity in an industry characterized by a high level of risk, and, although our management will endeavor to evaluate the risks inherent in a particular target business, there can be no assurance that we will properly ascertain or assess all significant risks.

We anticipate that the selection of a business combination will be complex and extremely risky. Because of general economic conditions, rapid technological advances being made in some industries and shortages of available capital, our management believes that there are numerous firms seeking even the limited additional capital which we will have and/or the perceived benefits of becoming a publicly traded corporation. Such perceived benefits of becoming a publicly traded corporation include, among other things, facilitating or improving the terms on which additional equity financing may be obtained, providing liquidity for the principals of and investors in a business, creating a means for providing incentive stock options or similar benefits to key employees, and offering greater flexibility in structuring acquisitions, joint ventures and the like through the issuance of stock. Potentially available business combinations may occur in many different industries and at various stages of development, all of which will make the task of comparative investigation and analysis of such business opportunities extremely difficult and complex.

Liquidity and Capital Resources

At December 31, 2024, we had a working capital deficit of $4,994,685 compared to working capital deficit of $4,811,257 at December 31, 2023. The increase in the working capital deficit is due primarily to the increase in accrued liabilities. We had shareholders' deficit of $4,994,685 at December 31, 2024.

Net cash used in operating activities was $0 for 2024 compared to $0 for 2023.

We had no financings in 2024 and 2023.

We have incurred operating losses from inception through December 31, 2024. We incurred operating losses of $15,623 in 2024 and $15,622 in 2023. At December 31, 2024, we had an accumulated deficit of $18,955,933.

Management believes that we will be able to achieve a satisfactory level of liquidity to meet our business plan and capital needs for the next 12 months. Management believes we have the ability to obtain additional financing from key officers, directors and certain investors. However, there can be no assurance that we will be able to generate sufficient liquidity to maintain our operations.

At December 31, 2024, we had cash of $2,976. We have limited cash resources available and have obligations due and past due.

Critical Accounting Policies

Our financial statements have been prepared in accordance with accounting principals generally accepted in the United States. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of any contingent assets and liabilities. On an on-going basis, we evaluate our estimates, including those related to uncollectible receivable, investment values, income taxes, the recapitalization and contingencies. We base our estimates on various assumptions that we believe to be reasonable under the circumstances, the results of which form the basis for making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

Item 8. FINANCIAL STATEMENTS

The information required hereunder is included in this report as set forth in the "Index to Consolidated Financial Statements" on page F-1.

Item 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

Item 9A. CONTROLS AND PROCEDURES.

(a) As of December 31, 2024, we carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures pursuant to Exchange Act Rule 13a-15. This evaluation was done under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer. Based on his evaluation of our disclosure controls and procedures (as defined in the Exchange Act Rule 13a-15e), our Chief Executive Officer and Chief Financial Officer has concluded that as of December 31, 2024 such disclosure controls and procedures were effective.

Our management is responsible for establishing and maintaining adequate internal control over financial reporting for the Company. Internal control over financial reporting is a process to provide reasonable assurance regarding the reliability of our financial reporting for external purposes in accordance with accounting principles generally accepted in the United States of America. Internal control over financial reporting includes maintaining records that in reasonable detail accurately and fairly reflect the transactions and dispositions of our assets; provide reasonable assurance that transactions are recorded as necessary for preparation of our financial statements; provide reasonable assurance that receipts and expenditures of company assets are made in accordance with management authorization; and provide reasonable assurance that unauthorized acquisition, use or disposition of company assets that could have a material effect on our financial statements would be prevented or detected on a timely basis. Because of its inherent limitations, internal control over financial reporting is not intended to provide absolute assurance that a misstatement of our financial statements would be prevented or detected.

Pursuant to Rule 13a-15d of the Exchange Act, management conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework in Internal Control - Integrated Framework
(2013) and Internal Control Over Financial Reporting - Guidance for Smaller Public Companies (2006), issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, management concluded that our internal control over financial reporting was effective as of December 31, 2024.

(b) There have been no changes in internal control over financial reporting that occurred during the last fiscal quarter that have materially affected, or are reasonably likely to materially affect our internal controls over financial reporting.

Item 9B. OTHER INFORMATION.

None.

PART III

Item 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

Executive Officers and Directors

The following table gives certain information with respect to our executive officers and directors:

Name	Age	Position
David A. Grossman (3)	61	Chairman of the Board, Chief Executive Officer, Chief Financial Officer, Corporate Secretary and Director
Paul R. Gregory (1)(2)	84	Director
Ted Reynolds (1)(2)	94	Director

(1) Member of the Audit Committee.
(2) Member of the Compensation Committee.
(3) Member of the Nominating Committee.

Mr. Robert L. Knauss has served as Chairman of the Board since our inception in March 1991 until his passing in October 2024.

Mr. Grossman has served as Chief Financial Officer since September 1997 and as Corporate Secretary since December 1996. He was appointed Chief Executive Officer in February 2010 and as Chairman in October 2024. He served as President from November 1998 until May 2000 when he resigned as a full-time employee of Baltic. He served as comptroller from November 1995 until September 1997. Mr. Grossman was chief financial officer of LynkTel, Inc. from May 2000 to January 2003. From February 2003 to January 2005, he served as operations controller of BHP Billiton. He was an audit partner of Malone & Bailey, PC from 2005 to 2007. Mr. Grossman was an audit partner with GBH CPAs, PC from 2007 to 2018 and an audit partner with Marcum LLP from 2017 to 2024. Prior to joining Baltic, he was an audit senior manager for Deloitte & Touche LLP. Mr. Grossman is a certified public accountant and graduated from Indiana University in 1985 with a BS degree in accounting.

Dr. Gregory served as our treasurer, on a part-time basis, since our inception in March 1991 until August 1995. Dr. Gregory is the Cullen Professor of Economics and Finance at the University of Houston where he has been a faculty member since 1972. He was involved in creating the Petroleum Legislation Project with Russia and he served as project coordinator of the Russian Securities Project in conjunction with the Russian State Committee for Property Management and the various Russian stock exchanges. He serves as advisor to a number of major United States corporations on their Russian business activities, and has been active in the former Soviet Union for 25 years. He has served as chairman of the board of Amsovco International Consultants, Inc. since 1988. He has also served as a consultant to the World Bank. Dr. Gregory graduated from Harvard University with a Ph.D. in economics and is fluent in Russian and German. Dr. Gregory is the author of a text on the Soviet and Russian economies.

Mr. Reynolds has been president of Houston Grain Company since 1983 and vice president of Mid-America Grain Commodities since 1976. He also formed and is owner of Red River Grain Company. He is actively involved in various international business transactions. Mr. Reynolds is a graduate of Texas Christian University.

Directors hold office until their successors are elected and qualified. The Audit Committee reviews and reports to the Board on the financial results of our operations and the results of the audit services provided by our independent accountants, including the fees and costs for such services. The Compensation Committee reviews compensation paid to management and recommends to the Board of Directors appropriate executive compensation. The Nominating Committee selects director nominees for election to the Board of Directors. Officers are elected annually and serve at the discretion of the Board of Directors. There is no family relationship between or among any of our directors and executive officers.

Director Compensation

No compensation has been provided to our directors for 2024 and 2023.

Compliance with Section 16(a) of the Exchange Act

Section 16(a) of the Exchange Act requires our directors and executive officers and persons who own more than ten percent of a registered class of our equity securities to file reports with the Securities and Exchange Commission relating to transactions and holdings in our common stock. We believe that during the fiscal year ended December 31, 2024 all such filing requirements were satisfied.

Item 11. EXECUTIVE COMPENSATION

The following table sets forth information with respect to our chief executive officer and chief financial officer. No other employee received total annual salary and bonus for the fiscal year ended December 31, 2024 in excess of $100,000.

Summary Compensation Table

		Annual Compensation (1)(2)			Long-Term Compensation	
Name and Principal Position	Fiscal Year	Salary	Bonus	All Other Compensation	Restricted Stock Awards	Securities Underlying Options and Warrants
David Grossman	2024	$ 0	$ 0	$ 0	$ 0	0
Chief Executive Officer and Chief Financial Officer	2023	0	0	0	0	0

(1) None of the named executive officers received perquisites or other benefits valued in excess of 10% of the total of reported annual salary and bonus.
(2) Unpaid salaries of $12,000 for Mr. Grossman for each of the years 2024 and 2023 have been accrued.

Stock Options

As of March 31, 2025, no options were outstanding.

The following table shows, as to the named executive officers, information concerning individual grants of stock options during 2024.

Option Grants in Last Fiscal Year

Name	Number of Securities Underlying Options/Warrants Granted	Percentage of Total Options/Warrants Granted Employees in 2024	Exercise Price Per Share	Expiration Date
David A. Grossman	0	0.0%	N/A	N/A

The following table shows, as to the named executive officers, information concerning aggregate stock option and warrant exercises during 2024 and the stock option and warrant values as of December 31, 2024.

Aggregated Option and Warrant Exercises in Last Fiscal Year
and Year End Option and Warrant Values

Name	Shares Acquired on Exercise	Value Realized	Number of Securities Underlying Unexercised Options/Warrants at December 31, 2024 Exercisable/ Unexercisable	Value of Unexercised In-the-Money Options/Warrants at December 31, 2024 Exercisable/ Unexercisable
David A. Grossman	0	0	0 / 0	$0 / $0

We have not established, nor does it provide for, long-term incentive plans or defined benefit or actuarial plans.

Item 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth, as of March 31, 2025, certain information with respect to the beneficial ownership of our Common Stock by (i) each person known to us who beneficially owns more than 5% of our outstanding Common Stock;
(ii) each director; (iii) each named executive officer; and (iv) all directors and officers as a group:

	Shares Beneficially Owned	
Name of Beneficial Owner	Number	Percent
Nicol Family Partnership (1)	1,500,000	13.67%
Angela Knauss (2)	1,072,431 (3)	9.52
Citibank (Switzerland) (1)	1,000,000	9.11
Paul R. Gregory	515,369	4.70
David A. Grossman	220,084 (4)	1.98
Ted Reynolds	83,000	0.76
All directors and executive officers	818,453 (5)	7.37

(1) The business address for Citibank (Switzerland) is P. O. Box 244, Zurich, Switzerland CH-8021. The business address for the Nicol Family Partnership is P.O. Box 278, Grapeland, Texas 75844.
(2) Angela Knauss is the widow of Robert L. Knauss, our founder and former Chairman of the Board.
(3) Includes an aggregate of 284,227 shares subject to Series A Preferred Stock that are currently exercisable/convertible.
(4) Includes an aggregate of 135,417 shares subject to Series A Preferred Stock that are currently exercisable/convertible.
(5) Includes an aggregate of 135,417 shares subject to Series A Preferred Stock that are currently exercisable/convertible.

Item 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Management believes that all prior related party transactions are on terms no less favorable to us as could be obtained from unaffiliated third parties. All ongoing and future transactions with such persons, including any loans to such persons, will be approved by a majority of disinterested, independent outside members of our Board of Directors.

Item 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

We qualify as an inactive entity pursuant to Sec. 210.3-11 of Regulation S-X. Therefore, we have not engaged an independent registered public accountant for any services for the years ended December 31, 2024 and 2023.

Item 15. EXHIBITS

Exhibits identified in parentheses below, on file with the Securities and Exchange Commission, are incorporated herein by reference as exhibits hereto.

Exhibit No.	Identification of Exhibit
2.1	Plan and Agreement of Recapitalization (Exhibit 2.1 to Form SB-2, No. 33-74654-D)
3.1(a)	Restated Articles of Incorporation (Exhibit 3.1(a) to Form SB-2, No. 33-74654-D)
3.1(b)	Amended Articles of Incorporation (Exhibit 3.1(b) to Form SB-2, No. 33-74654-D)
3.1(c)	Articles of Correction (Exhibit 3.1(c) to Form SB-2, No. 33-74654-D)
3.2	Bylaws (Exhibit 3.2 to Form SB-2, No. 33-74654-D)
3.3	Statement of Resolution Establishing and Designating a Series of Shares of the Company, Series A Cumulative Preferred Stock, $10.00 par value (Exhibit 3.3 to Form SB-2, No. 33-74654-D)
3.4	Certificate of Elimination of Shares Designated as Series A Cumulative Preferred Stock (Exhibit 3.4 to Form 10-QSB for the quarter ended June 30, 1995, File No. 0-26588)
3.5	Certificate of the Designation, Preference, Rights and Limitations of Convertible Redeemable Series A Preferred Stock (Exhibit 3.5 to Form 10-QSB for the quarter ended June 30, 1995, File No. 0-26588)
4.1	Common Stock Specimen (Exhibit 4.1 to Form SB-2, No. 33-74654-D)
10.1	Statement of the Designation, Preferences, Rights and Limitations of Series B Convertible Redeemable Preferred Stock, as amended (Exhibit 10.45 to Form SB-2, File No. 333-860)
31 *	Chief Executive Officer and Chief Financial Officer Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32 *	Chief Executive Officer and Chief Financial Officer Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

* Attached hereto.

SIGNATURES

In accordance with the requirements of Section 13 or 15(d) of the Exchange Act, the registrant has caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, on April 15, 2025.

BALTIC INTERNATIONAL USA, INC.

/s/ David A. Grossman

DAVID A. GROSSMAN
Chief Executive Officer and
Chief Financial Officer

Pursuant to the requirements of the Exchange Act, this report has been signed by the following persons on behalf of the registrant and in the capacities indicated as of April 15, 2025:

Signature	Title
/s/ David A. Grossman ----------------------- *DAVID A. GROSSMAN*	*Chairman of the Board* *Chief Executive Officer,* *Chief Financial Officer* *Corporate Secretary and Director* *(Principal Executive Officer and* *Principal Financial and Accounting* *Officer)*
* ----------------------- *PAUL R. GREGORY*	*Director*
* -----------------------	*Director*

TED REYNOLDS

* Pursuant to Power of Attorney

By: /s/ David A. Grossman
Name: David A. Grossman
Title: Attorney-in-Fact

BALTIC INTERNATIONAL USA, INC.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

FINANCIAL STATEMENTS OF AN INACTIVE REGISTRANT

Pursuant to Sec. 210.3-11 of Regulation S-X, Baltic International USA, Inc. qualifies as an inactive entity, meeting all of the following conditions:

(a) Gross receipts from all sources for the fiscal year are not in excess of $100,000;

(b) We have not purchased or sold any of our own stock, granted options therefore, or levied assessments upon outstanding stock;

(c) Expenditures for all purposes for the fiscal year are not in excess of $100,000;

(d) No material change in the business has occurred during the fiscal year, including any bankruptcy, reorganization, readjustment or succession or any material acquisition or disposition of plants, mines, mining equipment, mine rights or leases; and

(e) No exchange upon which the shares are listed, or governmental authority having jurisdiction, requires the furnishing to it or the publication of audited financial statements.

Accordingly, the consolidated financial statements of Baltic International USA, Inc. are unaudited.

BALTIC INTERNATIONAL USA, INC.
Consolidated Balance Sheets
(Unaudited)

	December 31, 2024	December 31, 2023
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 2,976	$ 2,976
Total assets	$ 2,976	$ 2,976

LIABILITIES AND SHAREHOLDERS' DEFICIT

CURRENT LIABILITIES

	December 31, 2024	December 31, 2023
Accounts payable and accrued liabilities	$ 588,876	$ 563,544
Dividends payable	4,339,304	4,181,208
Short-term debt	69,481	69,481
Total current liabilities	4,997,661	4,814,233

COMMITMENTS AND CONTINGENCIES

SHAREHOLDERS' DEFICIT

	December 31, 2024	December 31, 2023
Preferred stock:		
Series A, convertible, $10 par value, 499,930 shares authorized, 123,000 shares issued and outstanding	1,230,000	1,230,000
Series B, convertible, $10 par value, $25,000 stated value, 70 shares authorized, 14 shares issued and outstanding	350,000	350,000
Common stock, $0.01 par value, 40,000,000 shares authorized, 16,629,229 shares issued and 10,975,760 shares outstanding	166,292	166,292
Additional paid-in capital	13,019,530	13,019,530
Accumulated deficit	(18,955,933)	(18,772,505)
Treasury stock, at cost	(804,574)	(804,574)
Total shareholders' deficit	(4,994,685)	(4,627,952)
Total liabilities and shareholders' deficit	$ 2,976	$ 2,976

See accompanying notes to consolidated financial statements.

BALTIC INTERNATIONAL USA, INC.
Consolidated Statements of Operations
(Unaudited)

	Year Ended December 31, 2024	2023
REVENUES	$ -	$ -
OPERATING EXPENSES:		
Personnel and consulting	13,763	13,762
Other general and administrative	1,860	1,860
Total operating expenses	15,623	15,622
LOSS FROM OPERATIONS	(15,623)	(15,622)
OTHER INCOME (EXPENSE):		
Interest expense	(9,709)	(9,683)
Total other income (expense)	(9,709)	(9,683)
INCOME (LOSS) BEFORE INCOME TAXES	(25,332)	(25,305)
INCOME TAX EXPENSE	-	-
NET INCOME (LOSS)	$ (25,332)	$ (25,305)

INCOME (LOSS) PER SHARE AMOUNTS:

	2024	2023
Basic and diluted	$ (0.02)	$ (0.02)
WEIGHTED AVERAGE OUTSTANDING SHARES:		
Basic and diluted	10,975,760	10,975,760

See accompanying notes to consolidated financial statements.

BALTIC INTERNATIONAL USA, INC.
Consolidated Statements of Shareholders' Deficit
(Unaudited)

		Preferred Stock					
		Series A		Series B		Common Stock	
	Warrants	Shares	Amount	Shares	Amount	Shares	Amount
Balance, December 31, 2022	$ -	123,000	$1,230,000	14	$ 350,000	16,629,229	$166,292
Net loss							
Dividends on preferred stock:							
Series A, $1.00 per share							
Series B, $2,500 per share							
Balance, December 31, 2023	$ -	123,000	$1,230,000	14	$ 350,000	16,629,229	$166,292
Net loss							
Dividends on preferred stock:							
Series A, $1.00 per share							
Series B, $2,500 per share							
Balance, December 31, 2024	$ -	123,000	$1,230,000	14	$ 350,000	16,629,229	$166,292

See accompanying notes to consolidated financial statements.

BALTIC INTERNATIONAL USA, INC.
Consolidated Statements of Shareholders' Deficit
(Continued)
(Unaudited)

	Additional paid-in capital	Accumulated deficit	Treasury stock Shares	Amount	Total
Balance, December 31, 2022	$13,019,530	$(18,589,200)	5,653,469	$(804,574)	$(4,627,952)
Net loss		(25,305)			(25,305)
Dividends on preferred stock:					
Series A, $1.00 per share		(123,000)			(123,000)
Series B, $2,500 per share		(35,000)			(35,000)
Balance, December 31, 2023	$13,019,530	$(18,772,505)	5,653,469	$(804,574)	$(4,811,257)
Net loss		(25,332)			(25,332)
Dividends on preferred stock:					
Series A, $1.00 per share		(123,000)			(123,000)
Series B, $2,500 per share		(35,096)			(35,096)
Balance, December 31, 2024	$13,019,530	$(18,955,933)	5,653,469	$(804,574)	$(4,994,685)

See accompanying notes to consolidated financial statements.

BALTIC INTERNATIONAL USA, INC.
Consolidated Statements of Cash Flows
(Unaudited)

	Year Ended December 31,	
	2024	2023
Cash flows from operating activities:		
Net loss	$ (25,332)	$ (25,305)
Adjustments to reconcile net loss to net cash used in operating activities:		
Change in operating assets and liabilities:		
Accounts payable and accrued liabilities	25,332	25,305
Net cash used by operating activities	-	-
Net change in cash and cash equivalents	-	-
Cash and cash equivalents, beginning of year	2,976	2,976
Cash and cash equivalents, end of year	$ 2,976	$ 2,976
Supplemental disclosures:		
Interest paid	$ -	$ -
Income taxes paid	$ -	$ -
Noncash investing and financing activities:		
Dividends on preferred stock declared and unpaid	$ 158,096	$ 158,000

See accompanying notes to consolidated financial statements.

Notes to Consolidated Financial Statements
(Unaudited)

NOTE 1 - BUSINESS OPERATIONS AND FINANCIAL CONDITION

Business operations

Baltic International USA, Inc. ("Baltic"), a Texas corporation, was organized on March 1, 1991 to identify, form and participate in aviation-related and other business ventures in the former Soviet Union.

Financial condition

We have incurred operating losses since inception through December 31, 2024. We incurred operating losses of $15,623 in 2024 and $15,622 in 2023. At December 31, 2024, we had an accumulated deficit of $18,955,933. Net cash used by operating activities was $0 in 2024 and $0 in 2023. At December 31, 2024, we had cash of $2,976. We currently have limited cash resources available and have obligations due and past due.

Management believes that we will be able to achieve a satisfactory level of liquidity to meet our business plan and capital needs for the next 12 months. Management believes we have the ability to obtain additional financing from key officers, directors and certain investors. However, there can be no assurance that we will be able to generate sufficient liquidity to maintain our operations. In addition, management believes that we can continue to defer certain amounts payable by us that are either currently due or past due.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of consolidation

The consolidated financial statements include the accounts of Baltic and our wholly owned subsidiary, Advanced Reclamation Company, L.L.C. ("ARC"). All significant intercompany accounts and transactions have been eliminated.

Revenue recognition

Revenues are recognized when realizable and earned and expenses are recognized when the goods and services are acquired or provided.

Cash and cash equivalents

For purposes of the statement of cash flows, we consider all highly liquid investments purchased with original maturities of three months or less to be cash equivalents.

Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Concentration of credit risk

Financial instruments that potentially subject us to concentrations of credit risk consist of cash, cash equivalents and trade receivables. We consider such risk in placing our cash and cash equivalents in financial institutions and other instruments. We perform ongoing credit evaluations of our customers' financial condition.

Contingencies

Liabilities for loss contingencies, including environmental remediation costs, arising from claims, assessments, litigation, fines and penalties and other sources are recorded when it is probable that a liability has been incurred and the amount of the assessment and/or remediation can be reasonably estimated.

Income taxes

Deferred income taxes result from temporary differences between the financial statements and tax basis of assets and liabilities.

Income (loss) per common share

Basic earnings per share is computed by dividing income available to common shareholders by the weighted average number of common shares outstanding during the period. Diluted earnings per share reflects the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common stock or resulted in the issuance of common stock that then shared in the earnings. Stock warrants and options are considered to be dilutive for earnings per share purposes if the average market price during the period ending on the balance sheet date exceeds the exercise price and we had earnings from continuing operations for the period.

Subsequent events

We evaluated events occurring from the end of our fiscal year, December 31, 2024, through the date when the financial statements were issued for disclosure consideration.

New accounting pronouncements

Recently issued or adopted accounting pronouncements are not expected to have have, or did not have, a material effect on our financial position or results of operations.

NOTE 3 - DEBT

Debt consists of the following:

	December 31, 2024	December 31, 2023
Notes payable to officers and directors, unsecured, interest rate of 13%, due on demand	$ 69,481	$ 69,481
Total debt	69,481	69,481
Less short-term debt	(69,481)	(69,481)
Long-term debt, net	$ -	$ -

NOTE 4 - INCOME TAXES

The components of net deferred tax assets consisted of the following:

	December 31, 2024	December 31, 2023
Deferred tax assets:		
Net operating loss carryforward	$ 101,888	$ 99,943
Valuation allowance	(101,888)	(99,943)
Net deferred tax assets	$ -	$ -

Differences between the effective income tax rate and the statutory federal income tax rate were primarily the result of net operating losses for which valuation reserves have been fully provided.

As of December 31, 2024, we had net operating loss carryforwards of approximately $485,000 available to offset future taxable income. These carryforwards will expire at various dates beginning in 2025.

NOTE 5 - PREFERRED STOCK

Effective June 30, 1995, we created our Convertible Redeemable Series A Preferred Stock ("Series A Preferred Stock"), 500,000 shares authorized $10 par value, and issued 123,000 shares thereof upon conversion of $1,230,000 in aggregate principal amount of long-term indebtedness. The Series A Preferred Stock: (i) is redeemable only at our option and only during the thirty day period beginning on December 31 and June 30 of each year that the Series A Preferred Stock is outstanding; (ii) is convertible at any time by the holders thereof at the initial conversion price of $2 per share; (iii) carries a liquidation preference of $10 per share; (iv) is non-voting; and (v) accrues cumulative cash dividends per share at an annual rate equal to 10% of the stated value per share, payable in equal quarterly installments. The voting rights of the holders of our common stock will be diluted upon conversion of the Series A Preferred Stock and the holders of the Series A Preferred Stock will have preferential dividend and liquidation rights over the holders of common stock. The conversion price of the Series A Preferred Stock is adjustable for certain issuances of securities at less than 90% of the conversion price. At December 31, 2024, the conversion price was $0.84 per share.

Effective February 22, 1996, we created our Series B Convertible Redeemable Preferred Stock ("Series B Preferred Stock"), 70 shares authorized $25,000 stated value per share and $10 par value, and issued 50 shares thereof for net proceeds of $1,090,200 in February and March 1996. The Series B Preferred Stock: (i) is not entitled to receive dividends; (ii) is convertible at any time by the holders thereof on or after the 55th day after the date that the shares were issued at the conversion price of the lesser of $2 per share or 82% of the 5-day average closing bid price of our common stock; (iii) is non- voting; (iv) carries a liquidation preference of $25,000 per share and an amount equal to 10% per annum since the issuance date after payment in full of the Series A Preferred Stock; and (v) is redeemable only at our option if the conversion price is $0.75 or less per share. In October 1996, we amended the conversion price to the lesser of $0.55 per share or 82% of the 5-day average closing bid price of our Common Stock. During 2024 and 2023, there were no conversions of Series B Preferred Stock into shares of our common stock.

NOTE 6 - LOSS PER SHARE

Supplemental disclosures for income (loss) per share are as follows:

	Year ended December 31, 2024	2023
Basic and diluted		
Net income (loss) to be used to compute loss per share:		
Net income (loss)	$ (25,332)	$ (25,305)
Less preferred dividends	(158,096)	(158,000)
Net loss attributable to common shareholders	$ (183,428)	$ (183,305)
Weighted average number of shares:		
Average common shares outstanding	10,975,760	10,975,760
Basic and diluted loss per common share	$ (0.02)	$ (0.02)

NOTE 7 - COMMITMENTS AND CONTINGENCIES

Rent expense under operating leases was $0 and $0 for 2024 and 2023, respectively. We have no future minimum lease payments under noncancelable operating leases as of December 31, 2024.

We are from time to time party to litigation in the ordinary course of business. There are currently no pending legal proceedings that, in management's opinion, would have a material adverse effect on our operating results or financial position.

Exhibit 31

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER AND PRINCIPAL ACCOUNTING OFFICER

I, David A. Grossman, certify that:

1. I have reviewed this annual report on Form 10-K of Baltic International USA, 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. As the registrant's sole certifying officer, I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) 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 business issuer, 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. As the registrant's sole certifying officer, I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of 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 controls over financial reporting.

Date: April 15, 2025

By: /s/ David A. Grossman

David A. Grossman
Chief Executive Officer and
Chief Financial Officer

Exhibit 32

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 Quarterly Report on Form 10-K of Baltic International USA, Inc. (the "Company") for the period ended December 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, David A. Grossman, Chief Executive Officer and Chief Financial Officer (Principal Executive Officer and Principal Accounting Officer of the Company), certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 15, 2025

/s/ David A. Grossman

David A. Grossman
Chief Executive Officer and
Chief Financial Officer