

Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines

Direct Equity International, Inc.

A Nevada Corporation

3835 East Thousand Oaks Blvd Suite 158

Westlake Village, CA 91362

805) 908-5228

WWW.DEQI.INFO

Email not yet active

SIC 7389

Quarterly Report

For the Period Ending: June 30, 2021

As of June 30, 2021, the number of shares outstanding of our Common Stock was:

948,450,994

As of March 31, 2021, the number of shares outstanding of our Common Stock was:

948,450,994

As of December 31, 2020, the number of shares outstanding of our Common Stock was:

948,450,994

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933 and Rule 12b-2 of the Exchange Act of 1934):

Yes: No:

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes: No:

Indicate by check mark whether a Change in Control¹ of the company has occurred over this reporting period:

¹ "Change in Control" shall mean any events resulting in:

(i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;

(ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;

(iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or

(iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

Yes: No:

1) Name and address(es) of the issuer and its predecessors (if any)

In answering this item, provide the current name of the issuer any names used by predecessor entities, along with the dates of the name changes.

Direct Equity International, Inc. (the Company) was organized in the state of New York as International Telescript in 1987 and became inactive in 1988. On October 15, 1997 International Telescript was acquired by Interstate Care Systems, a Nevada Corporation, through a reverse merger. With the change of control the Company was re-domiciled in Nevada and the name was changed to Healthcare Management Resources, Inc. to better reflect the nature of its business. On March 15, 1999, the Company did a 1:9 reverse stock split and changed its name to Triad Industries, Inc. On May 4, 2006 the Company changed its name to the current Direct Equity International, Inc.

On November 19, 2017 the Company acquired a Nevada corporation known as Green Touch Awareness, Inc. as a wholly-owned subsidiary and which has been subsequently domiciled as an active Florida corporation effective January 12, 2021.

The state of incorporation or registration of the issuer and of each of its predecessors (if any) during the past five years; Please also include the issuer's current standing in its state of incorporation (e.g. active, default, inactive):

The Company is an active Nevada corporation

Describe any trading suspension orders issued by the SEC concerning the issuer or its predecessors since inception:

None

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

None

The address(es) of the issuer's principal executive office:

835 East Thousand Oaks Blvd, Suite 158, Westlake Village, CA 91362

The address(es) of the issuer's principal place of business:

Check box if principal executive office and principal place of business are the same address:

Has the issuer or any of its predecessors been in bankruptcy, receivership, or any similar proceeding in the past five years?

Yes: No:

If this issuer or any of its predecessors have been the subject of such proceedings, please provide additional details in the space below:

N/A

2) Security Information

| | | |
|---|----------------------|----------------------------------|
| Trading symbol: | <u>DEQI</u> | |
| Exact title and class of securities outstanding: | <u>Common Shares</u> | |
| CUSIP: | <u>25457T101</u> | |
| Par or stated value: | <u>\$0.001</u> | |
| Total shares authorized: | <u>2,000,000,000</u> | as of date: <u>June 30, 2021</u> |
| Total shares outstanding: | <u>948,450,994</u> | as of date: <u>June 30, 2021</u> |
| Number of shares in the Public Float ² : | <u>199,034,972</u> | as of date: <u>June 30, 2021</u> |
| Total number of shareholders of record: | <u>58</u> | as of date: <u>June 30, 2021</u> |

All additional class(es) of publicly traded securities (if any): None

Transfer Agent

Name: Signature Stock Transfer, LLC
Phone: 972-612-4120
Email: info@signaturestocktransfer.com
Address: Midway Road, Suite 220, Addison, TX 7500

Is the Transfer Agent registered under the Exchange Act?³ Yes: No:

3) Issuance History

The goal of this section is to provide disclosure with respect to each event that resulted in any direct changes to the total shares outstanding of any class of the issuer's securities **in the past two completed fiscal years and any subsequent interim period**.

Disclosure under this item shall include, in chronological order, all offerings and issuances of securities, including debt convertible into equity securities, whether private or public, and all shares, or any other securities or options to acquire such securities, issued for services. Using the tabular format below, please describe these events.

A. Changes to the Number of Outstanding Shares

Check this box to indicate there were no changes to the number of outstanding shares within the past two completed fiscal years and any subsequent periods:

B. Debt Securities, Including Promissory and Convertible Notes

Use the chart and additional space below to list and describe all outstanding promissory notes, convertible notes, convertible debentures, or any other debt instruments that may be converted into a class of the issuer's equity securities.

Check this box if there are no outstanding promissory, convertible notes or debt arrangements:

² "Public Float" shall mean the total number of unrestricted shares not held directly or indirectly by an officer, director, any person who is the beneficial owner of more than 10 percent of the total shares outstanding (a "control person"), or any affiliates thereof, or any immediate family members of officers, directors and control persons.

³ To be included in the Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

4) Financial Statements

A. The following financial statements were prepared in accordance with:

- U.S. GAAP
- IFRS

B. The financial statements for this reporting period were prepared by (name of individual)⁴:

Name: Don D Meyers
Title: Accountant
Relationship to Issuer: Contract Accountant

Provide the financial statements described below for the most recent fiscal year or quarter. For the initial disclosure statement (qualifying for Pink Current Information for the first time) please provide reports for the two previous fiscal years and any subsequent interim periods.

- C. Balance sheet;
- D. Statement of income;
- E. Statement of cash flows;
- F. Statement of Retained Earnings (Statement of Changes in Stockholders' Equity)
- G. Financial notes; and
- H. Audit letter, if audited

You may either (i) attach/append the financial statements to this disclosure statement or (ii) file the financial statements through OTCIQ as a separate report using the appropriate report name for the applicable period end. ("Annual Report," "Quarterly Report" or "Interim Report").

If you choose to publish the financial statements in a separate report as described above, you must state in the accompanying disclosure statement that such financial statements are incorporated by reference. You may reference the document(s) containing the required financial statements by indicating the document name, period end date, and the date that it was posted to OTCIQ in the field below. Financial Statements must be compiled in one document.

⁴ The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS by persons with sufficient financial skills.

Financial statement information is considered current until the due date for the subsequent report (as set forth in the qualifications section above). To remain qualified for Current Information, a company must post its Annual Report within 90 days from its fiscal year-end date and Quarterly Reports within 45 days of each fiscal quarter-end date.

5) Issuer's Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations. In answering this item, please include the following:

- A. Summarize the issuer's business operations (If the issuer does not have current operations, state "no operations")

The Company develops and markets Business to Business (B2B) and Business to Consumer (B2C) internet/digital properties for a myriad of business and consumer uses. The Company also provides a variety of branding / marketing and digital services to Health & Wellness, Hemp, CBD and Cannabis industry companies.

- B. Please list any subsidiaries, parents, or affiliated companies.

Green Touch Awareness, Inc. (GTA), formerly a Nevada corporation and now domiciled in Florida effective January 12, 2021, is a wholly-owned subsidiary of the Company. GTA provides services and consulting related to branding, marketing & advertising, web development, social media and digital properties. GTA also owns the largest known collection of Hemp, CBD and Cannabis domain names in the world, at over 7,500 domains.

- C. Describe the issuers' principal products or services.

The Company provides consulting, brand management, website design and management, offline and online marketing, graphic design, strategic content, E-commerce solutions, company email, search engine optimization (SEO) and search engine marketing (SEM), LinkedIn assistant, social media management, social media marketing, video production product development, customer relationship management, trade shows and events, web hosting and domains and print services.

6) Issuer's Facilities

The goal of this section is to provide a potential investor with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer and the extent in which the facilities are utilized.

In responding to this item, please clearly describe the assets, properties or facilities of the issuer, give the location of the principal plants and other property of the issuer and describe the condition of the properties. If the issuer does not have complete ownership or control of the property (for example, if others also own the property or if there is a mortgage on the property), describe the limitations on the ownership.

If the issuer leases any assets, properties or facilities, clearly describe them as above and the terms of their leases.

The Company currently operates out of the office of one of its officers at 835 East Thousand Oaks Blvd, Suite 158, Westlake Village, CA 91362. The Company's subsidiary, Green Touch Awareness, Inc. currently operates out of one of its officer's office at 2510 DeLeon Drive, DeLand, FL 32724.

7) Company Insiders (Officers, Directors, and Control Persons)

The goal of this section is to provide an investor with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant or beneficial shareholders.

Using the tabular format below, please provide information, as of the period end date of this report, regarding any person or entity owning 5% or more of any class of the issuer's securities, as well as any officer, and any director of the company, or any person that performs a similar function, regardless of the number of shares they own. **If any insiders listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information (City, State) of an individual representing the corporation or entity in the note section.**

| Name of Officer/Director or Control Person | Affiliation with Company (e.g. Officer Title /Director/Owner of more than 5%) | Residential Address (City / State Only) | Number of shares owned | Share type/class | Ownership Percentage of Class Outstanding | Note |
|--|---|--|------------------------|------------------|---|-------|
| <u>Robert Milstein</u> | <u>CEO, CFO, Director</u> | <u>3835 E Thousand Oaks Blvd. Suite 158 Westlake Village, CA 91362</u> | <u>Zero</u> | _____ | _____ | _____ |
| <u>Eli Tobias</u> | <u>Vice President, Director</u> | <u>2510 DeLeon Drive DeLand, FL 32724</u> | <u>Zero</u> | _____ | _____ | _____ |
| <u>John Lee</u> | <u>Owner of 5% plus</u> | <u>450 Hillside Dr Suite A 244 Mesquite, NV 89027</u> | <u>357,500,000</u> | <u>Common</u> | <u>38.5%</u> | |
| <u>David Tobias</u> | <u>Owner of 5% plus</u> | <u>76381 Overseas Hwy Islamorada, FL 33036</u> | <u>357,500,000</u> | <u>Common</u> | <u>38.5%</u> | _____ |
| <u>Clair Singleton</u> | <u>Owner of 5% plus</u> | <u>Towers of Town Lake 40 N IH35, Suite D Austin, TX 78701</u> | <u>86,725,000</u> | <u>Common</u> | <u>9.34%</u> | _____ |

8) Legal/Disciplinary History

A. Please identify whether any of the persons or entities listed above have, in the past 10 years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);

N/A

2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities;

N/A

3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or

N/A

4. The entry of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person's involvement in any type of business or securities activities.

N/A

- B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

N/A

9) Third Party Providers

Please provide the name, address, telephone number and email address of each of the following outside providers:

Securities Counsel

Name: Gary Henrie
Address 1: 619 South 1040 East
Address 2: American Fork, Utah 84003
Phone: 307-200-9145
Email: grhlaw@hotmail.com

Accountant or Auditor

Name: Don D. Meyers
Firm: Don Meyers and Associates
Address 1: 540 N 970 E
Address 2: Springville, UT 84663
Phone: 801-602-8925
Email: larenadon@gmial.com

Other Service Providers

Provide the name of any other service provider(s) that **that assisted, advised, prepared or provided information with respect to this disclosure statement**. This includes counsel, broker-dealer(s), advisor(s) or consultant(s) or provided assistance or services to the issuer during the reporting period.

Name: N/A

10) Issuer Certification

Principal Executive Officer:

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles but having the same responsibilities) in each Quarterly Report or Annual Report.

The certifications shall follow the format below:

I, Robert Milstein certify that:

1. I have reviewed this quarterly disclosure statement of Direct Equity International, Inc;
2. Based on my knowledge, this disclosure statement 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 disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

July 27, 2021 [Date]

/s/Robert Milstein

Robert Milstein, CEO, CFO

DIRECT EQUITY INTERNATIONAL, INC

Consolidated Balance Sheets

(Unaudited)

| | June 30, 2021 | December 31, 2020 |
|--|------------------|----------------------|
| <u>ASSETS</u> | | |
| Current Assets | | |
| Cash and cash equivalents | \$ 1,210 | \$ 3,172 |
| Intangible Assets | | |
| Investment in Affiliates | 20,000 | 20,000 |
| Long-Term Assets | | |
| Equipment (Net) | - | - |
| Total Assets | <u>\$ 21,210</u> | <u>\$ 23,172</u> |
| <u>LIABILITIES AND STOCKHOLDERS' DEFICIT</u> | | |
| Current Liabilities | | |
| Accounts payable and accrued expenses | \$ 4,588 | \$ 4,588 |
| Accrued Interest | - | - |
| Operational advances - related party | 33,376 | 26,426 |
| Notes payable | - | - |
| Total Current Liabilities | <u>37,964</u> | <u>31,014</u> |
| Stockholders' Equity | | |
| Preferred Stock, authorized 50,000,000 shares, par value \$0.001, issued and outstanding on June 30, 2021 and December 31, 2020 is zero and 50,000,000 respectively | - | - |
| Common Stock, authorized 2,000,000,000 shares, par value \$0.001, issued and outstanding on June 30, 2021 and December 31, 2020 is 948,450,994 respectively | 948,451 | 948,451 |
| Paid in Capital | (762,076) | (762,076) |
| Accumulated deficit during development stage | <u>(203,129)</u> | <u>(194,217)</u> |
| Total stockholders' deficit | <u>(16,754)</u> | <u>(7,842)</u> |
| Total Liabilities and Stockholders' Deficit | <u>\$ 21,210</u> | <u>\$ 23,172</u> |

The accompanying notes are an integral part of these statements

DIRECT EQUITY INTERNATIONAL, INC.**Consolidated Statements of Operation**

(Unaudited)

| | Six Months Ended | | Three Months Ended | |
|--------------------------------------|--------------------|--------------------|--------------------|--------------------|
| | June 30, | | June 30, | |
| | 2021 | 2020 | 2021 | 2020 |
| Revenue | \$ - | \$ - | \$ - | \$ - |
| Operating Expenses: | | | | |
| General and administrative | 6,962 | 484 | 5,714 | 242 |
| Professional fees | 1,950 | - | 1,950 | - |
| Total Expenses | 8,912 | 484 | 7,664 | 242 |
| Net Profit/(Loss) from Operations | (8,912) | (484) | (7,664) | (242) |
| Other Income and (Expenses) | | | | |
| Interest expense | - | - | - | - |
| Gain on settlement of debt | - | - | - | - |
| Total Other Income and (Expenses) | - | - | - | - |
| Net Income/(Loss) before Income Tax | (8,912) | (484) | (7,664) | (242) |
| Income tax | - | - | - | - |
| Net Income/(Loss) | <u>\$ (8,912)</u> | <u>\$ (484)</u> | <u>\$ (7,664)</u> | <u>\$ (242)</u> |
| Net loss per share | | | | |
| Basic and diluted | <u>\$ (0.00)</u> | <u>\$ (0.00)</u> | <u>\$ (0.00)</u> | <u>\$ (0.00)</u> |
| Weighted average outstanding shares: | | | | |
| Basic and diluted | <u>948,450,994</u> | <u>948,450,994</u> | <u>948,450,994</u> | <u>948,450,994</u> |

The accompanying notes are an integral part of these statements

DIRECT EQUITY INTERNATIONAL, INC.

Consolidated Statement of Stockholders' Deficit

(Unaudited)

From October 15, 1997 (Inception) to June 30, 2021

| | <u>Common Stock</u> | | <u>Paid in Capital</u> | <u>Accumulated Deficit</u> | <u>Total Equity</u> |
|-----------------------------------|---------------------|---------------|----------------------------|--------------------------------|-------------------------|
| | <u>Shares</u> | <u>Amount</u> | | | |
| Balance, December 31, 2018 | 948,450,994 | \$ 948,451 | \$ (762,076) | \$ (280,479) | \$ (94,104) |
| Net Loss | - | - | - | (6,192) | (6,192) |
| Balance, December 31, 2019 | 948,450,994 | 948,451 | (762,076) | (286,671) | (100,296) |
| Net Income | - | - | - | 92,454 | 92,454 |
| Balance, December 31, 2020 | 948,450,994 | \$ 948,451 | \$ (762,076) | \$ (194,217) | \$ (7,842) |
| Net Income | - | - | - | (8,912) | (8,912) |
| Balance, June 30, 2021 | 948,450,994 | \$ 948,451 | \$ (762,076) | \$ (203,129) | \$ (16,754) |

The accompanying notes are an integral part of these statements

DIRECT EQUITY INTERNATIONAL, INC

Consolidated Statements of Cash Flow

(Unaudited)

| | Six Months Ended June 30, | | Three Months Ended June 30, | |
|--|------------------------------|----------|--------------------------------|----------|
| | 2021 | 2020 | 2021 | 2020 |
| Operating Activities | | | | |
| Net Income / (Loss) | \$ (8,912) | \$ (484) | \$ (7,664) | \$ (242) |
| Adjustments to reconcile Net (Loss) to cash: | | | | |
| Depreciation | - | - | - | - |
| Gain on settlement of debt | - | - | - | - |
| Changes in Assets and Liabilities | | | | |
| Increase/(decrease) in accrued interest | - | - | - | - |
| Net Cash (Used) by Operating Activities | (8,912) | (484) | (7,664) | (242) |
| Financing Activities | | | | |
| Operational advances-related party | 6,950 | 300 | 6,950 | 150 |
| Cash Provided by Financing Activities | 6,950 | 300 | 6,950 | 150 |
| Net Increase/(Decrease) in Cash | (1,962) | (184) | (714) | (92) |
| Cash at Beginning of Period | 3,172 | 3,540 | 1,924 | 3,448 |
| Cash at End of Period | \$ 1,210 | \$ 3,356 | \$ 1,210 | \$ 3,356 |
| Supplemental disclosure of cash flows for: | | | | |
| Interest | \$ - | \$ - | \$ - | \$ - |
| Income taxes | \$ - | \$ - | \$ - | \$ - |

The accompanying notes are an integral part of these statements

DIRECT EQUITY INTERNATIONAL, INC.

Notes to Consolidated Unaudited Financial Statements

(June 30, 2021 and December 31, 2020)

NOTE 1 - ORGANIZATION AND NATURE OF OPERATIONS

Direct Equity International, Inc. (the Company) was organized in the state of New York as International Telescript in 1987 and became inactive in 1988. On October 15, 1997 International Telescript was acquired by Interstate Care Systems, a Nevada Corporation, through a reverse merger. With the change of control the Company was re-domiciled in Nevada and the name was changed to Healthcare Management Resources, Inc. to better reflect the nature of its business. On March 15, 1999, the Company did a 1:9 reverse stock split and changed its name to Triad Industries, Inc. On May 4, 2006 the Company changed its name to the current Direct Equity International, Inc.

On November 19, 2017 the Company acquired a Nevada corporation known as Green Touch Awareness, Inc. as a wholly-owned subsidiary and which has been domiciled as an active Florida corporation effective January 12, 2021.

The Company develops and markets Business to Business (B2B) and Business to Consumer (B2C) internet/digital properties for a myriad of business and consumer uses. The Company also provides a variety of branding / marketing and digital services to Health & Wellness, Hemp, CBD and Cannabis industry companies.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

In the opinion of management, the accompanying balance sheets and related interim statements of income, cash flows, and stockholders' equity include all adjustments, consisting only of normal recurring items, necessary for their fair presentation in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP). Preparing financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, and expenses. Actual results and outcomes may differ from management's estimates and assumptions.

Principles of Consolidation

The consolidated financial statements of the Company include those of the Company and its subsidiary for the periods in which the subsidiary was owned/held by the Company. All significant intercompany accounts and transactions have been eliminated in the preparation of the consolidated financial statements.

DIRECT EQUITY INTERNATIONAL, INC

Notes to Unaudited Financial Statements

(June 30, 2021 and December 31, 2020)

Cont'd

Stock-Based Compensation

The Company has on occasion issued equity and equity linked instruments to non-employees in lieu of cash to various vendors for the receipt of goods and services and, in certain circumstances the settlement of short-term loan arrangements. The applicable GAAP establishes that share-based payment transactions with nonemployees shall be measured at the fair value of the consideration received or the fair value of the equity instruments issued, whichever is more reliably measurable.

Fair Value of Financial Instruments

The Company considers the carrying amounts of cash, certificates of deposit, accounts receivable, accounts payable, notes payable, related party and other payables, customer deposits, and short term loans approximate their fair values because of the short period of time between the origination of such instruments and their expected realization. The Company considers the carrying amount of notes payable to approximate their fair values based on the interest rates of the instruments and the current market rate of interest.

Cash Equivalents

The Company considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Net Income (Loss) Per Share

Basic earnings (loss) per share is computed using the weighted-average number of common shares outstanding during the period. Diluted earnings (loss) per share is computed using the weighted-average number of common shares and the dilutive effect of contingent shares outstanding during the period. Potentially dilutive contingent shares, which primarily consist of convertible notes, stock issuable to the exercise of stock options and warrants have been excluded from the diluted loss per share calculation because their effect is anti-dilutive.

Recent Accounting Guidance

The Company has evaluated the recent accounting pronouncements through ASU 2021-4 and believes that none of the pronouncements will have a material effect on the company's financial statements.

Research and Development Expenses

Costs related to research and development is charged to research and development expense as incurred.

DIRECT EQUITY INTERNATIONAL, INC

Notes to Unaudited Financial Statements

(June 30, 2021 and December 31, 2020)

Cont'd

Income Taxes

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. 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 rates is recognized in income in the period that includes the enactment date. Valuation allowances are established, when necessary, to reduce deferred tax assets to the amounts expected to be realized, but no less than quarterly. Currently the company has not valued any NOL because of the expectation that it will not be used.

NOTE 3 - REALIZATION OF ASSETS AND GOING CONCERN

The accompanying consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America, which contemplate continuation of the Company as a going concern. The Company has sustained losses from operations in recent years, and such losses have continued through the current period ended June 30, 2021. In addition, the Company has used, rather than provided, cash in its operations. The Company has attempted during the period to use its resources to commercialize its technology and develop viable commercial products and to provide for its working capital needs.

In view of the matters described in the preceding paragraph, recoverability of a major portion of the asset amounts shown in the accompanying balance sheet is dependent upon continued operations of the Company, which in turn is dependent upon the Company's ability to meet its financing requirements on a continuing basis, to maintain present financing and to succeed in its future operations. The consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence.

DIRECT EQUITY INTERNATIONAL, INC

Notes to Unaudited Financial Statements

(June 30, 2021 and December 31, 2020)

Cont'd

NOTE 4 - NOTES PAYABLE AND OPERATIONAL LOANS--RELATED PARTY

A summary of operational loans and notes payable for the reported periods follows:

| Description | Balance 30-Jun-2021 | Balance 31-Dec-2020 |
|---|------------------------|------------------------|
| Operational loans - Related Parties, Zero interest | | |
| Beginning period balance | 26,426 | 25,826 |
| Loan increases | 6,950 | 600 |
| Less: Loan payments | - | - |
| Current Balance | <u>\$ 33,376</u> | <u>\$ 26,426</u> |

NOTE 5 -STOCKHOLDERS' EQUITY

Preferred Stock

The Company is authorized to issue 50,000,000 preferred shares at a par value of \$0.001 with each preferred share having 10 votes and convertible to ten (10) common shares upon demand.

As of June 30, 2021 and December 31, 2020, the Company has zero preferred shares issued and outstanding.

Common Stock

The Company is authorized to issue 2,000,000,000 common shares at a par value of \$0.001 per share.

DIRECT EQUITY INTERNATIONAL, INC

Notes to Unaudited Financial Statements

(June 30, 2021 and December 31, 2020)

Cont'd

As of June 30, 2021 and December 31, 2020, respectively, the Company has a total of 948,450,994 shares of common stock issued and outstanding.

NOTE 6 - PROVISION FOR INCOME TAXES

The Company provides for income taxes under ASC 740 "Income Taxes" which requires the use of an asset and liability approach in accounting for income taxes. Deferred tax assets and liabilities are recorded based on the differences between the financial statement and tax bases of assets and liabilities and the tax rates in effect currently.

The standard requires the reduction of deferred tax assets by a valuation allowance if, based on the weight of available evidence, it is more likely than not that some or all of the deferred tax assets will not be realized. In the Company's opinion, it is uncertain whether they will generate sufficient taxable income in the future to fully utilize the net deferred tax asset. Accordingly, a valuation allowance equal to the deferred tax asset has been recorded. The total deferred tax asset is \$68,413 which is calculated by multiplying a 35% estimated tax rate by the cumulative NOL of \$195,465. The total valuation allowance is a comparable \$68,413.

Details for the period ended June 30, 2021 and the year ended December 31, 2020 is as follows:

| | June 30, 2021 | December 31, 2020 |
|-----------------------|------------------|----------------------|
| Deferred Tax Asset | \$ 3,119 | \$ (32,359) |
| Valuation Allowance | (3,119) | 32,359 |
| Current Taxes Payable | - | - |
| Income Tax Expense | \$ - | \$ - |

DIRECT EQUITY INTERNATIONAL, INC

Notes to Unaudited Financial Statements

(June 30, 2021 and December 31, 2020)

Cont'd

The following chart shows the estimated federal net operation losses and the year they expire:

| <u>Year</u> | <u>Amount</u> | <u>Expiration</u> |
|-------------|-------------------|-------------------|
| 2013 | \$ 76,564 | 2033 |
| 2014 | 153,658 | 2034 |
| 2015 | 14,251 | 2035 |
| 2016 | 11,903 | 2036 |
| 2017 | 14,004 | 2037 |
| 2018 | 10,099 | 2038 |
| 2019 | 6,192 | 2039 |
| 2020 | (92,454) | 2040 |
| YTD 2021 | 8,912 | 2041 |
| Total | <u>\$ 203,129</u> | |

NOTE 7 – LEASES

The Company sub-leases its offices on a month to month basis as of December 31, 2020.

NOTE 8 – SUBSEQUENT EVENTS

On May 4, 2021 the Company elected Elias Tobias as Chief Operating Officer who also continues as Secretary Treasurer and Director.