

s. Modification of the agreement	18.L.	Requires writing signed by you and us, except for unilateral changes that we may make to the Manuals or our unilateral reduction of the scope of a restrictive covenant that we may make in our discretion.
t. Integration/merger clauses	18.M.	Only the terms of the Franchise Agreement and schedules to the Franchise Agreement and the respective signed exhibits to the Franchise Agreement are binding, subject to state law. Nothing in any agreement is intended to disclaim the express representations made in the Franchise Disclosure Document, its exhibits and amendments.
u. Dispute resolution by arbitration or mediation	18.G.	The franchise agreement does not require arbitration or mediation.
v. Choice of forum	18.G.	Except for certain claims for injunctive relief, all litigation proceedings must be conducted in, the appropriate State or Federal Court within or closest to either Palm Beach, Florida or the State or Federal Court nearest to our corporate headquarters at the time such action is commenced. This provision is subject to applicable state law.
w. Choice of law	18.F.	Florida law will govern. However, this provision is subject to state law and as otherwise disclosed in <u>Exhibit I</u> to this Disclosure Document.

ITEM 18
PUBLIC FIGURES

We do not currently use any public figure to promote our franchise. No public figure is currently involved in our management.

ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC’s Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets if there is a reasonable basis for the information and if the information is included in the Disclosure Document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

DEFINITIONS

- (a) Calendar Year – means, as to each respective year, the 12-month period commencing on January 1 and ending on December 31.
- (b) Company Owned Outlet – means an Outlet owned either directly or indirectly by us, our affiliate or any person identified in Item 2 of this Disclosure Document. A Company Owned Outlet also includes

any Outlet that is operated as a joint venture owned in part by us, our affiliate or any person identified in Item 2 of this Disclosure Document, or that is managed by us our affiliate or any person identified in Item 2.

- (c) Cost of Goods Sold – means the total cost of all inventory sold to customers during the relevant Calendar Year.
- (d) Franchise Outlet – refers to a Mobility City Business operated under a Franchise Agreement that is not a Company Owned Outlet.
- (e) Gross Profit – means Gross Sales less Cost of Goods Sold.
- (f) Gross Sales – means the total revenue less sales tax, discounts, allowances, and returns.
- (g) Median – means the data point that is in the center of all data points used. That number is found by examining the total number of data points and finding the middle number in that set. In the event the number of data points is an odd number, the median will be the center number. If the dataset contains an even number of data points, the median is reached by taking the two numbers in the middle, adding them together, and dividing by two.
- (h) New Company Owned Outlet – means, as to a particular Calendar Year, a Company Owned Outlet that for the first time opened and commenced operations during the Calendar Year. For example, if a Company Owned Outlet first opened for business in February 2023, as to the 2023 Calendar Year, the Company Owned Outlet would qualify as a New Company Owned Outlet and not as an Operational Company Owned Outlet, see definition below. If this Company Owned Outlet remained in operation throughout the 2024 Calendar Year, it would qualify as an Operational Company Owned Outlet during the 2024 Calendar Year.
- (i) Net Profit – means Gross Profit less Expenses.
- (j) New Franchise Outlet – means, as to a particular Calendar Year, a Franchise Outlet that for the first time opened and commenced operations during the Calendar Year. For example, if a Franchise Outlet first opened for business in February 2023, as to the 2023 Calendar Year, the Franchise Outlet would qualify as a New Franchise Outlet and not as an Operational Franchise Outlet, see definition below. If this Franchise Outlet remained in operation throughout the 2024 Calendar Year, it would qualify as an Operational Franchise Outlet during the 2024 Calendar Year.
- (k) Operational Company Owned Outlet – means, as to a particular Calendar Year, a Company Owned Outlet that was open and in operation on or prior to the commencement of the Calendar Year. For example, if a Company Owned Outlet first opened for business in February 2023, as to the 2023 Calendar Year, the Company Owned Outlet would qualify as a New Company Owned Outlet, see definition above, and not as an Operational Company Owned Outlet. If this Company Owned Outlet remained in operation throughout the 2024 Calendar Year, it would qualify as an Operational Company Owned Outlet during the 2024 Calendar Year.
- (l) Operational Franchise Outlet – means, as to a particular Calendar Year, a Franchise Outlet that was open and in operation prior to the commencement of the Calendar Year. For example, if a Franchise Outlet first opened for business in February 2023, as to the 2023 Calendar Year, the Franchise Outlet would qualify as a New Franchise Outlet, see definition above, and not as an Operational Franchise Outlet. If this Franchise Outlet remained in operation throughout the 2024 Calendar Year, it would qualify as an Operational Franchise Outlet during the 2024 Calendar Year.

(m) Outlet – refers to a Mobility City Business that is either a Company Owned Outlet or a Franchise Outlet, as the context requires.

BASES AND ASSUMPTIONS

The financial information was not prepared on a basis consistent with generally accepted accounting principles. Data for our Company Owned Outlet is based on information reported to us by our affiliate. Data for our Operational Franchise Outlets is based on financial information reported to us by our franchisees. The information in this analysis has not been audited, is based on historical financial data, and is not a forecast or projection of future financial performance.

ANALYSIS OF RESULTS OF COMPANY OWNED OUTLET

During the 2024 and 2025 Calendar Years, we had one Company Owned Outlet. Material financial and operational characteristics that are reasonably anticipated to differ from future operational franchise outlets include: (a) managerial skill and efficiency experienced by our Company Owned Outlet as a result of our extensively experienced management team; (b) brand recognition within the local market in which our Company Owned Outlet operates; and (c) no obligation to pay ongoing fees that a franchisee will pay to us, such as Royalty Fees and Brand Development Fund Fees. Table 1 below provides a description of our Company Owned Outlet. In Table 2 we provide financial data regarding our Company Owned Outlet.

Table 1

Company Owned Outlet Description	
Outlet	Outlet Description
Boca Raton, Florida	Our Boca Raton, Florida Company Owned Outlet is located at 1200 Yamato Road, Suite A9, Boca Raton, Florida, 33431. This Outlet operates a showroom in a retail shopping center that is approximately 2,000 square feet with two Vehicles. Prior to October 2020, this Outlet was located in Fort Lauderdale, Florida, approximately 20 miles from its current location. Before June 2023, this Outlet served a population of approximately 1,300,000 people. In June 2023, a franchisee opened an Outlet in Palm Beach, Florida. Since that time, our Company Owned Outlet has served a population of approximately 750,000 people.

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Table 2

Company Owned Outlet: Boca Raton, Florida				
Gross Sales and Disclosed Expenses Information				
	2024 Calendar Year		2025 Calendar Year	
	Total	%¹	Total	%¹
Gross Sales	\$972,197	100.00%	\$1,200,785	100.00%
Less:				
Direct Cost of Goods Sold	\$310,902	31.98%	\$427,958	35.64%
Gross Profit	\$661,295	68.02%	\$772,827	64.36%
Less: Expenses				
Advertising and Promotion	\$54,675	5.62%	\$48,727	4.06%
Web Hosting and Development	\$16,800	1.73%	\$16,800	1.40%
Insurance	\$6,254	0.64%	\$6,254	0.52%
Licenses, Permits, and Fees	\$1,190	0.12%	\$196	0.02%
Merchant Fees and Charges	\$22,103	2.27%	\$29,598	2.46%
Office Supplies	\$1,180	0.12%	\$4,065	0.34%
Payroll Expenses	\$187,200	19.26%	\$225,186	18.75%
Professional Fees – Legal & Accounting	\$1,500	0.15%	\$1,000	0.08%
Rent and Lease	\$76,320	7.85%	\$80,000	6.66%
Repairs and Maintenance	\$609	0.06%	\$403	0.03%
Subscriptions & Dues	\$1,300	0.13%	\$1,391	0.12%
Telephone, Cell Phone, Internet	\$4,250	0.44%	\$4,250	0.35%
Utilities	\$3,250	0.33%	\$3,250	0.27%
Vehicle Expense (two vehicles)	\$17,335	1.78%	\$36,603	3.05%
Net Profit	\$267,329	27.50%	\$315,104	26.24%
Less: Adjustments for Select Franchise Related Expenses				
Royalty Fee ²	\$68,054	7.00%	\$84,055	7.00%
Brand Development Fund Fee ³	\$9,721	1.00%	\$12,008	1.00%
Technology Fee ⁴	\$2,100	0.22%	\$2,100	0.17%
Local Marketing ⁵	N/A	N/A	\$11,312	0.94%
Net Profit Less Expenses and Adjustments for Select Franchise Related Expenses	\$187,453	19.28%	\$219,041	17.12%

Notes to Table:

¹ “%” represents the percentage of total Gross Sales.

² The Royalty Fee is equal to 7% of Gross Sales, subject to a Minimum Monthly Royalty Fee Requirement of \$4,000 per month. If our Company Owned Outlet was a Franchise Outlet, it would have paid this amount as a Royalty Fee.

³ The Brand Development Fund Fee is 1% of Gross Sales.

⁴ We may charge a Technology Fee of up to \$2,500 per month, depending on usage. Presently, the highest Technology Fee paid by our franchisees is \$1,575 per month. The Technology Fee includes payments by franchisees to us for website hosting and development. During the 2024 and 2025 Calendar Years, our Company Owned Outlet paid for website hosting and development in the amount of \$16,800 per year. In this Item 19, we make an adjustment for the 2024 and 2025 Calendar Years to reflect additional amounts that a franchisee would pay in Technology Fees over and above the \$1,575 monthly charge.

⁵ Beginning in month seven after you sign a franchise agreement, and on an on-going monthly basis thereafter, you must spend not less than 5% of your Gross Sales on the local marketing of your Mobility City Business. During the 2024 Calendar Year, our Company Owned Outlet spent more than the local marketing requirement. As such, we do not make an adjustment for local marketing during the 2024 Calendar Year. During the 2025 Calendar Year, our Company Outlet spent less than the local marketing requirement. As such, we make an adjustment for local marketing during the 2025 Calendar Year

We did not have any Company Owned Outlets close during the 2024 and 2025 Calendar Years.

ANALYSIS OF RESULTS OF OPERATIONAL FRANCHISE OUTLETS

During the 2024 Calendar Year we had a total of 46 Franchise Outlets. Of the 46 Franchise Outlets, 31 qualified as Operational Franchise Outlets during the 2024 Calendar Year because they were open during the entire 2024 Calendar Year. In this Item 19 we report data for the 30 Operational Franchise Outlets. We do not report data for our 13 New Franchise Outlets during the 2024 Calendar Year, 2 Franchise Outlets that closed during the 2024 Calendar Year, because they were not open during the entire 2024 Calendar Year, and 1 Operational Franchise Outlet because it was not representative of the Franchised Business during the 2024 Calendar Year.

During the 2025 Calendar Year we had a total of 52 Franchise Outlets. Of the 52 Franchise Outlets, 42 qualified as Operational Franchise Outlets during the 2025 Calendar Year because they were open during the entire 2025 Calendar Year. In this Item 19 we report data for these 42 Operational Franchise Outlets. We do not report data for our 8 New Franchise Outlets during the 2025 Calendar Year or our 2 Franchise Outlets that closed during the 2025 Calendar Year, because they were not open during the entire 2025 Calendar Year.

None of the Outlets that closed during the 2024 or 2025 Calendar Year were open for less than 12 months.

Table 3

Operational Franchise Outlets Gross Sales Data Summary		
Operational Franchise Outlet ²	2024 Calendar Year ¹	2025 Calendar Year
Lake County, IL	\$476,025	\$512,918
Fairfax/Alexandria, VA	\$952,151	\$896,532
Sarasota, FL	\$606,616	\$548,143
Oklahoma City, OK	\$657,411	\$753,411
Metro Detroit/Southfield, MI ³	\$859,635	\$856,633
Columbus, OH	\$1,218,217	\$1,443,303
St. Louis, MO	\$1,256,385	\$747,255
New Orleans, LA	\$737,284	\$839,479
Kansas City, KS	\$1,092,784	\$1,584,903
Montgomery County, TX	\$800,199	\$1,143,580
Rio Grande, TX	\$364,824	\$370,358
Houston, TX	\$899,680	\$1,002,214
Central/Austin, TX	\$1,104,632	\$1,269,396
Central Maryland, MD	\$377,432	N/A
Fort Worth, TX	\$956,107	\$1,154,320
Ft. Myers, FL	\$518,311	\$964,596
Phoenix, AZ	\$671,775	\$747,419
Southern Maryland/Howard County ⁴	\$641,352	\$723,021
Las Vegas, NV ⁵	N/A	N/A
St. Petersburg, FL	\$433,197	\$546,837
Lakeland, FL	\$301,906	\$402,267
Omaha, NE	\$451,051	\$531,200
Boise, ID	\$849,944	\$815,919
North, TX	\$708,366	\$706,560
Denver, CO	\$682,404	\$776,877
Hilton Head, SC	\$397,835	\$527,059

Springfield, MO	\$1,967,315	\$1,724,452
Palm Beach Gardens, FL	\$449,875	\$642,347
Lawrenceville, GA	\$727,768	\$1,084,128
Lake Forest, CA	\$951,387	\$1,281,027
Louisville, KY	\$887,843	\$1,067,079
Westchester, NY	N/A	\$748,035
Savannah, GA	N/A	\$306,029
San Diego, CA	N/A	\$1,290,260
King of Prussia, PA	N/A	\$874,847
Appleton/Green Bay, WI	N/A	\$1,086,315
Colorado Springs, CO	N/A	\$858,504
Coastal, AL	N/A	\$714,765
Rogers, AR	N/A	\$607,820
Cincinnati, OH	N/A	\$693,399
Southern Utah, UT	N/A	\$577,760
Worcester, MA	N/A	\$826,258
Milpitas, CA	N/A	\$927,096
Chicago, IL	N/A	\$748,876

Notes to Table:

¹ In September 2024, we changed our method from reporting revenue from a cash basis to an accrual basis. Beginning in September 2024, Gross Sales were deemed realized at the time franchisees generate cash receipts or invoice customers.

² Unless expressly noted herein, all of our of Outlets operated with one Showroom.

³ During the 2023 Calendar Year, this Outlet operated with a Main Showroom only. During the 2024 Calendar Year, this Outlet operated with a Main Showroom and a Satellite Showroom. During the 2024 Calendar Year, the Main Showroom had Gross Sales in the amount of \$448,672 and the Satellite Showroom had Gross Sales of \$410,963. During the 2025 Calendar Year, the Main Showroom closed and the Satellite Location became Main Showroom.

⁴ This Outlet opened a Satellite in May 2025 Calendar Year.

⁵ During the 2024 Calendar Year, this Outlet transferred to another Franchisee who failed to re-open the Main Showroom and thus was not representative of the Franchised Business.

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Table 3

Operational Franchise Outlet Summary Calendar Year Gross Sales; Average, Median, High, and Low					
Calendar Year	Average	Number of Outlets Above/Below Average	Median	High	Low
2024 ¹	\$766,675	Above: 13 (43%) Below: 17 (57%)	\$718,067	\$1,967,315	\$301,196
2025 ²	\$860,189	Above: 18 (43%) Below: 24 (57%)	\$821,089	\$1,724,452	\$306,029

Notes to Table:
¹ For the 2024 Calendar Year the data compiled in this table is based on 30 Operational Franchise Outlets as described in Table 2 above. In September 2024, we changed our method from reporting revenue from a cash basis to an accrual basis. Beginning in September 2024, Gross Sales were deemed realized at the time franchisees generate cash receipts or invoice customers.
² For the 2025 Calendar Year the data compiled in this table is based on 42 Operational Franchise Outlets, as described in Table 2 above.

Some Outlets have earned this amount. Your individual results may differ. There is no assurance that you'll earn as much.

Written substantiation of the data used in preparing these sales figures will be made available to you upon reasonable request.

Other than the preceding financial performance representations, Mobility City Holdings, Inc. does not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Diane Baratta, Mobility City Holdings, Inc., 1200 Yamato Road, Suite A9, Boca Raton, Florida 33431 and (561) 300-4100, the Federal Trade Commission, and the appropriate state regulatory agencies.

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ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

TABLE NO. 1
SYSTEMWIDE OUTLET SUMMARY
FOR YEARS 2023 to 2025

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2023	28	33	+5
	2024	33	44	+11
	2025	44	50	+6
Company Owned	2023	1	1	0
	2024	1	1	0
	2025	1	1	0
Total Outlets	2023	29	34	+5
	2024	34	45	+11
	2025	45	51	+6

TABLE NO. 2
TRANSFER OF OUTLETS FROM FRANCHISEES TO NEW OWNERS
(OTHER THAN THE FRANCHISOR)
FOR YEARS 2023 to 2025

State	Year	Number of Transfers
Arizona	2023	0
	2024	1
	2025	0
Nevada	2023	0
	2024	1
	2025	0
Florida	2023	0
	2024	1
	2025	1
Arkansas	2023	0
	2024	0
	2025	1
Totals	2023	0
	2024	3
	2025	2