

Offering Memorandum
(Including Subscription Agreement and Accredited Investor Letter)
for Class B Common Stock of



IDW MEDIA HOLDINGS, INC.

For Offer made to Certain Existing Stockholders

Dated: March 27, 2019

IDW MEDIA HOLDINGS, INC., A DELAWARE CORPORATION (THE “**COMPANY**”), IS, THROUGH THIS OFFERING MEMORANDUM (“**MEMORANDUM**”), PROVIDING INFORMATION TO PROSPECTIVE QUALIFIED INVESTORS (DESCRIBED IN THE MEMORANDUM) CONSIDERING PURCHASING SHARES OF THE COMPANY’S CLASS B COMMON STOCK (THE “**SECURITIES**”).

THIS MEMORANDUM IS FOR INFORMATIONAL PURPOSES ONLY AND DOES NOT CONSTITUTE AN OFFER TO PROSPECTIVE INVESTORS. THE SECURITIES OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), OR ANY OTHER SECURITIES LAW, NOR ARE THEY INTENDED TO BE SO REGISTERED IN THE FUTURE. THE SECURITIES HAVE NOT BEEN RECOMMENDED, APPROVED OR DISAPPROVED BY THE SECURITIES OR REGULATORY AUTHORITY OF ANY JURISDICTION, NOR HAS ANY AUTHORITY OR COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

THE SECURITIES ARE SUITABLE ONLY FOR SOPHISTICATED INVESTORS FOR WHOM AN INVESTMENT IN THE COMPANY DOES NOT CONSTITUTE A COMPLETE INVESTMENT PROGRAM AND WHO FULLY UNDERSTAND AND ARE WILLING TO ASSUME THE SUBSTANTIAL RISKS INVOLVED IN THE COMPANY’S SPECIALIZED INVESTMENT PROGRAM, AND WHO MEET THE SUITABILITY CRITERIA SET FORTH IN THE MEMORANDUM.

THE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE. THE SECURITIES CANNOT BE SOLD IN THE UNITED STATES WITHOUT REGISTRATION UNDER THE SECURITIES ACT, UNLESS AN EXEMPTION FROM SUCH REGISTRATION IS AVAILABLE, AND TRANSFERABILITY MAY BE LIMITED BY APPLICABLE LAW IN OTHER JURISDICTIONS.

NOTICE TO CALIFORNIA RESIDENTS: THE SALE OF THE SECURITIES OFFERED HEREBY HAVE NOT BEEN QUALIFIED WITH THE CALIFORNIA COMMISSIONER OF CORPORATIONS, AND THE ISSUANCE OF SUCH SECURITIES OR PAYMENT OR RECEIPT OF ANY CONSIDERATION THEREOF IS UNLAWFUL UNLESS AN EXEMPTION FROM QUALIFICATION IS PERFECTED.

NOTICE TO NEW JERSEY RESIDENTS: IF YOU ARE A NEW JERSEY RESIDENT AND YOU ACCEPT AN OFFER TO PURCHASE THESE SECURITIES PURSUANT TO THIS MEMORANDUM, YOU ARE HEREBY ADVISED THAT THIS MEMORANDUM HAS NOT BEEN FILED WITH OR REVIEWED BY THE ATTORNEY GENERAL OF THE STATE OF NEW JERSEY PRIOR TO ITS ISSUANCE AND USE. THE ATTORNEY GENERAL OF THE STATE OF NEW JERSEY HAS NOT PASSED ON OR ENDORSED THE MERITS OF THIS OFFERING. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

NOTICE TO NEW YORK RESIDENTS: THIS OFFERING MEMORANDUM HAS NOT BEEN REVIEWED BY THE ATTORNEY GENERAL PRIOR TO ITS ISSUANCE AND USE. THE

ATTORNEY GENERAL OF THE STATE OF NEW YORK HAS NOT PASSED ON OR ENDORSED THE MERITS OF THIS OFFERING. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

PROSPECTIVE INVESTORS ARE NOT TO CONSTRUE THE CONTENTS OF THIS MEMORANDUM AS INVESTMENT, LEGAL, TAX OR ACCOUNTING ADVICE AND THIS MEMORANDUM IS NOT INTENDED TO PROVIDE THE SOLE BASIS FOR ANY EVALUATION OF AN INVESTMENT IN THE SECURITIES. PRIOR TO ACQUIRING ANY SECURITIES, A PROSPECTIVE INVESTOR SHOULD CONSULT WITH HIS, HER OR ITS OWN INVESTMENT, LEGAL, TAX, ACCOUNTING AND OTHER ADVISORS TO DETERMINE THE POTENTIAL BENEFITS, BURDENS AND OTHER CONSEQUENCES OF SUCH AN INVESTMENT.

THIS MEMORANDUM DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY IN THE DISTRICT OF COLUMBIA, ANY U.S. STATE OR TERRITORY OR ANY OTHER JURISDICTION TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR SOLICITATION IN SUCH STATE OR JURISDICTION. THE DELIVERY OF THIS MEMORANDUM DOES NOT IMPLY THAT THE INFORMATION HEREIN IS CORRECT AS OF ANY TIME SUBSEQUENT TO THE DATE OF THIS MEMORANDUM.

THIS MEMORANDUM HAS BEEN PREPARED FOR DISTRIBUTION TO A LIMITED NUMBER OF PROSPECTIVE INVESTORS TO ASSIST THEM IN EVALUATING A PROPOSED INVESTMENT IN SECURITIES OF THE COMPANY OFFERED HEREBY. OFFERS MAY BE MADE ONLY TO PERSONS DEEMED ELIGIBLE FOR PARTICIPATION UNDER THE CRITERIA SET FORTH IN THIS MEMORANDUM AND APPLICABLE LAW.

THE INFORMATION CONTAINED IN THIS MEMORANDUM DOES NOT PURPORT TO BE ALL INCLUSIVE OR TO CONTAIN ALL THE INFORMATION THAT A PROSPECTIVE INVESTOR MAY DESIRE TO REVIEW IN INVESTIGATING THE COMPANY. AN INVESTMENT IN SECURITIES OF THE COMPANY INVOLVES SUBSTANTIAL TAX, INVESTMENT, AND OTHER RISKS. EACH INVESTOR MUST CONDUCT AND RELY ON HIS, HER OR ITS OWN EVALUATION OF THE COMPANY AND THE SECURITIES OFFERED HEREBY, INCLUDING THE MERITS AND RISKS INVOLVED IN MAKING AN INVESTMENT DECISION WITH RESPECT TO THE SECURITIES OFFERED. PROSPECTIVE INVESTORS SHOULD READ THIS MEMORANDUM CAREFULLY BEFORE DECIDING WHETHER TO PURCHASE SECURITIES IN THE COMPANY. SEE THE SECTION OF THIS MEMORANDUM ENTITLED "RISK FACTORS" FOR A DISCUSSION OF CERTAIN FACTORS WHICH SHOULD BE CONSIDERED IN CONNECTION WITH THIS OFFERING.

THE DESCRIPTIONS CONTAINED IN THIS MEMORANDUM OF ANY DOCUMENT OR AGREEMENT, INCLUDING THE VARIOUS AGREEMENTS TO BE EXECUTED BY THE INVESTORS IN CONNECTION WITH AN INVESTMENT IN THE SECURITIES, ARE SUMMARIES ONLY. SUCH SUMMARIES ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO THE ACTUAL AGREEMENTS, COPIES OF WHICH WILL BE FURNISHED TO INTERESTED PROSPECTIVE INVESTORS UPON REQUEST. IN THE

EVENT THAT ANY TERMS OR PROVISIONS OF THIS MEMORANDUM ARE INCONSISTENT WITH OR CONTRARY TO THE TERMS OR PROVISIONS OF ANY SUCH AGREEMENT, THE TERMS AND PROVISIONS OF SUCH AGREEMENT SHALL CONTROL.

NO PERSON HAS BEEN AUTHORIZED TO MAKE ANY REPRESENTATIONS OR TO GIVE ANY INFORMATION WITH RESPECT TO THE COMPANY OR THE SECURITIES OTHER THAN AS CONTAINED IN THIS MEMORANDUM. SUBJECT TO THE FOREGOING, ANY REPRESENTATION OR INFORMATION NOT CONTAINED HEREIN MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE COMPANY SINCE NO PERSON HAS BEEN AUTHORIZED TO MAKE ANY SUCH REPRESENTATIONS OR TO PROVIDE ANY SUCH INFORMATION.

SO FAR AS ANY STATEMENTS MADE IN THIS MEMORANDUM INVOLVE MATTERS OF OPINION, ASSUMPTIONS, PROJECTIONS, ANTICIPATED EVENTS OR ESTIMATES, WHETHER OR NOT EXPRESSLY STATED, THEY ARE SET FORTH AS SUCH AND NOT AS REPRESENTATIONS OF FACT, AND ACTUAL RESULTS MAY DIFFER SUBSTANTIALLY FROM THOSE SET FORTH HEREIN. THE INFORMATION SET FORTH HEREIN HAS BEEN OBTAINED FROM SOURCES THAT ARE BELIEVED TO BE RELIABLE, BUT IT IS NOT GUARANTEED AS TO ACCURACY OR COMPLETENESS.

THIS MEMORANDUM INCLUDES FORWARD-LOOKING STATEMENTS THAT ARE BASED ON THE COMPANY'S CURRENT EXPECTATIONS AND PROJECTIONS ABOUT FUTURE EVENTS, AND THE COMPANY CAN PROVIDE NO ASSURANCE THAT THEY WILL PROVE ACCURATE IN THE FUTURE. THESE FORWARD-LOOKING STATEMENTS ARE SUBJECT TO RISKS AND UNCERTAINTIES, INCLUDING RISKS AND UNCERTAINTIES OUTSIDE THE CONTROL OF THE COMPANY. SUCH STATEMENTS GENERALLY ARE IDENTIFIABLE BY THE TERMINOLOGY USED, SUCH AS "PLAN," "EXPECT," "ESTIMATE," "BUDGET," "BELIEVES" OR OTHER SIMILAR WORDS.

DATA IN THIS MEMORANDUM AS TO HISTORICAL PERFORMANCE (AS DEFINED HEREIN) IS FOR INFORMATIONAL PURPOSES ONLY AND SHOULD NOT BE RELIED UPON AS GUARANTEES OR INDICATIONS OF FUTURE PERFORMANCE.

ALL REFERENCES IN THIS MEMORANDUM TO THE TERM "DOLLAR" OR "\$" REFER TO THE UNITED STATES DOLLAR.

THE COMPANY'S FISCAL YEAR ENDS ON OCTOBER 31 OF EACH CALENDAR YEAR. EACH REFERENCE TO A FISCAL YEAR REFERS TO THE FISCAL YEAR ENDING IN THE CALENDAR YEAR INDICATED (E.G., FISCAL 2017 REFERS TO THE FISCAL YEAR ENDED OCTOBER 31, 2017).

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A. MEMORANDUM

I. EXECUTIVE SUMMARY

Overview

IDW Media Holdings, Inc., a Delaware corporation (the “Company”) is a holding company consisting of the following principal businesses:

IDW Entertainment leverages properties, principally those of IDW Publishing, into television series developing, producing and distributing original content worldwide;

IDW Publishing creates comic books, graphic novels, digital content and games through its imprints IDW Publishing, IDW Games and Top Shelf; and

CTM Media Group consists of the Company’s brochure and digital distribution operations and other advertising-based product initiatives focused on small to medium sized businesses.

Recent Developments

In March 2019, the Company announced that it has initiated a review of strategic relationships and alternatives to maximize stockholder value and to realize the full potential of its vast content library and pipeline. The Company has retained J.P. Morgan to assist in the review process.

In February 2019, Kerry McCluggage stepped down as chief executive officer and our Chairman of the Board and controlling stockholder, Howard Jonas was appointed to that position.

IDW Entertainment

IDW Entertainment has licensed or sold the world-wide broadcast rights to three live-action television series, *V-Wars*, *October Faction*, and *Locke & Key* to Netflix. *V-Wars* began production in July 2018 and delivery of episodes is scheduled to begin in the late 2019 to early 2020. *October Faction* began production in September 2018 and delivery of episodes is scheduled to begin in 2019. *Locke & Key* began principal photography in February 2019 with delivery of episodes expected to begin in the first quarter of fiscal 2020.

The Company continues to move forward on the development of scripts and regularly reviews IDW Publishing intellectual property assets that it can monetize.

IDW Publishing

In December 2018, IDW Publishing placed over 20,000 copies of Transformers graphic novels in Target and Wal-Mart to coincide with the release of Paramount’s *Bumblebee* movie. IDW Publishing also announced a major *Transformers* relaunch comic, and a series tied to popular Netflix series *G.L.O.W.* in the same month.

In November 2018, IDW Publishing initiated a defined program of Amazon Marketing Service “Sponsored Product” ads that have generated \$82,875 in retail sales across 4,317 units sold off of 9,934,168 impressions. IDW Publishing intends to continue and increase this program in fiscal 2019.

In August 2018, IDW Publishing launched a pairing of *Rick and Morty vs. Dungeons & Dragons*, which proved to be a phenomenal hit in comic book form, and for which the Company has high hopes as a graphic novel collection.

In September 2018, IDW Publishing announced a crossover with DC Comics, *Batman/The Maxx*. This collection will release in mid-2019, and other DC crossovers, including a third pairing of the best-selling *Teenage Mutant Ninja Turtles* and *Batman*, are scheduled for 2019 and 2020.

In July 2018, IDW Publishing entered into an agreement with Marvel Entertainment to publish a minimum of three monthly comic book titles aimed at younger readers. Marvel’s characters are some of the best known in the world, and IDW’s publishing program launched in November 2018 with *Spider-Man*, followed in quick succession monthly by *Black Panther* and *The Avengers*. In 2019, the trade paperback collections of these books are timed to release alongside Marvel’s *Avengers* movie.

In April 2018, IDW Publishing launched *Sonic the Hedgehog*, a worldwide video game and pop culture icon, as a monthly comic book series to commercial and critical acclaim. The series remains a top seller heading into 2019. The first trade paperback collection of this series will release in 2019.

In September 2017, IDW Publishing successfully launched a monthly *Star Wars* comic book series aimed at younger readers and since have added numerous *Star Wars* titles.

In April 2017, IDW Publishing transitioned its book distribution from Diamond Comic Distributors, Inc. to Penguin Random House.

CTM

In January 2018, CTM launched a refreshed branding and marketing platform to ensure its communications with customers and host partners accurately reflected the audience and value their services deliver. As CTM has entered its 35th year of business, it has leveraged the re-branding to communicate its position in the market place as a current and impactful media company. Management believes that the changes made and being implemented will better connect CTM with current and potential customers and enhance their selling position.

On October 9, 2017, CTM acquired the assets of an additional brochure distribution company in Cape Cod, Massachusetts which expanded CTM’s network and provided CTM with additional exposure within the marketplace.

Financial

The Company’s immediate cash needs are primarily for funding of television productions, development costs of new scripts and expansion of IDW Publishing franchises. Additional cash

requirements arise as IDW Entertainment develops new properties for its pipeline in order to sell additional television productions. IDW Entertainment is currently in production of one television series (*Locke & Key*) and is in post-production on two additional series (*V-Wars* and *October Faction*). The ability to support the cash flow needs of these productions and our pipeline is key to the future success of our business.

The IDW Publishing sector and the CTM sector have been and continue to be self-sufficient from a cash flow position. There could be additional cash needs for those sectors if there would be a new business opportunity such as a strategic acquisition target. Those possible future needs are not substantially being contemplated in this Offering.

II. THE OFFERING

Eligible Investors: Existing holders of capital stock of the Company who are accredited investors (each, an “Eligible Investor”).

Offering Size: \$22.5 million. The Company reserves the right to accept investments of up to \$25 million in its discretion. The Company intends to conduct an initial closing of the Offering once it has received subscriptions totaling at least \$10 million.

Allocation Among Eligible Investors:

Each Eligible Investor will have an allotment of 21% of such holder’s current interest in the Company’s Class B Common Stock and Class C Common Stock (“Allotment”).

* Eligibility will be determined by aggregating shares held by Affiliates. For purposes of this Offering, an “Affiliate” is another party that, directly or indirectly through one of more intermediaries, controls, is controlled by, or is under common control with such Investor, or any immediate family member of the holder.

Security: Class B Common Stock of the Company (OTC: IDWM).

Offering Price: \$18 per share in the Initial Round (as defined below) and \$15 in the Follow-On Round (as defined below), if any. The price per share was determined based on input from the Company’s financial advisors and certain current holders of significant positions in the Company’s capital stock. The Offering price in the Initial Round is 64% of the 30-day trailing volume weighted average price for the Class B Common Stock as quoted on the OTC Pink Sheets under the trading symbol “IDWM” for the period ended March 26, 2019.

Participation: Howard Jonas has informed the Company that he intends to purchase at least 100% of his Allotment based on his and his Affiliates’ ownership of capital stock of the Company, and intends to utilize approximately \$5.0 million of the amounts owing to Mr. Jonas under the Bridge Loan Facility described below to pay a portion of his investment amount. This will reduce the Company’s obligations under the Bridge Loan Facility, but the Company would not receive any cash proceeds from such offset.

As more fully described below, in the event that there are shares that are not subscribed for by Eligible Investors in the initial stage of the Offering (the “**Initial Round**”) and the Company determines to accept further investments, Investors who purchased at least 75% of their Allotments in the Initial Round of the Offering, and who indicated their interest in purchasing unsubscribed shares by checking the appropriate box in the Subscription Agreement delivered by such Investors (“**Electing Investors**”), may elect to buy those unsubscribed shares on a pro rata basis (based on the number of shares all such electing Investors purchased in the Initial Round) up to two times of each such Investor’s purchase in the Initial Round. We refer to the purchases of unsubscribed shares as the “**Follow-On Round.**” An Investor will be deemed to have elected not to purchase unsubscribed shares if such Investor does not check the appropriate box in the Subscription Agreement.

The Company reserves the right to sell shares that are not subscribed for by Investors in the Offering to third parties at a price per share equal to the weighted average price shares were sold in the Initial and Follow-On Rounds.

Lockup:

6 months from Closing.

Restrictions:

The sale of the shares in this Offering has not been registered under the Securities Act of 1933 (the “Securities Act”) or any state securities laws, and thus the shares you purchase will be restricted shares and cannot be re-sold unless subsequently registered or pursuant to an exemption from registration. As the Company does not currently file periodic reports with the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), such shares will be subject to a one-year holding period and other requirements before they can be resold pursuant to Rule 144 promulgated under the Securities Act. There can be no assurance that the Company will fulfill any reporting requirements in the future under the Exchange Act or disseminate to the public any current financial or other information concerning the Company, in order to satisfy requirements under Rule 144.

Timing:

1. Launch –March 27, 2019:

This Offering Memorandum will be posted to the OTC Disclosure & News Service website.

The Company reserves the right to modify the timing and dates below and to conduct one or more closings once it has received

subscriptions totaling \$10 million.

2. Deadline to submit subscriptions– April 17, 2019:

All subscribers will be required to provide the Company with:

evidence of eligibility – proof of their Common Stock holdings, and accredited investor status;

election of whether they want to purchase their pro rata portion of unsubscribed shares;

election of whether they want to defer payment of a portion of the Investment Amount;

an executed Subscription Agreement; and

payment to the Company of the purchase price for shares subscribed.

3. Final Closing of Initial Round–April 24, 2019:

The Company will accept payment and instruct its transfer agent to issue to each Investor the amount of shares such Investor elected to purchase.

4. Follow-On Round - Closing – On or about May 1, 2019

In the event there are unsubscribed shares after the end of the Initial Round and one or more Investors (who subscribed for more than 75% of the number of shares they were eligible to purchase) elected to purchase unsubscribed shares, the Company will, promptly following the final closing of the Initial Round, notify electing Investors the amount of shares such Investors may purchase, which will be based on the total number of unsubscribed shares (based on the amount of investments the Company elects to receive) and the number of shares each electing Investor purchased in the Initial Round, and each such electing Investor must provide payment to the Company of the purchase price for the Investor's pro rata portion of the unsubscribed shares within three business days of such notice.

Approval:

The Offering has been approved by the Board of Directors including all of the Company's independent directors and the Company has received an opinion as to the fairness of the Offering to non-participating stockholders from Corporation

Valuation Advisors, Inc.

Termination: **The Company reserves the right to terminate the Offering at any time and for any reason prior to Closing and return any monies tendered in the Offering.**

Use of Proceeds: The Company currently expect to use the net proceeds from this Offering as follows (assuming this Offering is fully subscribed):

approximately \$4.0 million to repay borrowings under credit facilities with a commercial bank owed by CTM and IDW Publishing;

approximately \$5.0 million to complete funding on certain IDW Entertainment projects currently in development;

approximately \$1.0 million to invest in developing new properties at IDW Publishing;

the remainder for working capital, including development of future productions at IDW Entertainment.

Approximately \$5.1 million of Mr. Jonas' investment in this Offering will offset amounts owing by the Company to him under the Bridge Loan Facility and thus will not generate cash proceeds to the Company.

To subscribe, please complete the Subscription Agreement attached hereto as Appendix I, including your election regarding unsubscribed shares and the Accredited Investor Representation Letter attached to the Subscription Agreement and follow all instructions set forth therein. If you should have any questions regarding this offer please contact Ezra Rosensaft, Chief Financial Officer of the Company, via email at ezra@idwmh.com or via telephone at (203) 654-7146

As previously disclosed, the Company continues to face significant demands for cash to support its current and planned operation, particularly the production of television properties. The Company's capital needs are largely driven by IDW Entertainment's current and future slate, including, but not limited to:

- *Wynonna Earp*: Opening of the writers' room in the second quarter of fiscal 2019 and pre-production work associated with Season 4, which is currently anticipated to air on the SyFy channel in 2019/2020. The show won the prestigious People's

Choice Award for Best Science Fiction/Fantasy show in 2018, based on the first 3 seasons.

- *V-Wars*: Based on Jonathan Maberry's anthology, this drama starring Ian Somerhalder has wrapped filming with principal photography successfully concluded and is currently in post-production (editing of raw footage to cut scenes, transition and visual effects, and audio dialog adjustments) prior to delivery to Netflix in 2019-2020.
- *October Faction*: Adapted from Steve Niles' comic book series and presently in post-production editorial work. Estimated delivery to Netflix in FQ4 of 2019.
- *Locke & Key*: Written by Joe Hill, winner of several awards, and illustrated by Gabriel Rodriguez, this show commenced principal photography in February 2019.
- Development: The Company also plans to use part of the capital raise towards its ongoing pipeline of new projects, in various stages of development.

The Company has recently engaged additional personnel to staff the team at IDW Entertainment.

The cash needs derive from a number of factors, including: higher than anticipated production costs related to *October Faction* and a delay in securing related bank financing; the need to finance production of Season 3 of *Wynonna Earp* without current corresponding revenue from Netflix or foreign sales; increased SG&A expenses related to investment in the IDW Entertainment corporate infrastructure; and reduced contributions from CTM and IDW Publishing during fiscal 2018 as both divisions faced sectoral and other challenges. The Company is actively developing multiple series properties and evaluating new partnership targets for series.

Howard Jonas initially provided the Company with \$5 million of financing that is repayable out of free cash flow at CTM.

When bank financing for *October Faction* was not available when anticipated, Mr. Jonas extended an additional \$26 million bridge loan facility to the Company, which is described in greater detail under Section VI below. As of the date of this Memorandum, the Company had borrowed \$23 million under this facility, of which \$11 million was repaid from the proceeds of borrowings related to *October Faction*. The maturity date of the facility is October 1, 2020. Management and the Board believe that the terms offered by Mr. Jonas were more favorable to the Company than any other alternative that was feasible, and the draws were available on an expedited basis to meet the Company's needs.

In December 2018, the Company entered into an *October Faction* loan facility with Royal Bank of Canada, and applied a \$11 million of the proceeds therefrom to repayment of the Bridge Loan facility, leaving an existing principal Bridge Loan balance of \$12 million.

On December 24, 2018 High Park / *October Faction* Productions, Inc. (as Borrower) and IDW Media Holdings, Inc. and High Park Entertainment, Inc. (as Guarantors) entered into a credit facility agreement with Royal Bank of Canada to fund *October Faction*. The agreement provides

for a gross borrowing base of CAD \$25,450,712 from which CAD \$1,740,000 was designated as an interest reserve, netting to CAD \$23,710,712 available for funding the show. As of February 26, 2019, there were a total of CAD \$21,200,000 borrowed under the credit facility, leaving CAD \$2,510,712 as available borrowing capacity. The terms of the loan account for interest at a rate of RB Prime rate + .75%. As of February 26, 2019, the RB Prime rate was 3.95%.

This Offering is intended to provide the Company with the resources to continue to execute on its current projects and to develop new properties at IDW Entertainment as well as: a) repay a portion of the remaining borrowings under the Bridge Loan Facility as required under the terms of that arrangement, and b) making required payments under lines of credit with Bank of America. IDW Entertainment's plans and focus are discussed below.

The Company believes that, with the proper resources, it has the ability to generate significant long-term value for its stockholders. However, it needs to address its short-term capital needs and gain access to the necessary growth capital to exploit its assets, particularly the large library of IP for potential exploitation at IDW Publishing and Entertainment.

In addition to this Offering, the Company obtained project financing for *October Faction*. The Company is committed to meeting its commitments and successfully producing its current projects to preserve its value and reputation. The Company is reviewing optimal staffing plans, and potential cost-saving synergies between segments.

IDW Entertainment may need additional financing – on a project level or otherwise – to support its growth.

The Company does not believe that longer term debt financing is available to it at the current time, but may seek such financing when it is in a better position to do so.

Management and the Board believe that this Offering is an attractive alternative for obtaining the necessary financing, as it allows for current stockholders to receive the benefits of the opportunity and participating stockholders will not have their interests in the Company's equity diluted. Additionally, the ability to purchase unsubscribed shares provides existing holders to support the Company by purchasing additional shares at the Offering price.

The price was determined based on input from the Company's financial advisors and certain current holders of significant positions in the Company's capital stock.

To manage the Company's cash resources and avoid future liquidity challenges, the Company is: seeking to modify certain terms that place undue burdens on the Company's resources; increasing its management of vendors and spending; adding resources so additional personnel are involved in management, marketing and development of projects; seeking to consummate foreign sales of existing projects on an accelerated basis; impose additional conditions and internal review on terms of future productions; focus on streaming projects that it believes can be produced with lower cash outlays; and improve discipline in projecting future revenues from productions.

III. THE BUSINESS

IDW Entertainment

IDWE as the exclusive international distributor (outside of Canada) sold the U.S. broadcast rights to Wynonna Earp, a live-action television series based on the IDW Publishing comic, to the Syfy Network where season one's 13 one-hour episodes aired in fiscal 2016, season two's 12 one-hour episodes aired in fiscal 2017 and season three's 12 one-hour episodes aired in 2018. IDWE is the worldwide distributor of the series and Dynamic TV is handling foreign sales for seasons 1 and 2 of the series, and has sold the broadcast rights to the series in the UK and other territories to Spike TV (a Viacom company) and Netflix for multiple international territories. The Company is in active discussions regarding foreign sales commitments for season 3.

IDWE has sold the world wide broadcast rights to three live-action television series, V-Wars, October Faction, and Locke and Key to Netflix. These series began production in the third quarter of fiscal 2018, with delivery for V-Wars in the first quarter of fiscal 2019, October Faction in 2019/2020 and Locke & Key in the first quarter of fiscal 2020.

IDWE, in partnership with Ideate Media, sold the U.S. broadcast and subscriber-video-on-demand rights to Dirk Gently, a live-action series, to BBC America with an initial order of 8 one-hour episodes. The series premiered October 22, 2016 in the U.S. and December 11, 2016 worldwide on Netflix, as a co-production with AMC Studios. Season 2 has already Page 6 of 14 been produced and aired on BBC America, with Netflix currently airing globally outside the U.S. WME/IMG is handling foreign sales for the series. No additional seasons of Dirk Gently have currently been greenlit for production. The Company has no expectation that additional seasons will be ordered.

During the three months ended January 31, 2019 and January 31, 2018, 100% of IDW Entertainment's revenue was derived from the domestic and foreign licensing of the television broadcasting rights to productions delivered during those periods.

IDWE also has theatrical film projects in development, including in association with IDW Publishing, Chris Ryall and Ashley Wood's *Zombies vs. Robots* with Michael Bay's Platinum Dunes and Sony, and *Aleistair Arcane* with Amblin Entertainment and Jim Carrey.

IDW Publishing

IDW Publishing, which will celebrate its 20th anniversary in 2019, is an award-winning publisher of comic books, graphic novels and art books as well board and tabletop games. Renowned for its extensive and diverse catalog of licensed and independent titles, IDW Publishing publishes some of the most globally recognized and popular brands in the industry, including Star Wars, Teenage Mutant Ninja Turtles, Sonic the Hedgehog, Star Trek, Disney's Classic Characters, and Hasbro's Transformers, My Little Pony and G.I. Joe.

IDW Publishing, including its renowned imprint, Top Shelf, was the fourth largest publisher in its category in 2018. IDW Publishing and Top Shelf titles have won 44 Eisner Awards, the highest honor bestowed in comic book publishing, and 27 Harvey Awards. Top

Shelf's series *March*, about Congressman John Lewis and the Civil Rights movement, is the only graphic novel to win the National Book Award and is considered one of the most influential nonfiction books in the history of the medium.

IDW Publishing is also the home to the Library of American Comics imprint, which publishes classic comic strip reprints of favorite characters like Dick Tracy, Bloom County, Spider-Man, Superman, and numerous others; Yoe! Books, a partnership with Yoe! Studio, and the multiple award-winning Artist's Edition imprint. IDW Games produces card and tabletop games including games based on *The Godfather*, *Teenage Mutant Ninja Turtles*, *Sonic the Hedgehog*, *X-files*, and international bestsellers like *Dragonball Z*.

IDW Publishing's comic book and trade paperback publications are primarily distributed through three channels: (i) to comic book specialty stores on a non-returnable basis (the "direct market") (ii) to traditional retail outlets, including bookstores and mass market stores, on a returnable basis (the "non-direct market") and (iii) to ebook distributors ("digital publishing"). In addition, IDW Publishing provides clients with custom comic books and artwork/graphic design services ("creative services").

IDW Games expanded the number of distributors and accounts that IDW Publishing sells to directly and also has a direct to consumer business through its website and other forms of direct marketing.

For the three months ended January 31, 2019 and January 31, 2018, direct market revenue accounted for 39.8% and 34.3%, respectively. Non-direct market revenue accounted for 31.0% and 30.2% of IDW Publishing's revenue in the three months ended January 31, 2019 and January 31, 2018, respectively. IDW Publishing's revenue from IDW Games accounted for 9.6% and 9.6% of IDW Publishing's revenue for the three months ended January 31, 2019 and January 31, 2018, respectively. Digital publishing revenue accounted for 8.4% and 9.6% of IDW Publishing's revenue for the three months ended January 31, 2019 and January 31, 2018, respectively. Other publishing revenue, which includes sales to specialty retailers, non-profit organizations and universities, accounted for 3.0% and 11.7% of IDW Publishing's revenue for the three months ended January 31, 2019 and January 31, 2018, respectively. Licensing and royalty revenue accounted for 3.1% and 2.8% of IDW Publishing's revenues for the three months ended January 31, 2019 and January 31, 2018, respectively. IDW Publishing's other sources of revenue include direct to consumer sales, creative services revenue, conventions and other, which accounted for 5.2% and 1.8% of IDW Publishing's revenues for the three months ended January 31, 2019 and January 31, 2018, respectively.

IDW Publishing's primary customers are Diamond Comic Distributors, Inc. ("Diamond") and Penguin Random House, both unaffiliated entities. Diamond handles the vast majority of comic publishers' direct market distribution and Penguin Random House is one of the largest book distributors in the world. Diamond and Penguin Random House purchase IDW Publishing's publications and subsequently sell them to IDW Publishing's markets; the non-direct Page 7 of 14 market for Penguin Random House, the direct market for Diamond. Retail stores are also non-direct IDW Publishing customers.

IDW Publishing's publications are widely available digitally via handheld devices, including Apple iPhones, iPod Touch, iPads, Amazon Kindle, Nokia, XBOX, Blackberry and

Google Android devices. IDW Publishing titles are also available direct-to-desktop via several websites including IDWpublishing.com.

IDW Publishing faces significant competition from other publishers such as Marvel Comics and DC Comics, which are substantially larger than IDW Publishing and own, as oppose to license, the vast majority of their own intellectual property, and have much greater resources than IDW Publishing.

CTM

CTM Media Group, Inc. ("CTM") develops and distributes print-based advertising and information in targeted tourist markets. Advertisers include entertainment venues, tourist attractions, and cultural sites as well as their related service providers including dining, lodging, and transport services. CTM services its regional network and partner locations of more than 19,000 diverse locations to distribute printed brochures, magazines and rack cards to the traveling public.

CTM also develops and distributes digital advertising and information through its affiliate Etractions Inc.'s website, visitorfun.com, which was renamed from ettractions.com in December 2017 to be more easily searched and accessed, and its ExploreBoard network of inter-active touch screen kiosks throughout its market areas.

In January 2018, CTM launched a refreshed branding and marketing platform to ensure its communications with customers and host partners accurately reflected the audience and value their services deliver. As CTM has entered its 35th year of business, it has leveraged the re-branding to communicate its position in the market place as a current and impactful media company. Management believes that the changes made and being implemented will better connect CTM with current and potential customers and enhance their selling position.

CTM has grown both geographically and by developing related lines of business. Geographic growth had been driven both by organic expansion to new territories and through selective purchases of regional businesses.

On October 9, 2017, CTM acquired the assets of an additional brochure distribution company in Cape Cod, Massachusetts which expanded CTM's network and provided CTM with additional exposure within the marketplace.

CTM's client base includes advertisers in 32 states and provinces in the United States and Ontario, Canada. Its distribution territory in the United States includes the Northeast, Southeast, Mid-Atlantic and Midwestern states, as well as Southeast Florida. CTM is a brochure distribution market leader in each of the following greater metro areas: New York City, Boston, Toronto, Ottawa, Miami, Ft. Lauderdale, Philadelphia, Chicago, St. Louis, Kansas City, Minneapolis/St. Paul, Pittsburgh, Detroit, Milwaukee, Cleveland and Atlanta.

Throughout its operating region, CTM operates four integrated and complimentary business lines: Brochure Distribution, Digital Distribution, Publishing and VisitorFun Card (formerly RightCard).

Brochure and Print Distribution

CTM distributes client brochures, magazines and other print material through its network of more than 19,000 strategically located display stations and diverse partner locations. Brochure and print distribution is CTM's largest line of business generating approximately 80.1% and 80.5% of CTM's revenues for the three months ended January 31, 2019 and January 31, 2018, respectively.

CTM's extensive distribution, display station and partner location network are the key value drivers and the differentiator in the CTM's distribution line of business. The large quantity and diversity of its display station locations allows CTM to segment its visitor audience and tailor targeted marketing programs for its clients. Locations are typically hosted within facilities serving the travel, tourism and entertainment industry, including hotels and other lodgings, corporate and community venues, transportation terminals and hubs, tourist attractions and entertainment venues. CTM also has agreements with public transportation authorities, business improvement districts, public tourism authorities and high volume retail chains to host a small percentage of its brochure display stations.

CTM has developed strong relationships with its display station hosts and its regional client advertisers. These relationships constitute a significant barrier to entry that CTM believes provides it with a competitive advantage over new entrants into the industry or movement by other industry participants into certain metropolitan markets.

As of January 31, 2019, CTM remained one of the largest travel and tourism brochure display companies in the Eastern and Midwestern United States, and the second largest nationally. Privately held Certified Folder Display ("Certified") is the national market leader with over 22,000 display stations, primarily in the Western and Central United States and Western Canada. Certified's key metropolitan areas include San Francisco, Seattle, Los Angeles, Phoenix and Las Vegas. An estimated 20 to 30 other distribution companies competing from smaller regional bases comprise the remainder of the brochure distribution and display industry.

Digital Distribution

CTM's digital marketing platform is offered in association with CTM's affiliate, Etractions Inc. The Etractions Digital Distribution program offers CTM's customers a multi-channel marketing platform that includes its website visitorfun.com, mobile internet and the ExploreBoard interactive touch screens of varying sizes. Digital distribution revenues accounted for approximately 11.6% and 11.5% of CTM's revenues for the three months ended January 31, 2019 and January 31, 2018, respectively.

Digital revenue is primarily generated from sales of digital campaigns published electronically to 480 ExploreBoard interactive touch screens in service as of January 31, 2019 compared to 461 touch screens in service as of January 31, 2018. ExploreBoards delivered 1,435,468 total user engagements to in-market visitors for the three months ended January 31, 2019 compared to 1,816,615 for the three months ended January 31, 2018. In addition, the visitorfun.com website supporting in-market screen touch content recorded 51,867 page

views and 31,116 visitors for the three months ended January 31, 2019 compared 45,740 page views and 18,748 visitors for the three months ended January 31, 2018.

Publishing, Design & Print

CTM publishes maps with integrated display advertising and identified tourist locations. Current maps cover key metropolitan areas within CTM's distribution territory including Boston/New England, Chicago, Kansas City, Minneapolis/St. Paul, New York City, Philadelphia, Southeast Florida, St. Louis, and Toronto. CTM also leveraged its in-house design team and large print volumes to provide clients with cost-effective custom design and print referral services, and earns a referral fee for this service. Publishing, Design & Print accounted for approximately 5.9% and 5.7% of CTM's revenues for the three months ended January 31, 2019 and January 31, 2018, respectively.

VisitorFun Card (Formerly RightCard)

CTM designs and prints the VisitorFun Card – pocket-sized cards in a consistent format distributed through a network of specialized display stations in high-traffic areas. The VisitorFun Card content format can include a discount or value offer, map and contact information. The VisitorFun Card program contributed approximately 2.4% and 1.9% of CTM's revenues for the three months ended January 31, 2019 and January 31, 2018, respectively.

IV. THE SECURITIES AND CAPITALIZATION

The Company's authorized capital stock consists of Class B Common Stock and Class C Common Stock.

Class B Common Stock

Holders of shares of Class B Common Stock are entitled to one-tenth of one vote for each share on all matters to be voted on by the stockholders. Holders of Class B Common Stock are entitled to share ratably in dividends, if any, as may be declared from time to time by the Board of Directors in its discretion from funds legally available therefor. There are no conversion or redemption rights or sinking fund provisions with respect to the Class B Common Stock.

Class C Common Stock

Holders of shares of Class C common stock are entitled to three votes for each share on all matters to be voted on by the stockholders. Holders of Class C common stock are entitled to share ratably in dividends, if any, as may be declared from time to time by the Board of Directors in its discretion from funds legally available therefor. Each share of Class C common stock may be converted, at any time and at the option of the holder thereof, into one fully paid and non-assessable share of Class B common stock.

As of March 25, 2019, there were 12,000,000 shares of Class B Common Stock authorized and 2,500,000 shares of Class C Common Stock authorized.

As of March 22, 2019, there were 5,553,881 shares of Class B Common Stock and 545,360 shares of Class C common stock issued and outstanding (excluded from these numbers are 519,360 shares of Class B Common Stock held in treasury by IDW Media Holdings)

The following sets forth certain information regarding the beneficial ownership of the Company's Class B and Class C Common Stock by (i) each person known by the Company to be the beneficial owner of more than 5% of the outstanding shares of the Class B Common Stock or the Class C Common Stock of the Company and (ii) each of the Company's directors, and executive officers.

1. Howard Jonas, Chairman of the Board and Chief Executive Officer:

Class B Common Stock — 1,428,400 shares.

Class C Common Stock — 545,360 shares.

2. Marc E. Knoller, Director:

Class B Common Stock — 109,309 shares.

3. Davidi Jonas, Chief Strategy Officer

Class B Common Stock — 71,398 shares.

4. Chris Ryall, President, Publisher and Chief Creative Officer of IDW Publishing

Class B Common Stock — 2,250 shares

5. Lydia Antonini, President IDW Entertainment

Class B Common Stock — 661 shares (and options to purchase 4,167 shares that are exercisable within 60 days).

6. Raging Capital Master Fund, Ltd. (controlling persons — Raging Capital Management, LLC and William C. Martin), 10 Princeton Avenue, Rocky Hill, NJ 08553:

Class B Common Stock — 832,279 shares.

7. ADW Capital Management, LLC

Class B Common Stock — 575,000 shares.

V. MANAGEMENT TEAM AND BOARD OF DIRECTORS

Management

Our management team includes seasoned professionals in the entertainment, publishing and brochure industries. A description of our executives follows:

Howard S. Jonas has served as our Chairman of the Board since our inception and has served as our Chief Executive Officer since February 2019. He has also served as Chairman of the Board of Directors of Rafael Holdings, Inc. and its Chief Executive Officer since its inception. Mr. Jonas has been a director of Rafael Pharmaceuticals since April 2013 and was appointed Chairman of the Board in April 2016. Mr. Jonas founded IDT in August 1990, and has served as Chairman of its Board of Directors since its inception. Mr. Jonas has served as Chief Executive Officer of IDT from October 2009 through December 2013. Mr. Jonas has served as Chairman of the Board of Directors of Genie Energy Ltd. since January, 2011, when it was spun off from IDT, and as Chief Executive Officer of Genie from January 2014 until November 2017. He has served as Co-Vice Chairman of Genie's subsidiary, Genie Energy International Corporation, since September 2009. He has been a director of IDT Energy since June 2007 and a director of American Shale Oil Corporation LLC since January 2008. Mr. Jonas served as the Chairman of the Board of Zedge, Inc., a former subsidiary of IDT that was spun off to stockholders in June 2016, from June 2016 to November 2016, and as the Vice Chairman of Zedge since November 2016. Mr. Jonas is also the founder and has been President of Jonas Media Group (f/k/a Jonas Publishing) since its inception in 1979. Mr. Jonas received a B.A. in Economics from Harvard University.

As founder of the Company and Chairman of the Board since its inception, Mr. Jonas brings significant knowledge of all aspects of our Company and each industry it is involved in to the Board. In addition, having Mr. Jonas on the Board provides our Company with effective leadership.

Ezra Y. Rosensaft, CFA, has been our Chief Financial Officer since August 2018 and was previously EVP of Finance of the Company's IDW Entertainment division from November 2017 until August 2018. Immediately prior to joining the Company, Mr. Rosensaft worked in the Corporate Development and Financial Planning & Analysis groups of Genie Energy (NYSE: GNE) from 2016 to 2017. From 2002 TO 2015, Mr. Rosensaft served as SVP of Financial Planning & Analysis at HBO, a division of Time Warner, now Warner Media owned by AT&T (NYSE: T; previously, NYSE: TWX) and was responsible for HBO's finance and strategy functions, overseeing budgets, long-term plans, financial operations for content and original programming, theatrical output deals, corporate development, competitive analysis, investor relations with parent company, Time Warner, and creating innovative business models such as HBO's over-the-top strategy (HBO OTT). Mr. Rosensaft was integrally involved in the financial oversight and growth of HBO's Emmy-award winning original programming slate including shows such as *Curb Your Enthusiasm*, *Sex and the City*, *Sopranos*, and *Game of Thrones*.

From 2000 to 2002,, Mr. Rosensaft served as Director of Strategy & Operations from at Primedia (NYSE: PRM), a B2B and B2C media company. From 1995-2000, Mr. Rosensaft worked at KPMG LLP in the Transaction Advisory Services group performing company valuations, advising clients on mergers and acquisitions, assisting on audit projects and providing

litigation support. Mr. Rosensaft holds a BSc in Accounting from Yeshiva University, an MBA in Finance from Fordham University and is a CFA charterholder.

Davidi Jonas has served as the Company's Chief Strategy Officer since December 2018. He previously served as Chairman of the Board of Directors, Chief Executive Officer and President of Straight Path Communications Inc. (SPCI) from 2013 until SPCI's merger with Verizon Communications Inc. in February 2018. Prior to SPCI's spin-off from IDT Corporation, he served as Vice President, Business Development of IDT. Mr. Davidi Jonas received rabbinic ordination from Yeshivat Chovevei Torah Rabbinical School.

Chris Ryall is the President, Publisher and Chief Creative Officer of IDW Publishing. Mr. Ryall rejoined the Company in December 2018 after serving as IDW Publishing's Editor-in-Chief and Chief Creative Officer from 2004 to March 2018. In those roles, Mr. Ryall set the creative direction and publishing plan for IDW's comic-book/graphic novel division. He was instrumental in the acquisition of licenses such as *The Transformers*, *Star Trek*, *Godzilla*, *Doctor Who*, *My Little Pony*, *Teenage Mutant Ninja Turtles*, *Judge Dredd*, multiple Disney projects, *Sonic the Hedgehog*, an all-ages *Star Wars* title, and literary-based projects with authors such as Stephen King, George R.R. Martin, Anne Rice, Joe Hill, and many others. Since he joined IDW Publishing in June 2004, IDW Publishing gained market share every year, became a Premiere Publisher and grew to become the fourth-largest comic-book publisher in America.

As President & Publisher, Mr. Ryall oversees the entirety of IDW Publishing and its corresponding divisions IDW Games, and IDW Limited.

Other highlights include shepherding the acclaimed, Eisner Award-winning series *Locke & Key* from conception to its publication and development as a TV series; developed Infestation, IDW's first-ever multi-license crossover event; ranked higher each year of Bleeding Cool magazine's list of the Top 100 Most Powerful People in Comics; won the Stan Lee's True Believer Award for Best Editor; and launched IDW's first-ever comic-book imprint, Black Crown, in 2017.

Mr. Ryall also served as story consultant for IDW's Entertainment division, Games division, and for a time ran IDW's Limited division, producing high-end collectible volumes in collaboration with Marvel Comics.

Prior to his return to IDW Publishing, Mr. Ryall was an editor-in-chief of a new imprint at Skybound Entertainment, the comic-book and entertainment company co-founded by *The Walking Dead* creator, Robert Kirkman.

Mr. Ryall is an Eagle- and Eisner Award-nominated comic book writer, and the co-creator of *Groom Lake*, *The Hollows*, *The Colonized*, *Onyx*, and *Zombies vs Robots*, which was optioned in 2010 by Sony Pictures and remains on their development slate as the film *Inherit the Earth*. Mr. Ryall has also co-written a prose book about comics, *Comic Books 101*, and has written comics based on *The Transformers*, *Mars Attacks*, *Kiss*, *George Romero's Land of the Dead*, *Beowulf*, *Clive Barker's The Great and Secret Show*, *Dirk Gently's Holistic Detective Agency*, *Weekly World News*, *Road Rage*, *String Divers*, and he led the revival of and co-wrote the fan-favorite Hasbro property, *Rom*.

He is a minority owner of storytelling Web portal Popularium and co-owner with Ashley Wood of Syzygy Publishing, a small comic-book and graphic novel shop.

Lydia Antonini is the President of IDW Entertainment. Prior to IDW Entertainment, Ms. Antonini was a freelance consultant and producer. Ms. Antonini is a recognized leader in the digital entertainment industry, having worked with entertainment and technology companies such as Xbox, Fusion, Fullscreen, and Warner Bros. Studios. In addition to strategic consulting and creative leadership, Ms. Antonini was the Executive Producer of the award winning Halo: Forward Unto Dawn. While at Warner Bros., Ms. Antonini was the studio executive on multi-platform digital series for DC Comics (Batman, Superman, Watchmen), Mortal Kombat, Charles Schulz's Peanuts as well as original projects with H+, One Eskimo and Aim High. Ms. Antonini has been recognized with the Next TV Women in Digital Leadership Award 2014 by Broadcasting & Cable Magazine, and was named to the Hollywood Reporter's Next Generation (35 Under 35).

In August 2018, IDW founder Theodore Adams resigned as chief executive officer of the Company, and after a six-month sabbatical, is expected to return as president of a new to-be-formed subsidiary of the Company, the purpose of which will be to create original content for both IDW Entertainment and IDW Publishing.

In December 2018, IDW Publishing's former Chief Creative Officer and Editor-In-Chief, Chris Ryall, returning to the company as President, Publisher and Chief Creative Officer replacing Greg Goldstein who had stepped down as President and Publisher.

In February 2019, Kerry McCluggage resigned as chief executive officer and director of the Company. Howard Jonas was appointed as the new chief executive officer.

Board of Directors

Stephen R. Brown has been a director of the Company since May 2017, vice chairman of the Board of Directors since February 8, 2018 and chair of the audit committee of the Board of Directors since May 22, 2017. Since October 2016, Mr. Brown has served as President of GMA Fund LC, a specialty finance company, and since February 2015, has served as the Chief Financial Officer of Nanovibronix Inc. (NasdaqCM: NAOV.OB). Since 2009, Mr. Brown has served as the managing partner of The McGuffin Group Financial, a financial consulting firm concentrating on advising early stage companies. Mr. Brown is also a partner in Brown, Brown and Associates, an accounting and tax practice. Mr. Brown is a licensed certified public accountant and a member of the Academy of Television Arts and Sciences and is a member of the board of directors for several educational institutions including serving on the board of governors for Touro College. Mr. Brown received a B.A. degree in Economics from Yeshiva University and a B.B.A. degree in Business and Accounting from Baruch College.

Perry Davis has been a director of the Company since August 2009. Mr. Davis is a partner at Perry Davis Associates, Inc. (PDA), an international consulting firm providing management and development assistance to non-profit organizations. Mr. Davis is a founder of PDA and has been its President since 1986. Mr. Davis received his Ph.D. in Public Law and Government from Columbia University and a B.A. in Political Science from Yeshiva College.

Irwin Katsof has been a director of the Company since October 2010. Mr. Katsof is President of Katsof Consulting. In this capacity he is organizing Certified Trade Missions for U.S. Alternative Asset Fund managers in partnership with the U.S. Department of Commerce International Trade Administration and with U.S. Embassies worldwide. Mr. Katsof is also the Founder, President and CEO of Global Capital Associates where he develops business and marketing strategy for the company, which provides business development and networking services. From January 2007 to December 2007, Mr. Katsof was the Founder and Chairman of World Congress of Christians, Jews and Moslems International foundation. From January 2004 to December 2006, Mr. Katsof was Founder, Chairman and President of Global Foundation for Democracy International foundation. From January 2001 to December 2005, Mr. Katsof was the Founder and Executive Officer for Words Can Heal International. Mr. Katsof was also Founder and Executive Director of The Jerusalem Fund from April 1995 to December 2005. Mr. Katsof received his B.A. in Psychology and Organizational Development from Loyola College – Concordia University, Montreal and his Rabbinical Ordination from Yeshivat Aish Hatorah, Jerusalem. Mr. Katsof also completed his Series 7 exams. Mr. Katsof is also the author of three books including the best seller “Powerful Prayers”, which he co-authored with talk show host Larry King.

Marc E. Knoller has been a director of the Company since our inception. Mr. Knoller served as our Chief Operating Officer from March 2015 through December 2018 and previously served as the Company’s Chief Executive Officer and President from inception to March 2015. Mr. Knoller also serves as Chief Executive Officer of CTM Media Group, Inc. Prior to the Spin-Off, Mr. Knoller had served as an Executive Vice President of IDT since December 1998 and served as a director of IDT from March 1996 to August 2007. Mr. Knoller joined IDT as a Vice President in March 1991 and also served as a director of its predecessor. Mr. Knoller has served as Vice President of Jonas Media Group (f/k/a Jonas Publishing) since 1991. Mr. Knoller received a B.B.A. from Baruch College.

VI. FINANCIALS

Please review the Company's financial statements posted to the OTC Disclosure & News Service on March 18, 2019 included in the Company's Quarterly Report for the fiscal quarter ended January 31, 2019 and the investor presentation posted to the OTC Disclosure & News Service on March 18, 2019

With both direct and book market channels down industry-wide in fiscal 2018, IDW Publishing (IDWP) focused on expanding other revenue streams and reducing costs. IDWP saw growth of 41.5% in licensing and royalty revenues, 21% in specialty/direct-to-consumer sales, 12.4% in games revenues, and 8.2% in digital revenues. Through ongoing negotiations and partnerships with manufacturers, IDWP was able to keep the impact of rising paper prices to a minimum. Combined with other efforts to reduce costs, such as stricter creative cost approvals, IDWP was able to maintain a flat 38.8% gross margin percentage compared to fiscal 2017, despite a decline in revenue. Operational expenses were also down 7.5% over the prior year.

In fiscal 2019, IDWP is projecting an overall flattening of the market with increased revenue growth due to key title launches such as: George Takei's *They Called Us Enemy*, which PRH is recommending an initial print run of 75k copies; the Marvel Action line of products, the trade paperbacks of which are all timed to release alongside Marvel's major tentpole movies; the *Dungeons & Dragons vs. Rick & Morty* crossover event, which has PRH and retail attention like few titles, including a minimum of 5k copies for retailer exclusives; new releases tied to IDWE's TV shows *V-Wars*, *Locke & Key*, and *October Faction*; a value-added program in development for multiple titles with the mass market; a hardcover collection of the final comic work by industry legend Alan Moore. On the Games side, the follow-up to our \$1mm TMNT board game, a Batman Animated board game, and fan-favorite Dragon Ball Z's first game. Additionally, IDWP will continue to expand its direct to consumer business through both publishing and games product offerings.

Historical and seasonal trends in travel and tourism marketing budgets affect CTM's revenue and its client's buying patterns have shown to be cyclical period over period and year over year. As a result, CTM's revenues were relatively flat for the fiscal year ended October 31, 2018, with growth at about 1% over 2017. New England, New York metropolitan area and East Central US (Michigan, Ohio, Pennsylvania) drove growth, offset by weakness in Canada, the Midwest, and Southeast. CTM's distribution and publishing product line revenues outpaced digital. Gross profit for 2018 vs. 2017 was 65% compared to 66% in 2017, due to CTM's market expansion through the use of new distribution partners, which will improve results as this market matures.

During 2018, CTM filled previously open key positions in its sales and operations groups which drove an increase in compensation of about 3%. These positions fully round out CTM's sales and distribution networks and will drive, we expect sales and operational efficiencies.

In Fiscal 2019, CTM Expects moderate revenue growth of 4% from distribution and allied product lines; distribution of printed collateral, CTM's targeted publications in each of its geographical markets, and growth in digital revenue led by CTM's award winning ExploreBoard

digital touchscreen visitor information kiosks, due to selling efficacy, CTM's new rebranding progress, and the packaging of CTM's range of products and services.

CTM is committed to reducing costs in all areas of its operations as well as areas of administration. Reduction will include decreases of 66% in costs that were incurred from 2018's rebranding, recruitment cost decreases of 42%, and the elimination of some trade advertising programs. Further, reductions in warehouse expenses of 19% will be driven by reductions in repair and maintenance costs. CTM's new fleet of delivery vehicles will reduce costs associated maintenance costs by 17%.

On August 21, 2018, the Company borrowed \$5 million from Howard Jonas, the Company's Chairman of the Board of Directors and controlling stockholder. The principal amount bears interest at prime rate plus 1%. Payment of principal and interest are to be made from 70% of the "Free Cash Flow" of CTM, as defined in the related note, and from and after, August 2019, interest shall be payable monthly regardless of Free Cash Flow. The loan matures August 22, 2022. In conjunction with the loan, the Company issued to Howard Jonas a warrant to purchase up to 89,243 shares of the Company's Class B common stock at a price per share of \$42.02. The warrant expires August 21, 2023.

On November 2, 2018, the Company entered into a definitive agreement for a \$26 million bridge loan facility (the "Facility") with Howard Jonas. As mentioned in Section II, the Company had been self-funding *October Faction*, drawing on the bridge loan to fund the show until it obtained bank financing in December 2018 from Royal Bank of Canada.

Under the original terms of the Facility, the maturity date of the Facility was January 31, 2019 (subject to the Company's right to extend to April 30, 2019). The interest rate was the greater of 8.0% and LIBOR plus 6.0% per annum. If the Company elected to extend the maturity date, the interest rate would increase to the greater of 10.0% and LIBOR plus 8.0% per annum. In the event the Company elected to extend the maturity date, the Company was obligated to issue Howard Jonas 3-year warrants to purchase a number of shares of Class B common stock as shall equal 10% of the Facility divided by the market price of the Class B common stock on the original maturity date. The exercise price per share would be the market price on the original maturity date.

The Company made a payment of \$11 million on December 24, 2018.

On January 31, 2019, the Facility was amended to extend the maturity date from January 31, 2019 to March 31, 2019. As provided for in the facility agreement, effective February 1, 2019, the interest rate increased to the greater of 10% or LIBOR plus 8%. Interest remained payable quarterly. No warrants were issued in connection with the extension of the maturity date as the lender waived that right.

On March 25, 2019, the Facility was amended again to extend the maturity date from March 31, 2019 to October 1, 2020. In connection with the extension of the maturity date, the Company will issue to the Lender warrants to purchase 98,336 shares of Class B common stock. Such warrants will have a term of three (3) years and an exercise price per share equal to \$26.44. As of March 25, 2019, the balance due under the facility was \$12 million plus accrued interest in the amount of \$299,532.

The Company also found itself lacking key foreign sales windows for *Wynonna Earp* that, should it be able to enter into them, may provide additional revenue in such windows.

VII. RISK FACTORS

An investment in the Securities offered hereby is speculative in nature, involves a high degree of risk, and should not be made by an investor who cannot bear the economic risk of its investment for an indefinite period of time and who cannot afford the loss of its entire investment. Each prospective investor should carefully consider the following risk factors associated with the Offering, as well as other information contained elsewhere in this Plan before making an investment.

Risks Associated With Our Business

Risks Related to IDW Entertainment

Acceptance by the networks or public of the television shows that IDW Entertainment finances is difficult to predict, which could lead to fluctuations in revenues and/or further need for deficit financing of such shows.

Television production and distribution are speculative businesses since the revenues derived from the production and distribution of a television series depend primarily upon its acceptance by the public, which is difficult to predict. There is no guarantee that a script developed by IDW Entertainment will find an initial network sale, that a network will decide to air, or cancel, a show that IDW Entertainment has financed or co-financed, or that a network will commence a series on a pilot that IDW Entertainment finances or co-finances. The commercial success of a television series also depends upon the quality and acceptance of other competing television series released into the marketplace at or near the same time, the availability of a growing number of alternative forms of entertainment and leisure time activities, general economic conditions and their effects on consumer spending, acceptance by the international buyers and other tangible and intangible factors, all of which can change and cannot be predicted with certainty. Further, audience ratings for a television series are generally key factors in generating revenues from other distribution channels, such as syndication.

Increased costs for programming and other rights, as well as judgments we make on the potential performance of our content, may adversely affect our profits and balance sheet

IDW Entertainment has produced a significant amount of original programming and other content and is continuing to invest in this area. IDW Entertainment's core business involves the production/marketing/distribution of television shows, the costs of which are significant. Our investments in original and acquired programming are significant and involve complex negotiations with numerous third parties. These costs may not be recouped when the content is broadcast or distributed and higher costs may lead to decreased profitability or potential write-downs. Unfavorable currency rates both in the production and sale of television shows may also lead to increased costs. Further, rapid changes in consumer behavior have increased the risk

associated with acquired programming, which typically is acquired pursuant to multi-year agreements.

We may not have enough capital to finance or co-finance future television shows.

If IDW Entertainment continues to be successful in developing content suitable for successful television shows, it may not have sufficient capital to finance or co-finance those shows.

Any loss of key personnel and the inability to attract and retain qualified employees could have a material adverse impact on IDW Entertainment's operations.

IDW Entertainment is dependent on the continued services of key executives. The departure of key personnel without adequate replacement could severely disrupt IDW Entertainment's business operations. Additionally, IDW Entertainment needs qualified managers and skilled employees with industry experience to operate its businesses successfully. From time to time there may be shortages of skilled labor which may make it more difficult and expensive for IDW Entertainment to attract and retain qualified employees. If IDW Entertainment is unable to attract and retain qualified individuals or its costs to do so increase significantly, its operations would be materially adversely affected.

The competitive pressures IDW Entertainment faces in its business could adversely affect its financial performance and growth prospects.

IDW Entertainment is subject to significant competition, including from other studios/producers/distributors many of which are substantially larger than IDW Entertainment and have much greater resources than it. Competitors include (i) smaller independent studios such as Entertainment One, Blumhouse, Annapurna and Miramax, (ii) major independent studios such as Sony TV and Warner Bros TV; and (iii) vertically integrated studios such as Twentieth Television, Universal TV, CBS TV Studios and ABC Studios who develop, distribute and produce original television programming. To the extent IDW Entertainment cannot meet the challenges from existing or new competitors or develop new product offerings to meet customer preferences or needs, its revenues and profitability could be adversely affected.

Risks Related to IDW Publishing

IDW depends on two distributors for its publications and such dependence subjects IDW to the risk that such distributors may be unable to perform its obligations to IDW.

Diamond Comic Distributors, Inc (Diamond), which handles the vast majority of all comic publishers' direct market (comic book store) distribution, distributes all of IDW Publishing's products for the direct market. As of April 1, 2017, Random House Publisher Services (RHPS) distributes all of IDW Publishing's products to non-direct market account (bookstores, libraries, mass market, etc.). Should either Diamond or RHPS fail to perform under its distribution agreement or if it were to experience financial difficulties that would hinder its performance, distribution to the direct or non-direct market, respectively, would be significantly impaired in the short term and IDW's ability to distribute and receive proceeds from its publications would be impaired.

IDW Games relies on a number of distributors. If any of these distributors reduces or cancels a significant order or becomes bankrupt, it could have a material adverse effect on our business

Any loss of key personnel and the inability to attract and retain qualified employees could have a material adverse impact on IDW's operations.

IDW is dependent on the continued services of key executives such as our President and Publisher Chris Ryall and certain creative and management employees. We currently have employment contracts with Mr. Ryall, but not with any other officers or employees. The departure of key personnel without adequate replacement could severely disrupt IDW's business operations. Additionally, IDW needs qualified managers and skilled employees with industry experience to operate its businesses successfully. From time to time there may be shortages of skilled labor which may make it more difficult and expensive for IDW to attract and retain qualified employees. If IDW is unable to attract and retain qualified individuals or its costs to do so increase significantly, its operations would be materially adversely affected.

IDW's publications might be more expensive to make than anticipated.

Expenses associated with producing IDW's publications could increase beyond anticipated amounts because of, among other things, an escalation in compensation rates of talent working on the publications, and unexpected increase in the number of personnel required to work on publications, creative problems, or an increase in printing costs.

IDW may not be able to respond to changing consumer preferences and its sales may decline.

IDW operates in highly competitive markets that are subject to rapid change, including changes in customer preferences. There are substantial uncertainties associated with IDW's efforts to develop successful publications and products for its customers. New fads, trends, and shifts in popular culture could affect the type of creative media consumers will purchase. IDW has no professionally gathered demographic data, but anecdotal evidence and management experience indicate that the majority of IDW's readers are males between the ages of 18 and 35. Content in which IDW has invested significant resources may fail to respond to consumer demand at the time it is published. IDW regularly makes significant investments in new products that may not be profitable, or whose profitability may be significantly lower than IDW has experienced historically. A loss in sales due to the foregoing could have a material adverse effect on IDW's business, prospects and financial condition.

Significant returns of IDW publications sold to mass market book stores may have a material impact on IDW's cash flow.

Through its distribution arrangement with RHPS, IDW Publishing sells its publications to mass market books stores (such as Barnes & Noble) on a fully returnable basis and IDW Games sells its products to mass market stores (such as Target). As a result, these stores can return publications to RHPS or game distributors for credit, which in turn is charged back to IDW. There is no time limit on the stores' right to return publications distributed to them. In addition to IDW being charged back the wholesale cost of the publications, IDW also incurs a return processing fee by RHPS. Such returns and fees are credited against IDW's current sales revenue from RHPS reducing IDW's current cash flow. Product returns are a normal part of book and games publishing

and IDW estimates and records a reserve for such returns based on its return history and current trends that are expected to continue. A significant over estimation of demand for a publication by the mass market book stores, however, could result in a large volume of returns significantly reducing IDW's operating capital. Further, a general downturn in the economy may also result in significant returns as book stores reduce their outstanding debts to improve their own cash flow.

IDW's publications may be less successful than anticipated.

IDW cannot predict the commercial success of any of its publications or games because the revenue derived from the distribution of a publication or game depends primarily upon its acceptance by the public, which cannot be accurately predicted. The commercial success of a publication also depends upon the public's acceptance of competing publications, critical reviews, the availability of alternative forms of entertainment and leisure time activities, piracy and unauthorized distribution of publications, general economic conditions, and other tangible and intangible factors, none of which can be predicted with certainty.

If IDW fails to maintain positive relationships with its key licensors, authors, illustrators and other creative talent, as well as to develop relationships with new licensors and creative talent, its business could be adversely affected.

IDW's business is highly dependent on maintaining strong relationships with the entertainment companies that license their entertainment properties to IDW, and with authors, illustrators and other creative talent who produce the products that are sold to IDW's customers. Any weakening of these relationships, or the failure to develop successful new relationships, could have an adverse impact on IDW's business and financial performance. IDW has an exclusive relationship with only one artist. IDW, therefore, depends on freelance artists who choose how to spend their time and utilize their talents. It is important for IDW to maintain strong relationships with those freelance artists so they devote their time and talent to IDW's projects.

A decrease in the level of media exposure or popularity of IDW's licensed characters could adversely affect its financial results.

If the movies or television programs that IDW licenses are not successful, or if the characters that IDW licenses lose some of their popularity, IDW's ability to sell publications based on such characters will decline.

IDW cannot control certain publication delays and cancellations which could adversely affect IDW's sales and its ability to meet delivery obligations.

IDW does not control the decision to proceed with the production of publications based on characters that it licenses from others, and it does not control the timing of the releases of those publications, which are subject to long and inflexible schedules. Disruptions, delays or cancellations to those schedules could cause IDW to incur additional costs, miss an anticipated publication date, endure long periods without publishing a publication or all of the above, and could hurt IDW's associated licensing programs and business, generally.

IDW depends on the internal controls of its distributors for its financial reporting and revenues.

Because of Diamond's and RHPS' role as distributors of IDW's publications and the fact that much of IDW's inventory is held at its distributors' facilities, IDW depends on the distributors to implement internal controls over financial reporting and to provide IDW with information related to those internal controls. Diamond's and RHPS' internal controls might not be sufficient to allow IDW to meet its internal control obligations or to allow IDW's management to properly assess those controls. The distributors may fail to cure any internal control deficiencies related to the publications that it distributes. IDW may be unable to effectively create compensating controls to detect and prevent errors or irregularities in the distributors' accounting to IDW and others. Errors in properly tracking publication sales could also negatively impact IDW's revenues.

IDW might lose potential sales because of piracy of publications.

With technological advances, the piracy of publications has increased. Unauthorized and pirated copies of IDW's publications will reduce the revenue generated by those publications. If consumers can obtain illegal copies of IDW's publications and media, IDW's revenues will decline. IDW may not be able to identify or enforce violations of its intellectual property rights and even if legal remedies are available, they could be costly and drain its financial resources. Accordingly, illegal copying of IDW's content could negatively affect its revenues.

IDW's dependence on printers outside the United States subjects it to the risks of international business.

IDW's publications are printed primarily outside the US – Korea, China and Canada specifically. International manufacturing is subject to a number of risks, including extreme fluctuations and volatility in currency exchange rates, transportation delays and interruptions, political and economic disruptions, the impositions of tariffs, import and export controls and changes in governmental policies. The impact of changes in currency rates has been especially heightened by current global economic conditions and significant devaluations of local currencies in comparison to the U.S. Dollar. Although to date, currency fluctuations have not adversely affected IDW's costs, such fluctuations could adversely affect IDW in the future. Further, added tariffs may be imposed on our printing activities outside the United States as suggested by certain politicians. Possible increases in costs and delays of, or interferences with, product deliveries could result in losses of revenues, reduced profitability and reductions in the goodwill of IDW's customers. Additional factors that may adversely affect IDW's printing activities outside of the United States include international political situations, uncertain legal systems and applications of law, prejudice against foreigners, corrupt practices, uncertain economic policies and potential political and economic instability that may be exacerbated in foreign countries.

The competitive pressures IDW faces in its business could adversely affect its financial performance and growth prospects.

IDW is subject to significant competition, including from other publishers, many of which are substantially larger than IDW and have much greater resources than it, such as Marvel Comics and DC Comics. To the extent IDW cannot meet the challenges from existing or new competitors or develop new product offerings to meet customer preferences or needs, its revenues and profitability could be adversely affected.

Risks Related to CTM

General economic downturns and other factors could negatively impact the tourism industry and reduce CTM's revenues.

CTM's brochure distribution business is closely linked to the travel and tourism industry. Travel is highly sensitive to business and personal discretionary spending levels, and thus tends to decline during general economic downturns. CTM's sales and revenues would be significantly reduced as a result of a decline in travel as its business targets the tourist and travelers in the locations its brochures are displayed. Reductions in tourism could also result in reduced tourism revenues for attractions, reducing the resources available to attractions to purchase CTM's services. Further, during economic downturns, governments decrease funding for tourism which also affects CTM's revenues. In the current recession of the global economy, discretionary spending levels have already dropped significantly.

Reduction in travel could reduce CTM's sales and revenues.

Without limitation, some events that tend to reduce travel and, therefore, could reduce CTM's sales and revenues include:

- price escalation in the airline industry or other travel-related industries;
- airline or other travel related strikes;
- pandemics or other widespread health risks;
- regional hostilities and terrorism;
- unusual extended periods of bad weather;
- fuel price escalation;
- reduction of capacity by travel suppliers;
- labor force stoppages that impact the Broadway theater industry;
- increased occurrence of travel-related accidents; and
- economic downturns and recessions.

If any of the foregoing factors results in a downturn in the tourism and travel industry, there could be a material adverse effect on CTM's business, prospects and financial condition.

Declines or disruptions in the travel and tourism industry, such as those caused by terrorist attacks or general economic slowdowns such as the current recession, could negatively affect CTM's business.

CTM's brochure distribution business relies on the health and growth of the travel and tourism industry. Travel is highly sensitive to traveler safety concerns, and thus has historically declined after acts of terrorism such as those on September 11, 2001. A terrorist attack or the perceived threat of one in New York City in particular (as a significant portion of CTM's revenue is derived from the distribution of brochures related to Broadway shows – see “Trends and changes in the theater industry could adversely affect CTM's revenues”) could significantly reduce tourism and theater attendance. These effects, depending on their scope and duration, could significantly reduce travel and tourism, which in turn could negatively impact the demand for CTM's services. Reductions in travel and tourism could negatively impact CTM's business, and if continuing, could have a material adverse effect on its business, prospects and financial condition.

If CTM's access to hotels and other locations for its display stations on the current terms were to be limited, it could negatively impact its results of operations.

CTM's brochure distribution business relies on access to hotels and other locations for the placement of its display stations as a service or convenience for the customers of those businesses and other users of those facilities. If the owners or operators of those facilities were to restrict or substantially reduce such access, CTM's brochure distribution business, revenues and results of operations could be materially and adversely affected.

Trends and changes in the theater industry could adversely affect CTM's revenues.

A significant portion of CTM's revenue, 10.52% in fiscal 2017 and approximately 11.02% in fiscal 2016, is derived from its distribution of print and digital media related to Broadway shows. If Broadway theater attendance declines, the demand for CTM's services to the theater industry could soften, adversely affecting its revenues. Further, economic downturns negatively affect the entertainment industry generally and attendance at Broadway shows in particular. Moreover, new shows may not open. Accordingly, economic downturns, whether currently or in the future, could adversely impact CTM's business from the theater industry which could have an adverse effect on its business, prospects and financial condition.

Any labor disputes that cause Broadway shows to close could adversely affect CTM's revenues.

As a significant portion of CTM's revenue is derived from its distribution of brochures related to Broadway shows, any strikes that cause the “lights to go off” on Broadway could adversely affect CTM's revenues.

Seasonal factors affect CTM's operating results.

Seasonality of revenues will cause CTM's revenues to fluctuate. Travel is usually slow during non-summer months and during the non-holiday season and customers are less likely to pay for distribution of brochures during such periods. Accordingly, CTM needs adequate liquidity to finance its operations during off-seasons. Although in the past CTM has consistently had sufficient cash reserves to fund its operations year-round, there can be no assurance that it will have sufficient funds from operations or external sources to fund its operations during slower periods.

Risk Factors Generally Relating to Us and Our Common Stock

There is a limited trading market for shares of our Class B Common Stock and stockholders may find it difficult to sell our shares.

Our Class B Common Stock are quoted on the Pink OTC Markets. As a result, an investor may find it difficult to sell, or to obtain accurate quotations as to the price of, shares of our Class B Common Stock. In addition, our common stock may be subject to the penny stock rules that impose additional sales practice requirements on broker-dealers who sell such securities to persons other than established customers and accredited investors. The SEC regulations generally define a penny stock to be an equity that has a market price of less than \$5.00 per share, subject to certain exceptions. Unless an exception is available, those regulations require the delivery, prior to any transaction involving a penny stock, of a disclosure schedule explaining the penny stock market and the risks associated therewith and impose various sales practice requirements on broker-dealers who sell penny stocks to persons other than established customers and accredited investors (generally institutions and high net worth individuals). In addition, the broker-dealer must provide the customer with current bid and offer quotations for the penny stock, the compensation of the broker-dealer and its salesperson in the transaction and monthly account statements showing the market value of each penny stock held in the customer's account. Moreover, broker-dealers who recommend such securities to persons other than established customers and accredited investors must make a special written suitability determination for the purchaser and receive the purchaser's written agreement to transactions prior to sale. Regulations on penny stocks could limit the ability of broker-dealers to sell our common stock and thus the ability of purchasers of our common stock to sell their shares in the secondary market.

Investors may suffer dilution.

We may engage in equity financing to fund our future operations and growth. If we raise additional funds by issuing equity securities, stockholders may experience significant dilution of their ownership interest (both with respect to the percentage of total securities held, and with respect to the book value of their securities) and such securities may have rights senior to those of the holders of our common stock.

General economic conditions may negatively impact our operations.

Economic downturns may negatively affect our operations. These conditions may be widespread or isolated to one or more geographic regions in which we operate. Higher wages, related labor costs, printing costs, leasing costs, energy, insurance and fuel costs and the increasing cost trends in those markets may decrease our margins. Moreover, economic downturns present an additional challenge to IDW because a significant portion of IDW's revenues are from sales through retail stores, which are more likely to close during economic downturns. In addition, decreases in travel and entertainment spending during economic downturns could impact our businesses, and thereby negatively impact our operations.

We could find it difficult to raise additional capital in the future.

We may need to raise additional capital in order for stockholders to realize increased value on our securities. Given the current global economy, there can be no assurance that we would be able to obtain funding on commercially reasonable terms in a timely fashion. Failure to obtain

additional funding, if necessary, could have a material adverse effect on our business, prospects and financial condition.

Holders of our Class B common stock have significantly less voting power than holders of our Class C common stock.

Holders of our Class B common stock are entitled to one-tenth of a vote per share on all matters on which our stockholders are entitled to vote, while holders of our Class C common stock are entitled to three votes per share. As a result, the ability of holders of our Class B common stock to influence our management is limited.

We are controlled by our principal stockholder, which limits the ability of our other stockholders to affect the management of the Company.

Howard S. Jonas, our Chairman of the Board and founder has voting power over 1,973,760 shares of our common stock (which includes 1,428,400 shares of our Class B common stock and 545,360 shares of our Class C common stock which are convertible into shares of our Class B common stock on a 1-for-1 basis), representing approximately 81% of the combined voting power of our outstanding capital stock, as of March 22, 2019. Mr. Jonas is able to control matters requiring approval by our stockholders, including the approval of significant corporate matters, such as any merger, consolidation or sale of all or substantially all of our assets. As a result, the ability of any of our other stockholders to influence the management of our Company is limited. Mr. Jonas and Raging Capital Master Fund, Ltd collectively own approximately 41% of our outstanding shares which are publicly traded, limiting the liquidity of our remaining publicly traded shares.

Risks Related to this Offering

If we raise additional funds through the issuance of equity securities, or determine in the future to register capital stock, existing stockholders' percentage ownership will be reduced, they will experience dilution which could substantially diminish the value of their stock and such issuance may convey rights, preferences or privileges senior to existing stockholders' rights which could substantially diminish their rights and the value of their stock.

The Offering consists of shares of our Class B Common Stock and we may issue additional shares of our capital stock for various reasons and may grant additional stock options and/or restricted stock to employees, officers, directors and third parties. We may also decide to sell shares of Class B Common Stock directly to the public in a registered offering or in a connection with a merger, acquisition, or other business combination. Accordingly, your percentage interest in us may become diluted.

Further, in order for us to obtain additional capital or complete a business combination, we may find it necessary to issue securities, including but not limited to notes, debentures, options, warrants or shares of preferred stock, conveying rights senior to those of the holders of our Class B Common Stock. Those rights may include voting rights, liquidation preferences and conversion rights and registration rights. To the extent senior rights are conveyed, the value of our Common Class B Stock may decline.

Counsel to the Company does not represent Investors.

Schwell Wimpfheimer and Associates LLP (“**Counsel**”) serve as legal counsel to the Company and not to any Investor. Although Counsel assisted in the preparation of this Memorandum and may from time to time advise management of the Company, Counsel has not independently verified any factual assertions made in this Memorandum. No person should invest in the Company as a result of participation in the preparation of this Memorandum by Counsel or its representation. Counsel urges each prospective investor to consult with his, her or its own legal, accounting, business, investment, pension and tax advisors to determine the appropriateness and consequences of an investment in the Company and arrive at an independent evaluation of the merits of such investment. Prospective Investors are not to construe the contents of this Memorandum as legal, accounting, business, investment, pension or tax advice.

VIII. ADDITIONAL INFORMATION

This Memorandum is intended to present a general outline of the policies and structure of the Company. Prior to the consummation of the offering, the Company will provide to each prospective investor and such investor’s representatives and advisors, if any, the opportunity to ask questions and receive answers concerning the terms and conditions of this offering and to obtain any additional information that the Company may possess or can obtain` without unreasonable effort or expense that is necessary to verify the accuracy of the information furnished to such prospective investor. Any such questions should be directed to our Chief Executive Officer, Howard Jonas. No other persons have been authorized to give information or to make any representations concerning this offering, and if given or made, such other information or representations must not be relied upon as having been authorized by the Company.

Legal Matters

Certain legal matters in connection with the sale of the Securities will be passed upon by Schwell Wimpfheimer & Associates LLP. Counsel does not represent the purchasers of the Securities, and prospective purchasers of such Securities should consult their own legal and tax advisors in connection with such purchases.

APPENDIX I

THE SHARES TO BE ISSUED PURSUANT TO THIS AGREEMENT HAVE NOT BEEN REGISTERED WITH THE SECURITIES AUTHORITIES OF ANY JURISDICTION, FOR SALE OR RESALE. THE SHARES MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED IN THE UNITED STATES OF AMERICA UNTIL SO REGISTERED OR PURSUANT TO AN EXEMPTION FROM REGISTRATION REQUIREMENTS.

Subscription Agreement (the “Agreement”), entered into this ___ day of _____, 2019, by and between IDW MEDIA HOLDINGS, Inc., a Delaware corporation (the “Company”), and

_____ (“Subscriber”).

[INSERT NAME]

1. SUBSCRIPTION.

The Subscriber hereby irrevocably subscribes for and agrees to purchase on the Closing Date (the “Subscription”) _____ shares (the “Shares”) of

[INSERT NUMBER OF SHARES]

Class B Common Stock, par value \$0.01 per share (the “Class B Common Stock”) of the Company at EIGHTEEN DOLLARS (\$18.00) per share, for a total purchase price

of US\$ _____ (the “Investment Amount”).

[INSERT THE INVESTMENT AMOUNT]

[] The Subscriber shall check this box if Subscriber is purchasing at least seventy-five percent of Subscriber’s Allotment in the Initial Round of the Offering, and elects to participate in the Follow-On Round of the Offering. If subscribers elect to purchase more shares in the aggregate in the Follow-On Round than are available, shares will be allocated on a pro rata basis (based on the number of shares Subscriber purchased in the Offering).

If checked, Subscriber hereby irrevocably subscribes for and agrees to purchase in the Follow-On Round _____ Shares (a maximum of up to two times the

[INSERT NUMBER OF SHARES]

Subscriber’s purchase set forth herein).

If checked, all the representations set forth herein and other provisions will apply to purchases of the unsubscribed shares as well.

If checked, Subscriber acknowledges that if Subscriber fails to timely make the Deferred Payment, the Subscriber shall forfeit all shares Subscriber purchased in the Offering.

To subscribe, the Subscriber shall mail to the Company’s corporate headquarters at 11 Largo Drive South, Stamford, CT 06907, Attn: Ezra Rosensaft the following:

- (i) this Agreement completed and executed by the Subscriber;
- (ii) the Accredited Investor Representation Letter attached hereto as Exhibit A completed and executed by the Subscriber along with all the necessary documentation as set forth therein;

- (iii) evidence of the Subscriber's and/or Subscriber's Affiliate's current ownership of the Company's Class B Common Stock (collectively, the "Subscription Documents") by providing documentation of such ownership in physical and/or book-entry form; and

the Investment Amount as set forth in Section 2 below. The Subscription Documents must be received by the Company at the address set forth in this Section 1 on or before **April 15, 2019**.

Within five (5) business days of **April 15, 2019**, the Company shall confirm with the Subscriber the amount of Shares purchased and the Investment Amount paid.

Prior to Closing, the Company may terminate the Offering at any time and for any reason and return the Investment Amount to the Subscriber.

In the event there are unsubscribed shares in the Offering and Subscriber elected (by checking the box above) to purchase at least seventy-five percent of Subscriber's Allotment in the Initial Round of the Offering, and elected to participate in the Follow-On Round of the Offering, then if subscribers elect to purchase more shares in the aggregate in the Follow-On Round than are available, shares will be allocated on a pro rata basis (based on the number of shares Subscriber purchased in the Offering). The Company will promptly following the Closing notify Subscriber the amount of shares the Subscriber may purchase, which will be based on the total number of unsubscribed shares and the number of shares each electing holder purchased at the initial closing, and Subscriber must provide payment to the Company of the purchase price for the Subscriber's pro rata portion of the underpurchased shares within 3 business days of such notice.

For purposes of this Agreement, the term "Affiliate" shall be defined as a person that directly or indirectly through one of more intermediaries controls, is controlled by, or is under common control with such Subscriber, or any immediate family member of the Subscriber.

2. CLOSING.

The closing of the sale and purchase of the Shares hereunder (the "Closing") shall be held on or about **April 22, 2019** (the "Closing Date"). The Subscriber shall deliver the Investment Amount simultaneous with the execution of this Agreement by:

- (i) check made payable to IDW Media Holdings, Inc. and mailed to 11 Largo Drive South, Stamford, CT 06907, Attn: Ezra Rosensaft; or
- (ii) wire transfer to the Company's bank account communicated by the Company in immediately available funds.

Following the Closing and upon payment in full of the Investment Amount by the Subscriber to the Company, the Company shall issue the Shares to the Subscriber and shall cause the Company's transfer agent to reflect such additional shares electronically in book-entry form.

In the event there are unsubscribed shares at the Closing and you checked the box above, the Company will, promptly following the Closing, notify you of the amount of shares you may purchase, which will be based on the total number of unsubscribed shares and the number of shares each electing Investor purchased at the Closing, and you must provide payment (as set forth in this Section 2 with respect to the Closing) to the Company of the purchase price for your pro rata portion of the unsubscribed shares within three business days of such notice (the "Follow-On Round Closing"). The Second Closing shall be held on or about April 29, 2019.

3. REPRESENTATIONS AND WARRANTIES

Subscriber's Representations and Warranties. Subscriber hereby acknowledges, represents and warrants to, and agrees with, the Company, as of the date hereof, as follows:

- 3.1.1 Subscriber has been represented by such legal and tax counsel and other professionals, each of whom has been personally selected by Subscriber, as Subscriber has found necessary to consult concerning the purchase of the Shares. Subscriber has sufficient knowledge and experience in business and financial matters to evaluate the risks of an investment in the Company and to make an informed investment decision with respect thereto.
- 3.1.2 Subscriber understands that the sale of Shares hereunder has not been, and it is not anticipated that the same will be, registered under any securities laws, but is being made in reliance upon applicable exemptions from registration.
- 3.1.3 Subscriber is an accredited Subscriber (as defined in Rule 501 of Regulation D promulgated under the U.S. Securities Act of 1933, as amended) as evidenced by the completed Accredited Investor Representation Letter and accompanied documentation.
- 3.1.4 Subscriber is making the investment hereunder solely for Subscriber's own account and not for the account of others and for investment purposes only.
- 3.1.5 Subscriber has full right, power, and authority to execute and deliver this Subscription Agreement and to perform Subscriber's obligations hereunder. This Subscription Agreement has been duly authorized, executed and delivered by or on behalf of Subscriber and is a valid, binding and enforceable obligation of Subscriber, enforceable against Subscriber in accordance with its terms subject to bankruptcy, insolvency, reorganization, moratorium or similar laws from time to time in effect and affecting creditors' rights generally and to general equity principles.
- 3.1.6 The number of shares set forth in Section 1 above represents 5% or less of the total ownership of shares of Class B Common Stock by the Subscriber and Subscriber's Affiliates.
- 3.1.7 Subscriber obtained the right to subscribe for the Shares from an eligible investor in a transaction exempt from the registration requirements of the Securities Act.

3.2 *Company Representations and Warranties.*

The Company represents and warrants as follows:

- 3.2.1 Authority. The Company has the full power and authority to execute this Subscription Agreement and to consummate the transactions contemplated hereby. No consent of any third party is required in order for the Company to issue the Shares.
- 3.2.2 Organization. The Company is a corporation duly incorporated and validly existing under the laws of the State of Delaware.
- 3.2.3 Validity; Binding Nature. This Subscription Agreement has been duly and validly authorized by the board of directors of the Company and executed by an authorized officer of the Company and constitutes a valid and binding obligation of the Company.
- 3.2.4 Shares. The Shares, when issued in accordance with the terms hereof, shall be fully-paid, validly issued Shares of the Company and shall be unencumbered and free and clear of any third party rights.began pri

4. **COVENANT OF SELLER**

The subscriber shall not transfer the shares for a period of six (6) months following the Closing.

5. **MISCELLANEOUS**

- 5.1 *Entire Agreement.* This instrument contains the entire agreement of the parties, and there are no representations, covenants or other agreements except as stated or referred to herein.

- 5.2 *Applicable Law.* This Subscription Agreement shall in all respects be construed, governed, applied and enforced with the laws of the State of New York without giving effect to the principles of conflicts of laws. Investor hereby consents to and irrevocably submits to personal jurisdiction by the applicable State or Federal Courts sitting in New York County, New York in any action or proceeding, irrevocably waives trial by jury and personal service of any and all process and other documents and specifically consents that in any such action or proceeding, any service of process may, without limitation, be effectuated by certified mail, return receipt requested.
- 5.3 *Survival of Representations and Warranties.* All representations and warranties contained herein shall survive the execution and delivery of this Subscription Agreement, any investigation at any time made by or on behalf of the Company, and the issue and sale of Shares to Subscriber.
- 5.4 *Counterparts.* This Subscription Agreement may be executed through the use of separate signature pages or in any number of counterparts, and each of such counterparts shall, for all purposes, constitute one agreement binding on all the parties, notwithstanding that all parties are not signatories to the same counterpart.

[Signature page follows]

IN WITNESS WHEREOF, the parties have executed this Subscription Agreement on the date set forth in the heading hereof.

SUBSCRIBER:

PRINT NAME: _____

Signature: _____

IDW MEDIA HOLDINGS, INC.

By: _____

Name:

Title:

EXHIBIT A

IDW MEDIA HOLDINGS, INC.

To: Prospective purchasers of shares of Class B Common Stock (the “Shares”) offered by IDW MEDIA HOLDINGS, INC. (the “Company”) pursuant to the Offering Memorandum, dated March 27, 2019

Re: Requirement to Submit an Accredited Investor Representation Letter

The Shares are being sold only to “accredited investors” (“**Accredited Investors**”) as defined in Rule 501(a) of Regulation D of the Securities Act of 1933, as amended (the “**Securities Act**”). The purpose of the attached Accredited Investor Representation Letter (the “**Letter**”) is to collect information from you to determine whether you are an Accredited Investor and otherwise meet the suitability criteria established by the Company for investing in the Shares.

As part of verifying your status as an Accredited Investor, you may be asked to submit supporting documentation as described in the Letter. It is possible that you were not required to submit this type of information in past offerings in which you have participated. However, the nature of this offering, together with changes made to Regulation D in September 2013, impose additional obligations on the Company to verify that each investor is in fact an Accredited Investor. Accordingly, you must fully complete and sign the Letter, and deliver all required supporting documentation, before the Company will consider your proposed investment.

By submitting the Letter, you agree to provide all required supporting documentation within five days after the date that you submit the Letter.

All of your statements in the Letter and all required supporting documentation delivered by you or on your behalf in connection with the Letter (collectively, the “**Investor Information**”) will be treated confidentially. However, you understand and agree that the Company may present the Investor Information to such parties as it deems appropriate to establish that the issuance and sale of the Shares (a) is exempt from the registration requirements of the Securities Act or (b) meets the requirements of applicable state securities laws.

You understand that the Company will rely on your representations and other statements and documents included in the Investor Information in determining your status as an Accredited Investor, your suitability for purchasing the Shares and whether to accept your subscription for the Shares.

The Company reserves the right, in its sole discretion, to verify your status as an Accredited Investor using any other methods that it may deem acceptable from time to time. However, you should not expect that the Company will accept any other such method. The Company may refuse to accept your request for investment for any reason or for no reason.

ACCREDITED INVESTOR REPRESENTATION LETTER

IDW MEDIA HOLDINGS, INC.
11 Largo Drive South
Stamford, CT 06907
Attn: Ezra Rosensaft, Chief Financial Officer

Dear Ezra:

I am submitting this Accredited Investor Representation Letter (the “**Letter**”) in connection with the offering of shares of Class B common stock (the “**Shares**”) of IDW Media Holdings, Inc. (the “**Company**”) I understand that the Securities are being sold only to accredited investors (“**Accredited Investors**”) as defined in Rule 501(a) of Regulation D of the Securities Act of 1933, as amended (the “**Securities Act**”).

I hereby represent and warrant to the Company that I qualify as an Accredited Investor on the basis that:

(You must choose Part A or B below and check the applicable boxes.)

A. I am a **NATURAL PERSON** and:

(An investor using this Part A must check box (1), (2), (3) or (4).)

(1) Income Test: My individual income exceeded \$200,000 in each of the two most recent years or my joint income together with my spouse exceeded \$300,000 in each of those years;

and

I reasonably expect to earn individual income of at least \$200,000 this year or joint income with my spouse of at least \$300,000 this year.

To support the representation in A(1) above:

(You must check box (a), (b) or (c).)

(a)

Together herewith, I am delivering to the Company copies of Form W-2, Form 1099, Schedule K-1 of Form 1065 or a filed Form 1040 for each of the two most recent years showing my income or my joint income with my spouse as reported to the IRS for each of those years. I understand that I may redact such documents to avoid disclosing personally identifiable information, such as Social Security numbers, that is not necessary to confirm annual income.

O R

(b) My salary or my joint salary with my spouse is publicly available information that has been reported in a document made available by the U.S. government or any state or political subdivision thereof (for example, reported in a filing with the Securities and Exchange Commission) and I am delivering to the Company copies of such publicly available materials identifying me or me and my spouse by name and disclosing the relevant salary information for each of the two most recent years.

O R

(c) In accordance with the procedures described below under the heading "Independent Third-Party Verification," I am arranging for a registered broker-dealer, SEC-registered investment adviser, licensed attorney, or certified public accountant to deliver to the Company written confirmation of my status as an Accredited Investor based on my individual income or my joint income together with my spouse.

(2) **Net Worth Test:** My individual net worth, or my joint net worth together with my spouse, exceeds \$1,000,000.

For these purposes, "net worth" means the excess of:

- total assets at fair market value (including all personal and real property, but excluding the estimated fair market value of my primary residence)
- minus**
- total liabilities.

For these purposes, "liabilities":

- exclude any mortgage or other debt secured by my primary residence in an amount of up to the estimated fair market value of that residence; but
- include any mortgage or other debt secured by my primary residence in an amount in excess of the estimated fair market value of that residence.

I confirm that my total individual liabilities, or my total joint liabilities together with my spouse, do not exceed \$_____. I represent that all liabilities necessary to determine my individual net worth, or my joint net worth together with my spouse, for the purpose of determining my status as an Accredited Investor are reflected in the dollar amount in the preceding sentence.

In addition, I confirm that I have not incurred any incremental mortgage or other debt secured by my primary residence in the 60 days preceding the date of this Letter, and I will not incur any incremental mortgage or other debt secured by my primary residence prior to the date of the closing for the sale of the Shares. I agree to promptly notify the Company if, between the date of this Letter and the date of the closing for the sale of the Shares, I incur any incremental mortgage or other debt secured by my primary residence.

(NOTE: If the representation in the first sentence of this paragraph is untrue or becomes untrue prior to the date of the closing for the sale of the Shares, you may still be able to invest in the Shares. However, you must first contact the Company for additional instructions on how to calculate your net worth for purposes of this offering.)

To support the representations in A(2) above:

(You must check box (a) or (b).)

(a) Together herewith, I am delivering to the Company:

(i) Copies of bank statements, brokerage statements, other statements of securities holdings, certificates of deposit, tax assessments and/or appraisal reports issued by independent third parties that show my individual assets or my joint assets together with my spouse;

and

(ii) A copy of a consumer credit report for me (or copies of consumer credit reports for me and my spouse) issued by TransUnion, EquiFax or Experian.

I understand that each document described in paragraphs (i) and (ii) above must be dated no earlier than three months prior to the date of the closing for the sale of the Shares. I understand that I may redact any of these documents to avoid disclosing personally identifiable information, such as Social Security numbers, that is not necessary to confirm net worth.

OR

(b) In accordance with the procedures described below under the heading "Independent Third-Party Verification," I am arranging for a registered broker-dealer, SEC-registered investment adviser, licensed attorney, or certified public accountant to deliver to the Company written confirmation of my status as an Accredited Investor based on my individual net worth or my joint net worth together with my spouse.

(3) **Company Insider:** I am a director or executive officer of the Company.

B. I am a **LEGAL ENTITY** that is:

*(An investor using this Part B **must** check at least one box below. **NOTE:** An investor that checks any of boxes B(1) through B(12) must contact the Company for additional instructions.)*

(1) A bank as defined in Section 3(a)(2) of the Securities Act, or any savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Securities Act, whether acting in its individual or fiduciary capacity.

(2) A broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934, as amended.

(3) An insurance company as defined in the Securities Act.

(4) An investment company registered under the Investment Company Act of 1940 (the “**Investment Company Act**”).

(5) A business development company as defined in Section 2(a)(48) of the Investment Company Act.

(6) A private business development company as defined in the Investment Advisors Act of 1940.

(7) A Small Business Investment Company licensed by the U.S. Small Business Administration under Section 301(c) or 301(d) of the Small Business Investment Act of 1958.

(8) An organization described in Section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the Shares, with total assets in excess of \$5,000,000.

(9) A plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of \$5,000,000.

(10) An employee benefit plan within the meaning of Title I of the Employment Retirement Income Security Act of 1974, if the investment decision is made by a plan fiduciary, as defined in such Act, which is either a bank, savings and loan association, insurance company, or registered investment advisor, or if the employee benefit plan has total assets in excess of \$5,000,000, or if a self-directed plan, the investment decisions are made solely by persons that are accredited investors.

(11) A trust with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the Shares, whose purchase is directed by a "sophisticated" person.

(12) An entity in which all of the equity owners are Accredited Investors.

(NOTE: If box (12) is checked, each equity owner of the entity must individually complete and submit to the Company its own copy of this Letter.)

INDEPENDENT THIRD-PARTY VERIFICATION

(NOTE: An investor should only complete this section if, in Part A(1)(c) or A(2)(b) above, you have agreed to arrange for a third party to deliver written confirmation of your status as an Accredited Investor.)

To verify my status as an Accredited Investor, I hereby request that the Company or its agent contact:

Name: _____

Firm name: _____

Email: _____

Telephone: _____

Address: _____

- registered broker-dealer
- SEC-registered investment adviser
- licensed attorney
- certified public accountant

(NOTE: You must check one of the boxes above. If none are applicable, then you may not rely on independent third-party verification and you must instead directly submit to the Company copies of the other supporting documentation described in Part A(1)(a), A(1)(b) or A(2)(a) above.)

I understand that the Company will send to the person or firm named above a Verification Letter substantially in the form attached as Annex A. I have informed the person named above that the Company will contact him or her to verify my status as an Accredited Investor and I hereby authorize the Company and its agents to communicate with the person or firm named above to obtain such verification.

I understand that I am solely responsible for paying any fees charged by the person or firm named above in connection with verifying my status as an Accredited Investor.

SUPPORTING DOCUMENTATION

Enclosed with this letter, I am delivering to the Company, or arranging to have delivered to the Company on my behalf; all required supporting documentation.

All supporting documentation must be submitted to the Company either electronically, in PDF form, to ezra@idwmh.com or (b) mailing it to 11 Largo Drive South, Stamford, CT 06907, Attn: Ezra Rosensaft, Chief Financial Officer.

I understand that the Company may request additional supporting documentation from me in order to verify my status as an Accredited Investor and I hereby agree to promptly provide any such additional supporting documentation.

I further understand that, even if I complete and execute this Letter and provide all additional supporting documentation requested by the Company, the Company may in its sole discretion refuse to accept my subscription for the Shares for any reason or for no reason

RELIANCE ON REPRESENTATIONS; INDEMNITY

I understand that the Company and its counsel are relying upon my representations in the Letter and upon the supporting documentation to be delivered by me or on my behalf in connection with the Letter (collectively, the “**Investor Information**”). I agree to indemnify and hold harmless the Company, its directors, officers, shareholders, representatives and agents, and any person who controls any of the foregoing, against any and all loss, liability, claim, damage and expense (including reasonable attorneys' fees) arising out of or based upon any misstatement or omission in the Investor Information or any failure by me to comply with any covenant or agreement made by me in the Investor Information.

SHARING OF INVESTOR INFORMATION

I understand and agree that the Company may present the Investor Information to such parties as it deems appropriate to establish that the issuance and sale of the Shares (a) is exempt from the registration requirements of the Securities Act or (b) meets the requirements of applicable state securities law

INVESTOR'S SIGNATURE AND CONTACT INFORMATION

Date:

Print Name:

Signature:

Email address:

Mailing address:

Telephone Number:

SPOUSE'S SIGNATURE AND CONTACT INFORMATION

*(NOTE: The investor's spouse need only sign this letter if the investor is a natural person proving its accredited investor status based on **joint income** or **joint net worth** with the spouse under Part A(1)(a) or Part A(2)(a). A spouse who signs this letter makes all representations set out in this letter, including those relating to joint income or joint net worth, as applicable.)*

Date:

Print Name:

Signature:

Email address:

Mailing address:

Telephone Number:

ANNEX A: FORM OF INDEPENDENT THIRD-PARTY VERIFICATION LETTER
[IDW MEDIA HOLDINGS, INC. LETTERHEAD]

[FIRM NAME OR INDIVIDUAL NAME OF INDEPENDENT THIRD-PARTY]

[ADDRESS FOR INDEPENDENT THIRD-PARTY]

Dear [Mr./Mrs.] [NAME]:

Your client, [NAME OF PROSPECTIVE INVESTOR] (the “**Prospective Investor**”), has asked us to contact you directly to request that you verify the Prospective Investor's status as an "accredited investor" as that term is defined in Rule 501(a) of Regulation D of the Securities Act of 1933, as amended (an “**Accredited Investor**”). We are requesting this verification to ensure that the Prospective Investor is eligible to participate in a placement of securities (the “**Offering**”) by IDW Media Holdings, Inc. (the “**Company**”) that is only open to Accredited Investors.

Based on representations made to us by the Prospective Investor, we understand that you are [a registered broker-dealer/an SEC-registered investment adviser/a licensed attorney/a certified public accountant]. We further understand that the Prospective Investor qualifies as an Accredited Investor based on [his/her] [income/net worth] (calculated pursuant to Rule 501(a) of Regulation D), and that you have undertaken an independent analysis of the Prospective Investor's status as an Accredited Investor at least once during the three-month period preceding the date of this letter.

Kindly check box (a) or (b) below and complete the blank, as applicable:

(a) I am [a registered broker-dealer/an SEC-registered investment adviser/a licensed attorney in good standing under the laws of the jurisdictions in which I am admitted to practice/a certified public accountant duly registered and in good standing under the laws of the jurisdiction of my residence or principal office]. I have taken reasonable steps to verify that the Prospective Investor is an Accredited Investor based on [his/her] [income/net worth] (whether individual or together with [his/her] spouse) and, based on those steps, I have determined that the Prospective Investor is an Accredited Investor. The most recent date as of which I have made such determination is _____. To my knowledge after reasonable investigation, no facts, circumstances or events have arisen after that date that lead me to believe that the Prospective Investor has ceased to be an Accredited Investor. I acknowledge that the Company will rely on this letter in determining the Prospective Investor's eligibility to participate in the Offering and I consent to such reliance.

(b) I cannot confirm the Prospective Investor's status as an Accredited Investor.

Once completed, please sign below and submit a copy of the countersigned letter to the Company by (a) emailing it in PDF form to ezra@idwmh.com or (b) mailing it to 11 Largo Drive South, Stamford, CT 06907, Attn: Ezra Rosensaft, Chief Financial Officer.

Sincerely,

IDW MEDIA HOLDINGS, INC.

By: _____

Name: Ezra Rosensaft

Title: CFO

Date:

Countersigned:

[FIRM NAME]

By: _____

Name:

Title:

Date:

cc: [NAME OF PROSPECTIVE INVESTOR]

(NOTE: If you prefer to use a different form of documentation to confirm the Prospective Investor's status as an Accredited Investor, please submit your alternative form of verification to the Company using one of the methods listed in the last full paragraph above. Note that if you use a different form of verification, it must be signed and dated and include, at a minimum: (a) confirmation of your status as [a registered broker-dealer/an SEC-registered investment adviser/a licensed attorney in good standing under the laws of the jurisdictions in which you are admitted to practice/a certified public accountant duly registered and in good standing under the laws of the jurisdiction of your residence or principal office]; (b) a statement that you have taken reasonable steps to verify that the Prospective Investor qualifies as an Accredited Investor based on [his/her] [income/net worth]; (c) a statement that, based on those steps, you have determined that the Prospective Investor is an Accredited Investor; (d) the date as of which you most recently made that determination; (e) a statement that, to your knowledge after reasonable investigation, no facts, circumstances or events have arisen after that date that lead you to believe that the Prospective Investor has ceased to be an Accredited Investor; and (f) an acknowledgement that the Company will rely on your letter in determining the Prospective Investor's eligibility to participate in the Offering and your consent to such reliance.)