New shares or selling shareholders? Where IPO money goes

For the teacher. Every number comes from the filing named next to it.

Part A (made-up numbers)

A1. The shop; 105 shares. A2. The two owners who sold; still 100 shares.

Part B

New shares: shares the company creates and sells, so it gets the money. Selling stockholder: an existing owner who sells shares and gets the money. B1. Use of proceeds.

Part C

Wella: Wella sells; money to Wella; first use: with new loans, repay all of its $2,292.2 million Facility B term loan.

Where: Wella Form S-1/A (Amendment No. 1), Use of Proceeds

Bamboo Insurance: two CVC-controlled partnerships sell; money to them; no use of proceeds, because Bamboo sells no shares.

Where: Bamboo Insurance Form S-1/A (Amendment No. 1), cover page and Principal and Selling Stockholders

Oura: Oura and three investor groups sell; Oura's part to Oura, the rest to the sellers; first use: pay taxes due when employees' stock units settle at the IPO.

Where: Oura Form S-1/A (Amendment No. 1), Use of Proceeds

Windward Bio: the company sells; money to the company; first use: trials of WIN378.

Where: Windward Bio Form F-1/A (Amendment No. 1), Use of Proceeds

Part D (Cityfort calculations)

D1. 13,500,000 ÷ 50,000,000 × 100 = 27%.

D2. 25,842,012 ÷ 35,000,000 × 100 = 73.8%.

D3. Bamboo Insurance's: only existing shares are sold, so no new shares are created.

Not accepted on any part: "smart," "greedy," "risky," "a good deal" or any view on taking part in the offering.

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Advanced

Step 1: buyers pay Patriot Mobile for Class A shares. Step 2: Patriot Mobile buys new LLC units. Step 3: the LLC pays certain existing owners for units, repays the bank line and pays offering costs. So part of the money reaches existing owners and the bank.

Exit ticket

1. New shares: the company. Shares sold by existing owners: those owners.

2. Use of proceeds.

3. 2 ÷ (2 + 6) × 100 = 25%.

4. Accept any card's first use with its form and date, for example Windward Bio's trials of WIN378 (F-1/A, Oct 30, 2026).

Notes

- Data checked Nov 15, 2026. Share counts and stated uses are copied from each filing as stored on the company's Cityfort IPO page. The lesson shows no prices, price ranges or amounts that depend on a price.

Sources

1. S1: The Wella Company: Form S-1/A (Amendment No. 1), filed Sep 23, 2026, The Wella Company (SEC EDGAR), Sep 23, 2026. https://www.sec.gov/Archives/edgar/data/2125056/000162828026063205/wellaoperations-sx1a1.htm
2. S2: Bamboo Insurance Services, Inc. Form S-1/A, Amendment No. 1, filed Sep 14, 2026, Bamboo Insurance Services, Inc. (SEC EDGAR), Sep 14, 2026. https://www.sec.gov/Archives/edgar/data/2125355/000162828026061664/bambooinsuranceservicesinc.htm
3. S3: Oura Inc. Form S-1/A (Amendment No. 1), filed Sep 21, 2026, Oura Inc. (SEC EDGAR), Sep 21, 2026. https://www.sec.gov/Archives/edgar/data/2133022/000119312526396051/d119865ds1a.htm
4. S4: Windward Bio Group AG Form F-1/A (Amendment No. 1), filed Oct 30, 2026, Windward Bio Group AG (SEC EDGAR), Oct 30, 2026. https://www.sec.gov/Archives/edgar/data/2145089/000119312526441665/d111653df1a.htm
5. S5: Patriot Mobile Inc. Form S-1, filed Oct 9, 2026, Patriot Mobile Inc. (SEC EDGAR), Oct 9, 2026. https://www.sec.gov/Archives/edgar/data/2148546/000110465926115093/tm2621701-5_s1.htm

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