Who controls the company after the IPO?

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

Part A (made-up numbers)

A1. 60% before (60 ÷ 100); 40% after (60 ÷ 150). A2. No.

Part B

Dilution: new shares make each existing owner's part smaller. Lock-up: an agreement not to sell for a set time after the IPO. Controlled company: one holder or group has more than half of the votes for directors.

Part C (Cityfort calculations)

Focus Media: 11,250,000 ÷ 20,000,000 × 100 = 56.25%, matching the filing.

Where: Focus Media Network Form F-1, Principal Shareholders

Little West: 5,000,000 ÷ 8,750,000 × 100 = 57.1%, matching the filing.

Where: Little West Form S-1/A (Amendment No. 9), Principal Stockholders

C1. Yes for both: each holder would still have more than half.

Part D

D1. Class B, 10 votes per share, held by Silver Lake, CEO Adam Edmunds and President Chase Harrington.

Where: Entrata Form S-1/A (Amendment No. 2), Description of Capital Stock

D2. Class B converts into Class A on most transfers, and all of it converts once Class B falls below 20% of its count at closing.

D3. 270 days for the co-founders; 180 days for other holders.

Where: vVARDIS Form F-1/A (Amendment No. 1), Underwriting

D4. Their Class B shares carry more votes for each franc invested, so their votes are a larger part than their share of the company's value and payouts.

Not accepted on any part: "unfair," "greedy," "safe," "risky" or any view on taking part in the offering.

Advanced (Cityfort calculation)

5,000,000 ÷ 9,312,500 × 100 = 53.7%, matching the filing.

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Exit ticket

1. When a company sells new shares, each existing owner's part gets smaller even if they sell nothing.

2. 30 ÷ 75 × 100 = 40%.

3. An agreement by insiders and many existing holders not to sell for a set time after the IPO, often 180 days.

4. Keep more than half of the shares (Little West's Veg House), or hold a class with more votes per share (Entrata's Class B, vVARDIS's founders' shares).

Notes

- Data checked Nov 15, 2026. Share counts, percentages and lock-up terms are copied from each filing as stored on the company's Cityfort IPO page. "After the offering" figures are each filing's own expectation. The lesson shows no prices.

Sources

1. S1: Focus Media Network Limited Form F-1, filed Oct 28, 2026, Focus Media Network Limited (SEC EDGAR), Oct 28, 2026. https://www.sec.gov/Archives/edgar/data/2123920/000121390026113189/ea0284557-07.htm
2. S2: Little West Holdings Inc. Form S-1/A (Amendment No. 9), filed Sep 14, 2026, Little West Holdings Inc. (SEC EDGAR), Sep 14, 2026. https://www.sec.gov/Archives/edgar/data/2065821/000121390026099701/ea0305381-s1a9_little.htm
3. S3: Entrata, Inc. Form S-1/A, Amendment No. 2, filed Sep 1, 2026, Entrata, Inc. (SEC EDGAR), Sep 1, 2026. https://www.sec.gov/Archives/edgar/data/2028464/000162828026059692/entrata-sx1a2.htm
4. S4: vVARDIS Holding AG Form F-1/A (Amendment No. 1), filed Nov 6, 2026, vVARDIS Holding AG (SEC EDGAR), Nov 6, 2026. https://www.sec.gov/Archives/edgar/data/1907709/000114036126042406/ny20076472x13_f1a.htm
5. S5: 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

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