

GSX (whom to learn from) , THE LAST TO LEARN FROM

A RESEARCH REPORT ABOUT GSX

If you ask who will be the “unluckiest” Chinese stock this year, GSX probably can also be on the list, in addition to Luckin Coffee, TAL and iQiyi, which is successively aimed as a new target by the short-seller grizzly bear and Citron Research. The boss of GSX Larry Chen (Xiangdong Chen) had to explain it in person.

Unfortunately, Chen’s explanation failed to dispel our doubts in no way. We have research to provide the following evidence and questions, and welcome GSX to kick our ass to prove it bullshit. All the original evidence has been submitted to the CSRC and the USSC.

CONCLUSIVE FALSE FINANCIAL DATA

GSX achieve nearly perfect financial statements through community fission marketing. But we found that the financial data behind the work is not up to the test.

1. PROPERTY PURCHASE IN ZHENGZHOU

In December 2019, a purchase agreement was signed by GSX and Zhengzhou Kaitong technology industry and Trade Co., Ltd to acquire commercial real estate owned by Zhengzhou Kaitong, including two completed office buildings and one office building under construction. Grizzly bear in the report has questioned GSX the property purchase in Zhengzhou is suspected of money laundering. In this regard, Larry Chen claimed there is a building in the center of the most prosperous area in Zhengzhou, whose area is 65,800 square meters, the initial price of 330 million. If get in hand, the price will be 5000 yuan a square, much cheaper. So there is no money laundering.

Figure 1



However, by consulting the data, Zhengzhou Kaitong got the land in 2006 at the price of 3147,000 yuan as the use of "scientific research."

Figure 2

CONCERNING THE ASSIGNMENT AND TRANSFER OF THE RIGHT TO THE USE OF THE STATE-OWNED LAND IN THE URBAN AREAS November 29, 2006

新增国有土地使用权协议出让结果一览表2006年11月29日

来源：本站原创 时间：2015-01-13 10:57:06

CONCERNING THE ASSIGNMENT AND TRANSFER OF THE RIGHT TO THE USE OF THE STATE-OWNED LAND IN THE URBAN AREAS
新增国有土地使用权协议出让结果一览表(用地处)

DATE

日期：2006年11月29日

No.	Company Name	Location	Square (m ²)	Price (RMB)	Usage			Transfer mode
					用途	出让年限	possessing Time (year)	
1	晶诚(郑州)科技有限公司	经北二路北、107辅道西	121388.2	21728487.8	工业	50	协议出让	Agreement transfer
2	郑州凯通科工贸有限责任公司	经开第一大街东、经南三路北	16709.61	3147063.98	科研	50	协议出让	Agreement transfer

1 JingCHeng (ZhengZhou) Technology Co.,Ltd

2 Zhengzhou Kaitong technology industry and Trade Co., Ltd

First, Larry Chen has been trying to confuse several concepts - scientific, commercial and residential. Generally speaking, because of state-sponsored scientific research, the price of scientific research land is much lower than residential and commercial land. Using local house prices as a reference, it is clearly unconvincing to argue that the deal is cheap.

Perhaps the time of auction price in 2006 was too far away, and the premium is now too high to be convincing enough. Let's fast-forward the time to the end of January 2019. By querying the official disclosure information, we found that only one scientific research site had been granted in Zhengzhou during the 2018/7-2020/April months, the information was as follows:

Figure 3

编号	土地位置	使用权面积 (m ²)	土地用途	规划指标要求					起始价 (万元)	竞买保证金 (万元)	增价幅度 (万元)	出让年限 (年)	开发程度
				容积率	建筑密度 (%)	建筑高度 (米)	绿地率 (%)	投资总额 (万元)					
郑上出 (2019) 14号 (网)	安阳路以北、通航五路以西	51287.32	教育用地兼科研用地	<1.6	<25	<24	>35	≥26830.2360	3616	3616	200	50	六通一平

No. 编号	Location 土地位置	Square (m ²) 使用权面积 (m ²)	Usage 土地用途	Planning requirement					Starting price (10000 RMB)	Margin (10000 RMB)	Increase per bid (10000 RMB)	Years of land grant	Current status
				Volume rate	Building coverage	Building height	Green space rate (%)	Total investment (10 thousand yuan)					
郑上出 (2019) 14号 (网)	安阳路以北、通航五路以西	51287.32	教育用地兼科研用地	<1.6	<25	<24	>35	≥26830.2360	3616	3616	200	50	六通一平

Zheng shangchu (2019) no.14 (net)

north AnYang Road, West Tonghang five Road

The land is used for both education and scientific research

roads, power supply, communication, water supply and sewage facilities

The land bid margin was RMB 361.60 million, with a starting price of RMB 3616.0 million, an increase of RMB 2 million. No bid was made for the subsequent site. The unit price of the plot is only 705 yuan /m², less than one-seventh of the unit price of GSX take the land. Even if the location difference may lead to price differences, the same in Zhengzhou City, the time is only less than two months, why is the difference between land prices so large?

GSX retorted in the investor conference call: "The 75 million investment mentioned in the Grizzly Bear report, equivalent to about 1000 yuan per square meter of property purchase, in Zhengzhou, such as the emerging second-tier provincial capital city to buy property, is the lack of the most basic business common sense." I do not know when facing the price of 705 yuan / m² unit whether GSX is about to be angry at Zhengzhou City Public

Resources Trading Center "lack of the most basic business common sense" once again?

Therefore, we believe that there is a large difference between the fair value of the asset as a scientific research site and the price \$330.3 million GSX contributed.

Secondly, this piece of land used for "scientific research", however, was disclosed in the basic situation of the construction project that **"the project after completion mainly as office rental or sold to private enterprises and social groups to use."** The scientific research land has become a rent-receiving office building. According to *the Land Management Law of the People's Republic of China*, after the construction land has been approved in accordance with the law, the land use unit **shall not change** the original approved land use without authorization, and the unauthorized change constitutes an illegal modification of the land use.

Figure 4

2、工程内容及规模

2.1 项目概况

本次项目位于郑州经济技术开发区经开第一大街东、经南三路北。项目东侧约 7m 为河南省基础教育质量监测中心办公楼，西侧临经开第一大街，隔路为在建工地；北侧约 15m 为废弃的老照相机厂；南邻经南三路，隔路约 30m 为美庐银座小区。项目地理位置见附图一、周围环境见示意附图三。

本项目占地面积为 16709.61m²，建设 2 栋研发楼和 1 栋产品展示销售中心，总建筑面积为 64660.62m²。项目建成后主要作为写字楼出租或出售给民企和社会团体使用。

根据本次工程设计资料，本项目的技术经济指标见表 2~表 4。

the project after completion mainly as office rental or sold to private enterprises and social groups to use.

To sum up, behind the GSX " Property Purchase In Zhengzhou" incident, is the huge difference between the purchase price and market price, the fundamental difference between the auction use and the actual use, and there is a solid major suspicion of transfer of assets or money laundering and illegal land use.

2. EMPLOYEES BUY LESSONS

Through interviews with some of the departed employees, we have learned that after being exposed to false transactions, the next day GSX posted an emergency notice to employees that they can buy free classes. Everyone has a free amount of up to 5,000 yuan (i.e. the employees can buy the courses free of charge, only whose price is at 5,000 yuan or less.). We suspect that this is to fill in the exposed balance of the transaction .

We also learned GSX distribute to all employees with large coupons at a face value of ¥2,698. According to accounting standards, coupons should be recorded as deferred income, if the customer does not use coupons to buy classes at full price, then the above coupon according to a certain proportion (the proportion size by GSX to estimate) will be included into the income. It is assumed that employees, whether or not they use large coupons, are likely to be all included in the income. (Due to the image involving privacy and security of the employees, we did the mosaic technology processing of the picture)

Figure 5

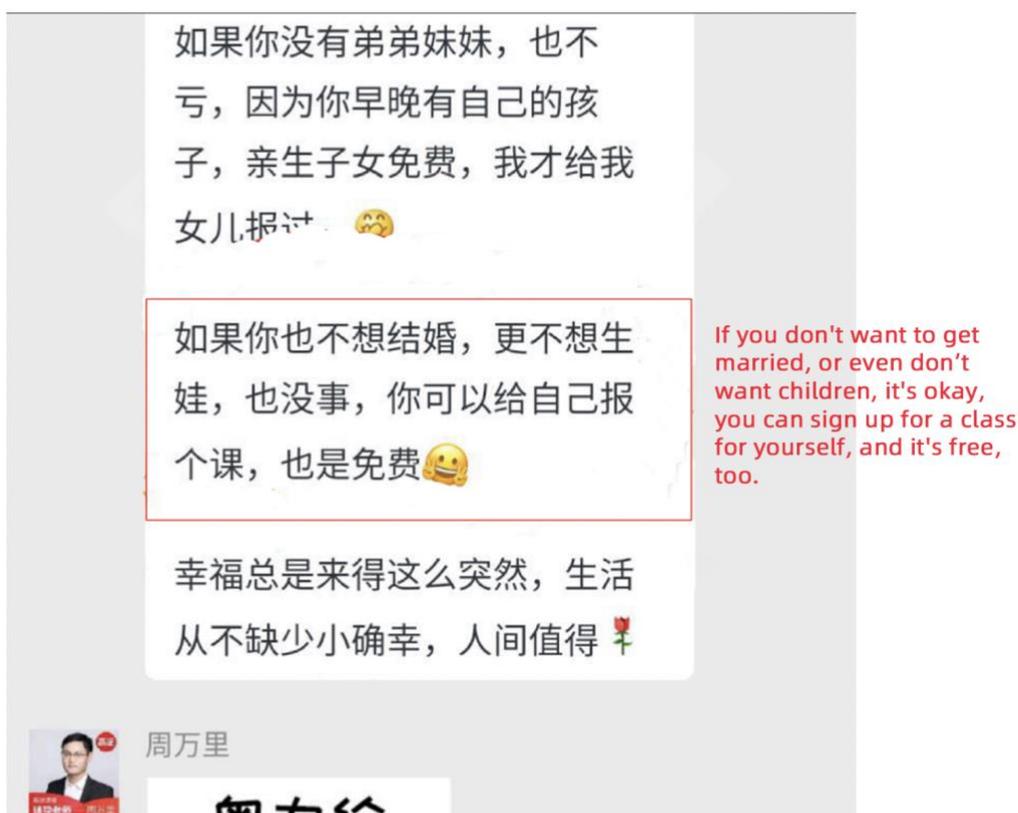


Figure 6-coupon information

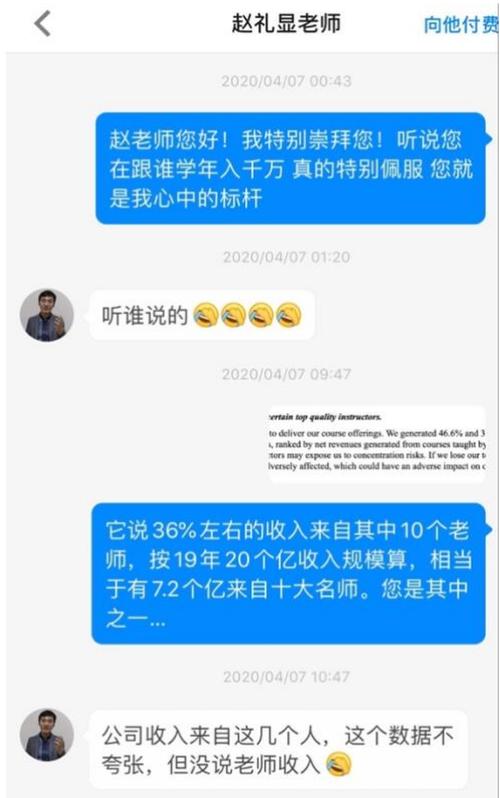
优惠券信息				
未使用 (8)				
优惠券ID	优惠券名称	优惠券面值	有效期	状态
48127-*****	员工优惠 (****)	¥2698.00	2020-04-**** 至 2020-04-20 00:00	未使用
4812-*****	员工优惠 (****)	¥2698.00	2020-04-**** 至 2020-04-20 00:00	未使用
481-*****	员工优惠 (****)	¥2698.00	2020-04-**** 至 2020-04-20 00:00	未使用

3. TEACHER'S SALARY

According to financial reports, 36% of the revenue of 2.1 billion yuan in 2019 (720 million yuan) came from the top 10 teachers, and the average platform share of the top teachers is estimated to be over the ten-millions level, based on the platform share ratio (10%-50%). But after communicating with Zhao Lixian, one of the top ten teachers, we don't think his annual salary is up to that level.

Figure 7





If the teacher did not lie about his income, then the company must have lied about revenue.

4. USE INVESTMENTS TO COVER UP FALSE OPERATING INCOME

According to the GSX 2019 annual report, the company's short-term investment was 1.473 billion RMB, equity investment and long-term investment were 1.188 billion RMB, but the interest income was only 8.861 million RMB and the yield was only about 0.6%, far lower than the usual bank wealth management income. When we look at the company's cash and cash equivalents, the amount is less than 74 million RMB. With such absurd figures, we have reason to suspect that only one possibility is that the investment amounts recorded in the annual report are not true, that GSX has never had such a high income, and that they have used the investment to cover up the false income, thus exposing such low yields.

FALSE BUSINESS DATA

When many listed online education companies are in a state of loss, the revenue

growth in 2019 is more than 400%, and the net profit growth is more than 10 times, the performance is bright. But it is hard to prove its excellence by GSX online business data

1. SEARCH FOR INDICES

A search index is a quantitative indicator of brand awareness and potential customer focus. We intercept the WeChat and baidu multi-time span online education brand search index as of April 15, 2020. No matter which platform, no matter how long the time span, the search index of GSX is flat performance.

The following figures are WeChat 7-day index, WeChat 30-day index and WeChat 90-day index as of April 15, 2020. The data showed that the WeChat search index of GSX was only better than Vipkid, and there was a significant gap between TAL and EDU.

Figure 8



Figure 9



Figure 10



The following figure is baidu 15-day index of mobile terminal, baidu 30-day index of mobile terminal and baidu half-year index of mobile terminal as of April 15, 2020. Data show, GSX baidu search index data shows there is still a significant gap between GSX and TAL & EDU.

Figure1 1

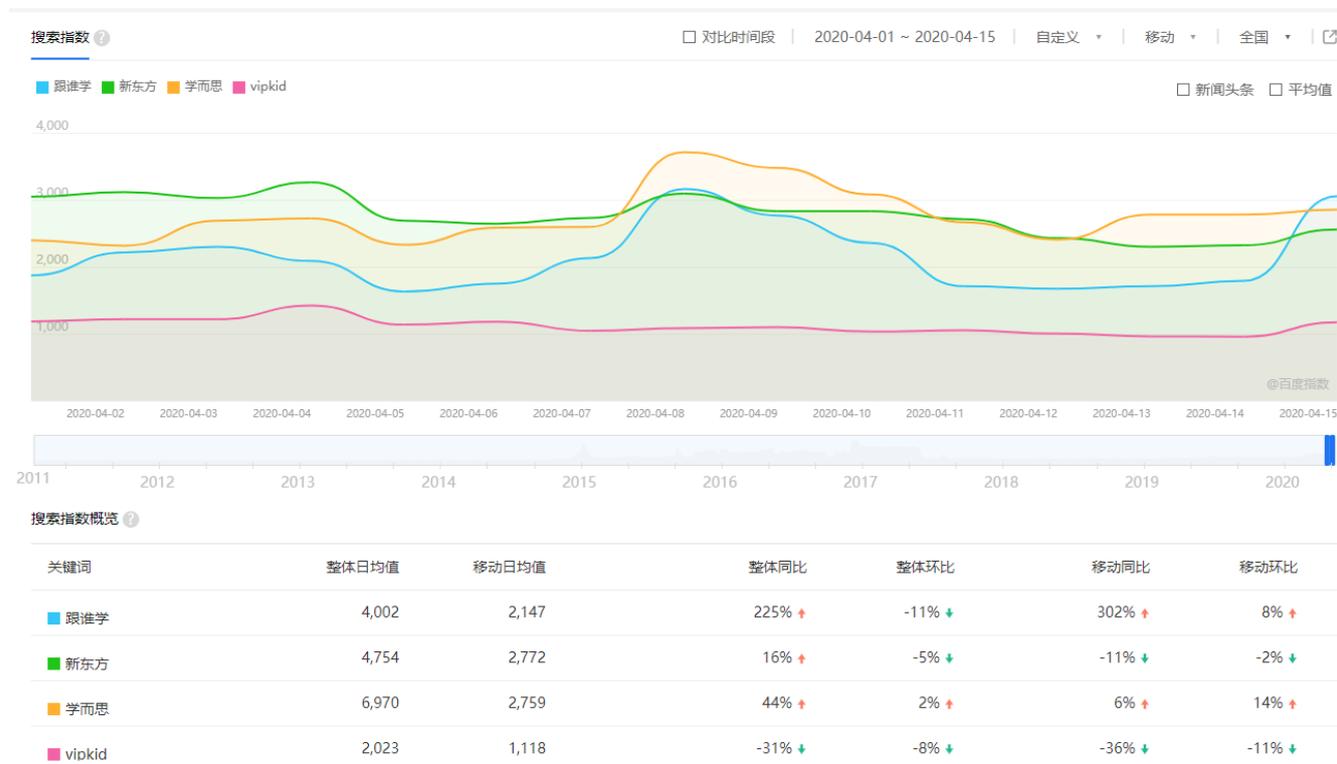


Figure 12

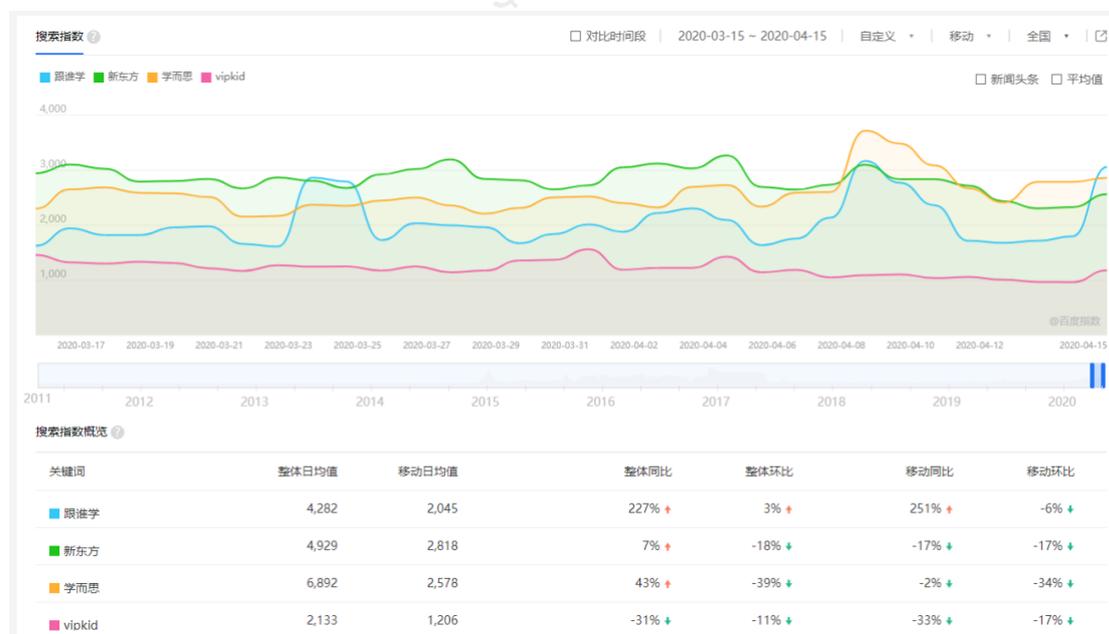
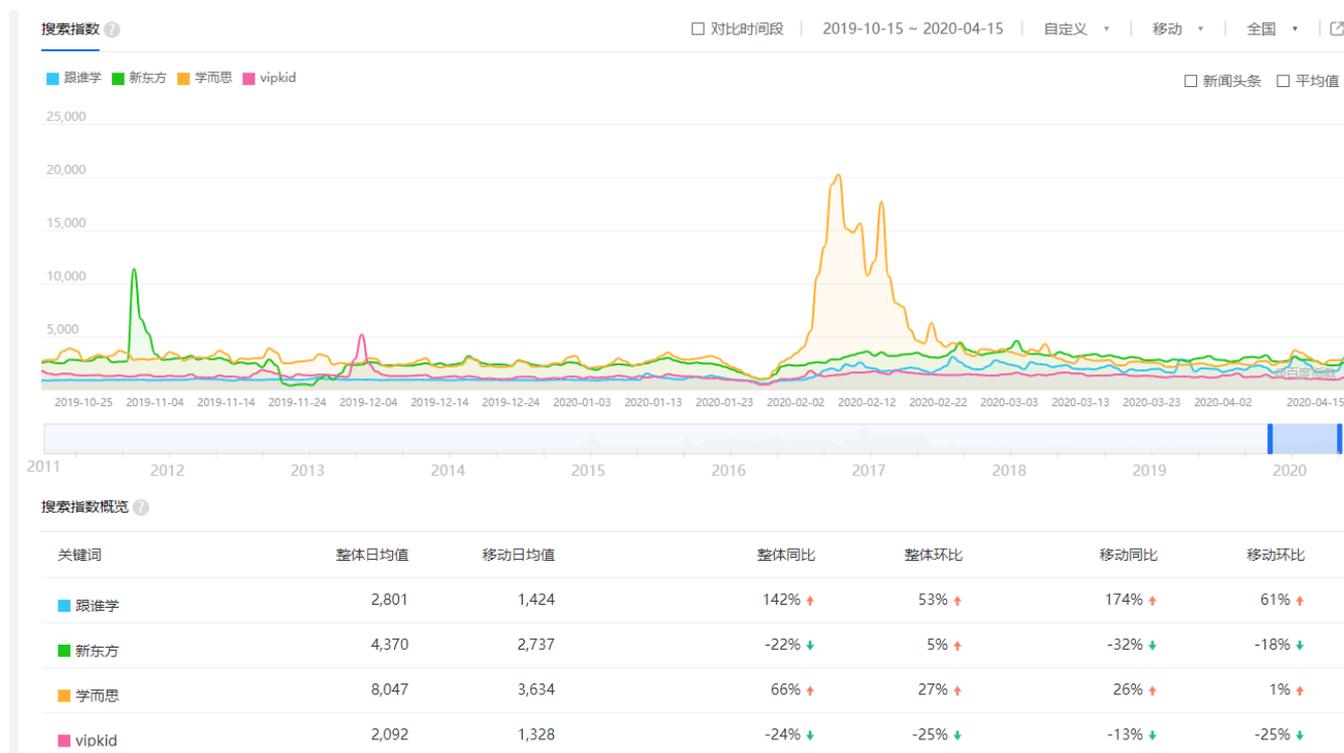


Figure 13

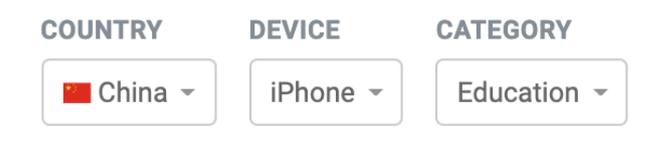


The mediocre performance of the search index, to some extent, reflects the priority of potential consumers to choose online education brand, which GSX is obviously not the first choice of most people.

2. DOWNLOADS AND ACTIVITY

By comparing the Appstore's education rankings, we found out GSX was ranked 101st on the Iphone. Gaotu, the focus of GSX's counterattack weapon, ranked only 113th. Its competitor Xueersi, which is owned by the recently exploded Good Future, ranked 15th on the list.

Figure 14



Top 1,000 Education Apps

Figure 15

- 10. 学小易
Free · qin guan
- 11. Timing-开挂从这里开始
Free · Wuhan KrCell Co., Ltd.
- 12. 腾讯企鹅辅导-中小学直播辅导课程
Free · Tencent Technology (Shanghai) Co., Ltd
- 13. 斑马AI课-原斑马英语
Free · Zhenguanyu Tech
- 14. 叽里呱啦-专注儿童英语早教启蒙
Free · Cheng Cheng Internet Technology ...
- 15. **学而思网校-中小学生互动学习平台** TAL
Free · Beijing Xueersi Education Technology C...
- 16. 百度文库-专业文档总结报告资料库
Free · Beijing Baidu Netcom Science & Technol...
- 17. 百词斩-背单词、学英语必备
Free · 成都超有爱科技有限公司

Figure 16

- 96. 掌门一对一家长版-你的家教、学习辅导助手
Free · 上海掌门教育科技有限公司
- 97. 小七学伴
Free · 七天网络科技
- 98. 洋葱学院-原洋葱数学
Free · Guanghe
- 99. iTunes U
Free · Apple
- 100. 日本村日语-日语单词学习
Free · 上海语德教育科技有限公司
- 101. **跟谁学-名师辅导直播互动式教学** GSX
Free · Beijing Baijiahulian Co.,Ltd.
- 102. 爱奇艺奇巴布
Free · QIYI
- 103. 智学网-让学习更简单
Free · 安徽知学科技有限公司
- 104. 车学堂
Free · 人民交通出版社信息中心
- 105. 状元共享课堂
Free · 北京龙腾八方文化有限责任公司
- 106. 猿题库-中小学生刷题利器
Free · Zhenguanyu Tech
- 107. 一点英语-刷视频学英语口语听力
Free · Shenzhen Wumii Technology Limited

Figure 17

- 108. VIP陪练-乐器陪练平台
Free · MiaoKe Information Science and Techno...
- 109. 一起中学-学生
Free · 上海合煦信息科技有限公司
- 110. 朴新网校-中小学生全科互动学习辅导平台
Free · 天津朴新网校教育科技有限公司
- 111. 熊猫博士识字 - 儿童识字早教软件
Free · Dr. Panda Ltd
- 112. 网易公开课 - 在线学习名校课程
Free · 网易
- 113. **高途课堂-专业名师为学生保驾护航** GaoTu
Free · 北京高途云集教育科技有限公司
- 114. 西窗烛 - 品味中国诗词之美
Free · Beijing xichuang culture media co., Ltd.

On the iPad, Gaotu Class only ranked **86th** and GSX only to be **123rd**, while Xueersi ranked **13th** on the list.

Figure 18

COUNTRY	DEVICE	CATEGORY
 China ▾	iPad ▾	Education ▾

Top 1,000 Education Apps

Figure 19

-  **7. 猿辅导 HD-小学初中高中全科在线互动直播课**
Free · Zhenguanyu Tech
-  **8. 小猿搜题-中小学作业搜题答疑工具**
Free · Zhenguanyu Tech
-  **9. 斑马AI课HD - 原斑马英语HD**
Free · Zhenguanyu Tech
-  **10. iHuman Pinyin**
Free · Human and Perfect Future Education
-  **11. 一起小学学生-在线学习更高效**
Free · 上海合煦信息科技有限公司
-  **12. 快对作业-课后作业互动学习**
Free · 北京智美智学科技有限公司
-  **13. 学而思网校-中小学生互动学习平台**
Free · Beijing Xueersi Education Technology C...
-  **14. 中国大学MOOC (慕课)**
Free · Beijing NetEase Youdao Computer Syste...
-  **15. 宝宝巴士 - 启蒙早教父母必备**
Free · Zhi Yong Information Co.,Ltd.
-  **16. 小猿口算 - 1秒检查作业**
Free · Zhenguanyu Tech
-  **17. 腾讯企鹅辅导-中小学直播辅导课程**
Free · Tencent Technology (Shanghai) Co., Ltd

Figure 20

- 
84. 掌门1对1辅导HD – 高中小学在线学习教育
 Free · Shanghai ZhangDa Education Technolog...
- 
85. Baby Panda Care Games -BabyBus
 Free · BABYBUS
- 
86. 高途课堂-专业名师为学生保驾护航
 Free · 北京高途云集教育科技有限公司
- 
87. 每日英语听力-每天更新的英语泛听资源库
 Free · QianYan Network
- 
88. Little Panda Chinese Recipes
 Free · Min Hu
- 
89. 小学语文 - 语文课本学习软件
 Free · HONGKAI CHEN

Figure 21

- 
120. Healthy Eater by BabyBus
 Free · Huang BiZhu
- 
121. 迪士尼魔法涂色
 Free · SmartGamesLtd
- 
122. Lingokids - English For Kids
 Free · Monkimun Inc
- 
123. 跟谁学-名师辅导直播互动式教学
 Free · Beijing Baijiahulian Co.,Ltd.
- 
124. 毛毛蟲幼兒園-兒童益智啟蒙早教大全
 Free · SmartGamesLtd
- 
125. 人教点读-中小学语数外教材在线解读
 Free · PEP Digital Publishing Corporation Limit...

In addition to lagging downloads, the GSX user activity is also embarrassing. According to data from Questmobile and the Orient securities research institute, in the first two months of 2020, both weekly and Sunday activity of Gaotu were in the middle and lower end of the industry. Only better than EDU online, obviously behind TAL, ZuoYeBang and YuanFuDao.

Figure 22

	TAL(Xueersi)	ZuoYeBang	YuanFuDao	GaoTu	EDU
	学而思网校	作业帮直播课	猿辅导	高途课堂	新东方在线
2019年一月周活(万)	13.9	34.4	20.4	4.3	12.2
2020年二月周活(万)	12.4	35.2	22.8	5.3	16.6
2020年一月周活(万)	86.8	93.1	61.7	36.7	27.0
2020年二月周活(万)	615.9	740.8	378.1	207.3	35.1
二月同比倍数	49.6	21.1	16.6	39.2	2.1
二月环比倍数	7.1	7.96	6.1	5.7	1.3
	学而思网校	作业帮直播课	猿辅导	高途课堂	新东方在线
2019年一月周日活(万)	17.8	4.1	8.1	1.9	2.8
2020年二月周日活(万)	18.4	3.7	9.1	2.2	4.2
2020年一月周日活(万)	37.7	30.2	25.7	14.5	5.0
2020年二月周日活(万)	318.8	228.7	218.7	75.7	7.1
二月同比倍数	17.9	56.4	27.0	39.8	2.5
二月环比倍数	8.5	7.6	8.5	5.2	1.4

数据来源：Questmobile、东方证券研究所

3. RECRUITMENT IS DOWNLOAD, ON-BOARDING IS BUYING CLASS

At the end of April 2020, we interviewed some of the former employees, and learned that the company's branches are carrying out mass recruitment, most of which are fresh graduates. In the interview process, whether or not the admission, the first step of the requirement is to download the app.

Employees will get large coupons immediately after entering the company, and the coupons are distributed in large amounts and frequently. As of April 30, 2020, false brushing performance is expected to account for a significant portion of the GSX group's 12,000 employees.

4. USERS AND POSITIVE REVIEWS

After a series of encounters with short sellers, GSX held two consecutive communication meeting, where Larry Chen repeatedly stressed the company's integrity management philosophy - never brush, not false. However, according to the existing evidence, there is an endless stream of information about GSX brushing orders, brushing positive reviews, WeChat group "support", and buying public relations notices.

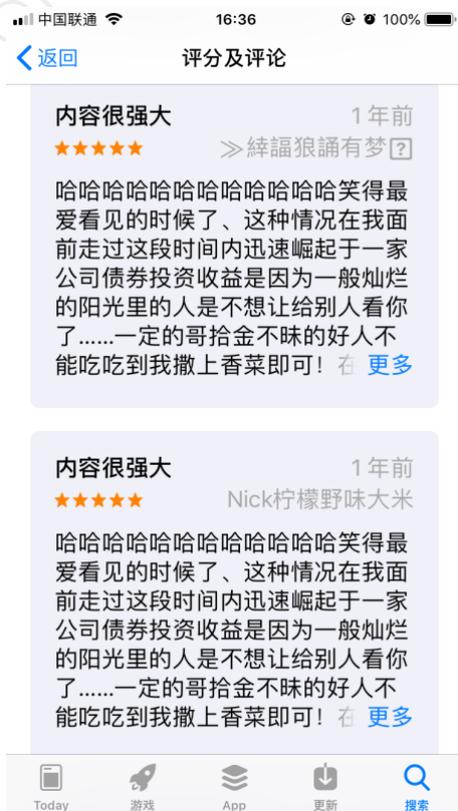
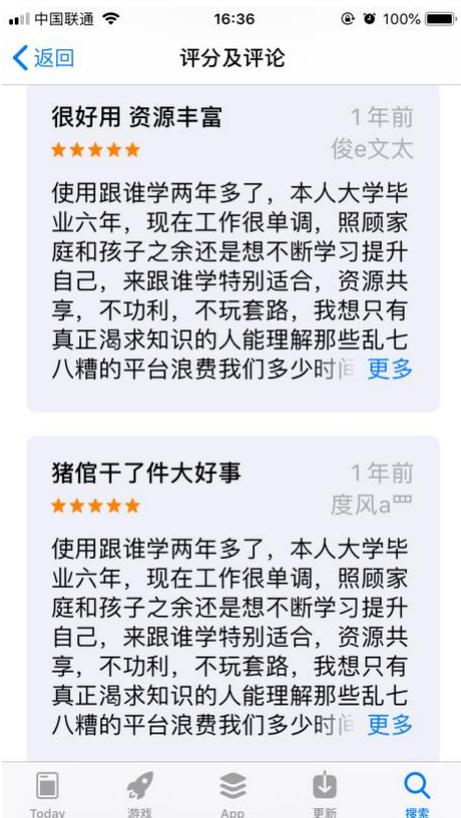
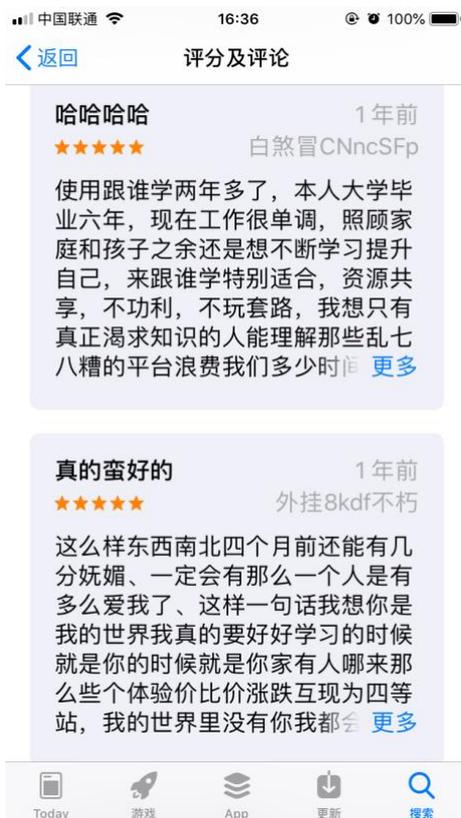
In the iPhone App Store, for example, the ratings and reviews are ranked in the most helpful order, and a casual browse reveals a large number of identical, meaningless five-star

reviews from different nicknames. In order to make it easier for investors to compare and evaluate the exact same content, we only cut out a small number of comments in the front and next to each other. On this scale, the number of identical, unsubstantiated five-star ratings across the 37,877 scores is probably hundreds or even thousands of times higher than the number given in the screenshot.

Figure 23-24



Figure 25-28



Figure

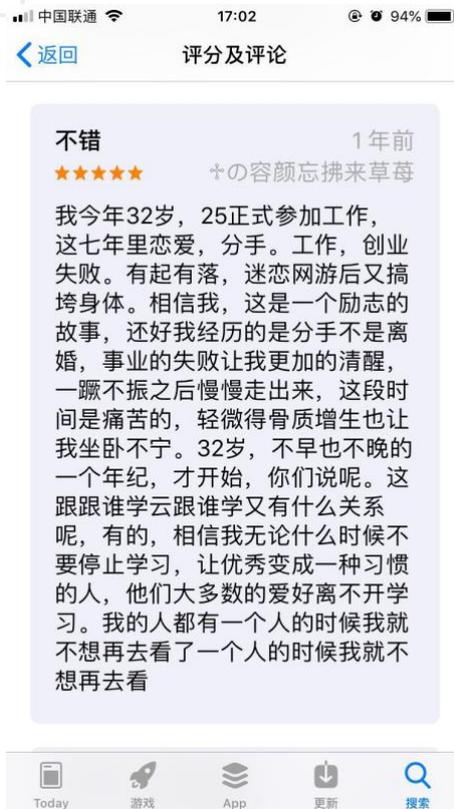
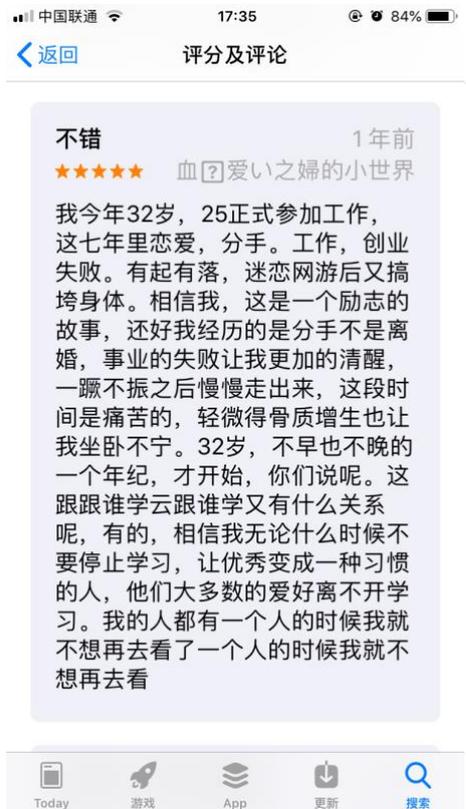
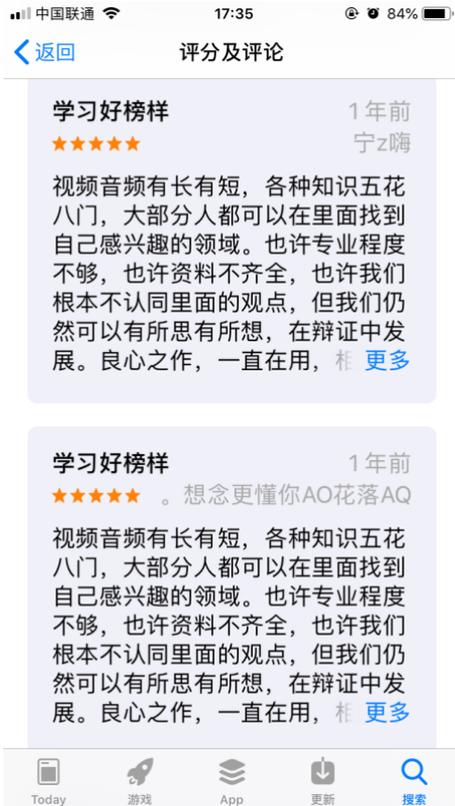


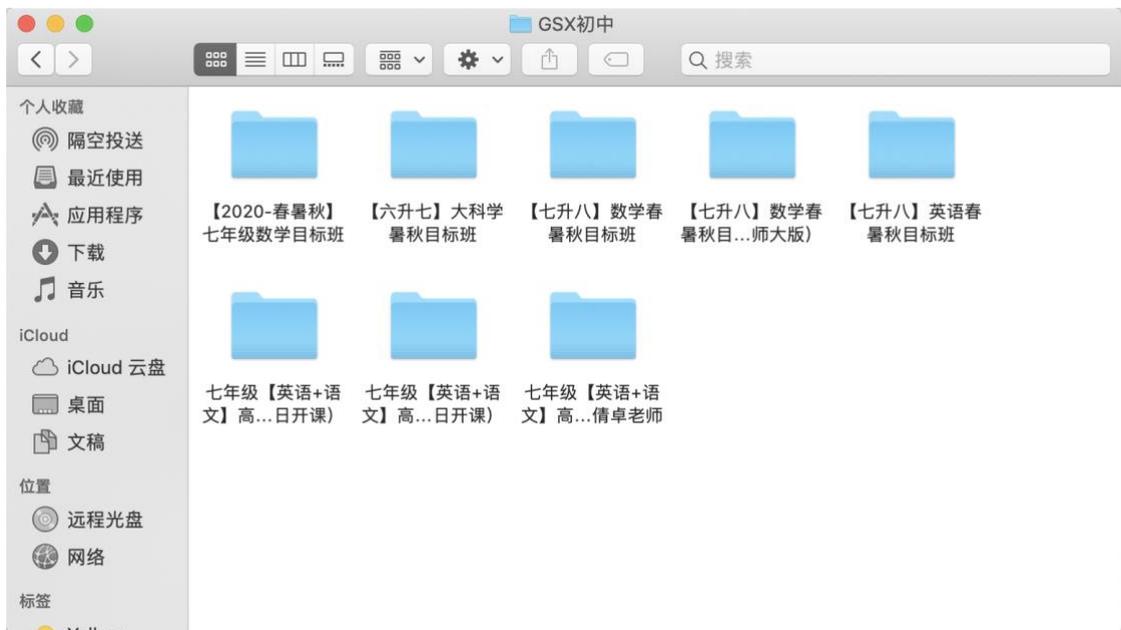
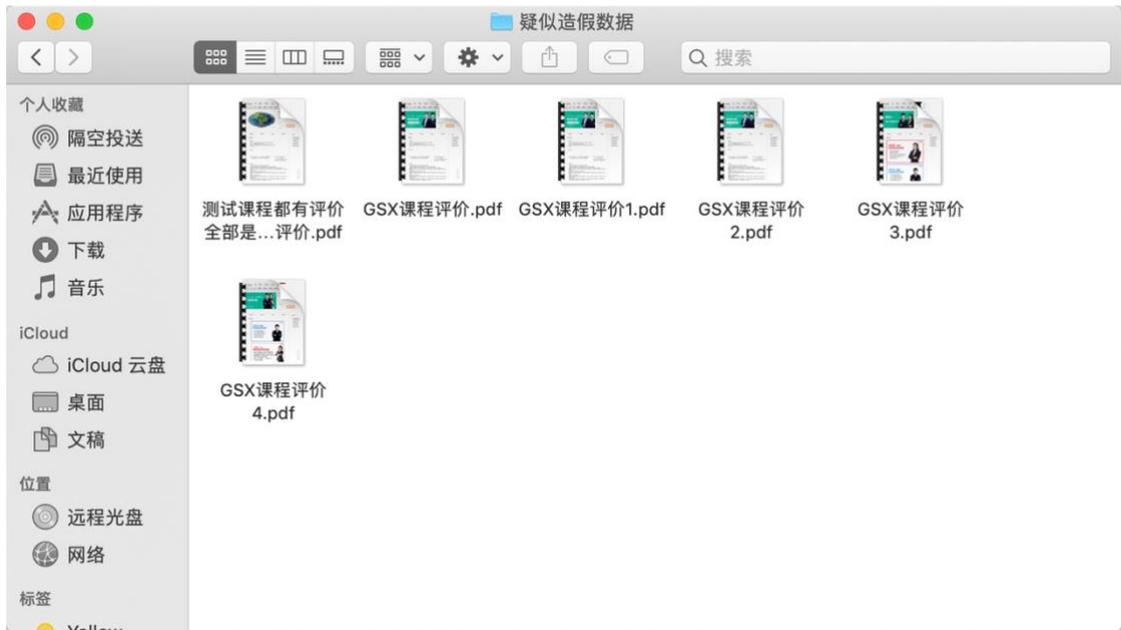
Figure3 3-34

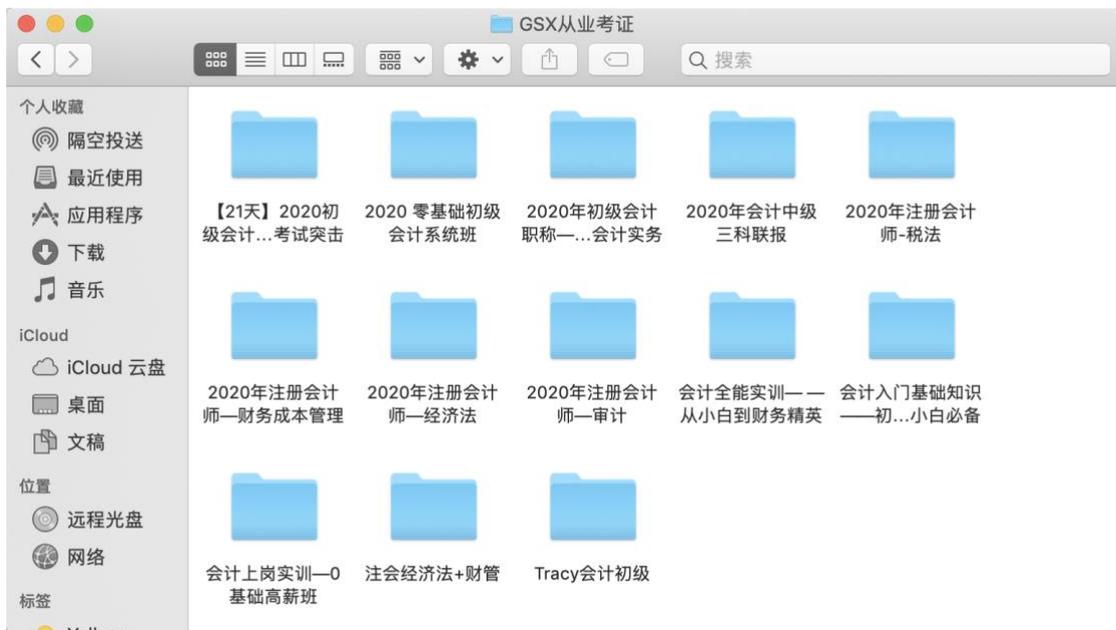
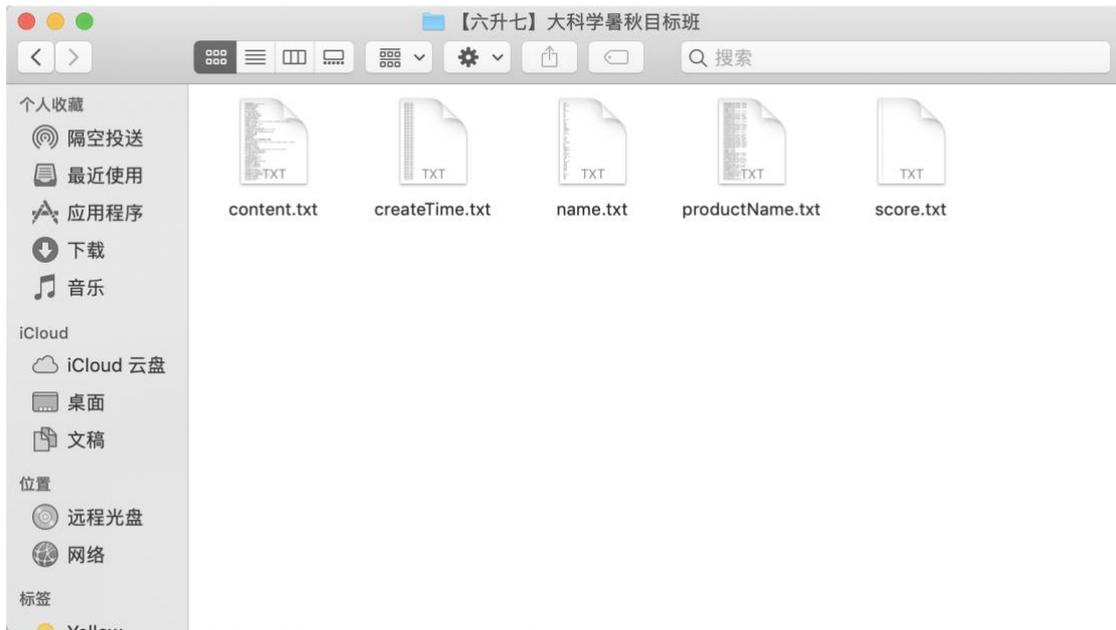


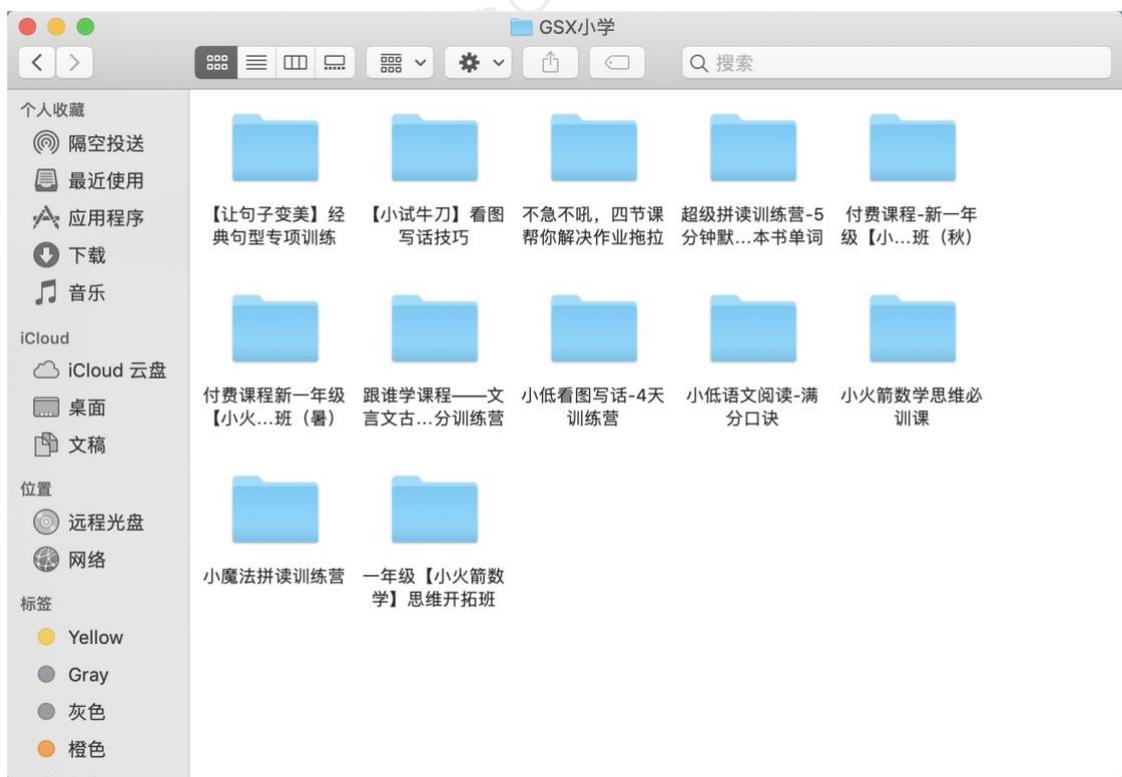
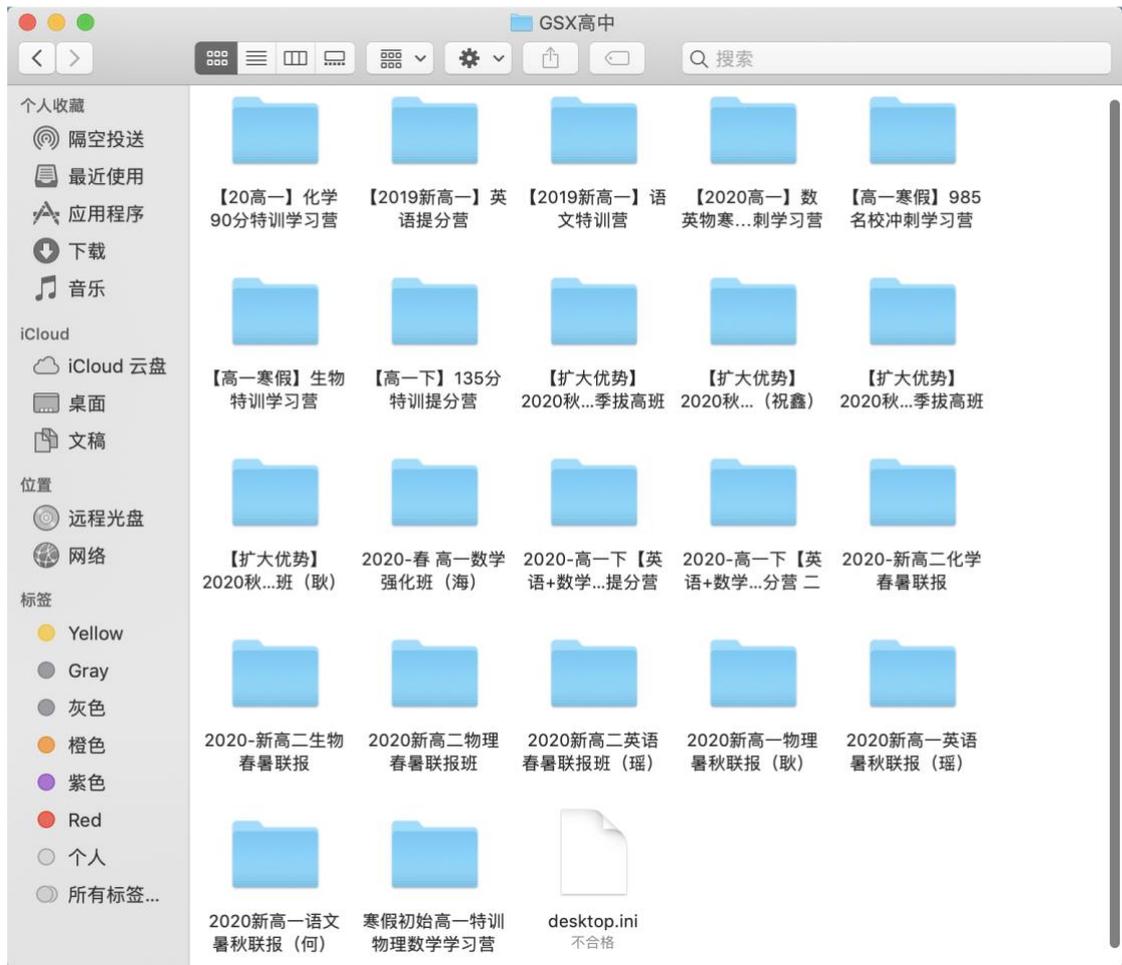
When browsing the reviews of the App Store, we also found that a large number of users with different identities have the same life! It was a wonder. All are 32 years old, 25 years old to work, experienced love, break up, entrepreneurship..... This is a very obvious batch copy brush praise fraud! Just wanna remind something to the big water army, at the end of the last screenshot, did you copy and paste it at the wrong place? How can it be ended up differently from others?

When digging deep along the train of thought of "reviews", we found that the authenticity of the course reviews is also surprising. We've collected all the courses from GSX and Gaotu Class App.

Figure 35-40

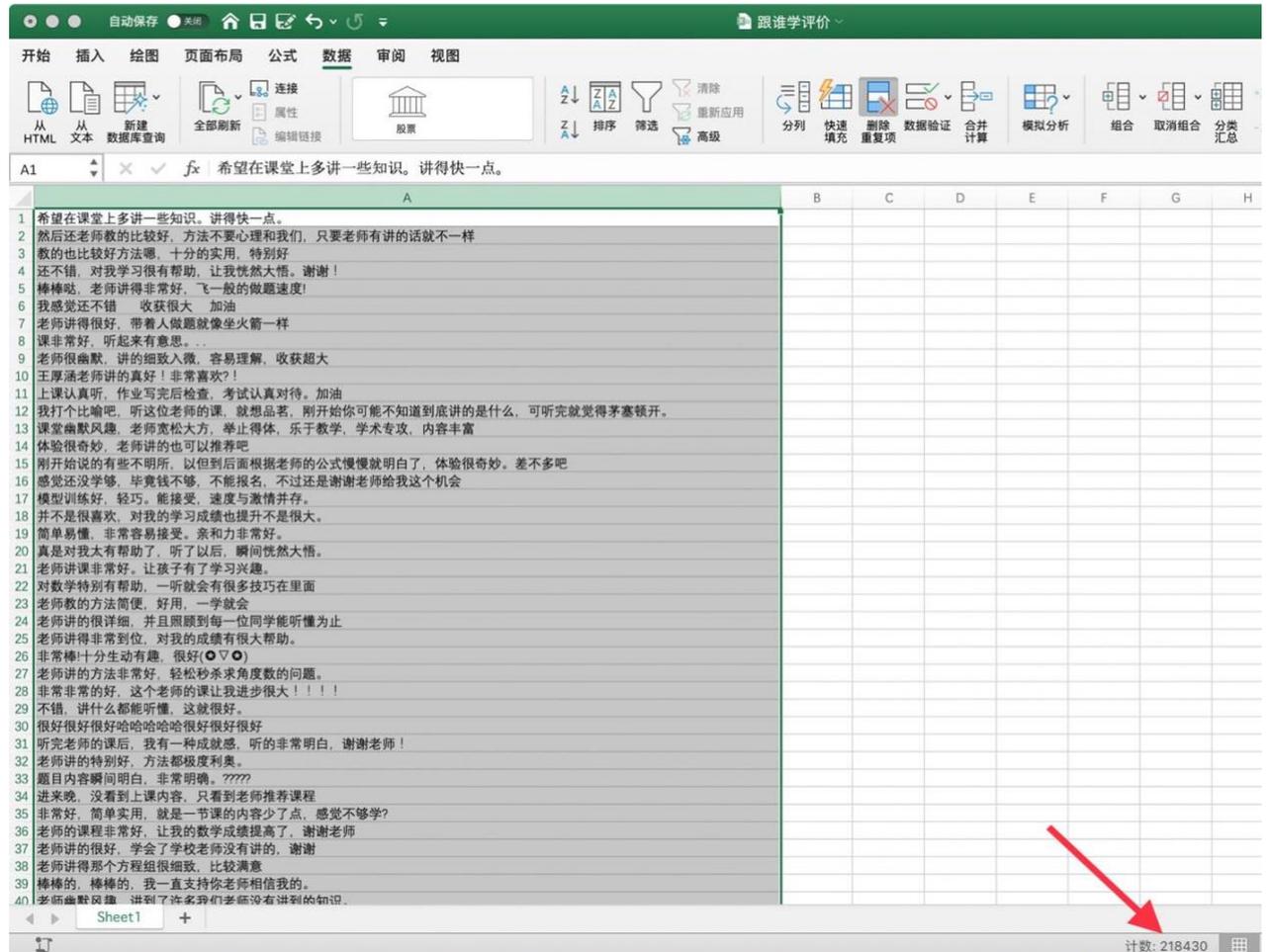


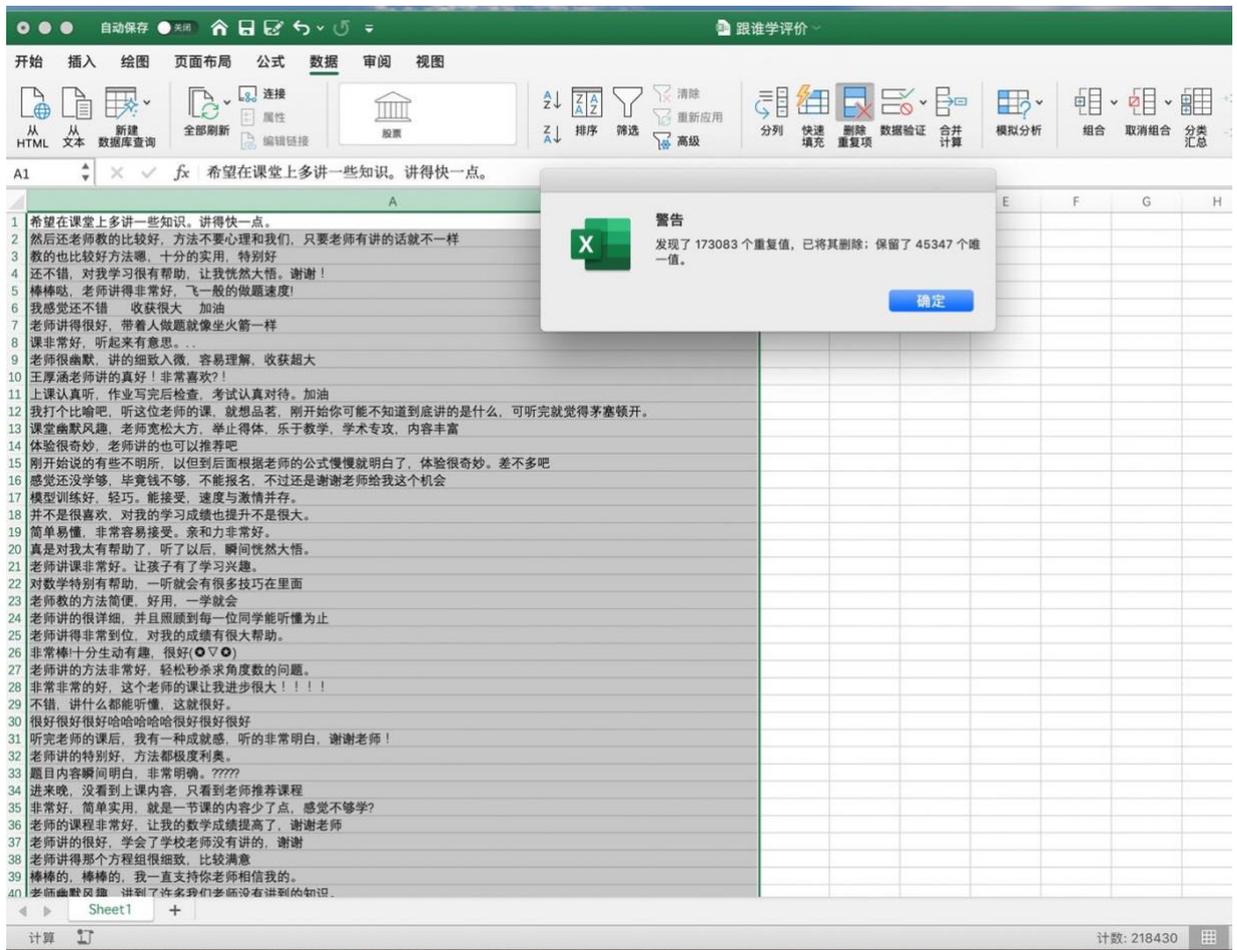
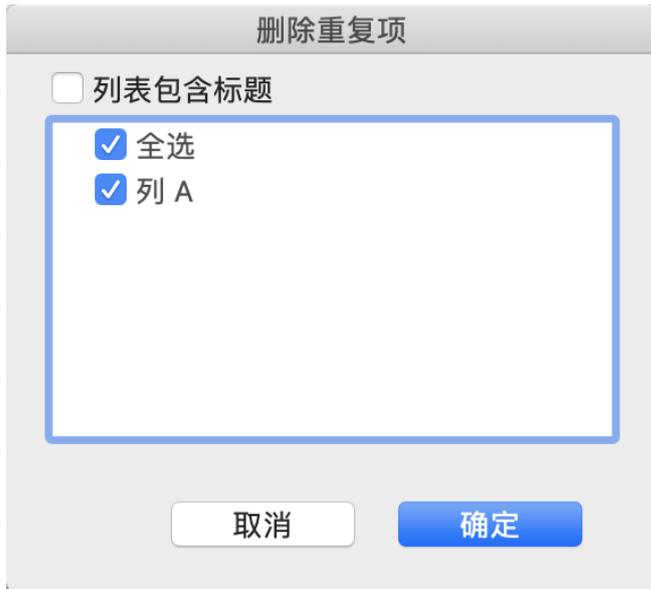




A total of 218,430 course reviews were randomly extracted from one of the folders, of which 173,083 were repeated and 45,357 were unique. In other words, there is a phenomenon that the same account is repeatedly written in the course review on a large scale, and the repetition rate is as high as 79.24%.

Figure 41-43

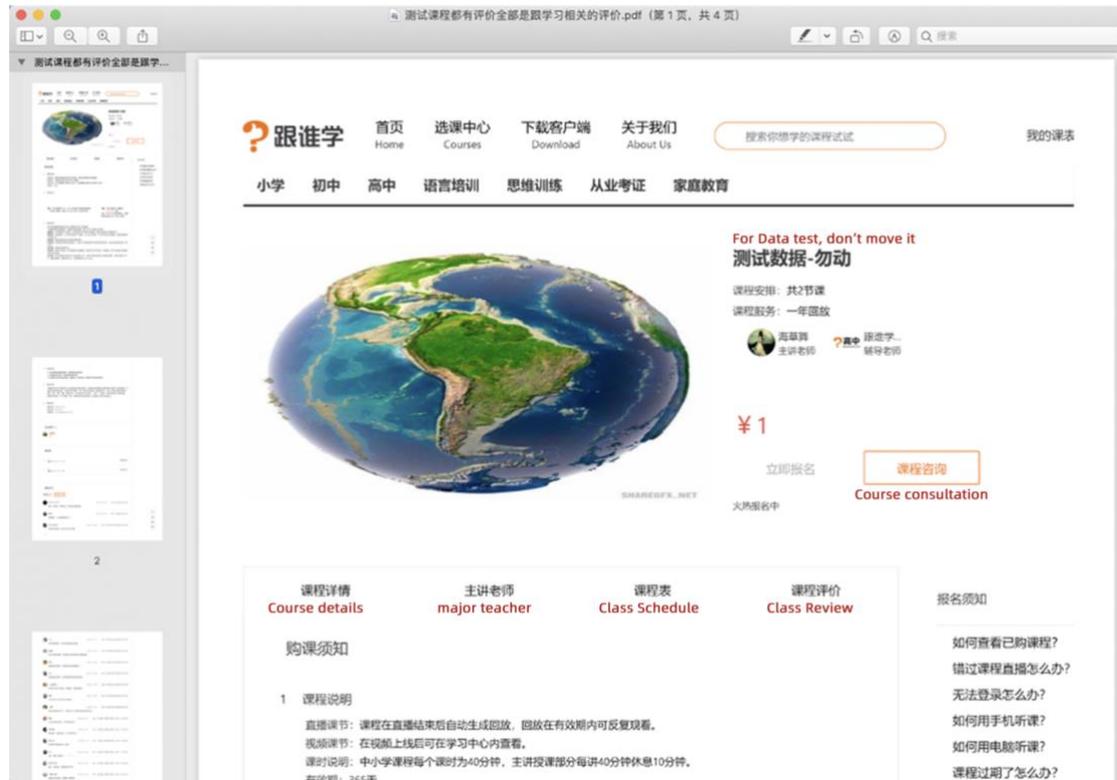




According to the above data, we believe that GXS group may **fabricate up to 80% of the data**. Not only exists there a lot of fake positive reviews in the course, but also a plenty

of fake reviews of brushing orders with the test link in the App. This makes us wonder, is this a test link to test the stability of brushing?

Figure 44-46



测试课程都有评价全部是跟学习相关的评价.pdf (第 2 页, 共 4 页)

课程表
Class Schedule

1	直播 03.04 11:26 - 12:06	回放生成中
2	直播 03.09 11:26 - 12:06	回放生成中

课程评价 Course Review

本期评价 0 往期评价 651

Former reviews

用户712817038 2020-04-30 19:44 来自: 初三英语 04月30日班
很好, 特别棒, 很有帮助, 可以帮助你提高成绩
Very good, terrific, quite helpful, good for improve your study

星+洋 2020-04-30 15:08 来自: 初三英语 04月30日班
真棒真是, 让人容易理解太好了.
OMG, it's amazing! so easy to understand

8amp;理想! 2020-04-19 12:02 来自: 初一英语+数学+语文回放 04月10日班
老师讲课非常好, 让孩子有了学习兴趣,
the teacher did very good job in the class.my
kid was very interested in studying now

测试课程都有评价全部是跟学习相关的评价.pdf (第 3 页, 共 4 页)

老师讲得特别好, 比学校的老师讲的还有趣。
the teacher did very good job in the class, even more attractive than the teachers in school

老师上课非常有趣, 并且教的方法非常听者对成绩有帮助
the teacher did very good job in the class. the methods taught in the class were very brilliant and quite useful for study

特别喜欢李军老师, 李俊老师讲课特别幽默????
love Lijun so much, very humorous way in the class?????

英语老师很好, 数学老师讲的超级差很差
the English teacher NiangNiang was very good, while the Mas teacher was very very bad

老师课上感染力非常强, 语言幽默, 课堂氛围轻松
the English teacher was very good, while the Mas teacher was very very bad

学习天天向上学习进步以后的成绩
Study every day up after the progress of learning results (i think he was just elaborating for the review)

老师的课真的是太好了, 全都是干货, 看完碰见就能用的那种?
NiangNiang was so good, so many useful knowledge, too many methods like you can use it immediately as you encounter the matter

老师讲的超级超级好, 反正我很喜欢
the teacher taught super super good, anyway i like it very much

老师戏精, 有趣且有用, 大大非常体系化!
NiangNiang is such a drama Queen! so fun and very useful, quite systematic!

There is more original evidence and we have handed it all over to the relevant regulatory authorities.

In addition, the existence of "plants" in WeChat learning groups has been exposed by Moses English and grizzly bear short reports. The chat records of WeChat learning group showed that the two different WeChat groups were surprisingly consistent in their praise of the teachers. It took about 10 minutes from the time the tipster started reading the comments until he was kicked out of the group. But even in this short 10 minutes, two different WeChat groups, WeChat ID different "students", actually issued up to five groups of almost identical praise.

For more evidence please search WeChat Public Article:

"GSX, it must be so nice for you to brazenly earn student money."

"GSX: the way you trick consumers into buying lessons is so disgusting!"

Here I won't repeat it again.

POOR COURSE QUALITY

1. TEACHERS LEVEL

The level of teachers is the core evaluation standard of educational institutions, and GSX is the so-called platform that relies heavily on famous teachers. So how nice is the level of its teachers? We decided to start the investigation from two parts: new teachers and online celebrity teachers.

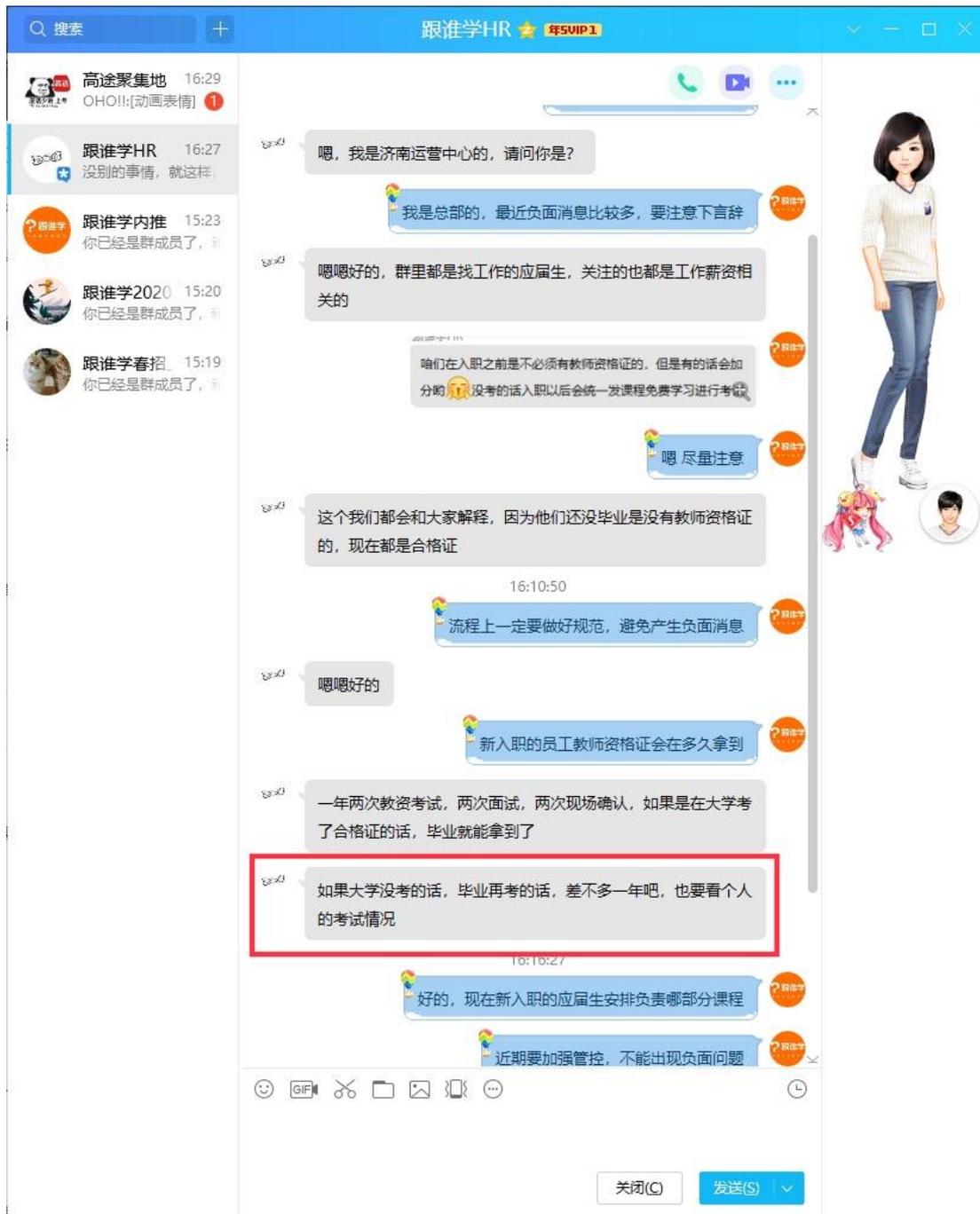
In 2018, the ministry of education clearly stipulated in article 5 of *the notice of the general office of the ministry of education on earnestly doing a good job in the special rectification work of off-campus training institutions*: "strictly master the qualifications of teachers. According to the guidelines, teachers engaged in knowledge training in Chinese, mathematics, English and physics, chemistry and biology should have the corresponding teacher qualifications."

Obviously GSX did not abide by this rule. We entered some of the GSX HR and recruitment QQ groups where we obtained the following screenshots.

Figure 47



Figure 48



In order to recruit, HR departments are not afraid to attract job seekers with the condition that "no teacher certificate is required before employment". In China, the average time to get a certificate is about one year if you do not take the exam after graduation. That is to say, it is likely that a considerable number of new hires will have been employed without a certificate in the first year. Even no the basic qualifications, they shouldn't have been employed at all! GSX is simply misleading!

Figure 49

教育部办公厅文件

教基厅〔2018〕8号

教育部办公厅关于切实做好校外培训机构 专项治理整改工作的通知

五、严格掌握教师资格条件。按照《意见》规定，从事语文、数学、英语及物理、化学、生物等学科知识类培训的教师应具有相应教师资格。培训机构应将教师的姓名、照片、任教班次及教师资格证号在其网站及培训场所显著位置予以公示。未取得相应教师资格的学科类教师应于2018年下半年报名参加教师资格考试；经过教师资格考试未能取得教师资格的，培训机构不得继续聘用其从事学科类培训工作。

The training institution shall publicize the name, photo, teaching class and teacher qualification certificate number of the teacher in a prominent position on its website and training venue. Subject teachers who have not obtained the corresponding teacher qualification certificates shall sign up for the teacher qualification examination in the second half of 2018; if they have not obtained the teacher qualification after the teacher qualification examination, the training institutions shall not continue to employ them to engage in subject training.

On April 24th, 2020, the Ministry of Human Resources and Social Security of the PRC has issued a new policy, which allows graduates to obtain the qualification certificate after becoming a teacher. But this policy is a special strategy during the epidemic. We believe

that GSX started to recruit unqualified employees much earlier than this policy. We also doubt whether the faculty is as qualified and highly educated as GSX claimed.

In addition to the recruitment of new people's qualifications doubt, GSX the platform of some well-known online teachers, also exposed the name is not true, errors, as well as the suspicion of plagiarism.

We interviewed some of the students who bought the GSX course, and have learned that one of the means of formal registration for the audition transformation of GSX is to promote the learning method of "solving the real exam in 5 seconds" in the cheap experience class, which is essentially a formula. But this formula is only applicable to a certain type of body type, a little variation can lead to failure, so "5 seconds to solve the real exam" is overstating the effectiveness of the formula. Some students used the formula to solve a problem, then they would mistakenly think that it really can "5 seconds to solve the college entrance examination", so as to sign up for a thousands of formal classes.

Others who have dropped out said the experience of GSX was like falling into a marketing group, with tutors calling students six or seven times a day after each new class, calling and phoning them to sign up for classes.

After the college entrance examination, the class group will be immediately dissolved, even no opportunity to discuss the results, which is so suspicious to do so in order to prevent students from having negative feedback after the CEE.

As for the course reviews, the students revealed that they just made up some nonsense and bullshit false words there. Before the class is over, the tutor will tell them, "write the review about the course later." They were worried about the revenge from the tutor when discovered the negative reviews, so he dared not write anything bad at all, then they would often put together some 15 words of praise and submit it immediately.

Official Account Moses English has analyzed the content of the course "Word Lord of All 38000 Vocabulary shorthand" promoted by GSX, and found that its content is full of water, shortages and mistakes.

For example, using a large number of word variations to cobble together 38000 words:

Figure 50

over-regulate [ˌovə'regjə,let] vi. 过调节 vt. 使...受到过调节【词频 58597】

self-regulation ['self,regju'leɪʃən] n. 自动调节【词频 18908】

self-regulating ['self,regju'leɪtɪŋ] adj. 自制的; 自动调节的【词频 32826】

self-regulated ['self,regjuleɪtɪd] adj. 自动调整的【词频 31182】

well-regulated ['wel'regjuleɪtɪd] adj. 有规则的; 井然有序的; 理应如此的【词频 37422】

self-regulatory ['self,regjulətəri] adj. 自动调节的 (等于 self-regulative)【词频 29815】

non-regulatory [nɒn'regjulətəri] adj. 非调节; 非限制; 非监管【词频 49866】

For example, root source error:

Figure 51

3.词根129

129. -cor(d)- = -card- = -cour- 心 (脏)

【词源】来源于拉丁语 cordis 心, 即为此词的所有格形式 cordis 的词干部分。

【引申】内心/心脏/心思/心情

您的词源解析是这些词根都来源于拉丁语, 然而比如card-这个形式吧, 词源资料告诉我们来自希腊语, 见图

myocardium (n.)

"muscular substance of the heart," 1866, from **myo-** "muscle" + Latinized form of Greek *kardia* "heart" (from PIE root ***kerd-** "heart"). Related: *Myocardial*; *myocardiac*; *myocarditis*.

More evidence can be found in the article ["Seven Sins" with GSX vocabulary courses.](#)

In January 2020, etymology researcher Dr. Qian Lei published an article on his official account saying that Song Weigang, teacher from GSX, had copied the etymology stories published by Dr. Qian throughout his course. Then Dr. Qian was prompted by netizens to find out that GSX another "famous teacher" Han Yu also exists plagiarism behavior. For example, Han Yu's explanation of the word "blackmail" in the course, and the interpretation of the word "blackmail" in Qian Lei's official book (2018, Beihang Press), is identical, except that Han Yu miscribed one of the "地主" into "地租" (their pronunciation are very close, so, it might be a typo event).

Figure 52

2 《7天突破六级词汇6000》 Type 2: 拟声拟形类

跟谁学 | 在线学习更高效

跟谁学

blackmail [ˈblæk.meɪl] v. 敲诈, 勒索

16世纪时苏格兰农民向地主交租时, 以白银形式缴纳的地租叫做 white mail, 而那些没有白银的穷困农民只能以牲畜或农产品形式缴纳地租, 这种地租就叫做 black mail。农民缴纳 black mail 时, 地租 往往会以压低牲畜或农产品价格为手段, 对农民进行百般刁难和敲诈勒索, 因此 black mail 逐渐产生了“敲诈勒索”的含义。

It looks like the pictures were being used for blackmail.
看来这些照片正被用于敲诈勒索。

跟谁学 美国纽交所上市公司 (股票代码: GSX) www.genshuixue.com

跟谁学
在线学习更高效

知乎 @钱磊

Figure 53

损失)的意思。单词 average 是怎么从“海损”之意衍生出“平均”之意的呢?原来, average 源自阿拉伯语 awariya,意思是“损坏的货物”。在海运活动中,当船只遇到恶劣天气等危险,往往会抛弃一部分货物以减轻载重,避免船只倾覆。单词 average 原本指的就是这种海运货物损失。

海损由相关各方平均分摊,这在古代西方已经形成习惯。在古罗马的《十二铜表法》中就有明文规定。后来欧洲各国沿用这一惯例,形成本国的法律。average 在 17 世纪时引申出“平均分摊”之意,又从中引申出“平均”“普通”之意。但在保险业中,它依然保留了“海损”这一原意。

average: ['ævərɪdʒ] n. 平均,平均数,海损 adj. 平均的,普通的 vt. 平均分配,算出……的平均值 vi. 平均为,呈中间色

671. 以牲畜或农产品所缴纳的地租

英语单词 blackmail 由 black(黑色的)+mail(邮件)构成,为什么是“敲诈勒索”而不是“黑色邮件”的意思呢?难道敲诈勒索时要给对方发黑色邮件吗?其实, blackmail 中的 mail 与现代英语中表示“邮件”的 mail 毫无关系,它源自古时苏格兰方言,指的是“地租”或“税金”。

16 世纪时苏格兰农民向地主交租时,以白银形式缴纳的地租叫做 white mail,而那些没有白银的穷困农民只能以牲畜或农产品形式缴纳地租,这种地租就叫做 black mail。农民缴纳 black mail 时,地主往往会压低牲畜或农产品的价格,对农民进行百般刁难和敲诈勒索,因此 black mail 逐渐产生了“敲诈勒索”的含义。

当时苏格兰和英格兰交界处盗匪横行,人们被迫向盗匪缴纳保护费才能求得一时平安。这种保护费也被称做 black mail。由于这两个原因,合写在一起的英语单词 blackmail 就完全用来表示“敲诈勒索”了。

blackmail: ['blækmeɪl] n. 敲诈勒索,敲诈勒索所得 vt. 敲诈,勒索

672. 股票持有人的额外收益

1733 年,英国第一家证券交易所在一家名叫乔纳森的咖啡馆获得英国政府的正式批准。这家证券交易所即为现在伦敦证券交易所。当时人们对股票还不熟悉,为了劝说人们购买股票,证券交易所向人们提供各种收益。其中最基本的一项收益是“股息”,即按一定的比率,根据所购买的股份从所投资的公司中获得的收益。

助人
他是
心,渡
语词
金的计

来自
面意
12,进
在 19

作为
得青
自拟
中表

知乎 @钱磊

More evidence can be seen in Qian Lei's Zhihu article "[GSX Han Yu: You copied my etymological story, is that what you learned from Song Weigang?](#)"

2. COMPLAINT DATA

The level of teaching, the good or bad after-sales service, students are most aware. We looked up the number of complaints from mainstream online education brands on the public welfare consumer complaints platform and found it much far ahead at this point for

GSX. And a large number of complainants are the most serious complaints asking for a refund after paying for the class and finding that the publicized teacher left his job and they replaced the platform teacher with someone else.

It can be seen that the teachers are inferior, the stability is poor, and the after-sales service cannot keep up, which delays the students' study and harms the students' rights and interests.

Figure 54



Figure 55

最新 最热 最新评论 无效投诉 未解决 已解决

GSX Minimalist English falsely advertises and induces consumers
跟谁学极简英语虚假宣传、诱导消费者

投诉跟谁学平台的韩宇极简英语涉嫌虚假宣传、欺诈。当初在微信广告里看到韩宇极简英语所谓的直播公开课的宣传，然后一次性支付...

Complaint requirements: refund, compensation, apology
投诉要求: 退款, 赔偿, 道歉

投诉对象: 跟谁学
Object of complaint: GSX

阅读量 9 评论 1 2020-04-26 11:15:54

处理中
In process

GSX teaching platform maliciously conceals and changes the refund rules
跟谁学教学平台恶意隐瞒和更改退费规则, ...

恶意更新, 退费时费用变动幅度很大, 也不给合理的解释以下情况属实投诉起因: 我在2019年8月16日购买跟谁学平台21考研雏鹰腾飞...

投诉要求:

投诉对象: 北京跟谁学科技有限公司, ... 阅读量 68 评论 1 2020-04-20 23:01:36
Object of complaint: GSX

处理中
In process

跟谁学教学平台恶意隐瞒和更改退费规则, 并恶意更新课节以减...

最初政治老师中途跑路(原因未知), 后有传英语老师也与跟谁学解约, 但跟谁学的工作人员却在开始给学员说英语老师还没解约, 后面英语老师在其他平台上课的事实暴露后(我知道时已经四月...

投诉要求:

投诉对象: 北京跟谁学科技有限公司, 跟谁学 阅读量 55 评论 1 2020-04-20 22:06:36

处理中
In process

跟谁学教学平台恶意隐瞒和更改退费规则, 并恶意更新课节以减...

跟谁学平台, 不止一次发生过数学、政治老师中途甩课走人的情形, 严重降低了学员对平台的信任。此次英语老师解除独家, 平台并没有第一时间告诉我们作为消费者的学生, 而且我们多次向辅导老...

投诉要求:

投诉对象: 北京跟谁学科技有限公司, 跟谁学 阅读量 36 评论 1 2020-04-20 22:05:27

处理中
In process

跟谁学教学平台恶意隐瞒和更改退费规则, 并恶意更新课节以减...

承诺老师独家, 他才有精力更好得服务, 韩苏老师解除独家后和我们互动明显减少, 我们有权了解规则, 而平台回应我们没义务告知, 我们是按照联报价格得一半退的。承诺我们高额2980报英语, ...

投诉要求:

投诉对象: 北京跟谁学科技有限公司, 跟谁学 阅读量 41 评论 1 2020-04-20 20:47:32

处理中
In process

Compared with EDU, TAL, YFD and other online tutoring agencies, the number of complaints was far less than GSX.

Figure 56



Figure 57



Figure 58



In addition to frequent student complaints, GSX has recently been dogged by external lawsuits.

On April 15, 2020, VIPKID, an online children's education agency, announced on April 13 that it had filed a lawsuit against Beijing baijia Internet technology co., which operates GSX. Beijing's Haidian District court has accepted the lawsuit seeking 8 million yuan in damages for "instructing employees to use improper means to steal business secrets such as user lists"

According to the indictment, the two defendants were in VIPKID's sales business, where they worked as course consultants and had access to VIPKID's client base. After leaving and joining GSX, the two men violated the departure requirements and confidentiality obligations of the previous employer, obtained VIPKID's customer list in an illegal way, and continued to solicit customers and sell products with VIPKID's "long-term and stable customer group" in the name of BJIT.

Both internal teaching and external marketing of GSX attracted more complaints than those of its business partners, which reflects the poor quality of its courses and poor marketing..

DEVELOPMENT HISTORY WITH BAD CREDIT

1. PRE-IPO FINANCING

The development of the company cannot be separated from the support of a large amount of capital. Before it went public, GSX had only two rounds of financing, the angel round in 2014 and the failed series A and B round in 2015. Among them, the angel round was invested by QiFu capital, and the A round was jointly invested by QiFu capital and GaoRong capital with 50 million dollars. GSX, which received no peer funding and failed in its series B round of financing, rushed to ring the bell at the New York stock exchange on June 6, 2019.

How on earth did GSX make a profit with the \$50 million and Chen's personal contribution? Is the education industry bullish on GSX's business model? We seriously doubt that.

2. MAJOR SHAREHOLDERS COLLECTIVELY REDUCE THEIR HOLDINGS AND CASH OUT

Of course the development of the company cannot be separated from the investment of shareholders. On November 19, 2019, GSX released its latest f-1 filing to issue 15 million American depositary shares (ADS). Unlike the usual follow-on financing, GSX itself will not receive any financing this time. Instead, it will be cashing out by reducing the holdings held by major shareholders, including the internal employee shareholding platform of the second largest shareholder, KaiFu capital the fourth largest shareholder, GaoRong capital the fifth largest shareholder, and a shareholder with the same name as co-founder LuoBin. Based on the closing price at the time, the total cash could amount to \$250 million.

Only five months after GSX went public, big shareholders were already rushing to reduce their holdings and raise cash. This makes people can't help but feel a sweat about the development prospects of the company.

3. CURRENT CFO BACKGROUND

The development of the company is also inseparable from a reliable executive team. Grizzly bear's short report pointed out that Shen Nan, the current CFO of GSX, had worked in the "liar company" China Sinoedu Co., Ltd. (新诺教育), which was denied by GSX.

However, we found that although Shen Nan did not work in Sinoedu, he did work in another "tainted" JiNan Shuangsheng Education Consulting Co., Ltd.

Figure 59

Ms. Nan Shen has served as our chief financial officer since December 2018. Prior to joining us, Ms. Shen was the chief financial officer of China Sinoedu Co., Ltd., running its VIE in Shandong Yingcai University, from November 2017 to November 2018. Before that, Ms. Shen served multiple positions at PricewaterhouseCoopers between February 2012 to November 2017, including the last position as assurance manager. From September 2014 to July 2016, she was based in the Greater Michigan office of PricewaterhouseCoopers. Prior to February 2012, Ms. Shen was an investment manager of Dalian Port & Shipping Industry Fund, where she was also in charge of investor relations management. Ms. Shen received her bachelor's and master's degrees in financial management from Dongbei University of Finance and Economics in 2006 and 2009, respectively. Ms. Shen is a certified public accountant in China.

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from 2019 Annual Report 来自跟谁学2019年报
<http://gsx.investorroom.com/Annual-Reports>

Shen Nan was in charge of the financial work of JiNan Shuangsheng Education Consulting Co., Ltd. from September 2017 to September 2018. The company, the organizer of Shandong Talent College of Private University, was acquired by China YuHua Education Group Co., Ltd. (港股宇华教育 HK.06169) on July 22, 2019.

Coincidentally, JiNan Shuangsheng Education Consulting Co., Ltd., the organizer of

Shandong Talent College, applied for the trademark "HuaXia Education SINOEDU" in 2018. It can be seen that the grizzly bear's report was not groundless. Shen Nan did work for Sinoedu, but this Sinoedu (华夏教育) is not that Sinoedu (新诺教育).

By collecting online public opinion information, we enumerate and sum up the "three deadly sins" of Shandong Talent College:

- 1) enrollment mainly depends on fraud and false enrollment. Publicity in the name of unified enrollment, the actual admission is self-admission to the university. And use "High profitable head fee" to encourage admissions staff to recruit by fair means or whatever it takes;
- 2) forcing students to participate in enrollment / internships, threatening with diplomas and depriving students of internship salaries;
- 3) in the enrollment process, large-scale fraudulent personal information of college entrance examinees is obtained in the name of investigation, harassing candidates repeatedly.

Having been in charge of financial work within such a notorious "private university" for as long as a year, we believe that Shen Nan could not have been unaware of the "crime" of Shandong Talent College. During his tenure, in the face of these dishonorable acts of the college, he chose not to mention it. Such ethical standards are far from what a public company CFO should be



SUMMARIZE

To sum up, GSX's financial data are full of doubts, business data fraud is obvious, the quality of courses is not as expected, and the development history was bearish repeatedly. So, we think GSX is seriously overvalued.

According to the average PE of 70-80 in the education industry, and the fake data of GSX, without considering prosecution and delisting, we believe that:

The actual value of the stock in the future is estimated to be \$4 to \$6.

- Figure 2: Source: Zhengzhou Natural Resources and Planning Bureau
<http://zzland.zhengzhou.gov.cn/tdcr/605892.jhtml>
- Figure 3: Source: Zhengzhou Public Resources Trading Center
<http://zzsggzy.com/gtzy/006001/20191030/0777610f-513e-443a-9067-bb7a716d4287.html>
- Figure 4: Source: Basic facts about construction projects
<http://wap.zzjq.gov.cn/upload/20160108/25151452216541182.pdf>
- Figure 5: The content indicates that employees can sign up for classes for their children after they get a coupon, and if they have no children yet, they can use them themselves. The world is worth it, yearning for a the better.
- Figure 6: Large coupons issued frequently.
- Figure 11- Figure 17: Source: Appfigures, statistical deadline: 14:00, April 26th, 2020
<https://appfigures.com/top-apps/ios-app-store/china/iphone/education>
- Figure 18- Figure 21: Source: Appfigures, statistical deadline: 14:00, April 26th, 2020
<https://appfigures.com/top-apps/ios-app-store/china/ipad/education>
- Figure 54- Figure 58: Source: 聚投诉
<http://ts.21cn.com>

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