

GUANGSHEN RAILWAY CO LTD

Form 20-F

April 25, 2019

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As filed with the Securities and Exchange Commission on April 25, 2019

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM 20-F

(Mark One)

REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR 12(g) OF THE SECURITIES
EXCHANGE ACT OF 1934

or

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT
OF 1934

For the fiscal year ended December 31, 2018

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE
ACT OF 1934

For the transition period from _____ to _____

or

**SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934**

Date of event requiring this shell company report

Commission file number: 1-14362

(Exact name of Registrant as specified in its charter)

GUANGSHEN RAILWAY COMPANY LIMITED

(Translation of Registrant's name into English)

People's Republic of China

(Jurisdiction of incorporation or organization)

No. 1052 Heping Road, Luohu District, Shenzhen, People's Republic of China 518010

(Address of Principal Executive Offices)

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Facsimile: (86-755) 2559-1480

No. 1052 Heping Road, Luohu District, Shenzhen, People's Republic of China 518010

(Name, Telephone, E-mail and/or Facsimile number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

<p>Title of Each Class American Depositary Shares, each representing 50 Class H ordinary shares Class H ordinary shares, nominal value RMB1.00 per share</p>	<p>Name of Each Exchange on which Listed New York Stock Exchange, Inc. The Stock Exchange of Hong Kong Limited</p>
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Securities registered or to be registered pursuant to Section 12(g) of the Act: None

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act: None

Indicate the number of outstanding shares of each of the Registrant's classes of capital or common stock as of December 31, 2018:

Domestic shares (A shares), par value RMB1.00 per share	5,652,237,000
H shares, par value RMB1.00 per share	1,431,300,000

(including 104,160,750 H shares in the form of American Depositary Shares)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 (the Exchange Act). Yes No

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or an emerging growth company. See definitions of large accelerated filer, accelerated filer, and emerging growth company in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer Accelerated Filer Non-Accelerated File Emerging Growth Company
 If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or

revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

The term new or revised financial accounting standard refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP

International Financial Reporting Standards as issued

Other

by the International Accounting Standards Board

If Other has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow. Item 17 Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

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Forward-Looking Statements

Certain information contained in this annual report are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the Exchange Act). These forward-looking statements can be identified by the use of words or phrases such as is expected to , will , is anticipated , plan to , estimate , believe , may , intend , should or similar expressions, or the use of these words, phrases or expressions, or by discussions of strategy. Such statements are subject to risks, uncertainties and other factors that could cause our actual results to differ materially from our historical results and those presently anticipated or projected. You are cautioned not to place undue reliance on any such forward-looking statements, which speak only as of the date on which such statements were made. Among the factors that could cause our actual results in the future to differ materially from any opinions or statements expressed with respect to future periods include changes in the economic policy of the PRC government, changes in the Pearl River Delta economy and elsewhere in mainland China, increased competition from other means of transportation, delays in major development projects, occurrence of health epidemics or outbreaks in Hong Kong or China, foreign currency fluctuations and other factors beyond our control.

When considering such forward-looking statements, you should keep in mind the factors described in ITEM 3. KEY INFORMATION D. Risk Factors and other cautionary statements appearing in ITEM 5. OPERATING AND FINANCIAL REVIEW AND PROSPECTS of this annual report. Such risk factors and statements describe circumstances which could cause actual results to differ materially from those contained in any forward-looking statement.

Certain Terms and Conventions

Solely for the convenience of the reader, this annual report contains translations of amounts from RMB into U.S. dollars and vice versa at the rate of RMB6.8755 to US\$1.00, the certified exchange rate for December 31, 2018 as published by the Federal Reserve Board of the United States, except where we specify that a different rate has been used. You should not construe these translations as representations that the RMB amounts actually represent U.S. dollar amounts or could be converted into U.S. dollars at that rate or at all.

We prepare and publish our consolidated financial statements in RMB.

Various amounts and percentages set out in this document have been rounded and, accordingly, may account for apparent discrepancies in the tables appearing herein. Unless the context otherwise requires or otherwise specified:

Acquisition means our acquisition of the railway transportation business between Guangzhou and Pingshi and the related assets and liabilities from Yangcheng Railway Company according to the asset purchase agreement dated November 15, 2004 between Yangcheng Railway Company and us.

China or **PRC** means the People's Republic of China.

CEPA means the Closer Economic Partnership Arrangement between Hong Kong and Chinese Mainland entered into on October 27, 2004, as amended.

CRH means China Railway High-Speed.

CSRC means China Securities Regulatory Commission.

China Railway Corporation or CRC means the entity set up on March 14, 2013 by the First Session of the 12th National People's Congress of the PRC to perform the commercial functions formerly performed by the Ministry of Railways.

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Company , we , our , our Company , the Group , or us means Guangshen Railway Company Limited, a joint limited company incorporated in Shenzhen, China with limited liability, and its subsidiaries on a consolidated basis.

CRC Group means CRC together with the subsidiaries transferred from MOR.

EMU means electric multiple unit, a multiple unit train consisting of self-propelled carriages.

GRCL means Guangmeishan Railway Company Limited.

GRGC means Guangzhou Railway (Group) Company, our largest shareholder.

GSRC means Guangdong Sanmao Railway Company Limited.

HKSE means the Stock Exchange of Hong Kong Limited.

HKSE Listing Rules means the Rules Governing the Listing of Securities on the HKSE.

Hong Kong means The Hong Kong Special Administrative Region of the PRC.

Hong Kong dollars or HKD means Hong Kong dollars, the lawful currency of Hong Kong.

KCR means Kowloon Canton Railway.

Macau means the Macau Special Administrative Region of the PRC.

MOF means the Ministry of Finance of the PRC.

MOR means the Ministry of Railways, which was dissolved by the First Session of the 12th National People's Congress of the PRC.

MOT means Ministry of Transport.

MTR means MTR Corporation Limited.

NDRC means the National Development and Reform Commission of the PRC.

PBOC means the People's Bank of China.

Pearl River Delta means the area in and adjacent to the southern part of Guangdong Province, PRC, surrounding the mouth of the Pearl River and its lower reaches.

Reform means the transfer of (i) administrative functions pertaining to railway development planning and policies from the MOR to the MOT, (ii) other administrative functions previously performed by the MOR to the National Railway Administration, supervised by the MOT, and (iii) commercial functions previously performed by the MOR to the CRC, in accordance with the approved plan on State Council Institutional Reform and Transformation of Government Functions and Approval On Setting Up China Railway Company by the State Council.

RMB means Renminbi Yuan, the lawful currency of the PRC.

Restructuring means the restructuring conducted in connection with our initial public offering in 1996 during which we succeeded to the railroad and certain other businesses of our predecessor company and certain assets and liabilities of GRGC.

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SEC means the U.S. Securities and Exchange Commission.

ton means metric ton; and one ton is approximately 2,205 pounds in weight.

US\$, USD or U.S. dollars means U.S. dollars, the lawful currency of the United States.

Yangcheng Railway Company means Guangdong Yangcheng Railway Enterprise Co., Ltd., a wholly owned subsidiary of GRGC, or its predecessor, Guangzhou Railway Group Yangcheng Railway Enterprise Development Company.

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Not applicable.

ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE

Not applicable.

ITEM 3. KEY INFORMATION**A. Selected Financial Data**

The following selected consolidated data relating to our Consolidated Balance Sheets as of December 31, 2017 and 2018, and our Consolidated Comprehensive Income Statements, Consolidated Statements of Changes in Equity and Consolidated Cash Flow Statements for each of the years ended December 31, 2016, 2017 and 2018 are derived from and are qualified by reference to our audited consolidated financial statements included elsewhere in this annual report and should be read in conjunction with ITEM 5. OPERATING AND FINANCIAL REVIEW AND PROSPECTS . The Selected Consolidated Balance Sheets Data as of December 31, 2014, 2015 and 2016 and our Consolidated Income Statements, Consolidated Statements of Changes in Equity and Consolidated Cash Flow Statements for each of the years ended December 31, 2014 and 2015 are derived from our audited consolidated financial statements that are not included in this annual report.

The consolidated financial statements from which the selected consolidated financial data set forth below have been derived were prepared in accordance with International Financial Reporting Standards, or IFRS, as issued by the International Accounting Standards Board, or IASB.

	Year ended December 31,					US\$
	2014 RMB	2015 RMB	2016 RMB	2017 RMB	2018 RMB	
(in thousands except for per share/ADS data)						
Income Statement Data:						
Revenue from Railroad and Related Business						
- Passenger transportation	6,988,288	6,997,562	7,358,851	7,757,077	8,108,384	1,179,316
- Freight transportation	1,763,679	1,761,449	1,718,260	1,893,594	1,849,360	268,978
- Railway network usage and other transportation related	5,031,241	5,874,727	7,093,198	7,644,230	8,865,635	1,289,453

services						
Subtotal	13,783,208	14,633,738	16,170,309	17,294,901	18,823,379	2,737,747
Revenue from other businesses	1,017,573	1,091,571	1,110,195	1,036,521	1,004,639	146,119
Total revenue	14,800,781	15,725,309	17,280,504	18,331,422	19,828,018	2,883,866
Railroad and Related business operating expenses	(12,729,828)	(13,150,405)	(14,561,793)	(15,850,056)	(17,610,188)	(2,561,296)
Other businesses operating expenses	(1,022,133)	(1,006,330)	(1,076,206)	(1,082,531)	(1,048,025)	(152,429)

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	Year ended December 31,					
	2014	2015	2016	2017	2018	
	RMB	RMB	RMB	RMB	RMB	US\$
	(in thousands except for per share/ADS data)					
Other gains/(losses)-net	7,138	(114,627)	(108,270)	(48,477)	(108,613)	(15,797)
Operating profit	1,055,958	1,453,947	1,534,235	1,350,358	1,062,253	154,498
Profit attributable t						