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UNITED COMPANY RUSAL PLC

(Incorporated under the laws of Jersey with limited liability)

(Stock Code: 486)

CONTINUING CONNECTED TRANSACTIONS

PURCHASE OF ASSETS

AND

REPAIR SERVICES

Reference is made to the announcements of the Company dated 17 June 2016, 29 November 2016, 30 December 2016, 20 July 2017 and 12 September 2017 in relation to the Previously Disclosed Purchase of Assets Contracts; and the announcements of the Company dated 2 July 2015, 24 January 2017, 2 February 2017, 28 February 2017, 19 April 2017, 25 April 2017, 23 May 2017, 7 July 2017, 12 September 2017 and 4 October 2017 in relation to the Previously Disclosed Repair Services Contracts.

The Company announces that members of the Group, as buyers, entered into new purchase of assets contracts with associates of Mr. Deripaska, as sellers.

The Company further announces that a member of the Group entered into an agreement with an associate of En+, pursuant to which the associate of En+ agreed to provide repair services to the member of the Group.

PURCHASE OF ASSETS

THE NEW PURCHASE OF ASSETS CONTRACTS

Reference is made to the announcements of the Company dated 17 June 2016, 29 November 2016, 30 December 2016, 20 July 2017 and 12 September 2017 in relation to the Previously Disclosed Purchase of Assets Contracts.

The Company announces that the following contracts were entered into between members of the Group, as buyers, and associates of En+, as sellers, pursuant to which the associates of Mr. Deripaska agreed to sell assets to the members of the Group (the “**New Purchase of Assets Contracts**”) with major terms set out below:

No.	Date of contract	Buyer (member of the Group)	Seller (associate of Mr. Deripaska)	Subject matter	Estimated consideration payable for the year ending 31 December 2017, excluding VAT (USD)	Scheduled termination date	Payment terms
1	27 October 2017	JSC Sevuralboksitruda	“GAZ Group Commercial Vehicles” LLC	1 car	11, 207	31 December 2017	Payment within 60 calendar days from the date of shipment
2	27 October 2017	COBAD S.A.	LLC “RogSibAl”	2 items of material handling crawler crane	456,337	31 December 2017	100% prepaid
		Total estimated consideration payable for the year:			467,544		

The consideration under the New Purchase of Assets Contracts is to be paid in cash via bank transfer.

THE ANNUAL AGGREGATE TRANSACTION AMOUNT

Pursuant to Rule 14A.81 of the Listing Rules, the continuing connected transactions contemplated under the New Purchase of Assets Contracts and the Previously Disclosed Purchase of Assets Contracts should be aggregated, as they were entered into by members of the Group with the associates of Mr. Deripaska and En+, and the subject matter of each contract relates to the purchase of assets from the associates of Mr. Deripaska and En+ by the Group for the year ending 31 December 2017.

The annual aggregate transaction amounts that are payable by the Group to the associates of Mr. Deripaska and En+ under the New Purchase of Assets Contracts and the Previously Disclosed Purchase of Assets Contracts for the financial year ending 31 December 2017 is estimated to be approximately USD8.764 million.

In accordance with the Company’s procurement policies and using tools such as the Company’s procurement portal, the Company invited several organizations to take part in the tender in relation to the purchase of assets. The Company’s procurement managers, in line with the best-in-class experience and know-how of the Company’s procurement policies, with approval from the Company’s bidding committee, chose the contractor as it offered the lowest price for the assets to be purchased, the best payment condition and the assets supplied conformed with the technical requirements.

The contract price under the New Purchase of Assets Contracts have been arrived at after arm’s length negotiation with reference to the market price and on terms no less favourable than those prevailing in the Russian market for assets of the same type and quality and those offered by the associates of En+/Mr. Deripaska to independent third parties. The basis of calculation of payments under the New Purchase of Assets Contracts is based on the quotation provided by the supplier based on costs relating to production. The basis of calculation of payments under the New Purchase of Assets Contracts is as follows:

Contract no.	Basis of calculation
1	USD11,207 based on terms DAP Severouralsk
2	The unit price for each item is approximately USD228,168.5.

The annual aggregate transaction amount is derived from the total contract price under the New Purchase of Assets Contracts, which is based on the amount of assets to be supplied and the respective contract price.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

The New Purchase of Assets Contracts were entered into for the purpose of purchasing the assets. The Company considers that the transactions contemplated under the New Purchase of Assets Contracts are for the benefit of the Company, as the sellers offered the assets to the Group at the lowest price and the quality of the assets satisfies the requirement of the Group.

The Directors (including the independent non-executive Directors) consider that the New Purchase of Assets Contracts are on normal commercial terms which are fair and reasonable and the transactions contemplated under the New Purchase of Assets Contracts are in the ordinary and usual course of business of the Group and in the interests of the Company and its shareholders as a whole.

None of the Directors has a material interest in the transactions contemplated under the New Purchase of Assets Contracts, save for (i) Mr. Deripaska, who is a director of Basic Element and is interested in more than 50% of the issued share capital of Basic Element; (ii) Ms. Gulzhan Moldazhanova, who is a director of Basic Element; and (iii) Ms. Olga Mashkovskaya, who is a deputy chief executive officer for finance of Basic Element. Basic Element is the holding company of “GAZ Group Commercial Vehicles” LLC. Mr. Deripaska is also indirectly interested in more than 30% of the issued share capital of LLC “RogSibAl”. Accordingly, Mr. Deripaska, Ms. Gulzhan Moldazhanova and Ms. Olga Mashkovskaya did not vote on the Board resolutions approving the New Purchase of Assets Contracts.

LISTING RULES IMPLICATIONS

“GAZ Group Commercial Vehicles” LLC is held by Basic Element as to more than 30% of the issued share capital. Basic Element is in turn held by Mr. Deripaska as to more than 50% of the issued share capital. Mr. Deripaska is also indirectly interested in more than 30% of the issued share capital of each of LLC “RogSibAl”. Each of “GAZ Group Commercial Vehicles” and LLC “RogSibAl” is therefore an associate of Mr. Deripaska and is thus a connected person of the Company.

The estimated annual aggregate transaction amount of the continuing connected transactions under the New Purchase of Assets Contracts and the Previously Disclosed Purchase of Assets Contracts for the financial year ending 31 December 2017 is more than 0.1% but less than 5% under the applicable percentage ratios. Accordingly, pursuant to Rule 14A.76 of the Listing Rules, the transactions contemplated under these contracts are only subject to the announcement requirements set out in Rules 14A.35 and 14A.68, the annual review requirements set out in Rules 14A.49, 14A.55 to 14A.59, 14A.71 and 14A.72 and the requirements set out in Rules 14A.34 and 14A.50 to 14A.54 of the Listing Rules. These transactions are exempt from the circular and shareholders’ approval requirements under Chapter 14A of the Listing Rules.

Details of the New Purchase of Assets Contracts and the Previously Disclosed Purchase of Assets Contracts will be included in the next annual report and accounts of the Company in accordance with Rule 14A.71 of the Listing Rules where appropriate.

REPAIR SERVICES

NEW REPAIR SERVICES CONTRACT

Reference is made to the announcements of the Company dated 2 July 2015, 24 January 2017, 2 February 2017, 28 February 2017, 19 April 2017, 25 April 2017 and 23 May 2017 in relation to the Previously Disclosed Repair Services Contracts.

The Company announces that a member of the Group entered into an agreement with an associate of En+, pursuant to which the associate of En+ agreed to provide repair services to the member of the Group (the “**New Repair Services Contract**”), details of which are set out below.

Date of agreement	Customer (member of the Group)	Contractor (associate of En+)	Term of the agreement	Repair services	Estimated consideration payable for the year ending 31 December 2017 and 31 December 2018 excluding VAT (USD)	Payment terms
27 October 2017	JSC RUSAL Achinsk	JSC Bratskenergoremont	Up to 30 June 2018	Performance of work upon overhaul of the boiler unit in 2017-2018	2017: 2,144,207 2018: 1,003,723	A prepayment of 50% of the consideration shall be paid according to the monthly financial schedule set out in the contract until the 5th day of the current month, the remaining 50% to be paid within 10 calendar days after receipt of the invoice
Total estimated consideration payable					2017: 2,144,207 2018: 1,003,723	

The consideration under the New Repair Services Contract is to be paid in cash via wire transfer.

THE ANNUAL AGGREGATE TRANSACTION AMOUNT

The contract price payable under the New Repair Services Contract has been determined with reference to the market price and on terms no less favourable than those prevailing in the Russian market for repair services of the same type and quality and those offered by the associates of En+ to independent third parties. The basis of calculation of payments under the New Repair Services Contract is the price of contract offered by the associate of En+ which is based on the estimated costs (including labour costs and the necessary materials costs) for the relevant repair works. The Company invited several organizations to take part in the tender in relation to the required repair services and chose the contractor offering the best terms and conditions (taking into account the price, availability of professionals with the required skill and experience and availability of equipment) and then entered into the agreement with the chosen contractor.

Based on the terms of the New Repair Services Contract and the Previously Disclosed Repair Services Contracts, the annual aggregate transaction amount that is payable by the Group to the associates of En+ for the financial year ending 31 December 2017 is estimated to be approximately USD15.558 million, and the annual aggregate transaction amount that is payable by the Group to the associates of En+ for the financial year ending 31 December 2018 is estimated to be approximately USD1.004 million.

The annual aggregate transaction amount is estimated by the Directors based on the amount of repair services to be received and the contract price.

THE AGGREGATION APPROACH

Pursuant to Rule 14A.81 of the Listing Rules, the continuing connected transactions contemplated under the New Repair Services Contract and the Previously Disclosed Repair Services Contracts should be aggregated, as they were entered into by the Group with the associates of the same group of connected persons who are parties connected or otherwise associated with one another, and the subject matter of each of the contracts relates to the receipt of repair and maintenance services by members of the Group.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

The Directors consider that the New Repair Services Contract is for the benefit of the Company, as the contractor offered the best terms and conditions.

The Directors (including the independent non-executive Directors) consider that the New Repair Services Contract has been negotiated on an arm's length basis and on normal commercial terms which are fair and reasonable and the transactions contemplated under the New Repair Services Contract are in the ordinary and usual course of business of the Group and in the interests of the Company and its shareholders as a whole.

None of the Directors has a material interest in the transactions contemplated under the New Repair Services Contract, save for Mr. Deripaska, Mr. Maxim Sokov, Ms. Olga Mashkovskaya and Ms. Gulzhan Moldazhanova, who are directors of En+, being the holding company of JSC Bratskenergoremont. Mr. Deripaska is also indirectly interested in more than 50% of the issued share capital of En+. Accordingly, Mr. Deripaska, Mr. Maxim Sokov, Ms. Olga Mashkovskaya and Ms. Gulzhan Moldazhanova did not vote on the Board resolution approving the New Repair Services Contract.

LISTING RULES IMPLICATIONS

JSC Bratskenergoremont is held by En+ as to more than 30% of the issued share capital and is therefore an associate of En+ which is a substantial shareholder of the Company and thus is a connected person of the Company under the Listing Rules.

The estimated annual aggregate transaction amount of the continuing connected transactions under the New Repair Services Contract and the Previously Disclosed Repair Services Contracts for the financial year ending 31 December 2017 is more than 0.1% but less than 5% under the applicable percentage ratios. Accordingly, pursuant to Rule 14A.76 of the Listing Rules, the transactions contemplated under these contracts are only subject to the announcement requirements set out in Rules 14A.35 and 14A.68, the annual review requirements set out in Rules 14A.49, 14A.55 to 14A.59, 14A.71 and 14A.72 and the requirements set out in Rules 14A.34 and 14A.50 to 14A.54 of the Listing Rules. These transactions are exempt from the circular and the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

Details of the New Repair Services Contract and the Previously Disclosed Repair Services Contracts will be included in the next annual report and accounts of the Company in accordance with Rule 14A.71 of the Listing Rules where appropriate.

PRINCIPAL BUSINESS ACTIVITIES

The Company is principally engaged in the production and sale of aluminium, including alloys and value-added products, and alumina.

“GAZ Group Commercial Vehicles” LLC is principally engaged in the manufacturing of automobiles.

LLC “RogSibAl” is principally engaged in property management, capital investments in real estate, securities and other types of property, performance of the functions of the General Contractor, the Developer and the Customer, Design, construction, production of construction and installation works, reconstruction, repair and maintenance of any residential and non-residential buildings and structures, energy and water communications, construction of port facilities; loading and unloading works on sea and road transport.

JSC Bratskenergoremont is principally engaged in activities for supporting of operability of the equipment, production of electric installation, all-construction works and others.

DEFINITIONS

In this announcement, the following expressions have the following meanings, unless the context otherwise requires:

“associate(s)”	has the same meaning ascribed thereto under the Listing Rules.
“Board”	the board of Directors.
“Company”	United Company RUSAL Plc, a limited liability company incorporated in Jersey, the shares of which are listed on the Main Board of the Stock Exchange of Hong Kong Limited.
“connected person”	has the same meaning ascribed thereto under the Listing Rules.
“continuing connected transactions”	has the same meaning ascribed thereto under the Listing Rules.
“Director(s)”	the director(s) of the Company.
“En+”	En+ Group Limited, a company incorporated in Jersey, a substantial shareholder of the Company.
“Group”	the Company and its subsidiaries.
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.
“Mr. Deripaska”	Mr. Oleg Deripaska, an executive Director.
“percentage ratios”	the percentage ratios under Rule 14.07 of the Listing Rules.
“Previously Disclosed Purchase of Assets Contracts”	the contracts between members of the Group and the associates of Mr. Deripaska/En+, pursuant to which the associates of Mr. Deripaska/En+ agreed to sell assets to the members of the Group, as disclosed in the announcements of the Company dated 17 June 2016, 29 November 2016, 30 December 2016, 20 July 2017 and 12 September 2017.

“Previously Disclosed Repair Services Contracts”	the repair services contracts between members of the Group and associates of En+, pursuant to which the associates of En+ agreed to provide repair services to members of the Group during the year 2017, as disclosed in the announcements of the Company dated 2 July 2015, 24 January 2017, 2 February 2017, 28 February 2017, 19 April 2017, 25 April 2017, 23 May 2017, 7 July 2017, 12 September 2017 and 4 October 2017.
“substantial shareholder”	has the same meaning ascribed thereto under the Listing Rules.
“USD”	United States dollars, the lawful currency of the United States of America.
“VAT”	value added tax.

By Order of the Board of Directors of
United Company RUSAL Plc
Aby Wong Po Ying
Company Secretary

30 October 2017

As at the date of this announcement, the executive Directors are Mr. Oleg Deripaska, Mr. Vladislav Soloviev and Mr. Siegfried Wolf, the non-executive Directors are Mr. Maxim Sokov, Mr. Dmitry Afanasiev, Mr. Ivan Glaserberg, Mr. Maksim Goldman, Ms. Gulzhan Moldazhanova, Mr. Daniel Lesin Wolfe, Ms. Olga Mashkovskaya, Ms. Ekaterina Nikitina and Mr. Marco Musetti, and the independent non-executive Directors are Mr. Matthias Warnig (Chairman), Mr. Philip Lader, Dr. Elsie Leung Oi-sie, Mr. Mark Garber, Mr. Dmitry Vasiliev and Mr. Bernard Zonneveld.

All announcements and press releases published by the Company are available on its website under the links <http://www.rusal.ru/en/investors/info.aspx>, <http://rusal.ru/investors/info/moex/> and <http://www.rusal.ru/en/press-center/press-releases.aspx>, respectively.