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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 TRANSPORTATION CONTRACT

Reference is made to the announcements of the Company dated 17 June 2016, 29 November 2016, 30 December 2016, 20 July 2017, 12 September 2017, 30 October 2017 and 13 November 2017 in relation to the Previously Disclosed Purchase of Assets Contracts; the announcements of the Company dated 14 January 2015, 29 December 2015, 20 January 2016, 5 July 2016, 30 December 2016, 16 January 2017, 28 February 2017, 7 July 2017, 20 July 2017, 12 September 2017, 4 October 2017, 2 November 2017 and 14 November 2017 in relation to the Previously Disclosed Transportation Contracts.

The Company announces that members of the Group, as buyer, entered into new purchase of assets contracts with an associate of Mr. Deripaska, as seller.

The Company further announces that a member of the Group entered into an addendum to the original contract with an associate of En+, pursuant to which the associate of En+ agreed to provide transportation 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, 12 September 2017, 30 October 2017 and 13 November 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 buyer, and an associate of Mr. Deripaska, as seller, 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:

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 17 November 2017	SU-Silicon LLC	“GAZ Group Commercial Vehicles” LLC	1 automobile	15,185 (Note 1)	31 March 2018	100% payment by the buyer within 60 calendar days from the date of shipment
2 17 November 2017	LLC “Russian Engineering Company”	“GAZ Group Commercial Vehicles” LLC	9 automobiles	151, 229 (Note 2)	31 December 2018	100% payment by the buyer within 60 calendar days from the date of shipment
Total estimated consideration payable for the year				166,414		

Notes:

1. The basis of calculation of payment is as follows: one automobile USD15,185 based on terms CPT Kamensk-Uralsky.
2. The basis of calculation of payment is based on terms CPT Nizniy Novgorod.

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 transaction 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/En+, and the subject matter of each contract relates to the purchase of assets from the associates of Mr. Deripaska/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/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 USD9.377 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, best payment condition and conforms to the technical requirements.

The contract price under the New Purchase of Assets Contracts has 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 annual aggregate transaction amount is derived from the total contract price under the New Purchase of Assets Contracts, which was based on the amount of assets to be supplied and the 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. Accordingly, Mr. Deripaska, Ms. Olga Mashkovskaya and Ms. Gulzhan Moldazhanova did not vote on the Board resolutions approving the New Purchase of Assets Contract.

LISTING RULES IMPLICATIONS

“GAZ Group Commercial Vehicles” LLC is directly or indirectly held by Basic Element as to more than 30% of the issued share capital. Basic Element is in turn held by Mr. Deripaska (an executive Director) as to more than 50% of the issued share capital. Accordingly, “GAZ Group Commercial Vehicles” LLC is therefore an associate of Mr. Deripaska 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 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.

TRANSPORTATION CONTRACT

THE NEW TRANSPORTATION CONTRACT

Reference is made to the announcements of the Company dated 14 January 2015, 29 December 2015, 20 January 2016, 5 July 2016, 30 December 2016, 16 January 2017, 28 February 2017, 7 July 2017, 20 July 2017, 12 September 2017, 4 October 2017, 2 November 2017 and 14 November 2017 in relation to the Previously Disclosed Transportation Contracts.

The Company announces that a member of the Group entered into an addendum to the original contract with an associate of En+, pursuant to which the associate of En+ agreed to provide transportation services to the member of the Group (the “**New Transportation Contract**”) with major terms set out below:

Date of contract	Customer (member of the Group)	Service provider (associate of En+)	Transportation services	Estimated consideration payable for the year ending 31 December 2017, excluding VAT (USD)	Scheduled termination date	Payment terms
1. 17 November 2017 (addendum to contract dated 28 December 2016 as disclosed in the announcement of the Company dated 30 December 2016)	JSC RUSAL SAYANAL	Limited Liability Company “KraMZ-Auto”	Cargo forwarding	17,091 (<i>Note 1</i>)	31 December 2017	Payment within 15 days after receipt of invoice
Total estimated consideration payable for the year				17,091		

Notes:

1. The basis of calculation is the estimated demand for the services (approximately 1,194 operating hours) and the average cost per one operator hour of approximately USD 14.3.

The consideration under the New Transportation Contract is to be paid in cash via bank transfer or bilateral clearing or by the offsetting of reciprocal obligations.

THE ANNUAL AGGREGATE TRANSACTION AMOUNT

Pursuant to Rule 14A.81 of the Listing Rules, the continuing connected transactions contemplated under the New Transportation Contract and the Previously Disclosed Transportation Contracts should be aggregated for the financial year ending 31 December 2017, as they were entered into by members of the Group with the associates of En+, and the subject matter of each contract relates to the provision of transportation services by the associates of En+ to the Group.

The annual aggregate transaction amounts that are payable by the Group to the associates of En+ under the New Transportation Contract and the Previously Disclosed Transportation Contracts for the financial year ending 31 December 2017 are estimated to be approximately USD22.205 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 required transportation services. 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 offering the best terms and conditions (the service provider offered the lowest price for several routes and was able to meet the needs of the plant in full) and then entered into the contract with the chosen service provider.

The contract price under the New Transportation Contract has 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 transportation services of the same type and quality and those offered by the associate of En+ to independent third parties. The annual aggregate transaction amount is derived from the total contract price under the New Transportation Contract, which was based on the need of transportation services by the Group for the relevant year.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

The New Transportation Contract was entered into for the purpose of transporting goods, cargoes and/or passenger forwarding of the Group. The Company considers that the transactions contemplated under the New Transportation Contract are for the benefit of the Company, as the services provided are required in the production process of the Group and the service provider offered a competitive price and is capable of meeting the Group's transportation needs.

The Directors (including the independent non-executive Directors) consider that the New Transportation Contract is on normal commercial terms which are fair and reasonable and the transactions contemplated under the New Transportation 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 Transportation 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 Limited Liability Company "KraMZ-Auto". 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 Transportation Contract.

LISTING RULES IMPLICATIONS

Limited Liability Company "KraMZ-Auto" is an indirect subsidiary of En+, and is therefore an associate of En+ which is a substantial shareholder of the Company. Accordingly, Limited Liability Company "KraMZ-Auto" is a connected person of the Company under the Listing Rules.

Accordingly, the transactions contemplated under the New Transportation Contract constitute continuing connected transactions of the Company.

The estimated annual aggregate transaction amount of the continuing connected transactions under the New Transportation Contract and the Previously Disclosed Transportation 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 Transportation Contract will be included in the relevant 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.

Limited Liability Company “KraMZ-Auto” is principally engaged in the provision of transportation services.

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.
“Basic Element”	Basic Element Limited, a company incorporated in Jersey.
“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, 12 September 2017, 30 October 2017 and 13 November 2017.

“Previously Disclosed Transportation Contracts”	the series of transportation contracts between members of the Group and the associates of En+, pursuant to which the associates of En+ agreed to provide transportation services to members of the Group during the year ending 31 December 2017, as disclosed in the announcements of the Company dated 14 January 2015, 29 December 2015, 20 January 2016, 5 July 2016, 30 December 2016, 16 January 2017, 28 February 2017, 7 July 2017, 20 July 2017, 12 September 2017, 4 October 2017, 2 November 2017 and 14 November 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

20 November 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.