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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

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, 13 November 2017 and 20 November 2017 in relation to the Previously Disclosed Purchase of Assets 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 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, 13 November 2017 and 20 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 buyers, and associates of Mr. Deripaska, 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 November 2017	COBAD S.A.	“GAZ Group Commercial Vehicles” LLC	2 cargo-passenger offroad cars	53,200	31 December 2018	50% of the consideration as advance payment to be paid 10 days after the date of signing of the contract, the remaining 50% of the consideration to be paid 45 days after the date of the bill of lading
2	27 November 2017	CBK S.A.	“GAZ Group Commercial Vehicles” LLC	4 cargo-passenger cars	53,831	31 December 2018	50% of the consideration as advance payment to be paid 10 days after the date of signing of the contract, the remaining 50% of the consideration to be paid 45 days after the date of the bill of lading
3	27 November 2017	Friguia S.A.	Automobile Plant “URAL” JSC	1 vehicle for transportation of explosives 1 vacuum machine	104,000	31 December 2018	20% of the consideration as advance payment to be paid 10 days after the date of signing of the contract, the remaining 80% of the consideration to be paid after receiving the notification regarding readiness of goods for shipping
4	27 November 2017	CBK S.A.	“GAZ Group Russian Buses” LLC	4 buses	150,831	31 December 2018	50% of the consideration as advance payment to be paid 10 days after the date of signing of the contract, the remaining 50% of the consideration to be paid 45 days after the date of the bill of lading
Total estimated consideration payable for the year:					361,862		

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 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 USD9.739 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 contractors as they offered the lowest prices for the assets to be purchased, the best payment condition and the assets supplied conformed with the technical requirements.

The contract prices 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 suppliers 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	USD53,200 based on terms CIF-Conakry
2	USD53,831 based on terms CIF-Conakry
3	USD104,000 based on terms CIF-Conakry
4	USD150,831 based on terms CIF-Conakry

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 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 and is also interested in the issued share capital of each of “GAZ Group Russian Buses” LLC and Automobile Plant “URAL” JSC as to more than 30%. Mr. Deripaska is also indirectly interested in more than 30% of the issued share capital of “GAZ Group Russian Buses” LLC. 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

Each of “GAZ Group Russian Buses” LLC, Automobile Plant “URAL” JSC and “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. Each of “GAZ Group Russian Buses” LLC, Automobile Plant “URAL” JSC and “GAZ Group Commercial Vehicles” LLC 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.

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 Russian Buses” LLC is principally engaged in the manufacturing of buses.

Automobile Plant “URAL” JSC is principally engaged in producing and selling automotive equipment.

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

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, 12 September 2017, 30 October 2017, 13 November 2017 and 20 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

28 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 Glasenberg, 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.