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UNITED COMPANY RUSAL PLC

(Incorporated under the laws of Jersey with limited liability)

(Stock Code: 486)

CONTINUING CONNECTED TRANSACTIONS REPAIR SERVICES AND TRANSPORT LOGISTICS SERVICES CONTRACTS

Reference is made to the announcements of the Company dated 30 October 2017, 11 December 2017, 11 January 2018, 29 January 2018, 15 February 2018 and 27 February 2018 in relation to the Previously Disclosed Repair Services Contracts; and the announcements of the Company dated 13 November 2017, 29 December 2017, 12 January 2018 and 7 February 2018 in relation to the Previously Disclosed Transport Logistics Services Contracts.

The Company announces that 2 members of the Group respectively entered into contracts with associates of En+, pursuant to which the associates of En+ agreed to provide repair services to the members of the Group.

The Company further announces that 2 members of the Group and an associate of En+ entered into addendums to the contract dated 28 December 2016 and to the contract dated 29 December 2016 as specified in the Company's announcement dated 30 December 2016 pursuant to which the associate of En+ agreed to provide transport logistics services to the members of the Group.

REPAIR SERVICES

THE NEW REPAIR SERVICES CONTRACTS

Reference is made to the announcements of the Company dated 30 October 2017, 11 December 2017, 11 January 2018, 29 January 2018, 15 February 2018 and 27 February 2018 in relation to the Previously Disclosed Repair Services Contracts. The Company announces that 2 members of the Group respectively entered into contracts with associates of En+, pursuant to which the associates of En+ agreed to provide repair services to the members of the Group (the “**New Repair Services Contracts**”), with details as below.

	Date of the contract	Customer (member of the Group)	Contractor (associate of En+)	Term of contract	Repair services	Estimated consideration payable excluding VAT (USD)	Payment terms
1	1 March 2018	RUSAL Bratsk PJSC	KraMZ-Auto LLC	Up to 31 December 2018	Services for maintenance and repair of cars	2018:4,529 (Note 1)	Payment is made within 10 banking days from the date of receipt of the original invoice
2	1 March 2018	RUSAL Krasnoyarsk JSC	KraMZ-Auto LLC	Up to 31 December 2020	Services for maintenance and repair of cars	2018: 12,550 2019:13,522 2020:14,590 (Note 2)	Payment is made within 10 banking days from the date of receipt of the original invoice
3	1 March 2018	RUSAL Krasnoyarsk JSC	«HPS-engineering» Ltd.	Up to 31 December 2018	Repair of equipment	2018:137,377 (Note 3)	Within 60 calendar days of signing of the performed works certificate based on an invoice
Total estimated consideration payable (USD)						2018:154,456 2019:13,522 2020:14,590	

Notes:

1. The consideration is based on the price per unit of services rendered which is up to USD9 per 1 man-hour, depending on the type and kind of equipment, and is to be paid in cash via bank transfer or the offsetting of reciprocal obligations.
2. The consideration is based on the price per unit of services rendered which is up to USD9 per 1 man-hour, depending on the type and kind of equipment, and is to be paid in cash via bank transfer or the offsetting of reciprocal obligations.
3. The consideration is based on the estimated costs (including labour costs per man-hour (ranging from USD3.48 to USD3.93) and the necessary materials costs) for the relevant repair works and is to be paid in cash via bank transfer or the offsetting of reciprocal obligations.

THE ANNUAL AGGREGATE TRANSACTION AMOUNT

The contract price payable under each of the New Repair Services Contracts 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. 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 repair 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 (taking into account the price, availability of professionals with the required skill and experience and availability of equipment) and then entered into the contracts with the chosen contractor.

Based on the terms of the New Repair Services Contracts 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 ended 31 December 2018 is estimated to be approximately USD12.927 million; for the financial year ended 31 December 2019 is estimated to be approximately USD699,036; for the financial year ended 31 December 2020 is estimated to be approximately USD14,590.

The annual aggregate transaction amount by the Group 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 Contracts 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 each of the New Repair Services Contracts is for the benefit of the Company, as the contractor offered a competitive price.

The Directors (including the independent non-executive Directors) consider that each of the New Repair Services Contracts 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 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 Repair Services Contracts, save for Mr. Deripaska, Mr. Maxim Sokov, Mr. Vladislav Soloviev, Ms. Olga Mashkovskaya and Ms. Gulzhan Moldazhanova, who are directors of En+, being the holding company of each of KraMZ-Auto LLC and «HPS-engineering» Ltd. Mr. Deripaska is also indirectly interested in more than 50% of the issued share capital of En+. Accordingly, Mr. Deripaska, Mr. Vladislav Soloviev, Mr. Maxim Sokov, Ms. Olga Mashkovskaya and Ms. Gulzhan Moldazhanova did not vote on the Board resolution approving the New Repair Services Contracts.

LISTING RULES IMPLICATIONS

Each of KraMZ-Auto LLC and «HPS-engineering» Ltd. is held by En+ as to more than 30% of the issued share capital and is therefore an associate of En+ which in turn is a substantial shareholder of the Company. Accordingly, KraMZ-Auto LLC and «HPS-engineering» Ltd. are connected persons of the Company under the Listing Rules.

The estimated annual aggregate transaction amount of the continuing connected transactions under the New Repair Services Contracts and the Previously Disclosed Repair Services Contracts for the financial year ending 31 December 2018 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.

TRANSPORT LOGISTICS SERVICES

THE NEW TRANSPORT LOGISTICS SERVICES CONTRACTS

Reference is made to the announcements of the Company dated 13 November 2017, 29 December 2017, 12 January 2018 and 7 February 2018 in relation to the Previously Disclosed Transport Logistics Services Contracts.

The Company announces that 2 members of the Group and an associate of En+ entered into the addendums to the contract dated 28 December 2016 and to the contract dated 29 December 2016 as specified in the Company’s announcement dated 30 December 2016 pursuant to which the associate of En+ agreed to provide transport logistics services to the members of the Group (the “**New Transport Logistics Services Contracts**”) with major terms set out below:

No.	Date of the addendum	Customer (member of the Group)	Service provider (associate of En+)	Services	Estimated consideration payable for the year ending 31 December 2018 excluding VAT (USD)	Scheduled termination date	Payment terms
1	Addendum dated 1 March 2018, which is an addendum to the original contract dated 28 December 2016. The term of this addendum commenced on 1 January 2018.	RTI LIMITED	«Russian Transport Company» LLC	Organization of transportation of goods by railway transport	563,684 (Note 1)	31 December 2018	Payment before the 22nd of the month following the month of transportation
2	Addendum dated 1 March 2018, which is an addendum to the original contract dated 29 December 2016. The term of this addendum commenced on 1 January 2018.	JSC “RUSAL Achinsk”	«Russian Transport Company» LLC	Organization of transportation of goods by railway transport	9,442 (Note 2)	31 December 2018	Payment before the 22nd of the month following the month of transportation
Total estimated consideration payable for the year (USD)					573,126		

Note:

1. The basis of calculation is the price for transportation of a wagon multiplied by the estimated number of wagons required for the year ending 31 December 2018 (approximately 3,197 wagons).
2. The basis of calculation is the price for transportation of a wagon multiplied by the estimated number of wagons required for the year ending 31 December 2018 (approximately 76 wagons).

The consideration under the New Transport Logistics Services Contracts is to be paid in cash via bank transfer.

THE ANNUAL AGGREGATE TRANSACTION AMOUNT

The contract price payable under the New Transport Logistics Services Contracts has been determined with reference to the market price and on terms no less favourable than those prevailing in the Russian market for transport logistics services of the same type and quality and those offered by the associates of En+ to independent third parties. 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 transport logistics 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 service provider offering the best terms and conditions (the chosen service provider offered competitive rates with rolling stock guarantee and was able to provide the services required).

Pursuant to Rule 14A.81 of the Listing Rules, the New Transport Logistics Services Contracts are required to be aggregated with the Previously Disclosed Transport Logistics Services Contracts as they were each entered into by the Group with the associates of En+ and the subject matter of each contract relates to the provision of transport logistics services by the associates of En+ to the Group.

The annual aggregate transaction amount that is payable by the Group to the associates of En+ under the New Transport Logistics Services Contracts and the Previously Disclosed Transport Logistics Services Contracts for the financial year ending 31 December 2018 is estimated to be up to approximately USD24.044 million. This annual aggregate transaction amount is estimated by the Directors based on the need for the transport logistics services by the Group and the contract price.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

The New Transport Logistics Services Contracts were entered into for the purpose of obtaining logistics services. The Company considers that the transactions contemplated under the New Transport Logistics Services Contracts are for the benefit of the Company as the services provided are required in the production process of the Group.

The Directors (including the independent non-executive Directors) consider that the New Transport Logistics Services Contracts are on normal commercial terms which are fair and reasonable and the transactions contemplated under the New Transport Logistics Services 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 Transport Logistics Services Contracts save for Mr. Deripaska, Mr. Vladislav Soloviev, Mr. Maxim Sokov, Ms. Olga Mashkovskaya and Ms. Gulzhan Moldazhanova, who are directors of En+, being the holding company of “Russian Transport Company” LLC. 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 Transport Logistics Services Contracts. As Mr. Vladislav Soloviev’s appointment as director of En+ only took effect on 1 January 2018, he did not abstain from voting on the Board resolution as he was not yet a director of En+ at the time when the Board resolution was passed.

LISTING RULES IMPLICATIONS

«Russian Transport Company» LLC is an indirect subsidiary of En+ and is therefore an associate of En+ which in turn is a substantial shareholder of the Company. Accordingly, «Russian Transport Company» LLC 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 Transport Logistic Services Contracts and the Previously Disclosed Transport Logistics Services Contracts for the financial year ending 31 December 2018 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 Transport Logistic Services Contracts 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.

KraMZ-Auto LLC is principally engaged in the provision of transportation services.

«HPS-engineering» Ltd. is principally engaged in the building and modernisation of objects of hydropower engineering, thermal power engineering performs design, construction, commissioning and manufactures electrotechnical equipment of high technological level.

«Russian Transport Company» LLC is principally engaged in the organization of different kinds 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.
“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(s)”	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 Plc, formerly 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 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 the members of the Group during the financial year 2017 or 2018 (as the case may be), as disclosed in the announcements of the Company dated 30 October 2017, 11 December 2017, 11 January 2018, 29 January 2018, 15 February 2018 and 27 February 2018.
“Previously Disclosed Transport Logistics Services Contracts”	the contracts entered into between members of the Group and associates of En+ as disclosed in the Company’s announcements dated 13 November 2017, 29 December 2017, 12 January 2018 and 7 February 2018 in relation to the receipt of transport logistics services by the members of the Group for the year ending 31 December 2018.
“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

2 March 2018

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.