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UNITED COMPANY RUSAL PLC

(Incorporated under the laws of Jersey with limited liability)

(Stock Code: 486)

CONTINUING CONNECTED TRANSACTIONS TRANSPORT LOGISTICS SERVICES CONTRACT AND INADVERTENT BREACH OF LISTING RULES ON CONTINUING CONNECTED TRANSACTIONS

Reference is made to the announcements of the Company dated 30 December 2016, 16 January 2017, 2 March 2017, 8 March 2017, 12 April 2017, 1 June 2017, 21 June 2017, 4 July 2017, 13 November 2017, 29 December 2017, 12 January 2018, 7 February 2018 and 2 March 2018 in relation to the Previously Disclosed Transport Logistics Services Contracts.

The Company announces that a member of the Group and an associate of En+ entered into a contract dated 1 April 2017 (the “**Original Contract**”) and will enter into the addendums thereto (the “**Addendums**” (together, the “**Additional Transport Logistics Services Contracts**”) pursuant to which the associate of En+ agreed to provide transport logistics services to the member of the Group.

Due to an inadvertent oversight, the Original Contract was not disclosed on a timely basis as a result of which the Company inadvertently breached Chapter 14A of the Listing Rules.

THE ADDITIONAL TRANSPORT LOGISTICS SERVICES CONTRACTS

Reference is made to the announcements of the Company dated 30 December 2016, 16 January 2017, 2 March 2017, 8 March 2017, 12 April 2017, 1 June 2017, 21 June 2017, 4 July 2017, 13 November 2017, 29 December 2017, 12 January 2018, 7 February 2018 and 2 March 2018 in relation to the Previously Disclosed Transport Logistics Services Contracts.

The Company announces that a member of the Group and an associate of En+ entered/will enter into the Additional Transport Logistics Services Contracts pursuant to which the associate of En+ agreed to provide transport logistics services to the member of the Group. The major terms of the Additional Transport Logistics Services Contracts are set out below:

No.	Date of contract/addendum	Customer (member of the Group)	Service provider (associate of En+)	Services	Estimated consideration payable for the relevant year excluding VAT (USD)	Scheduled termination date	Payment terms
1	1 April 2017	CJSC «RUSAL - ARMENAL»	“Russian Transport Company” LLC	Forwarding services	2017: 25,000	30 September 2017	Payment within 10 banking days from the date of receipt of the copy of the report on the executed order.
2	Expected date — 6 March 2018 (addendum to the original contract dated 1 April 2017; the terms of this addendum commenced on 1 October 2017)	CJSC «RUSAL - ARMENAL»	“Russian Transport Company” LLC	Forwarding services	2017: 275,000 2018: 275,000	31 March 2018	Payment to be made within 5 banking days from the date of drawing of the account
3	Expected date — 12 March 2018 (addendum to the original contract dated 1 April 2017; the terms of this addendum commenced on 1 February 2018)	CJSC «RUSAL - ARMENAL»	“Russian Transport Company” LLC	Forwarding services	2018: 10,000	31 March 2018	Payment to be made within 5 banking days from the date of drawing of the account
Total estimated consideration payable for the year (USD)					2017: 300,000 2018: 285,000		

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

THE ANNUAL AGGREGATE TRANSACTION AMOUNT

The contract price payable under each of the Additional 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, and 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 Additional 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 Additional Transport Logistics Services Contracts and the Previously Disclosed Transport Logistics Services Contracts for the financial year ended 31 December 2017 is estimated to be up to approximately USD24.652 million and for the financial year ending 31 December 2018 is estimated to be up to approximately USD24.329 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 Additional Transport Logistics Services Contracts were entered into for the purpose of obtaining transport logistics services. The Company considers that the transactions contemplated under the Additional 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 Additional Transport Logistics Services Contract is on normal commercial terms which are fair and reasonable and the transactions contemplated under the Additional Transport Logistics Services Contract is 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 Additional Transport Logistics Services Contract 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 Additional Transport Logistics Services Contract. 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 is a substantial shareholder of the Company. Therefore “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 Additional Transport Logistic Services Contracts and the Previously Disclosed Transport Logistics Services Contracts for each of the financial year ended 31 December 2017 and 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.

Due to an inadvertent oversight caused by human error, the Original Contract as disclosed above was not disclosed by the Company in accordance with the Listing Rules, and the Company inadvertently breached Chapter 14A of the Listing Rules. The Company takes the incident seriously and to avoid a repeat of such inadvertent human error going forward will ensure the enhanced training will be provided to its staff who is/are responsible for reporting on transactions covered by Chapters 14 and 14A of the Listing Rules in charge to press upon the relevant staff the importance of strict compliance with the Group’s internal reporting policies in respect of continuing connected transactions and matters relating thereto.

Details of the Additional 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.

«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 Transport Logistics Services Contracts”	the contracts entered into between the members of the Group and the associates of En+ as disclosed in the Company’s announcements dated 30 December 2016, 16 January 2017, 2 March 2017, 8 March 2017, 12 April 2017, 1 June 2017, 21 June 2017, 4 July 2017, 13 November 2017, 29 December 2017, 12 January 2018, 7 February 2018 and 2 March 2018 in relation to the receipt of transport logistics services by the members of the Group for the years ending 31 December 2017 and 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

5 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.