

## **Hong Kong Export Cargo Fuel Surcharge (CFS)**

According to the announcement of the Hong Kong Civil Aviation Department (HKCAD), effective from 1st January 2025, individual airlines may, based on their commercial considerations, may set a Cargo Fuel Surcharge (CFS) at a level based on their circumstance or choose not to levy such surcharge.

Effective now, Kalitta Air will utilize a CFS that is based on the actual fuel prices paid by Kalitta Air at the specific locations Kalitta Air operates across the given route of flights to and from HKG, in order to levy the Hong Kong Export Cargo Fuel Surcharge. This CFS will apply to all Kalitta Air scheduled flight service departures from Hong Kong. This CFS will come into effect for shipments departing Hong Kong from 00:00 hours on 1st January 2025 (Hong Kong time).

<b>Kalitta Air Fuel Surcharge mechanism applied on Hong Kong scheduled flight services CFS source of reference:</b>	Actual fuel price paid for by Kalitta Air in locations transited on scheduled flights to/from Hong Kong. Per flight cost to be adjusted upwards/downwards by multiplying the average fuel consumption for the route operated in US gallons by the change of fuel cost for each US\$ 0.01 in change based on the actual fuel prices paid by Kalitta Air
<b>Calculation Period:</b>	Calculated every 2 weeks, based on global fuel prices for the contract route, starting 07 January 2025, applicable for flights to operate in the following 2-week period
<b>Frequency of Change:</b>	Every 2 weeks on Tuesday based on GMT
<b>Timing of Announcement:</b>	Every 2 weeks on Tuesday based on GMT, for flights to operate in the following 2-week period
<b>Website:</b>	<a href="http://www.kalittaair.com">www.kalittaair.com</a>
<b>Long-haul Cargo Fuel surcharge</b>	Will be applied to all long-haul flights at HKG operated by our fleet of B747 and B777 aircraft.

### **Cargo Fuel Surcharge Mechanism**

Calculation of Cargo Fuel Surcharge is based on the following formula:

Cargo Fuel Surcharge =

**Average Fuel Consumption for Route Flown (gals) x Increase to Baseline Fuel Purchase Cost (\$/gal USD) = Total CFS (\$ USD)**

**\*Using this formula, CFS will not exceed maximum USD \$50,000/flight for each fuel adjustment period through 31December2025**