PRELIMINARY NOTICE OF ACCEPTANCE

RELATING TO THE
INVITATION TO TENDER BONDS
Dated August 11, 2026
made by
THE CITY OF PHILADELPHIA, PENNSYLVANIA
to the Bondowners of
all or any portion of the maturities listed on page 2 herein of

TARGET BONDS

GAS WORKS REVENUE BONDS
FIFTEENTH SERIES
(1998 GENERAL ORDINACE)

(Base CUSIP: 71783M)

The purpose of this Preliminary Notice of Acceptance dated August 25, 2026 is to provide notice of preliminary acceptance for purchase of certain Target Bonds. All terms used herein and not otherwise defined are used as defined in the Invitation (hereinafter defined).

The Tender Offer expired at 5:00 p.m., New York City time, on August 24, 2026.

Pursuant to the Invitation to Tender Bonds dated August 11, 2026 (as amended and supplemented by the Pricing Notice dated August 18, 2026, and as it may be further amended or supplemented, the "**Invitation**"), the City of Philadelphia (the "**City**") invited Bondowners to tender Target Bonds for cash at the applicable Offer Purchase Prices set forth in this Pricing Notice plus Accrued Interest on any purchased Target Bonds to but not including the Settlement Date. See Section 2, "Information to Bondowners" in the Invitation.

The principal amounts of the Target Bonds for each maturity and corresponding CUSIP that the City is preliminarily accepting for purchase are set forth in **Schedule 1** hereto.

On August 26, 2026, unless such date is extended by the City (the "**Final Acceptance Date**"), the City will announce its acceptance for purchase of the Target Bonds, if any, from among those Target Bonds of each maturity and corresponding CUSIP initially accepted for purchase as listed in **Schedule 1** hereto by giving notice via the Final Notice of Acceptance. The City has no obligation to accept for purchase any tendered Target Bonds and the City's obligation to pay for Target Bonds validly tendered (and not validly withdrawn) and accepted pursuant to the Invitation is subject to the terms and conditions of the Invitation (including, *inter alia*, satisfaction or waiver of the Financing Conditions) on or prior to the Settlement Date.

If the City elects to purchase any Target Bonds of a particular CUSIP number, the City will purchase all Target Bonds of that CUSIP number tendered by Bondowners.

The Invitation, including the Eighteenth Series Bonds POS dated August 11, 2026, as it may be amended or supplemented, is available: (i) at the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access website, currently located at http://emma.msrb.org, using the CUSIP numbers for the Target Bonds listed in **Schedule 1**, and (ii) on the website of the Information Agent and Tender Agent at https://globic.com/pgw.

Any questions are to be directed to the Information Agent and Tender Agent at (212) 227-9622.

August 25, 2026

Schedule 1

TARGET BONDS

The table below lists the principal amount of the Target Bonds of each maturity and corresponding CUSIP that have been preliminarily accepted for purchase by the City.

The City of Philadelphia, Pennsylvania
Gas Works Revenue Bonds, Fifteenth Series
(1998 General Ordinance)

CUSIP[1] (Base No. 71783M)	Maturity Date (August 1)	Interest Rate (%)	Outstanding Principal Amount ($)	Principal Amount Tendered for Purchase ($)	Preliminary Principal Amount Accepted for Purchase ($)
AN5	2028	5.000	7,775,000	4,490,000	4,490,000
AP0	2029	5.000	8,240,000	2,385,000	2,385,000
AQ8	2030	5.000	7,175,000	3,920,000	3,920,000
AR6	2031	5.000	7,530,000	3,500,000	3,500,000
AS4	2032	5.000	7,910,000	7,075,000	7,075,000
AT2	2033	5.000	8,300,000	3,450,000	3,450,000
AU9	2034	5.000	8,715,000	5,315,000	5,315,000
AV7	2035	5.000	9,150,000	6,770,000	6,770,000
AW5	2036	5.000	9,610,000	8,740,000	8,740,000
AX3	2037	5.000	10,095,000	7,750,000	7,750,000
AY1[2]	2042	5.000	58,555,000	33,445,000	33,445,000
AZ8[2]	2047	5.000	74,730,000	28,325,000	---
Total			**217,785,000**	**115,165,000**	**86,840,000**

(1) CUSIP is a registered trademark of the American Bankers Association. CUSIP numbers herein are provided by CUSIP Global Services, managed on behalf of the American Bankers Association by FactSet Research Systems Inc., solely for the convenience of the Bondowners of the Target Bonds and the City is not responsible for the selection or correctness of the CUSIP numbers printed herein and does not make any representation with respect to such numbers or undertake any responsibility for their accuracy.

(2) Denotes a Target Term Bond subject to annual mandatory sinking fund redemption prior to maturity.