UNDER CERTAIN CIRCUMSTANCES DESCRIBED IN THE RIGHTS AGREEMENT, RIGHTS OWNED BY OR TRANSFERRED TO ANY PERSON WHO IS OR BECOMES AN ACQUIRING PERSON (AS DEFINED IN THE RIGHTS AGREEMENT) AND CERTAIN TRANSFEREES WILL BECOME NULL AND VOID AND WILL NO LONGER BE TRANSFERABLE.

SUMMARY OF RIGHTS TO PURCHASE
SHARES OF COMMON STOCK OF
ALASKA POWER & TELEPHONE COMPANY

On September 30, 2026, the Board of Directors of Alaska Power & Telephone Company (the "Company") declared a dividend of one right (a "Right") for each outstanding share of common stock, par value $1.00 per share, of the Company (the "Common Stock"). The dividend is payable on September 30, 2026 (the "Record Date") to the stockholders of record on that date. Each Right entitles the registered holder to purchase from the Company one share of Common Stock at a price of $422.50 per share (the "Purchase Price"), subject to adjustment. The description and terms of the Rights are in a Rights Agreement dated as of September 30, 2026, as the same may be amended (the "Rights Agreement"), between the Company and Computershare Trust Company, N.A., as Rights Agent (the "Rights Agent").

Distribution Date and Transfer.

Until the earlier to occur of (a) 10 business days following a public announcement that a person or group of affiliated or associated persons (with certain exceptions, an "Acquiring Person") has acquired beneficial ownership of 15% or more of the outstanding shares of Common Stock, or (b) 10 business days (or a later date as may be determined by action of the Board of Directors of the Company before any person or group becomes an Acquiring Person) following the commencement of, or announcement of an intention to make, a tender offer or exchange offer the consummation of which would result in the beneficial ownership by a person or group of 15% or more of the outstanding shares of Common Stock (the earlier of those dates being called the "Distribution Date"), the Rights will be evidenced by the book-entry account positions for the Common Stock (or, if any shares are certificated, by those certificates) together with this Summary of Rights.

The Rights Agreement provides that, until the Distribution Date (or earlier expiration of the Rights), the Rights will be transferred with and only with the Common Stock. Until the Distribution Date (or earlier expiration of the Rights), the transfer of book-entry shares of Common Stock issued after the Record Date (or, if applicable, new certificates issued after the Record Date) will be subject to a notice or notation incorporating the Rights Agreement by reference. Until the Distribution Date (or earlier expiration of the Rights), the transfer of any book-entry shares (or surrender for transfer of any certificates) representing shares of Common Stock outstanding as of the Record Date, even without that notice or a copy of this Summary of Rights, also constitutes the transfer of the Rights associated with those shares. As soon as practicable following the Distribution Date, separate certificates evidencing the Rights ("Right Certificates") will be mailed to holders of record of the Common Stock as of the close of

business on the Distribution Date and those separate Right Certificates alone will evidence the Rights.

Exercise and Expiration.

The Rights are not exercisable until the Distribution Date. The Rights will expire on September 30, 2036 (the "Final Expiration Date"), unless the Final Expiration Date is advanced or extended or unless the Rights are earlier redeemed or exchanged by the Company, in each case as described below.

Purchase Price Adjustments.

The Purchase Price payable, and the number of shares of Common Stock or other securities or property issuable, upon exercise of the Rights is subject to adjustment to prevent dilution (a) in the event of a stock dividend on, or a subdivision, combination, or reclassification of, the Common Stock, (b) upon the grant to holders of the Common Stock of certain rights or warrants to subscribe for or purchase Common Stock at a price, or securities convertible into Common Stock with a conversion price, less than the then-current market price of the Common Stock, or (c) upon the distribution to holders of the Common Stock of evidences of indebtedness or assets (excluding regular periodic cash dividends or dividends payable in Common Stock) or of subscription rights or warrants (other than those referred to above).

The number of outstanding Rights is subject to adjustment in the event of a stock dividend on the Common Stock payable in shares of Common Stock or subdivisions, consolidations, or combinations of the Common Stock occurring, in any case, before the Distribution Date.

Flip-In Event.

If any person or group of affiliated or associated persons becomes an Acquiring Person, each holder of a Right, other than Rights beneficially owned by the Acquiring Person (which will become void), will thereafter have the right to receive upon exercise of a Right that number of shares of Common Stock having a market value of two times the exercise price of the Right (i.e., Common Stock at a 50% discount to market price).

Flip-Over Event.

If, after a person or group has become an Acquiring Person, the Company is acquired in a merger or other business combination transaction, or 50% or more of its consolidated assets or earning power are sold, proper provisions will be made so that each holder of a Right (other than Rights beneficially owned by an Acquiring Person, which will have become void) will thereafter have the right to receive upon the exercise of a Right that number of shares of common stock of the acquiring person (or its parent) that at the time of that transaction have a market value of two times the exercise price of the Right.

The flip-over is also triggered, after a person becomes an Acquiring Person, by either of the following with respect to Sealink Networks, Inc. (the "Designated Subsidiary"): (a) a sale of equity interests in Sealink, or any merger, recapitalization, issuance of equity, or other transaction, in either case with the result that the Company ceases to hold voting power sufficient to elect a majority of Sealink's board; or (b) a sale of all or substantially all of Sealink's assets — in each case regardless of whether the transaction meets the 50% consolidated-assets threshold. These triggers do not apply to any transaction approved by the Board of Directors (whether before or after any person becomes an Acquiring Person). In particular, Sealink may bring in outside investors or raise capital with board approval without triggering the plan, even if doing so dilutes the Company's stake below majority.

Exchange.

At any time after any person or group becomes an Acquiring Person and before the earlier of one of the events described in the previous paragraph or the acquisition by the Acquiring Person of 50% or more of the outstanding shares of Common Stock, the Board of Directors of the Company may exchange the Rights (other than Rights owned by the Acquiring Person, which will have become void), in whole or in part, for shares of Common Stock at an exchange ratio of one share of Common Stock per Right.

Exempt Persons and Grandfathered Stockholders.

The Rights Agreement provides that the Alaska Power & Telephone Company Employee Stock Ownership and Savings Plan (the "ESOP") is an "Exempt Person." The ESOP is not an Acquiring Person regardless of the percentage of Common Stock it beneficially owns, and may acquire additional shares in the ordinary course without restriction. If a Flip-In Event occurs, any Rights associated with ESOP shares will be automatically redeemed for the Redemption Price, so the ESOP will not hold separate Rights. The ESOP will also receive additional shares of Common Stock as necessary to preserve its percentage ownership if other stockholders exercise or exchange their Rights following a Flip-In Event. The Wilson Western Electric Trust is a "Grandfathered Stockholder" and is not an Acquiring Person solely because it beneficially owns 15% or more of the Common Stock as of the adoption date of the Rights Agreement. But the Wilson Western Electric Trust becomes an Acquiring Person if it acquires any additional shares of Common Stock (other than through a stock dividend, stock split, or other pro-rata distribution by the Company, or a passive percentage increase resulting solely from a Company repurchase that reduces the outstanding share count).

Anti-Dilution; Fractional Shares.

With certain exceptions, no adjustment in the Purchase Price will be required until cumulative adjustments require an adjustment of at least 1% in the Purchase Price. No fractional shares of Common Stock will be issued, and in lieu of any fractional share an adjustment in cash will be made based on the current market price of the Common Stock.

Redemption.

At any time before any person becomes an Acquiring Person, the Board of Directors of the Company may redeem the Rights in whole, but not in part, at a price of $0.01 per Right (the "Redemption Price") payable, at the option of the Company, in cash, shares of Common Stock, or any other form of consideration as the Board of Directors determines. The redemption of the Rights may be made effective at the time, on the basis, and with the conditions as the Board of Directors in its sole discretion may establish. Immediately upon any redemption of the Rights, the right to exercise the Rights will terminate and the only right of the holders of Rights will be to receive the Redemption Price.

Amendments.

For so long as the Rights are then redeemable, the Company may, except with respect to the Redemption Price, amend the Rights Agreement in any manner. After the Rights are no longer redeemable, the Company may, except with respect to the Redemption Price, amend the Rights Agreement in any manner that does not adversely affect the interests of holders of the Rights.

Rights of Holders.

Until a Right is exercised or exchanged, the holder, as such, will have no rights as a stockholder of the Company, including the right to vote or to receive dividends.

* * *

A copy of the Rights Agreement is available free of charge from the Company. This summary description of the Rights does not purport to be complete and is qualified in its entirety by reference to the Rights Agreement, as the same may be amended, which is incorporated by reference.