TXNM ENERGY, INC.
414 Silver Ave. SW
Albuquerque, New Mexico 87102

To: Holders of TXNM Energy, Inc.'s 5.75% Junior Subordinated Convertible Notes due 2054 (CUSIP: 69349H AF4) (the "Convertible Notes")

Computershare Trust Company, N.A., as Trustee
1505 Energy Park Drive
St. Paul, Minnesota 55108
Attention: CTSO Mail Operations

Re: Notice of Adjustment to Conversion Rate

Ladies and Gentlemen:

Reference is made to that certain Indenture, dated as of June 10, 2024 (the "**Indenture**"), between TXNM Energy, Inc. (formerly known as PNM Resources, Inc.), a New Mexico corporation (the "**Company**"), and Computershare Trust Company, N.A., as trustee (the "**Trustee**"), pursuant to which the Company issued its 5.75% Junior Subordinated Convertible Notes due June 1, 2054 (the "**Convertible Notes**"). Capitalized terms used in this notice which are defined in the Indenture and are not otherwise defined herein have the meanings specified for those terms in the Indenture.

Notice is hereby provided pursuant to Section 14.04(l) of the Indenture that an adjustment to the Conversion Rate for the Convertible Notes has been made pursuant to Sections 14.04(d) and 14.04(k) of the Indenture.

Background

Section 14.04(d) of the Indenture provides that the Conversion Rate for the Convertible Notes shall be adjusted on the Ex-Dividend Date for any cash dividend or distribution made to all or substantially all holders of the Common Stock, other than a regular, quarterly cash dividend that does not exceed $0.3875 (the "**Initial Dividend Threshold**").

Through April 27, 2026, the Company made adjustments to the Conversion Rate pursuant to Section 14.04(d) and 14.04(k) of the Indenture relating to dividends paid in excess of the Initial Dividend Threshold. Through such adjustments, the Conversion Rate was increased to 22.5517 shares of the Common Stock (subject to future adjustment as provided in the Indenture) per $1,000 principal amount of the Convertible Notes.

On August 3, 2026, the Ex-Dividend Date occurred for a quarterly cash dividend by the Company of $0.4225 per share (the "**August 2026 Dividend**"). In accordance with Section 14.04(d) and Section 14.04(k) of the Indenture, the adjustment to the Conversion Rate relating to the August 2026 Dividend became effective on August 3, 2026.

Adjustments

Effective as of August 3, 2026, the Conversion Rate set forth in Section 14.01(a) of the Indenture is adjusted to 22.5654 shares of the Common Stock (subject to future adjustment as provided in the Indenture) per $1,000 principal amount of the Convertible Notes.

The adjustment to the Conversion Rate was calculated using the formula in Section 14.04(d) of the Indenture.

TXNM ENERGY, INC.

Dated: August 3, 2026