

**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**").

Under Section 14.04(k) of the Indenture, if an adjustment to the Conversion Rate otherwise required by Section 14.04 of the Indenture would result in a change of less than one percent to the Conversion Rate, then, notwithstanding the foregoing, the Company may, at its election, defer and carry forward such adjustment, except that all such deferred adjustments must be given effect immediately upon the occurrence of certain events as provided in Section 14.04(k) of the Indenture.

As provided in the Company's Notice of Conversion Rate Adjustment dated January 2, 2026, in accordance with Section 14.04(d) and 14.04(k) of the Indenture, the Conversion Rate for the Convertible Notes was adjusted effective as of January 1, 2026 for all dividends made prior to

such date that were in excess of the Initial Dividend Threshold. The Conversion Rate effective as of January 1, 2026 was 22.5248 shares of the Common Stock (subject to future adjustment as provided in the Indenture) per \$1,000 principal amount of the Convertible Notes.

On January 30, 2026, the Ex-Dividend Date occurred for a quarterly cash dividend by the Company of \$0.4225 per share (the “January 2026 Dividend”). Since the adjustment to the Conversion Rate from the January 2026 Dividend would result in a change of less than one percent to the Conversion Rate, no adjustment to the Conversion Rate was required at the time of the January 2026 Dividend. In accordance with Section 14.04(k) of the Indenture, the adjustment to the Conversion Rate relating to the January 2026 Dividend became effective on March 26, 2026.

Adjustments

Effective as of March 26, 2026, the Conversion Rate set forth in Section 14.01(a) of the Indenture is adjusted to 22.5382 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: March 26, 2026