

Taiwan Semiconductor Manufacturing Company Limited

2026 Annual Shareholders' Meeting

Meeting Agenda
(Translation)

June 4, 2026

Table of Contents

1. Call Meeting to Order	1
2. Meeting Agenda	2
(1) Report Items	4
(2) Proposed Resolutions	7
(3) Special Motion	8
3. Attachment	9
I. Business Report	10
II. Audit and Risk Committee’s Review Report	14
III. 2025 Directors’ Remuneration	15
IV. Independent Auditors’ Report and 2025 Consolidated Financial Statements	16
V. Independent Auditors’ Report and 2025 Parent Company Only Financial Statements	28
VI. 2025 Earnings Distribution Table	39
VII. Comparison Table for the Articles of Incorporation Before and After Revision	40
VIII. Comparison Table for the Procedures for Acquisition or Disposal of Assets Before and After Revision	42
4. Appendix	46
I. Rules and Procedures of Shareholders’ Meeting	47
II. Articles of Incorporation	51
III. Shareholdings of All Directors	62

1. Call Meeting to Order

2. Meeting Agenda

Taiwan Semiconductor Manufacturing Company Limited
2026 Annual Shareholders' Meeting
Meeting Agenda
(Translation)

Type of Meeting: Physical Meeting

Time: 9:00 a.m., June 4, 2026

Place: Sheraton Hsinchu Hotel

(3F, No. 265, Dong Sec. 1, Guangming 6th Rd., Zhubei City, Hsinchu County, Taiwan)

Attendants: All shareholders or their proxy holders

Chairman: Dr. C.C. Wei, Chairman of the Board of Directors

1. Chairman's Address

2. Report Items
 - (1) To report the business of 2025
 - (2) 2025 Audit and Risk Committee's review report
 - (3) To report 2025 earnings distribution
 - (4) To report 2025 directors' compensation
 - (5) To report 2025 employees' profit sharing bonuses
 - (6) To report the issuance of unsecured corporate bonds

3. Proposed Resolutions
 - (1) To accept 2025 Business Report and Financial Statements
 - (2) To revise the Articles of Incorporation
 - (3) To revise the Procedures for Acquisition or Disposal of Assets

- Voting by Poll

4. Special Motion

5. Meeting Adjourned

Report Items

1. To report the business of 2025

Explanatory Notes : Please refer to Attachment I.

2. 2025 Audit and Risk Committee's review report

Explanatory Notes : Please refer to Attachment II.

3. To report 2025 earnings distribution

Explanatory Notes :

TSMC's Articles of Incorporation authorize the Board of Directors to approve quarterly cash dividends. The amounts and payment dates of 2025 quarterly cash dividends are demonstrated in the table below:

2025	Approval Date (month/day/year)	Payment Date (month/day/year)	Cash Dividend Per Share (NT\$)	Total Amount (NT\$)
First Quarter	05/13/2025	10/09/2025	5.00001754 ^(Note 1)	129,663,077,605
Second Quarter	08/12/2025	01/08/2026	5.00001118 ^(Note 1)	129,662,912,605
Third Quarter	11/11/2025	04/09/2026	6.00003573 ^(Note 1)	155,595,147,126
Fourth Quarter	02/10/2026	07/09/2026	6.0 ^(Note 2)	155,595,147,126

Note 1: The cash dividend per share was adjusted, as authorized by the Board of Directors, based on the actual number of common shares outstanding as of the record date for such dividend payment.

Note 2: The actual cash dividend per share shall be subject to adjustment based on the actual number of common shares outstanding as of the record date for such dividend payment.

4. To report 2025 directors' compensation

Explanatory Notes :

- (1) The 2025 directors' compensation is NT\$156,305,424. The directors' compensation is to be distributed in cash.
- (2) For the directors' remuneration, including the remuneration policy, the details and amount of the remuneration received by individual directors, please refer to Attachment III.

5. To report 2025 employees' profit sharing bonuses

Explanatory Notes :

- (1) The 2025 employees' profit sharing bonuses were approved by the Board of Directors in its meeting for the first quarter of 2026. The employees' profit sharing bonuses are to be distributed in cash.
- (2) The total amount of the 2025 employees' business performance bonuses and profit sharing bonuses is NT\$206,145,915,284, of which NT\$103,072,957,642 has been distributed following each quarter of 2025 as business performance bonuses, and NT\$103,072,957,642 will be distributed in July 2026 as profit sharing bonuses.

6. To report the issuance of unsecured corporate bonds

Explanatory Notes :

As approved by TSMC's Board of Directors, in 2025, the Company completed five issuances of NT dollar-denominated corporate bonds in Taiwan for a total amount of NT\$86.9 billion to finance capacity expansion and/or green initiatives. The amount and major terms for these issuances are demonstrated in the table below:

(Amount in NT\$ billion)

Issuance	Issue Date (month/day/year)	Tranche	Amount	Tenor (year)	Coupon (%)	Maturity Date (month/day/year)
114-1 (Green Bond)	03/28/2025	A	12.0	5	1.90	03/28/2030
		B	7.2	10	2.05	03/28/2035
114-2 (Green Bond)	06/02/2025	A	12.5	5	1.92	06/02/2030
		B	1.6	10	2.05	06/02/2035
114-3 (Green Bond)	07/09/2025	A	8.3	5	1.92	07/09/2030
		B	4.0	10	2.05	07/09/2035
114-4 (10-year Tranche is Green Bond)	09/18/2025	A	13.8	5	1.66	09/18/2030
		B	4.0	10	1.73	09/18/2035
114-5 (Green Bond)	11/20/2025	A	14.0	5	1.50	11/20/2030
		B	3.0	7	1.53	11/20/2032
		C	6.5	10	1.58	11/20/2035
Interest Payment		Payable annually				
Principal Repayment		Bullet at maturity				

Proposed Resolutions

1. To accept 2025 Business Report and Financial Statements (Proposed by the Board of Directors)

Explanatory Notes :

- (1) TSMC's 2025 Financial Statements, including Balance Sheets, Statements of Comprehensive Income, Statements of Changes in Equity, and Statements of Cash Flows, were audited by independent auditors, Mr. Shih Tsung Wu and Mr. Shang Chih Lin, of Deloitte & Touche.
- (2) 2025 Business Report, Independent Auditors' Report, the aforementioned Financial Statements, and Earnings Distribution Table are attached hereto as Attachments I, IV, V and VI.

2. To revise the Articles of Incorporation (Proposed by the Board of Directors)

Explanatory Notes :

- (1) Article 19 of TSMC's Articles of Incorporation currently provides that "The Corporation shall have seven to ten Directors". In light of the rapidly changing business environment, and to allow the Company to have more flexibility to include additional Directors with diverse professional backgrounds and experiences, it is proposed to amend the number of Directors set forth in Article 19 to "The Corporation shall have nine to twelve Directors".
- (2) The Comparison Table for the Articles of Incorporation Before and After Revision is attached hereto as Attachment VII.

3. To revise the Procedures for Acquisition or Disposal of Assets (Proposed by the Board of Directors)

Explanatory Notes :

- (1) The Financial Supervisory Commission amended its “Regulations Governing the Acquisition and Disposal of Assets by Public Companies”. TSMC’s “Procedures for Acquisition or Disposal of Assets” (the “Procedures”) require amendments to reflect such regulatory changes.

The major amendments, pursuant to the regulations, are: For companies with paid-in capital of NT\$50 billion or more, the disclosure threshold for the following transactions will be changed from NT\$1 billion and NT\$0.3 billion, respectively, to 5% of the company’s paid-in capital: (i) acquisition or disposal of equipment or right-of-use assets thereof for business use where the transaction counterparty is not a related party; and (ii) buying or selling of government bonds, corporate bonds or bank debentures without equity characteristics (excluding subordinated debt) traded on securities exchanges or OTC markets.

Furthermore, to facilitate compliance with and timely adoption of future regulatory changes, it is proposed to amend Article 4 and Article 7 of the Procedures and to stipulate that any subsequent changes in regulations shall be directly applied as revised.

- (2) The Comparison Table for the Procedures for Acquisition or Disposal of Assets Before and After Revision is attached hereto as Attachment VIII.

Voting by Poll :

Special Motion

Meeting Adjourned

3. Attachment

Business Report

2025 was another strong year for TSMC. We observed robust AI-related demand throughout the year, while non-AI end market segments bottomed out and witnessed a mild recovery. Concluding 2025, the Foundry 2.0 industry increased 16% year-over-year. Supported by our strong technology differentiation and broad customer base, TSMC's revenue increased 35.9% year-over-year in US dollar terms, and both our revenue and EPS set new record highs.

In 2025, developments in the AI market continued to be very positive. The explosive growth in token volume demonstrates increasing consumer AI model adoption. Enterprise AI is another source of demand as companies such as TSMC leverage AI internally to drive greater productivity and efficiency to create more value. In addition, we continue to observe the rising emergence of Sovereign AI.

Thus, our conviction in the AI megatrend is strengthening, and we believe the demand for semiconductors is very fundamental.

As a Foundry, our biggest responsibility is to support our customers with the most advanced technologies and necessary capacity to unleash their innovations.

We continued to invest in R&D and technology development to support our customers' growth. Demand for our advanced technologies, defined as 7-nanometer and more advanced technologies, continued to be robust, driven by smartphone, High Performance Computing (HPC), Automotive and Internet of Things (IoT) applications. In its third full year of volume ramp, 3-nanometer technologies represented 24% of our total wafer revenue in 2025.

Our 2-nanometer technology successfully entered high volume manufacturing in 4Q'25, with good yield, and we expect a fast ramp in 2026. With our strategy of continuous enhancements, we also introduce N2P and A16 as extensions of our N2 family. N2P features further performance and power benefits, on top of N2. A16 features our best-in-class Super Power Rail, or SPR, and is best-suited for specific HPC products with complex signal routes and dense power delivery networks. Volume production for both N2P and A16 is scheduled for the second half of 2026.

Featuring our second generation nanosheet transistor structure, A14 will be another full-node stride from N2, with performance and power benefits to address the increasing structural need for high performance and energy-efficient computing. A14 technology development is progressing well, and volume production is scheduled for 2028.

We are also developing advanced packaging and 3D chip stacking technologies, including CoWoS[®], InFO, TSMC-SoIC[®] (System on Integrated Chips) and TSMC-COUPE[™] (Compact Universal Photonic Engine), to enable large-scale interconnectivity for lower power consumption at affordable costs to support our customers' needs.

On mature nodes, we are working closely with strategic customers to develop specialty technology solutions that meet their specific requirement. These partnerships enable us to create technology differentiation and provide long-lasting value to customers.

We believe our advanced process technologies, specialty technologies, and advanced packaging and chip stacking solutions lead the industry in addressing the insatiable demand for energy-efficient computing, and will further extend our technology leadership position well into the future.

To address the structural increase in the long-term market demand profile, TSMC works closely with our customers and our customers' customers to plan our capacity, while sticking to our disciplines. We focus on the overall addressable megatrend to determine the appropriate capacity to build, and are investing in leading edge, specialty and advanced packaging technologies to support our customers' growth.

Part of this strategy includes expanding our global manufacturing footprint based on our customers' needs, as they value some geographic flexibility, and a necessary level of government support. This is to maximize the value for our shareholders.

In March of 2025, we announced an additional investment plan to further expand in the United States, to support the strong multi-year demand from our customers. We are making tangible progress in Arizona, speeding up our capacity expansion and executing well to our plan.

Our first fab has already successfully entered high volume production in 4Q'24, with good yield. We are pulling forward the production schedule of our second fab, and expect to enter high volume manufacturing in the second half of 2027. Construction of our third fab has also begun in 2025.

Furthermore, we have just completed the purchase of a second large piece of land nearby, to support our current expansion plans and provide more flexibility in response to the very strong multi-year AI-related demand.

Our plan will enable TSMC to scale up to an independent GIGAFAB[®] cluster in Arizona, to support the needs of our leading-edge customers in smartphone, AI and HPC applications.

In Japan, our first specialty technology fab in Kumamoto began volume production at the end of 2024, with very good yield. We are now planning to use 3nm process technology for production at JASM's second fab, currently under construction in Kumamoto, to meet strong demand driven by AI. In Europe, we are progressing smoothly with our plans to build a specialty technology fab in Dresden, Germany, focusing on automotive and industrial applications.

In Taiwan, we are preparing multiple phases of 2nm fabs in both Hsinchu and Kaohsiung Science Parks. We will continue to invest in leading edge and advanced packaging facilities in Taiwan over the next several years across several locations, with a strong emphasis on construction site safety.

By expanding our global footprint while continuing to invest in Taiwan, TSMC can continue to be the trusted technology and capacity provider of the global logic IC industry for years to come.

We also made significant progress towards our sustainability targets in 2025. In April, we announced our commitment to the Science Based Targets Initiative (SBTi), setting key milestones to meet on our way to reaching 100% renewable energy by 2040, and net-zero emissions by 2050.

Highlights of TSMC's accomplishments in 2025:

- Total wafer shipments were 15.0 million 12-inch equivalent wafers as compared to 12.9 million 12-inch equivalent wafers in 2024.
- Advanced technologies (7-nanometer and beyond) accounted for 74 percent of total wafer revenue, up from 69 percent in 2024.
- We deployed 305 distinct process technologies, and manufactured 12,682 products for 534 customers.

2025 Financial Performance

Consolidated revenue reached NT\$3,809.05 billion, an increase of 31.6 percent over NT\$2,894.31 billion in 2024. Net income was NT\$1,717.88 billion and diluted earnings per share were NT\$66.25. Both increased 46.4 percent from the 2024 level of NT\$1,173.27 billion net income and NT\$45.25 diluted EPS.

In US dollar terms, TSMC generated net income of US\$55.21 billion on consolidated revenue of US\$122.42 billion, which increased 51.2 percent and 35.9 percent respectively from the 2024 level of US\$36.52 billion net income and US\$90.08 billion consolidated revenue.

Gross profit margin was 59.9 percent as compared with 56.1 percent in 2024, while operating profit margin was 50.8 percent compared with 45.7 percent a year earlier. Net profit margin was 45.1 percent, an increase of 4.6 percentage points from 2024's 40.5 percent.

In 2025, the Company further raised its total cash dividend payments to NT\$18.0 per share, up from NT\$14.0 a year ago.

Outlook

Entering 2026, we expect AI-related demand to continue to be robust, even as macroeconomic uncertainties persist. Underpinned by strong demand for our leading-edge, specialty and advanced packaging technologies, we are confident we can continue to outperform the industry growth.

Looking ahead, we observe increasing AI model adoption across Consumer, Enterprise and Sovereign AI segments. This is driving need for more and more computation, which supports the robust demand for leading-edge silicon.

We are entering an AI-empowered world, where artificial intelligence not only runs in datacenters, but will run in PCs, smartphones, automobiles, and even IoT devices in the future.

Our success is predicated on our steadfast adherence to the pure-play foundry business model. We will continue to invest in technology and capacity to support our customers' growth, while sticking to our disciplines to ensure we earn a sustainable and healthy return for our shareholders.

TSMC's mission is to be the trusted technology and capacity provider for the global logic IC industry for years to come. We will focus on the Fundamentals of Our Business – Technology Leadership, Manufacturing Excellence, and Customer Trust – to further strengthen our competitive position, while serving our customers and enabling them to be successful.

In an ever-changing world, we will remain faithful to our core values of Integrity, Commitment, Innovation, and Customer Trust to navigate the uncertainties. We do not take our responsibilities lightly, and we will continue to focus on investing in technology and capacity to support our customers' growth, while delivering profitable growth and maximizing the value to our shareholders. Thank you for your support, and we look forward to growing together in the years to come.

Audit and Risk Committee's Review Report

The Board of Directors has prepared the Company's 2025 Business Report, Financial Statements, and proposal for allocation of quarterly earnings. The CPA firm of Deloitte & Touche was retained to audit TSMC's Financial Statements and has issued an audit report relating to the Financial Statements. The Business Report, Financial Statements, and quarterly earnings allocation proposal have been reviewed and determined to be correct and accurate by the Audit and Risk Committee members of Taiwan Semiconductor Manufacturing Company Limited. According to relevant requirements of the Securities and Exchange Act and the Company Law, we hereby submit this report.

Taiwan Semiconductor Manufacturing Company Limited

Chairman of the Audit and Risk Committee:

A handwritten signature in black ink, appearing to read 'Peter L. Bonfield', written over a horizontal line.

Sir Peter L. Bonfield

February 10, 2026

2025 Directors' Remuneration

Remuneration of Directors and Independent Directors (Note 1)

Unit: NTS

Title/Name	Director's Remuneration										Compensation to a Director Who is an Employee of TSMC or of TSMC's Consolidated Entities				Sum of (A)+(B)+(C)+(D)+(E)+(F)+(G) and Ratio to Net Income (Note 6)		Compensation to Directors from Non-consolidated Affiliates or Parent Company		
	Base Compensation (A)		Severance Pay and Pensions (B) (Note 3)		Compensation to Directors (C) (Note 4)		Allowances (D) (Note 5)		Sum of (A)+(B)+(C)+D) and Ratio to Net Income		Base Compensation, Bonuses, and Allowances (E) (Note 5)		Severance Pay and Pensions (F) (Note 3)		Profit Sharing (G)			From All Consolidated Entities	From All Consolidated Entities
	From TSMC	From All Consolidated Entities	From TSMC	From All Consolidated Entities	From TSMC	From All Consolidated Entities	From TSMC	From All Consolidated Entities	From TSMC	From All Consolidated Entities	From TSMC	From All Consolidated Entities	Cash	Stock (Fair Market Value)	From TSMC	From All Consolidated Entities			
Chairman & Chief Executive Officer	-	-	-	-	-	-	-	-	-	-	1,974,517,640	276,489	447,900,290	-	2,422,694,419	0.1410%	2,422,694,419	-	-
C.C. Wei	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
F.C. Tseng	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
National Development Fund, Executive Yuan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Representative: Chun-Hsien Yeh (Note 2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Independent Director	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sir Peter L. Bonfield	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Independent Director	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Michael R. Spitzer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Independent Director	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Moshe N. Gavrielov	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Independent Director	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
L. Rafael Reif	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Independent Director	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ursula M. Burns	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Independent Director	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Lynn L. Elsenbaums	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Independent Director	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Chuan Lin	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	0	0	0	0	0	156,305,424	1,061,305	1,061,305	1,061,305	157,366,729	1,974,517,640	276,489	447,900,290	0	2,580,061,148	0.1502%	2,580,061,148	18,591,667	18,591,667

*Other than disclosure in the above table, Directors remunerations earned by providing services (e.g. providing consulting services as a non-employee of parent company/ all consolidated entities/ non-consolidated affiliates) to TSMC and all consolidated entities in the 2025 financial statements: Dr. F.C. Tseng for NTS 9,891,747.

Note 1: Directors and Independent Directors' remuneration policies, procedures, standards and structure, as well as the linkage to responsibilities, risks and time spent.

1. According to TSMC's Articles of Incorporation, the Board of Directors is authorized to determine the salary for the Chairman, Vice Chairman and Directors, taking into account the extent and value of the services provided for the management of the Corporation and the standards of the industry within the R.O.C. and overseas.

2. The Articles of Incorporation also provide that the compensation to directors shall be no more than 0.3% of annual profits and directors who also serve as executive officers of TSMC are not entitled to receive compensation to directors. According to TSMC's Compensation and People Development Committee Charter, the distribution of compensation to directors shall be made in accordance with TSMC's "Rules for Distribution of Compensation to Directors", based on the following principles: (1) directors who also serve as executive officers of the Company are not entitled to receive compensation; and (2) the compensation for independent directors may be higher than other directors because they serve on multiple committees, requiring their participation in discussions and resolutions according to each Committee's charter.

Note 2: Dr. Chun-Hsien Yeh was appointed as the representative of the National Development Fund succeeding Mr. Chin-Chang Liu on September 1, 2025.

Note 3: Pensions funded according to applicable law.

Note 4: The compensation of directors was expensed based on the estimated payment amounts. If the actual amounts subsequently paid differ from the above estimated amounts, the differences will be recorded in the year fully paid as a change in accounting estimate.

Note 5: The above-mentioned figures include expenses for Company cars and related reimbursements, but do not include compensation of Company drivers (total NTS697,1338).

Note 6: Total remuneration of the directors from TSMC and from all consolidated entities in 2024, including their employee compensation, both accounted for 0.1239% of 2024 net income.

**Independent Auditors' Report
(Consolidated Financial Statements)**

The Board of Directors and Shareholders
Taiwan Semiconductor Manufacturing Company Limited

Opinion

We have audited the accompanying consolidated financial statements of Taiwan Semiconductor Manufacturing Company Limited and its subsidiaries (the “Company”), which comprise the consolidated balance sheets as of December 31, 2025 and 2024, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information (collectively referred to as the “consolidated financial statements”).

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as of December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter for the Company's consolidated financial statements for the year ended December 31, 2025 is stated as follows:

Property, plant and equipment (PP&E) – commencement of depreciation related to PP&E classified as equipment under installation and construction in progress (EUI/CIP)

Refer to Notes 4, 5 and 14 to the consolidated financial statements.

The Company's evaluation of when to commence depreciation of EUI/CIP involves determining when the assets are available for their intended use. The criteria the Company uses to determine whether EUI/CIP are available for their intended use involves subjective judgments and assumptions about the conditions necessary for the assets to be capable of operating in the intended manner. Changes in these assumptions could have a significant impact on when depreciation is recognized.

Given the subjectivity in determining the date to commence depreciation of EUI/CIP, performing audit procedures to evaluate the reasonableness of the Company's judgments and assumptions required a high degree of auditor judgment. Consequently, the validity of commencement of depreciation related to PP&E classified as EUI/CIP is identified as a key audit matter.

Our audit procedures related to the evaluation of when to commence depreciation of EUI/CIP included the following, among others:

1. We read the Company's policy and understood the criteria used to determine when to commence depreciation.
2. We tested the effectiveness of the controls over the evaluation of when to commence depreciation of EUI/CIP.
3. We sampled the year-end balance of EUI/CIP and performed the following for each selection:
 - a. Evaluated whether the selection did not meet the criteria specified by the Company for commencement of depreciation.
 - b. Observed the assets and evaluated their status.

4. We sampled and evaluated whether the selection of EUI/CIP met the criteria specified by the Company for commencement of depreciation during the year.
5. We sampled and evaluated whether the selection of EUI/CIP met the criteria specified by the Company for commencement of depreciation subsequent to year end.

Other Matter

We have also audited the parent company only financial statements of Taiwan Semiconductor Manufacturing Company Limited as of and for the years ended December 31, 2025 and 2024 on which we have issued an unmodified opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the IFRS, IAS, IFRIC, and SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance (including members of the Audit and Risk Committee) are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could

reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

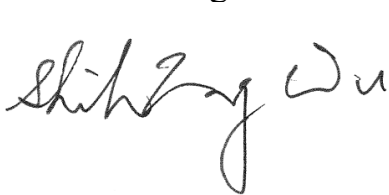
1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2025 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Shih Tsung Wu and Shang Chih Lin.



Deloitte & Touche
Taipei, Taiwan
Republic of China

February 10, 2026

Notice to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

Taiwan Semiconductor Manufacturing Company Limited and Subsidiaries

CONSOLIDATED BALANCE SHEETS (In Thousands of New Taiwan Dollars)

	December 31, 2025		December 31, 2024	
	Amount	%	Amount	%
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents (Note 6)	\$ 2,767,856,402	35	\$ 2,127,627,043	32
Financial assets at fair value through profit or loss (Note 7)	100,200	-	207,700	-
Financial assets at fair value through other comprehensive income (Note 8)	175,692,690	2	192,202,657	3
Financial assets at amortized cost (Note 9)	124,945,519	2	101,971,322	1
Hedging financial assets (Note 10)	-	-	10,959	-
Notes and accounts receivable, net (Note 11)	279,051,553	3	270,683,235	4
Receivables from related parties (Note 33)	2,739,500	-	1,404,473	-
Other receivables from related parties (Note 33)	268,115	-	251	-
Inventories (Notes 5 and 12)	288,109,485	4	287,868,810	4
Other financial assets (Notes 29, 30 and 34)	59,702,922	1	63,138,316	1
Other current assets (Notes 29 and 30)	118,664,431	1	43,237,354	1
Total current assets	3,817,130,817	48	3,088,352,120	46
NONCURRENT ASSETS				
Financial assets at fair value through profit or loss (Note 7)	15,032,128	-	15,199,842	-
Financial assets at fair value through other comprehensive income (Note 8)	8,797,170	-	7,822,884	-
Financial assets at amortized cost (Note 9)	110,507,804	1	88,596,542	1
Investments accounted for using equity method (Note 13)	38,033,271	1	37,421,105	1
Property, plant and equipment (Notes 5, 14 and 29)	3,691,840,916	47	3,234,980,070	48
Right-of-use assets (Notes 5 and 15)	43,918,910	1	40,128,391	1
Intangible assets (Notes 5 and 16)	24,952,615	-	26,282,520	1
Deferred income tax assets (Notes 5 and 25)	62,940,253	1	65,943,300	1
Refundable deposits	4,242,553	-	5,495,862	-
Other noncurrent assets (Notes 29 and 30)	115,627,441	1	81,715,364	1
Total noncurrent assets	4,115,893,061	52	3,603,585,880	54
TOTAL	\$ 7,933,023,878	100	\$ 6,691,938,000	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Financial liabilities at fair value through profit or loss (Note 7)	\$ 3,083,883	-	\$ 466,539	-
Hedging financial liabilities (Note 10)	817	-	-	-
Accounts payable	82,551,595	1	72,800,558	1
Payables to related parties (Note 33)	1,778,730	-	1,426,001	-
Salary and bonus payable	63,872,882	1	47,451,509	1
Accrued profit sharing bonus to employees and compensation to directors (Note 28)	103,355,278	1	70,871,150	1
Payables to contractors and equipment suppliers	177,730,306	2	192,635,173	3
Cash dividends payable (Note 20)	285,258,060	4	220,418,821	3
Income tax payable (Notes 5 and 25)	202,337,872	2	147,438,423	2
Long-term liabilities - current portion (Notes 17, 18 and 30)	136,925,710	2	59,857,879	1
Accrued expenses and other current liabilities (Notes 5, 15, 21 and 30)	401,124,156	5	451,158,911	7
Total current liabilities	1,458,019,289	18	1,264,524,964	19
NONCURRENT LIABILITIES				
Bonds payable (Notes 17 and 30)	856,227,503	11	926,604,506	14
Long-term bank loans (Notes 18 and 30)	39,834,496	1	31,824,386	-
Deferred income tax liabilities (Notes 5 and 25)	3,888,795	-	3,988,482	-
Lease liabilities (Notes 15)	31,594,992	-	28,755,342	-
Net defined benefit liability (Note 19)	6,012,286	-	7,580,657	-
Guarantee deposits	764,178	-	845,581	-
Others (Note 21)	75,887,056	1	104,238,217	2
Total noncurrent liabilities	1,014,209,306	13	1,103,837,171	16
Total liabilities	2,472,228,595	31	2,368,362,135	35
EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT				
Capital stock (Note 20)	259,325,245	3	259,327,332	4
Capital surplus (Notes 20 and 27)	73,445,601	1	73,260,765	2
Retained earnings (Note 20)				
Appropriated as legal capital reserve	311,146,899	4	311,146,899	4
Appropriated as special capital reserve	87,284,496	1	-	-
Unappropriated earnings	4,705,070,165	59	3,606,105,124	54
Others (Notes 20 and 27)	5,103,501,560	64	3,917,252,023	58
	(16,676,412)	-	38,705,047	-
Equity attributable to shareholders of the parent	5,419,595,994	68	4,288,545,167	64
NON - CONTROLLING INTERESTS	41,199,289	1	35,030,698	1
Total equity	5,460,795,283	69	4,323,575,865	65
TOTAL	\$ 7,933,023,878	100	\$ 6,691,938,000	100

The accompanying notes are an integral part of the consolidated financial statements.

Taiwan Semiconductor Manufacturing Company Limited and Subsidiaries

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
NET REVENUE (Notes 5, 21, 33 and 39)	\$ 3,809,054,272	100	\$ 2,894,307,699	100
COST OF REVENUE (Notes 5, 12, 28, 33 and 36)	1,527,760,293	40	1,269,954,135	44
GROSS PROFIT	2,281,293,979	60	1,624,353,564	56
OPERATING EXPENSES (Notes 5, 28 and 33)				
Research and development	246,427,264	7	204,181,823	7
General and administrative	82,304,290	2	83,744,968	3
Marketing	16,918,076	-	13,143,524	-
Total operating expenses	345,649,630	9	301,070,315	10
OTHER OPERATING INCOME AND EXPENSES, NET (Notes 14, 28 and 36)	447,328	-	(1,230,199)	-
INCOME FROM OPERATIONS (Note 39)	1,936,091,677	51	1,322,053,050	46
NON-OPERATING INCOME AND EXPENSES				
Share of profits of associates	5,496,594	-	4,879,367	-
Interest income (Note 22)	105,739,081	3	87,213,399	3
Other income	591,729	-	566,879	-
Foreign exchange gain, net (Note 37)	13,831,351	-	10,000,653	-
Finance costs (Note 23)	(12,370,387)	-	(10,495,320)	-
Other gains and losses, net (Note 24)	(7,717,205)	-	(8,379,393)	-
Total non-operating income and expenses	105,571,163	3	83,785,585	3
INCOME BEFORE INCOME TAX	2,041,662,840	54	1,405,838,635	49
INCOME TAX EXPENSE (Notes 5 and 25)	326,266,060	9	233,406,876	8
NET INCOME	1,715,396,780	45	1,172,431,759	41
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 5, 19, 20 and 25)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit obligation	(693,271)	-	144,365	-
Unrealized gain on investments in equity instruments at fair value through other comprehensive income	745,272	-	5,091,916	-
Gain (loss) on hedging instruments	(31,030)	-	5,041	-
Share of other comprehensive loss of associates	(113,192)	-	(69,435)	-
Income tax benefit (expense) related to items that will not be reclassified subsequently	138,654	-	(38,869)	-
	46,433	-	5,133,018	-

(Continued)

Taiwan Semiconductor Manufacturing Company Limited and Subsidiaries

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss:				
Exchange differences arising on translation of foreign operations	\$ (60,951,662)	(1)	\$ 64,299,685	2
Unrealized gain on investments in debt instruments at fair value through other comprehensive income	4,688,956	-	1,949,865	-
Loss on hedging instruments	(81,229)	-	(80,198)	-
Share of other comprehensive income (loss) of associates	(29,017)	-	283,276	-
	<u>(56,372,952)</u>	<u>(1)</u>	<u>66,452,628</u>	<u>2</u>
Other comprehensive income (loss), net of income tax	<u>(56,326,519)</u>	<u>(1)</u>	<u>71,585,646</u>	<u>2</u>
TOTAL COMPREHENSIVE INCOME	\$ 1,659,070,261	44	\$ 1,244,017,405	43
NET INCOME ATTRIBUTABLE TO:				
Shareholders of the parent	\$ 1,717,882,627	45	\$ 1,173,267,703	41
Non-controlling interests	<u>(2,485,847)</u>	<u>-</u>	<u>(835,944)</u>	<u>-</u>
	<u>\$ 1,715,396,780</u>	<u>45</u>	<u>\$ 1,172,431,759</u>	<u>41</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Shareholders of the parent	\$ 1,661,253,891	44	\$ 1,245,836,616	43
Non-controlling interests	<u>(2,183,630)</u>	<u>-</u>	<u>(1,819,211)</u>	<u>-</u>
	<u>\$ 1,659,070,261</u>	<u>44</u>	<u>\$ 1,244,017,405</u>	<u>43</u>
EARNINGS PER SHARE (NT\$, Note 26)				
Basic earnings per share	<u>\$ 66.26</u>		<u>\$ 45.25</u>	
Diluted earnings per share	<u>\$ 66.25</u>		<u>\$ 45.25</u>	

The accompanying notes are an integral part of the consolidated financial statements.

(Concluded)

Taiwan Semiconductor Manufacturing Company Limited and Subsidiaries

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (In Thousands of New Taiwan Dollars)

	Equity Attributable to Shareholders of the Parent										Others			Total Equity										
	Capital Stock - Common Stock		Capital Surplus		Legal Capital Reserve		Special Reserve		Retained Earnings		Foreign Currency Translation Reserve		Unrealized Gain (Loss) on Assets at Fair Value Through Other Comprehensive Income		Gain (Loss) on Hedging Instruments		Uncaptured Stock-Based Compensation		Treasury Stock		Total			
	Shares (In Thousands)	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount		Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount
BALANCE, JANUARY 1, 2024	25,932,071	\$ 259,320,710	\$ 69,876,381	\$ 311,146,899	\$ -	\$ 2,846,883,893	\$ 3,158,030,792	\$ (25,316,769)	\$ (4,099,928)	\$ 1,395,875	\$ (293,434)	\$ (28,314,256)	\$ -	\$ 3,458,913,627	\$ 24,349,220	\$ 3,483,262,847								
Appropriations of earnings																								
Cash dividends to shareholders																								
Total																								
Net income																								
Total comprehensive income (loss), net of income tax																								
Employee restricted shares retired																								
Share-based payment arrangements																								
Treasury stock acquired																								
Treasury stock retired																								
Disposal of investments in equity instruments at fair value through other comprehensive income																								
Basis adjustment for gain on hedging instruments																								
Adjustments to share of changes in equities of associates																								
From difference between the consideration received and the carrying amount of the subsidiaries' net assets during actual disposal																								
From share of changes in equities of subsidiaries																								
Donation from shareholders																								
Increase in non-controlling interests																								
BALANCE, DECEMBER 31, 2024	25,932,733	\$ 259,327,332	\$ 73,260,765	\$ 311,146,899	\$ -	\$ 3,606,105,124	\$ 3,917,252,023	\$ 40,262,995	\$ (1,160,176)	\$ 1,310,307	\$ (1,708,079)	\$ 38,705,047	\$ -	\$ 4,288,845,167	\$ 35,030,698	\$ 4,323,875,865								
Appropriations of earnings																								
Special capital reserve																								
Cash dividends to shareholders																								
Total																								
Net income																								
Other comprehensive income (loss), net of income tax																								
Total comprehensive income (loss)																								
Employee restricted shares retired																								
Treasury stock acquired																								
Treasury stock retired																								
Disposal of investments in equity instruments at fair value through other comprehensive income																								
Basis adjustment for gain on hedging instruments																								
Adjustments to share of changes in equities of associates																								
From share of changes in equities of subsidiaries																								
Donation from shareholders																								
Increase in non-controlling interests																								
BALANCE, DECEMBER 31, 2025	25,932,524	\$ 259,325,945	\$ 73,445,601	\$ 311,146,899	\$ 87,284,496	\$ 4,705,070,165	\$ 5,103,501,560	\$ (21,019,144)	\$ 3,591,483	\$ 1,228,250	\$ (477,001)	\$ (16,676,412)	\$ -	\$ 5,419,595,994	\$ 41,199,289	\$ 5,460,795,283								

The accompanying notes are an integral part of the consolidated financial statements.

Taiwan Semiconductor Manufacturing Company Limited and Subsidiaries

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 2,041,662,840	\$ 1,405,838,635
Adjustments for:		
Depreciation expense	679,683,958	653,610,486
Amortization expense	8,412,412	9,186,149
Expected credit losses recognized (reversal) on investments in debt	(3,946)	49,907
Finance costs	12,370,387	10,495,320
Share of profits of associates	(5,496,594)	(4,879,367)
Interest income	(105,739,081)	(87,213,399)
Share-based compensation	1,246,070	1,242,719
Loss on disposal or retirement of property, plant and equipment, net	1,581,001	2,597,927
Loss on disposal or retirement of intangible assets, net	4,548	34
Impairment loss on property, plant and equipment	782,005	1,150,485
Loss (gain) on financial instruments at fair value through profit or loss, net	(353,087)	137,694
Loss from disposal of subsidiary	167,986	-
Loss on disposal of investments in debt instruments at fair value through other comprehensive income, net	200,194	683,117
Gain on disposal of investments accounted for using equity method, net	-	(7,126)
Loss on foreign exchange, net	4,308,948	4,576,295
Dividend income	(591,729)	(566,879)
Others	1,049,215	(435,644)
Changes in operating assets and liabilities:		
Financial instruments at fair value through profit or loss	8,436,241	842,623
Notes and accounts receivable, net	(8,368,318)	(69,369,394)
Receivables from related parties	(1,335,027)	(780,022)
Other receivables from related parties	(267,864)	71,620
Inventories	(240,675)	(36,871,722)
Other financial assets	64,524,848	(2,377,515)
Other current assets	(74,620,318)	(15,537,261)
Other noncurrent assets	(38,798,107)	(3,862,018)
Accounts payable	9,751,037	17,073,801
Payables to related parties	352,732	(140,299)
Salary and bonus payable	16,421,373	14,250,946
Accrued profit sharing bonus to employees and compensation to directors	32,484,128	20,154,206
Accrued expenses and other current liabilities	(103,215,542)	74,659,388
Other noncurrent liabilities	385,084	16,768,683
Net defined benefit liability	(2,261,642)	(1,532,202)
Cash generated from operations	<u>2,542,533,077</u>	<u>2,009,817,187</u>
Income taxes paid	<u>(267,557,452)</u>	<u>(183,640,119)</u>
Net cash generated by operating activities	<u>2,274,975,625</u>	<u>1,826,177,068</u>

(Continued)

Taiwan Semiconductor Manufacturing Company Limited and Subsidiaries

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

	2025	2024
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of:		
Financial instruments at fair value through profit or loss	\$ (260,086)	\$ (1,178,766)
Financial assets at fair value through other comprehensive income	(66,823,227)	(87,787,521)
Financial assets at amortized cost	(188,288,632)	(151,656,371)
Hedging financial instruments	(631,620)	-
Investments accounted for using equity method	-	(3,738,753)
Property, plant and equipment	(1,272,410,529)	(956,006,536)
Intangible assets	(10,146,942)	(8,875,660)
Proceeds from disposal or redemption of:		
Financial assets at fair value through other comprehensive income	80,052,393	67,684,556
Financial assets at amortized cost	138,203,740	118,350,898
Property, plant and equipment	797,045	894,573
Intangible assets	-	57,182
Derecognition of derivative financial instruments	(5,703,098)	-
Proceeds from return of capital of investments in equity instruments at fair value through other comprehensive income	101,486	325,952
Derecognition of hedging financial instruments	566,873	118,320
Interest received	98,954,730	76,434,070
Proceeds from government grants - property, plant and equipment	76,258,790	75,163,982
Proceeds from government grants - others	-	267
Other dividends received	635,098	541,803
Dividends received from investments accounted for using equity method	3,304,492	2,965,201
Increase in prepayments for leases	(39,840)	(99,427)
Refundable deposits paid	(420,179)	(1,304,815)
Refundable deposits refunded	1,456,099	3,268,276
	<u>(1,144,393,407)</u>	<u>(864,842,769)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase (decrease) in hedging financial liabilities - bank loans	335,106	(26,496,570)
Proceeds from issuance of bonds	86,900,000	34,300,000
Repayment of bonds	(54,310,000)	(7,000,000)
Proceeds from long-term bank loans	10,658,400	30,897,000
Repayment of long-term bank loans	(2,710,000)	(2,295,556)
Payments for transaction costs attributable to the issuance of bonds	(90,308)	(35,681)
Treasury stock acquired	-	(3,089,177)
Repayment of the principal portion of lease liabilities	(3,496,528)	(2,873,640)
Interest paid	(19,128,799)	(18,751,233)
Guarantee deposits received	3,000	4,990
Guarantee deposits refunded	(48,549)	(93,332)
Cash dividends	(466,779,199)	(363,055,226)
Disposal of ownership interests in subsidiaries (without losing control)	-	1,021
Donation from shareholders	26,780	8,947
Increase in non-controlling interests	8,295,405	12,177,547
	<u>(440,344,692)</u>	<u>(346,300,910)</u>
Net cash used in investing activities		(Continued)

Taiwan Semiconductor Manufacturing Company Limited and Subsidiaries

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

	2025	2024
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	\$ (50,008,167)	\$ 47,165,901
NET INCREASE IN CASH AND CASH EQUIVALENTS	640,229,359	662,199,290
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>2,127,627,043</u>	<u>1,465,427,753</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 2,767,856,402</u>	<u>\$ 2,127,627,043</u>

The accompanying notes are an integral part of the consolidated financial statements.

(Concluded)

**Independent Auditors' Report
(Parent Company Only Financial Statements)**

The Board of Directors and Shareholders
Taiwan Semiconductor Manufacturing Company Limited

Opinion

We have audited the accompanying parent company only financial statements of Taiwan Semiconductor Manufacturing Company Limited (the “Company”), which comprise the parent company only balance sheets as of December 31, 2025 and 2024, and the parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the parent company only financial statements, including material accounting policy information (collectively referred to as the “parent company only financial statements”).

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as of December 31, 2025 and 2024, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements section of our report. We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter for the Company's parent company only financial statements for the year ended December 31, 2025 is stated as follows:

Property, plant and equipment (PP&E) – commencement of depreciation related to PP&E classified as equipment under installation and construction in progress (EUI/CIP)

Refer to Notes 4, 5 and 13 to the parent company only financial statements.

The Company's evaluation of when to commence depreciation of EUI/CIP involves determining when the assets are available for their intended use. The criteria the Company uses to determine whether EUI/CIP are available for their intended use involves subjective judgments and assumptions about the conditions necessary for the assets to be capable of operating in the intended manner. Changes in these assumptions could have a significant impact on when depreciation is recognized.

Given the subjectivity in determining the date to commence depreciation of EUI/CIP, performing audit procedures to evaluate the reasonableness of the Company's judgments and assumptions required a high degree of auditor judgment. Consequently, the validity of commencement of depreciation related to PP&E classified as EUI/CIP is identified as a key audit matter.

Our audit procedures related to the evaluation of when to commence depreciation of EUI/CIP included the following, among others:

1. We read the Company's policy and understood the criteria used to determine when to commence depreciation.
2. We tested the effectiveness of the controls over the evaluation of when to commence depreciation of EUI/CIP.
3. We sampled the year-end balance of EUI/CIP and performed the following for each selection:
 - a. Evaluated whether the selection did not meet the criteria specified by the Company for commencement of depreciation.
 - b. Observed the assets and evaluated their status.
4. We sampled and evaluated whether the selection of EUI/CIP met the criteria specified by the Company for commencement of depreciation during the year.
5. We sampled and evaluated whether the selection of EUI/CIP met the criteria specified by the Company for commencement of depreciation subsequent to year end.

Responsibilities of Management and Those Charged with Governance for the Parent Company Only Financial Statements

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company only financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance (including members of the Audit and Risk Committee) are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements for the year ended December 31, 2025 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of

doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Shih Tsung Wu and Shang Chih Lin.



Deloitte & Touche
Taipei, Taiwan
Republic of China

February 10, 2026

Notice to Readers

The accompanying parent company only financial statements are intended only to present the financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such parent company only financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying parent company only financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and parent company only financial statements shall prevail.

Taiwan Semiconductor Manufacturing Company Limited

PARENT COMPANY ONLY BALANCE SHEETS

(In Thousands of New Taiwan Dollars)

ASSETS	December 31, 2025		December 31, 2024	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Note 6)	\$ 1,067,035,432	15	\$ 1,035,061,499	17
Financial assets at fair value through profit or loss (Note 7)	54,890	-	13,174	-
Financial assets at amortized cost (Note 8)	-	-	14,208,158	-
Notes and accounts receivable, net (Note 10)	46,702,679	1	39,497,003	1
Receivables from related parties (Note 30)	208,783,038	3	210,300,175	4
Other receivables from related parties (Note 30)	4,325,893	-	5,313,087	-
Inventories (Notes 5 and 11)	252,320,369	3	270,716,472	4
Other financial assets	15,334,569	-	4,927,482	-
Other current assets	36,398,294	-	29,528,046	1
Total current assets	1,630,955,164	22	1,609,565,096	27
NONCURRENT ASSETS				
Financial assets at fair value through other comprehensive income	1,086,940	-	1,058,347	-
Investments accounted for using equity method (Note 12)	2,492,766,080	34	1,758,587,882	29
Property, plant and equipment (Notes 5 and 13)	2,991,673,431	41	2,537,292,611	42
Right-of-use assets (Notes 5 and 14)	41,870,717	1	37,899,147	1
Intangible assets (Notes 5 and 15)	19,574,877	-	20,452,082	-
Deferred income tax assets (Notes 5 and 23)	53,147,642	1	60,178,345	1
Refundable deposits	3,836,610	-	3,783,511	-
Other noncurrent assets	41,302,872	1	8,432,279	-
Total noncurrent assets	5,645,259,169	78	4,427,684,204	73
TOTAL	\$ 7,276,214,333	100	\$ 6,037,249,300	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Financial liabilities at fair value through profit or loss (Note 7)	\$ 3,070,087	-	\$ 439,110	-
Accounts payable	74,198,152	1	64,054,077	1
Payables to related parties (Note 30)	18,524,963	-	10,137,811	-
Salary and bonus payable	48,967,710	1	37,440,411	1
Accrued profit sharing bonus to employees and compensation to directors (Note 26)	103,097,239	1	70,520,129	1
Payables to contractors and equipment suppliers	168,648,840	2	150,280,751	3
Cash dividends payable (Note 18)	285,258,060	4	220,418,821	4
Income tax payable (Notes 5 and 23)	201,492,741	3	146,420,994	2
Long-term liabilities - current portion (Notes 16 and 27)	61,940,126	1	24,397,381	-
Accrued expenses and other current liabilities (Notes 5, 14, 19, 27 and 30)	340,755,301	5	449,236,841	7
Total current liabilities	1,305,953,219	18	1,173,346,326	19
NONCURRENT LIABILITIES				
Bonds payable (Notes 16 and 27)	476,131,202	7	453,839,281	8
Deferred income tax liabilities (Notes 5 and 23)	3,860,196	-	3,925,320	-
Lease liabilities (Note 14)	30,289,119	-	27,206,865	1
Net defined benefit liability (Note 17)	6,012,286	-	7,580,657	-
Guarantee deposits	756,871	-	837,379	-
Others (Notes 19 and 30)	33,615,446	1	81,968,305	1
Total noncurrent liabilities	550,665,120	8	575,357,807	10
Total liabilities	1,856,618,339	26	1,748,704,133	29
EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT				
Capital stock (Note 18)	259,325,245	3	259,327,332	4
Capital surplus (Notes 18 and 25)	73,445,601	1	73,260,765	2
Retained earnings (Note 18)				
Appropriated as legal capital reserve	311,146,899	4	311,146,899	5
Appropriated as special capital reserve	87,284,496	1	-	-
Unappropriated earnings	4,705,070,165	65	3,606,105,124	60
Others (Notes 18 and 25)	(16,676,412)	-	38,705,047	-
Total equity	5,419,595,994	74	4,288,545,167	71
TOTAL	\$ 7,276,214,333	100	\$ 6,037,249,300	100

The accompanying notes are an integral part of the parent company only financial statements.

Taiwan Semiconductor Manufacturing Company Limited

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
NET REVENUE (Notes 5, 19 and 30)	\$ 3,784,388,760	100	\$ 2,880,383,350	100
COST OF REVENUE (Notes 5, 11, 26, 30 and 32)	1,564,313,067	41	1,306,140,916	45
GROSS PROFIT	2,220,075,693	59	1,574,242,434	55
OPERATING EXPENSES (Notes 5, 26 and 30)				
Research and development	237,020,711	7	198,449,799	7
General and administrative	68,029,114	2	50,832,908	2
Marketing	7,871,571	-	6,264,188	-
Total operating expenses	312,921,396	9	255,546,895	9
OTHER OPERATING INCOME AND EXPENSES, NET (Notes 13, 26 and 32)	(663,339)	-	(1,549,447)	-
INCOME FROM OPERATIONS	1,906,490,958	50	1,317,146,092	46
NON-OPERATING INCOME AND EXPENSES				
Share of profits of subsidiaries and associates (Note 12)	107,791,541	3	66,000,702	2
Interest income (Note 20)	28,458,200	1	27,338,300	1
Other income	215,960	-	199,890	-
Foreign exchange gain, net (Note 33)	13,418,209	-	9,988,417	-
Finance costs (Note 21)	(4,354,189)	-	(5,400,986)	-
Other gains and losses, net (Note 22)	(8,030,997)	-	(7,663,446)	-
Total non-operating income and expenses	137,498,724	4	90,462,877	3
INCOME BEFORE INCOME TAX	2,043,989,682	54	1,407,608,969	49
INCOME TAX EXPENSE (Notes 5 and 23)	326,107,055	9	234,341,266	8
NET INCOME	1,717,882,627	45	1,173,267,703	41
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 5, 12, 17, 18 and 23)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit obligation	(693,271)	-	144,365	-
Unrealized gain on investments in equity instruments at fair value through other comprehensive income	28,593	-	97,396	-
Gain (loss) on hedging instruments	(31,030)	-	5,041	-
Share of other comprehensive income of subsidiaries and associates	602,730	-	4,911,549	-
Income tax benefit (expense) related to items that will not be reclassified subsequently	138,654	-	(38,869)	-
	45,676	-	5,119,482	-

(Continued)

Taiwan Semiconductor Manufacturing Company Limited

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2025		2024	
	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss:				
Exchange differences arising on translation of foreign operations	\$ (61,273,206)	(2)	\$ 65,330,074	2
Share of other comprehensive income of subsidiaries and associates	4,598,794	-	2,119,357	-
	<u>(56,674,412)</u>	<u>(2)</u>	<u>67,449,431</u>	<u>2</u>
Other comprehensive income (loss), net of income tax	<u>(56,628,736)</u>	<u>(2)</u>	<u>72,568,913</u>	<u>2</u>
TOTAL COMPREHENSIVE INCOME	<u>\$ 1,661,253,891</u>	<u>43</u>	<u>\$ 1,245,836,616</u>	<u>43</u>
EARNINGS PER SHARE (NT\$, Note 24)				
Basic earnings per share	<u>\$ 66.26</u>		<u>\$ 45.25</u>	
Diluted earnings per share	<u>\$ 66.25</u>		<u>\$ 45.25</u>	

The accompanying notes are an integral part of the parent company only financial statements.

(Concluded)

Taiwan Semiconductor Manufacturing Company Limited

PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars)

	Capital Stock - Common Stock		Capital Surplus		Legal Capital Reserve		Special Capital Reserve		Unappropriated Earnings		Total		Foreign Currency Translation Reserve		Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income		Gain (Loss) on Hedging Instruments		Unearned Stocks-Based Employee Compensation		Total		Treasury Stock		Total Equity	
	Shares (In Thousands)	Amount	Capital Surplus	Legal Capital Reserve	Special Capital Reserve	Unappropriated Earnings	Total	Foreign Currency Translation Reserve	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Gain (Loss) on Hedging Instruments	Unearned Stocks-Based Employee Compensation	Total	Foreign Currency Translation Reserve	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Gain (Loss) on Hedging Instruments	Unearned Stocks-Based Employee Compensation	Total	Treasury Stock	Total Equity							
BALANCE, JANUARY 1, 2024	25,932,071	\$ 259,320,710	\$ 69,876,381	\$ 311,146,899	\$ -	\$ 2,846,883,893	\$ 3,158,030,792	\$ (25,316,769)	\$ (4,099,928)	\$ 1,395,875	\$ (293,434)	\$ (28,314,256)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,458,913,627
Appropriations of earnings	-	-	-	-	-	(414,915,586)	(414,915,586)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(414,915,586)
Cash dividends to shareholders	-	-	-	-	-	(414,915,586)	(414,915,586)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(414,915,586)
Total	-	-	-	-	-	1,173,267,703	1,173,267,703	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,173,267,703
Net income	-	-	-	-	-	126,040	126,040	65,579,764	6,948,818	(85,709)	-	72,442,873	-	-	-	-	-	-	-	-	-	-	-	-	-	72,568,913
Other comprehensive income (loss), net of income tax	-	-	-	-	-	1,173,393,743	1,173,393,743	65,579,764	6,948,818	(85,709)	-	72,442,873	-	-	-	-	-	-	-	-	-	-	-	-	-	1,245,836,616
Total comprehensive income (loss)	-	-	-	-	-	19,934	19,934	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	19,934
Employee restricted shares retired	(1,402)	(14,018)	14,018	-	-	19,934	19,934	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	19,934	
Share-based payment arrangements	5,313	53,130	2,384,257	-	-	-	-	-	-	-	-	(1,414,645)	-	-	-	-	-	-	-	-	-	-	-	-	1,222,742	
Treasury stock acquired	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(3,089,177)	
Treasury stock retired	(3,249)	(32,490)	(7,080)	-	-	(3,049,607)	(3,049,607)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,089,177	
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	-	3,772,747	3,772,747	-	(4,009,066)	-	-	(4,009,066)	-	-	-	-	-	-	-	-	-	-	-	-	-	(26,319)
Basis adjustment for gain on hedging instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	141
Adjustments to share of changes in equities of associates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	870,000
From difference between the consideration received and the carrying amount of the subsidiaries' net assets during actual disposal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	870,000
From share of changes in equities of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,284
From share of changes in equities of associates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(90,978)
Donation from shareholders	-	-	-	-	-	8,883	8,883	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,883
BALANCE, DECEMBER 31, 2024	25,932,733	\$ 259,327,332	\$ 73,260,765	\$ 311,146,899	\$ 87,284,496	\$ 3,606,105,124	\$ 3,917,252,023	\$ 40,266,995	\$ (1,160,176)	\$ 1,310,307	\$ (1,708,079)	\$ 38,705,047	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,288,543,167
Appropriations of earnings	-	-	-	-	-	(87,284,496)	(87,284,496)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Special capital reserve	-	-	-	-	-	(531,618,438)	(531,618,438)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(531,618,438)
Cash dividends to shareholders	-	-	-	-	-	(618,902,934)	(618,902,934)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(531,618,438)
Total	-	-	-	-	-	1,717,882,627	1,717,882,627	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,717,882,627
Net income	-	-	-	-	-	(559,857)	(559,857)	(61,282,139)	5,308,767	(95,507)	-	(56,068,879)	-	-	-	-	-	-	-	-	-	-	-	-	-	(56,068,879)
Other comprehensive income (loss), net of income tax	-	-	-	-	-	1,717,322,770	1,717,322,770	(61,282,139)	5,308,767	(95,507)	-	(56,068,879)	-	-	-	-	-	-	-	-	-	-	-	-	-	(56,068,879)
Total comprehensive income (loss)	-	-	-	-	-	4,007	4,007	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,007
Employee restricted shares retired	(209)	(2,087)	2,087	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,007
Share-based payment arrangements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,231,078
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	-	541,198	541,198	-	(557,108)	-	-	(57,910)	-	-	-	-	-	-	-	-	-	-	-	-	-	(15,910)
Basis adjustment for gain on hedging instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	13,450
Adjustments to share of changes in equities of associates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	13,450
From share of changes in equities of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	192,854
From share of changes in equities of associates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(14,959)
Donation from shareholders	-	-	-	-	-	26,713	26,713	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	26,713
BALANCE, DECEMBER 31, 2025	25,932,524	\$ 259,325,245	\$ 73,445,601	\$ 311,146,899	\$ 87,284,496	\$ 4,705,070,165	\$ 5,103,501,560	\$ (21,019,144)	\$ 3,591,483	\$ 1,228,250	\$ (477,001)	\$ (16,676,412)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,419,595,994

The accompanying notes are an integral part of the parent company only financial statements.

Taiwan Semiconductor Manufacturing Company Limited

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 2,043,989,682	\$ 1,407,608,969
Adjustments for:		
Depreciation expense	613,432,596	625,747,423
Amortization expense	7,984,252	9,129,469
Reversal of expected credit losses on investments in debt instruments	(13,579)	(2,551)
Finance costs	4,354,189	5,400,986
Share of profits of subsidiaries and associates	(107,791,541)	(66,000,702)
Interest income	(28,458,200)	(27,338,300)
Share-based compensation	1,213,225	1,242,676
Loss on disposal or retirement of property, plant and equipment, net	1,093,208	2,458,920
Gain on disposal or retirement of intangible assets, net	(1,258)	(6,206)
Impairment loss on property, plant and equipment	633,296	1,102,946
Gain on disposal of investments accounted for using equity method, net	-	(7,126)
Loss of disposal of subsidiary	167,986	-
Loss (gain) on foreign exchange, net	4,920,460	(11,760,189)
Dividend income	(215,960)	(199,890)
Others	1,107,314	(458,276)
Changes in operating assets and liabilities:		
Financial instruments at fair value through profit or loss	8,134,179	1,029,990
Notes and accounts receivable, net	(7,205,676)	(5,939,724)
Receivables from related parties	1,517,137	(55,038,298)
Other receivables from related parties	987,194	(938,597)
Inventories	18,396,103	(32,457,277)
Other financial assets	(10,278,940)	(167,618)
Other current assets	(6,068,586)	(19,891,135)
Other noncurrent assets	(34,149,903)	(3,360,036)
Accounts payable	10,144,075	16,410,584
Payables to related parties	8,375,310	20,011
Salary and bonus payable	11,527,299	9,685,669
Accrued profit sharing bonus to employees and compensation to directors	32,577,110	19,877,641
Accrued expenses and other current liabilities	(159,167,274)	115,859,695
Other noncurrent liabilities	3,518,593	10,344,601
Net defined benefit liability	(2,261,642)	(1,532,202)
Cash generated from operations	<u>2,418,460,649</u>	<u>2,000,821,453</u>
Income taxes paid	<u>(264,129,528)</u>	<u>(181,322,787)</u>
Net cash generated by operating activities	<u>2,154,331,121</u>	<u>1,819,498,666</u>

(Continued)

Taiwan Semiconductor Manufacturing Company Limited

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS

(In Thousands of New Taiwan Dollars)

	2025	2024
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of:		
Financial assets at amortized cost	\$ (5,998,859)	\$ (44,368,311)
Hedging financial instruments	(631,620)	-
Investments accounted for using equity method	-	(3,738,753)
Property, plant and equipment	(1,045,509,843)	(644,734,446)
Intangible assets	(9,877,172)	(8,053,430)
Proceeds from disposal or redemption of:		
Financial assets at amortized cost	20,340,000	48,840,000
Property, plant and equipment	2,651,999	1,634,456
Intangible assets	-	8,323
Derecognition of derivative financial instruments	(5,544,918)	-
Derecognition of hedging financial instruments	600,590	-
Interest received	28,334,951	26,599,749
Other dividends received	215,960	199,890
Dividends received from investments accounted for using equity method	4,134,651	5,097,471
Refundable deposits paid	(403,543)	(312,809)
Refundable deposits refunded	216,207	278,903
	<u>(1,011,471,597)</u>	<u>(618,548,957)</u>
Net cash used in investing activities		
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase (decrease) in hedging financial liabilities - bank loans	335,106	(26,496,570)
Proceeds from issuance of bonds	86,900,000	34,300,000
Repayment of bonds	(24,400,000)	(7,000,000)
Payments for transaction costs attributable to the issuance of bonds	(90,308)	(35,681)
Treasury stock acquired	-	(3,089,177)
Repayment of the principal portion of lease liabilities	(2,932,532)	(2,257,534)
Interest paid	(6,409,298)	(5,864,077)
Guarantee deposits received	3,000	4,677
Guarantee deposits refunded	(47,731)	(93,242)
Cash dividends	(466,779,199)	(363,055,226)
Disposal of ownership interests in subsidiaries (without losing control)	-	1,021
Payment of partial acquisition of interests in subsidiaries	(688,946,487)	(528,037,569)
Proceeds from partial disposal of interests in subsidiaries	308,227	946,001
Donation from shareholders	26,574	8,752
	<u>(1,102,032,648)</u>	<u>(900,668,625)</u>
Net cash used in financing activities		
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	<u>(8,852,943)</u>	<u>16,076,703</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	31,973,933	316,357,787
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>1,035,061,499</u>	<u>718,703,712</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 1,067,035,432</u>	<u>\$ 1,035,061,499</u>

The accompanying notes are an integral part of the parent company only financial statements. (Concluded)

Taiwan Semiconductor Manufacturing Company Limited

2025 Earnings Distribution Table

Unit: NT\$

Net Income of 2025	1,717,882,627,367
Less:	
- Special Reserve	-16,199,410,402
Earnings in 2025 Available for Distribution	1,701,683,216,965
Plus:	
- Unappropriated Retained Earnings of Previous Years	3,489,407,823,366
- Disposal of Investments in Equity Instruments at Fair Value through Other Comprehensive Income	541,198,650
- Adjustment for Restricted Stock Awards	4,006,341
Less:	
- Remeasurement of Defined Benefit Obligation	-559,857,424
Retained Earnings Available for Distribution as of December 31, 2025	5,191,076,387,898
Distribution Item ^{Note 1:}	
- 1Q25 Cash Dividends to Common Share Holders (NT\$5.00001754 per share ^{Note 2})	-129,663,077,605
- 2Q25 Cash Dividends to Common Share Holders (NT\$5.00001118 per share ^{Note 2})	-129,662,912,605
- 3Q25 Cash Dividends to Common Share Holders (NT\$6.00003573 per share ^{Note 2})	-155,595,147,126
- 4Q25 Cash Dividends to Common Share Holders (NT\$6.0 per share ^{Note 3})	-155,595,147,126
Unappropriated Retained Earnings	4,620,560,103,436

Note 1: Cash dividends were approved by the Board of Directors and to be reported at the Annual Shareholders' Meeting.

Note 2: The cash dividend per share was adjusted, as authorized by the Board of Directors, based on the actual number of common shares outstanding as of the record date for such dividend payment.

Note 3: The actual cash dividend per share shall be subject to adjustment based on the actual number of common shares outstanding as of the record date for such dividend payment.

**Comparison Table for the Articles of Incorporation
Before and After Revision**

BEFORE THE REVISION	AFTER THE REVISION
<p>Article 19</p> <p>The Corporation shall have seven to ten Directors. The Board of Directors is authorized to determine the number of Directors.</p> <p>The aforesaid Board of Directors must have at least three independent directors, and independent directors must make up at least one third of the Board.</p>	<p>Article 19</p> <p>The Corporation shall have seven<u>nine</u> to ten<u>twelve</u> Directors. The Board of Directors is authorized to determine the number of Directors.</p> <p>The aforesaid Board of Directors must have at least three independent directors, and independent directors must make up at least one third of the Board.</p>
<p>Article 36</p> <p>These Articles of Incorporation are agreed to and signed on December 10, 1986 by all the promoters of the Corporation, and the first Amendment was approved by the shareholders' meeting on April 28, 1987, the second Amendment on November 27, 1989, the third Amendment on May 28, 1991, the fourth Amendment on May 18, 1993, the fifth Amendment on January 28, 1994, the sixth Amendment on May 12, 1995, the seventh Amendment on April 8, 1996, the eighth Amendment on May 13, 1997, the ninth Amendment on May 12, 1998, the tenth Amendment on May 11, 1999, the eleventh Amendment on April 14, 2000, the twelfth Amendment on September 5, 2000, the thirteenth Amendment on May 15, 2001, the fourteenth Amendment on May 7, 2002, the fifteenth Amendment on June 3, 2003, the sixteenth Amendment on December 21, 2004, the seventeenth Amendment on May 10, 2005, the eighteenth Amendment on May 16, 2006, the nineteenth Amendment on May 7, 2007,</p>	<p>Article 36</p> <p>These Articles of Incorporation are agreed to and signed on December 10, 1986 by all the promoters of the Corporation, and the first Amendment was approved by the shareholders' meeting on April 28, 1987, the second Amendment on November 27, 1989, the third Amendment on May 28, 1991, the fourth Amendment on May 18, 1993, the fifth Amendment on January 28, 1994, the sixth Amendment on May 12, 1995, the seventh Amendment on April 8, 1996, the eighth Amendment on May 13, 1997, the ninth Amendment on May 12, 1998, the tenth Amendment on May 11, 1999, the eleventh Amendment on April 14, 2000, the twelfth Amendment on September 5, 2000, the thirteenth Amendment on May 15, 2001, the fourteenth Amendment on May 7, 2002, the fifteenth Amendment on June 3, 2003, the sixteenth Amendment on December 21, 2004, the seventeenth Amendment on May 10, 2005, the eighteenth Amendment on May 16, 2006, the nineteenth Amendment on May 7, 2007,</p>

BEFORE THE REVISION	AFTER THE REVISION
<p>the twentieth Amendment on June 15, 2010, the twenty-first Amendment on June 12, 2012, the twenty-second Amendment on June 7, 2016, the twenty-third Amendment on June 8, 2017, the twenty-fourth Amendment on June 5, 2018, the twenty-fifth Amendment on June 5, 2019, the twenty-sixth Amendment on June 8, 2022, the twenty-seventh Amendment on June 4, 2024, and the twenty-eighth Amendment on June 3, 2025.</p>	<p>the twentieth Amendment on June 15, 2010, the twenty-first Amendment on June 12, 2012, the twenty-second Amendment on June 7, 2016, the twenty-third Amendment on June 8, 2017, the twenty-fourth Amendment on June 5, 2018, the twenty-fifth Amendment on June 5, 2019, the twenty-sixth Amendment on June 8, 2022, the twenty-seventh Amendment on June 4, 2024, and the twenty-eighth Amendment on June 3, 2025, <u>and the twenty-ninth Amendment on June 4, 2026.</u></p>

**Comparison Table for the
Procedures for Acquisition or Disposal of Assets
Before and After Revision**

BEFORE THE REVISION	AFTER THE REVISION
<p>Article 4</p> <p>The Company shall report and publicly disclose the following acquisition or disposal of assets in accordance with the relevant regulations within two days commencing immediately from the Date of the Event:</p> <ol style="list-style-type: none"> 1. the acquisition or disposal of real estate or related right-of-use assets from or to a related party, or acquisition or disposal of assets other than real estate or related right-of-use assets from or to a related party where the transaction amount reaches 20% of the Company's paid-in capital, 10% of the Company's total assets, or NT\$300 million; provided, this shall not apply to buying or selling of domestic government bonds or bonds under repurchase and resale agreements, nor to subscription or redemption of money market funds issued by domestic securities investment trusts; 2. mergers, spin-offs, acquisitions or shares transfer; 3. the acquisition or disposal of other assets where the transaction amount reaches 20% of the Company's paid-in capital or exceeds NT\$300 million. 	<p>Article 4</p> <p><u>Where any acquisition or disposal of assets provided in Article 31 of the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" occurs (as enumerated below), Thethe Company shall report and publicly disclose the following—acquisition or disposal of assetssame in accordance with the relevant regulations within two days commencing immediately from the Date of the Event; <u>provided that, any subsequent revisions in such regulations shall be applied as revised:</u></u></p> <ol style="list-style-type: none"> 1. the acquisition or disposal of real estate or related right-of-use assets from or to a related party, or acquisition or disposal of assets other than real estate or related right-of-use assets from or to a related party where the transaction amount reaches 20% of the Company's paid-in capital, 10% of the Company's total assets, or NT\$300 million; provided, this shall not apply to buying or selling of domestic government bonds or bonds under repurchase and resale agreements, nor to subscription or redemption of money market funds issued by domestic securities investment trusts; 2. mergers, spin-offs, acquisitions or shares transfer; 3. the acquisition or disposal of other assets where the transaction amount

BEFORE THE REVISION	AFTER THE REVISION
<p>The following situations shall not be subject to the above reporting/disclosure requirements:</p> <ol style="list-style-type: none"> 1. buying or selling domestic government bonds or foreign government bonds with credit ratings not lower than R.O.C. sovereign credit rating; 2. buying or selling bonds under repurchase and resale agreements, or subscribing or redeeming money market funds issued by domestic securities investment trusts; 3. acquisition or disposal of equipment or related right-of-use assets for business use with non-related parties in an amount not exceeding NT\$1 billion; 4. acquisition of real estate by way of contracting third parties to construct on land owned or leased by the Company, distribution of building under joint construction project, distribution of profit under joint construction project, or selling building under joint construction project with non-related parties, and the amount of transaction not exceeding NT\$ 500 million (based on the amount the Company intends to contribute). 	<p>reaches 20% of the Company's paid-in capital or exceeds NT\$300 million.</p> <p>The following situations shall not be subject to the above reporting/disclosure requirements:</p> <ol style="list-style-type: none"> 1. buying or selling domestic government bonds or foreign government bonds with credit ratings not lower than R.O.C. sovereign credit rating; 2. buying or selling bonds under repurchase and resale agreements, or subscribing or redeeming money market funds issued by domestic securities investment trusts; 3. acquisition or disposal of equipment or related right-of-use assets for business use with non-related parties in an amount not exceeding NT\$1 billion<u>5% of the Company's paid-in capital</u>; 4. <u>buying or selling government bonds, corporate bonds, or bank debentures without equity features (excluding subordinated debt) traded on securities exchanges or OTC markets, where the transaction counterparties are non-related parties, in an amount not exceeding 5% of the Company's paid-in capital</u>; 5. acquisition of real estate by way of contracting third parties to construct on land owned or leased by the Company, distribution of building under joint construction project, distribution of profit under joint construction project, or selling building under joint construction project with non-related parties, and the amount of transaction not exceeding NT\$ 500 million (based on the amount the Company intends to contribute).

BEFORE THE REVISION	AFTER THE REVISION
<p>The “transaction amount” referred to above shall be calculated as follows:</p> <ol style="list-style-type: none"> 1. the amount of each single transaction for acquisition or disposal of assets; 2. the cumulative amount of several transactions with the same party for the acquisition or disposal of the same kind of assets within one year; 3. the cumulative amount for acquisition or disposal (acquisition and disposal shall be accumulated separately) of real estate or related right-of-use assets under the same development project within one year; or 4. the cumulative amount for acquisition or disposal (acquisition and disposal shall be accumulated separately) of the same security within one year. <p>“Within one year” as used in the preceding paragraph refers to one year preceding the Date of the Event of the subject acquisition or disposal of assets. Transactions that have been previously disclosed in accordance with the Procedures shall be excluded.</p>	<p>The “transaction amount” referred to above shall be calculated as follows:</p> <ol style="list-style-type: none"> 1. the amount of each single transaction for acquisition or disposal of assets; 2. the cumulative amount of several transactions with the same party for the acquisition or disposal of the same kind of assets within one year; 3. the cumulative amount for acquisition or disposal (acquisition and disposal shall be accumulated separately) of real estate or related right-of-use assets under the same development project within one year; or 4. the cumulative amount for acquisition or disposal (acquisition and disposal shall be accumulated separately) of the same security within one year. <p>“Within one year” as used in the preceding paragraph refers to one year preceding the Date of the Event of the subject acquisition or disposal of assets. Transactions that have been previously disclosed in accordance with the Procedures shall be excluded.</p>
<p>Article 7</p> <ol style="list-style-type: none"> 1. Acquisition or disposal of assets by the Company’s Subsidiaries shall follow the procedures of Article 6 hereof. 2. If the acquisition or disposal of assets by the Company’s Subsidiaries reaches the reporting standard specified in Article 4 hereof and such Subsidiary is not a domestic public company, the Company shall disclose and report same for such Subsidiary. The same shall apply if there is any change or supplementation to the 	<p>Article 7</p> <ol style="list-style-type: none"> 1. Acquisition or disposal of assets by the Company’s Subsidiaries shall follow the procedures of Article 6 hereof. 2. If the acquisition or disposal of assets by the Company’s Subsidiaries reaches the reporting standard specified in Article 31 of the “Regulations Governing the Acquisition and Disposal of Assets by Public Companies” or Article 4 hereof and such Subsidiary is not a domestic public company, the Company shall

BEFORE THE REVISION	AFTER THE REVISION
<p>originally publicly disclosed and reported information.</p> <p>3. The Company shall supervise its Subsidiaries to establish relevant procedures for acquisition or disposal of assets. Such procedures shall be approved by the Subsidiaries' Audit Committee and/or Boards of Directors and/or Shareholders' Meetings. Information relating to any acquisition or disposal of assets by the Subsidiaries shall be provided periodically to the Company for examination and audit.</p>	<p>disclose and report same for such Subsidiary. The same shall apply if there is any change or supplementation to the originally publicly disclosed and reported information.</p> <p>3. The Company shall supervise its Subsidiaries to establish relevant procedures for acquisition or disposal of assets. Such procedures shall be approved by the Subsidiaries' Audit Committee and/or Boards of Directors and/or Shareholders' Meetings. Information relating to any acquisition or disposal of assets by the Subsidiaries shall be provided periodically to the Company for examination and audit.</p>

4. Appendix

Taiwan Semiconductor Manufacturing Company Limited

Rules and Procedures of Shareholders' Meeting

1. Shareholders' Meeting of the Company (the "Meeting") shall be conducted in accordance with these Rules and Procedures. Any matter not provided in these Rules and Procedures shall be handled in accordance with relevant laws and regulations.
2. Shareholders attending the Meeting shall submit the attendance card for the purpose of signing in.

The number of shares represented by shareholders attending the Meeting shall be calculated in accordance with the attendance cards submitted by the shareholders.

3. The Meeting shall be held at the head office of the Company or at any other appropriate place that is convenient for the shareholders to attend. The time to start the Meeting shall not be earlier than 9:00 a.m. or later than 3:00 p.m.
4. The Company may appoint designated counsel, CPA or other related persons to attend the Meeting.

Persons handling affairs of the Meeting shall wear identification cards or badges.

5. The process of the Meeting shall be taperecorded or videotaped and these tapes shall be preserved for at least one year.
6. The Chairman of the Board of Directors shall be the chairman presiding at the Meeting in the case that the Meeting is convened by the Board of Directors. If, for any reason, the Chairman of the Board of Directors cannot preside at the Meeting, the Vice Chairman of the Board of Directors or one of the Directors shall preside at the Meeting in accordance with Article 208 of the Company Law of the Republic of China.

If the Meeting is convened by any other person entitled to convene the Meeting, such person shall be the chairman to preside at the Meeting.

7. Chairman shall call the Meeting to order at the time scheduled for the Meeting. If the number of shares represented by the shareholders present at the Meeting has not yet constituted the quorum at the time scheduled for the Meeting, the chairman may postpone the time for the Meeting. The postponements shall be limited to two times at the most and Meeting shall not be postponed for longer than one hour in

the aggregate. If after two postponements no quorum can yet be constituted but the shareholders present at the Meeting represent more than one - third of the total outstanding shares, tentative resolutions may be made in accordance with Section 1 of Article 175 of the Company Law of the Republic of China. The aforesaid tentative resolutions shall be executed in accordance with relevant provisions of the Company Law of the Republic of China.

If during the process of the Meeting the number of outstanding shares represented by the shareholders present becomes sufficient to constitute the quorum, the chairman may submit the tentative resolutions to the Meeting for approval in accordance with Article 174 of the Company Law of the Republic of China.

8. The agenda of the Meeting shall be set by the Board of Directors if the Meeting is convened by the Board of Directors. Unless otherwise resolved at the Meeting, the Meeting shall proceed in accordance with the agenda.

The above provision applies *mutatis mutandis* to cases where the Meeting is convened by any person, other than the Board of Directors, entitled to convene such Meeting.

Unless otherwise resolved at the Meeting, the chairman cannot announce adjournment of the Meeting before all the discussion items (including special motions) listed in the agenda are resolved.

The shareholders cannot designate any other person as chairman and continue the Meeting in the same or other place after the Meeting is adjourned. However, in the event that the Chairman adjourns the Meeting in violation of these Rules and Procedures, the shareholders may designate, by a majority of votes represented by shareholders attending the Meeting, one person as chairman to continue the Meeting.

9. Shareholders attending the Meeting shall have the obligation to observe Meeting rules, obey resolutions and maintain order at Meeting place.
10. Any legal entity designated as proxy by a shareholder(s) to be present at the Meeting may appoint only one representative to attend the Meeting.
11. When a shareholder present at the Meeting wishes to speak, a Speech Note should be filled out with summary of the speech, the shareholder's number (or the number of Attendance Card) and the name of the shareholder. The sequence of speeches by shareholders should be decided by the chairman.

Unless otherwise permitted by the chairman, each shareholder shall not, for each discussion item, speak more than two times (each time not exceeding 5 minutes).

In case the speech of any shareholder violates the above provision or exceeds the scope of the discussion item, the chairman may stop the speech of such shareholder.

If any shareholder present at the Meeting submits a Speech Note but does not speak, no speech should be deemed to have been made by such shareholder. In case the contents of the speech of a shareholder are inconsistent with the contents of the Speech Note, the contents of actual speech shall prevail.

Unless otherwise permitted by the chairman and the shareholder in speaking, no shareholder shall interrupt the speeches of the other shareholders, otherwise the chairman shall stop such interruption.

If a corporate shareholder designates two or more representatives to attend the Meeting, only one representative can speak for each discussion item.

After the speech of a shareholder, the chairman may respond himself/herself or appoint an appropriate person to respond.

12. The chairman may announce to end the discussion of any resolution and go into voting if the Chairman deems it appropriate.
13. The person(s) to check and the person(s) to record the ballots during a vote by casting ballots shall be appointed by the chairman. The person(s) checking the ballots shall be a shareholder(s). The result of voting shall be announced at the Meeting and placed on record.
14. Except otherwise specified in the Company Law of the Republic of China or the Articles of Incorporation of the Company, a resolution shall be adopted by a majority of the votes represented by the shareholders present at the Meeting. The resolution shall be deemed adopted and shall have the same effect as if it was voted by casting ballots if no objection is voiced after solicitation by the chairman.
15. During the Meeting, the chairman may, at his discretion, set time for intermission. In case of incident of force majeure, the chairman may decide to temporarily suspend the Meeting and announce, depending on the situation, when the Meeting will resume or, by resolution of the shareholders present at the Meeting, the chairman may resume the Meeting within five days without further notice or public announcement.
16. If there is amendment to or substitute for a discussion item, the chairman shall decide the sequence of voting for such discussion item, the amendment or the substitute. If any one of them has been adopted, the others shall be deemed vetoed and no further voting is necessary.

17. The chairman may conduct the disciplinary officers or the security guard to assist in keeping order of the Meeting place. Such disciplinary officers or security guards shall wear badges marked "Disciplinary Officers" for identification purpose.
18. These Rules and Procedures shall be effective from the date it is approved by the Shareholders' Meeting. The same applies in case of revision.

**Articles of Incorporation
of
Taiwan Semiconductor Manufacturing Company Limited**

Section I - General Provisions

Article 1

The Corporation shall be incorporated, as a company limited by shares, under the Company Law of the Republic of China, and its name shall be 台灣積體電路製造股份有限公司 in the Chinese language, and Taiwan Semiconductor Manufacturing Company Limited in the English language.

Article 2

The scope of business of the Corporation shall be as follows:

1. Manufacturing and sales of integrated circuits and assembly of other semiconductor devices in wafer form at the order of and pursuant to product design specifications provided by customers.
Provision of packaging and testing services related to the above services.
Providing computer assisted design services and technology for integrated circuits.
Providing mask making and mask design services.
(CC01080 Electronics Components Manufacturing)
2. Researching, developing, designing, manufacturing and selling LED lighting devices and related applications products and systems.
(CC01080 Electronics Components Manufacturing)
(CC01040 Lighting Equipment Manufacturing)
3. Researching, developing, designing, manufacturing and selling renewable energy and efficiency related technologies and products, including solar cells, solar photovoltaic modules and their related systems and applications.
(CC01080 Electronics Components Manufacturing)
(IG03010 Energy Technical Services)
(CC01090 Manufacture of Batteries and Accumulators)
4. Selling recycled and processed chemical, metal, plastic and other industrial products, and fertilizer derived from the Corporation's operating activities.
(C801990 Other Chemical Materials Manufacturing)
(C802990 Other Chemical Products Manufacturing)
(CA02990 Other Metal Products Manufacturing)
(C805990 Other Plastic Products Manufacturing)
(C801110 Fertilizer Manufacturing)
(CZ99990 Manufacture of Other Industrial Products Not Elsewhere Classified)

Article 3

The Corporation shall have its head office in Hsinchu Science Park, Taiwan, Republic

of China, and shall be free, upon approval of government authorities in charge, to set up representative and branch offices at various locations within and without the territory of the Republic of China, wherever and whenever the Corporation deems it necessary or advisable to carry out any or all of its activities.

Article 4

Public announcements of the Corporation shall be made in accordance with the Company Law and other relevant rules and regulations of the Republic of China.

Article 5

The Corporation may provide endorsement and guarantee and act as a guarantor.

Article 6

The total amount of the Corporation's reinvestment shall not be subject to the restriction of not more than forty percent of the Corporation's paid-up capital as provided in Article 13 of the Company Law. Any matters regarding the reinvestment shall be resolved in accordance with the resolutions of the Board of Directors.

Section II - Capital Stock

Article 7

The total capital stock of the Corporation shall be in the amount of 280,500,000,000 New Taiwan Dollars, divided into 28,050,000,000 shares, at ten New Taiwan Dollars each, and may be paid-up in installments.

The Corporation may issue employee stock options from time to time. A total of 500,000,000 shares among the above total capital stock should be reserved for issuing employee stock options.

Where the Corporation issues employee restricted shares, qualified employees of its subsidiaries may be eligible for the granting of such shares.

Article 8

The Corporation may issue shares without printing share certificate(s). If the Corporation decides to print share certificates for shares issued, the Corporation shall comply with relevant provisions of the Company Law and relevant rules and regulations of the Republic of China.

Article 9

The share certificates of the Corporation shall all be name-bearing share certificates, and issued in accordance with the Company Law and relevant rules and regulations of the Republic of China.

Article 10

All transfer of stocks, pledge of rights, loss, succession, gift, loss of seal, amendment of seal, change of address or similar stock transaction conducted by shareholders of the Corporation shall follow the “Guidelines for Stock Operations for Public Companies” unless specified otherwise by law and securities regulations.

Article 11

Registration for transfer of shares shall be suspended sixty (60) days immediately before the date of regular meeting of shareholders, and thirty (30) days immediately before the date of any special meeting of shareholders, or within five (5) days before the day on which dividend, bonus, or any other benefit is scheduled to be paid by the Corporation.

Article 12

Shareholders’ meetings of the Corporation are of two types, namely: (1) regular meetings and (2) special meetings. Regular meetings shall be convened, by the Board of Directors, within six (6) months after the close of each fiscal year. Special meetings shall be convened in accordance with the relevant laws, rules and regulations of the Republic of China.

Shareholders’ meetings of the Corporation may be held through remote video conferencing, or in other forms as and to the extent permitted by relevant government authorities in charge.

Article 13

All shareholders shall receive notice for the convening of shareholders’ meetings, at least thirty (30) days in advance, in case of regular meetings; and at least fifteen (15) days in advance, in case of special meetings. The purpose(s) for convening any such meeting shall be clearly stated in the notices given to the shareholders. Notices shall be in Chinese, and English when necessary.

Article 14

Except as provided in the Company Law of the Republic of China, shareholders’

meetings may be held if attended by shareholders in person or by proxy representing more than one half of the total issued and outstanding capital stock of the Corporation, and resolutions shall be adopted at the meeting with the concurrence of a majority of the votes held by shareholders present at the meeting. According to regulatory requirements, shareholders may also vote via an electronic voting system, and those who do shall be deemed as attending the shareholders' meeting in person; electronic voting shall be conducted in accordance with the relevant laws and regulations.

Article 15

Each share of stock shall be entitled to one vote.

Article 16

If a shareholder is unable to attend a meeting, he/she may appoint a representative to attend it, and to exercise, on his/her behalf, all rights at the meeting, in accordance with Article 177 of the Company Law and other relevant laws, rules and regulations. Unless otherwise stipulated by applicable laws or regulations, a representative does not need to be a shareholder of the Corporation.

Article 17

The shareholders' meeting shall be presided over by the Chairman of the Board of Directors of the Corporation. In his absence, either the Vice Chairman of the Board of Directors, or one of the Directors shall preside in accordance with Article 208 of the Company Law.

Article 18

The resolutions of the shareholders' meeting shall be recorded in the minutes, and such minutes shall be signed by or sealed with the chop of the chairman of the meeting. Such minutes, together with the attendance list and proxies, shall be filed and kept at the head office of the Corporation. The minutes shall be drafted in both the Chinese language and the English language.

Section III - Directors

Article 19

The Corporation shall have seven to ten Directors. The Board of Directors is authorized to determine the number of Directors.

The aforesaid Board of Directors must have at least three independent directors, and independent directors must make up at least one third of the Board.

Article 19-1

For the election of Directors, each share has the same voting rights equal to the number of Directors to be elected, and a shareholder may cast all his/her voting rights to one candidate or among several candidates; those candidates receiving more voting rights shall be elected as Directors.

Directors shall be elected by adopting candidates nomination system as specified in Article 192-1 of the Company Law. The nomination of directors and related announcement shall comply with the relevant regulations of the Company Law and the Securities and Exchange Law. The election of independent directors and non-independent directors shall be held together; provided, however, the number of independent directors and non-independent directors elected shall be calculated separately.

Article 19-2

In compliance with Articles 14-4 of the Securities and Exchange Law, the Corporation shall establish an Audit Committee, which shall consist of all independent directors. The Audit Committee or the members of Audit Committee shall be responsible for those responsibilities of Supervisors specified under the Company Law, the Securities and Exchange Law and other relevant regulations.

Article 20

The term of office for Directors shall be three (3) years, and all Directors shall be eligible for re-election, subject to the limitations imposed by relevant laws, rules and regulations regarding the tenure limits of independent directors.

Article 21

Except as otherwise provided in the Company Law of the Republic of China, a meeting of the Board of Directors may be held if attended by a majority of total Directors and resolutions shall be adopted with the concurrence of the majority of the Directors present at the meeting.

Article 22

The Directors shall elect from among themselves a Chairman of the Board of Directors, and may elect a Vice Chairman of the Board of Directors, by a majority in a meeting attended by over two-thirds of the Directors. The Chairman shall not have a second or

casting vote at any meeting of the Board of Directors. The Chairman of the Board of Directors shall have the authority to represent the Corporation.

Article 23

Except the first Board meeting of every term of the newly elected Board of Directors, which shall be convened by the Director who has received the largest number of votes after such new election, meetings of the Board of Directors shall be convened by the Chairman of the Board of Directors, upon written notice mailed to all the other Directors, at least fourteen days, unless in case of urgent circumstances, prior to the date of the meeting, specifying the date and place of the meeting and its agenda. The meeting of the Board of Directors shall be held at least once every quarter. Such prescribed notices may be waived in writing by any Director, either before or after the meeting. The meetings of the Board of Directors may be convened, at any time, without such prescribed notice in case of urgent circumstances. Notices shall be written in both the Chinese language and the English language. Personal attendance at a meeting will represent a waiver of the notice. Any Director attending the meeting via video conference shall be deemed attending the meeting in person.

Article 24

The Chairman of the Board of Directors shall preside over all meetings of the Board of Directors. In addition, the Chairman shall have the right to execute documents in accordance with the resolutions of the Board of Directors in the name and on behalf of the Corporation as well as acting on behalf of the Board pursuant to Board resolutions and the Corporation's objectives when the Board is not in session. In his absence, the Vice Chairman of the Board of Directors, or any one of the Directors shall be acting for him according to Article 208 of the Company Law.

Article 25

A Director may, by written authorization, appoint another Director to attend on his behalf any meeting of the Board of Directors, and to vote for him on all matters presented at such meeting, but no Director may act as proxy for more than one other Director.

Article 26

The Directors shall exercise their functions by resolutions adopted at meetings of Shareholders and the Board of Directors.

Article 27

In the case that vacancies on the Board of Directors exceed, for any reason, one third of

the total number of the Directors, then the Board of Directors shall convene a shareholders' meeting to elect new Directors to fill such vacancies in accordance with relevant laws, rules and regulations. Except for the election of new Directors across the board, the new Directors shall serve the remaining term of the predecessors.

Article 28

The Board of Directors is authorized to determine the salary for the Chairman, Vice Chairman and Directors, taking into account the extent and value of the services provided for the management of the Corporation and the standards of the industry within the R.O.C. and overseas.

Section IV - Management of the Corporation

Article 29

The Corporation may, by resolution of the Board of Directors, appoint one or more Chief Executive Officer, President(s), Vice President(s) or such other officers to meet the Corporation's operational or managerial needs.

The Chief Executive Officer shall cause to be prepared and furnished to the Board of Directors of the Corporation a balance sheet of the Corporation and related statements of income and loss, as of the end of each calendar month, quarter and year. Quarterly statements and year-end statements shall be furnished within the deadline set forth in relevant laws, rules and regulations. Such financial statements shall be prepared in accordance with generally accepted accounting principles applied in the Republic of China on a consistent basis. Such statements shall be accompanied by a certification of the Corporation that such statements have been so prepared. Subject to the policies of the Corporation, the officers as stated in the previous paragraph shall be responsible for the overall control of allocated business and operation of the Corporation and shall make reports to the Board of Directors, and shall also supervise and control day-to-day business and operation of the Corporation in accordance with the policies of the Board of Directors headed by the Chairman. The Vice President-Finance shall have special responsibility for the financial affairs and accounting of the Corporation.

Article 30

The Chief Executive Officer reports to the Board of Directors. The President(s), Vice President(s) and other officers shall perform such duties as designated by the Chief Executive Officer or the Board of Directors.

Article 31

Subject to the provisions of the Company Law of the Republic of China and these Articles of Incorporation, all actions of the Corporation's employees shall be in conformance with, and in furtherance of, the directions of the Board of Directors.

Section V - Financial Reports

Article 32

The fiscal year for the Corporation shall be from January 1 of each year to December 31 of the same year. After the close of each fiscal year, the following reports shall be prepared by the Board of Directors, and submitted to the regular shareholders' meeting for acceptance:

1. Business Report;
2. Financial Statements;
3. Proposal Concerning the Distribution of Earnings or Covering of Losses.

Article 33

The distribution of earnings or the covering of losses may be made on a quarterly basis after the close of each quarter. When the earnings are to be distributed in cash, the distribution shall be approved by the Board of Directors in accordance with Article 228-1 and Paragraph V of Article 240 of the Company Law and reported to the shareholders' meeting, instead of being submitted to the shareholders' meeting for acceptance.

The Corporation shall not pay dividends or bonuses to shareholders when there are no earnings. When allocating the earnings, the Corporation shall first estimate and reserve the taxes to be paid, offset its losses, set aside a legal capital reserve at 10% of the remaining earnings provided that the amount of accumulated legal capital reserve has not reached the amount of the paid-in capital of the Corporation, then set aside a special capital reserve in accordance with relevant laws or regulations or as requested by the authorities in charge.

Before paying dividends or bonuses to shareholders, the Corporation shall set aside not more than 0.3% of its profits of the period for which the Corporation distributes the earnings as compensation to its directors and not less than 1% as profit sharing bonuses to its employees (among which not less than 30% as profit sharing bonuses to entry-level employees); provided, however, that the Corporation shall have reserved a sufficient amount to offset its accumulated losses. Directors' compensation is governed

by the rules set by the Board of Directors; directors who also serve as executive officers of the Corporation are not entitled to receive compensation to directors. Employees' profit sharing bonuses are resolved by a majority vote at a Board of Directors meeting attended by at least two-thirds of the total number of directors and shall be reported to the shareholders' meeting. The Corporation may issue profit sharing bonuses to employees of an affiliated company meeting the conditions set by the Board of Directors or, by the person duly authorized by the Board of Directors.

After the Corporation has set aside the capital reserves pursuant to the second Paragraph of this Article, the balance left over shall be allocated according to the applicable laws and regulations, the relevant rules set forth herein, and the following principles: Earnings may be distributed in total after taking into consideration financial, business and operational factors. Earnings of the Corporation may be distributed by way of cash dividend and/or stock dividend. Since the Corporation is in a capital-intensive industry at the steady growth stage of its business, distribution of earnings shall be made preferably by way of cash dividend. Distribution of earnings may also be made by way of stock dividend, provided however, the ratio for stock dividend shall not exceed 50% of total distribution.

In case there are no earnings for distribution, or the earnings are far less than the earnings actually distributed by the Corporation previously, or considering the financial, business or operational factors of the Corporation, the Corporation may allocate a portion or all of its reserves for distribution in accordance with relevant laws or regulations or the orders of the authorities in charge. When the reserves are to be distributed in cash, the distribution may be approved by the Board of Directors in accordance with Article 241 of the Company Law and reported to the shareholders' meeting, instead of being submitted to the shareholders' meeting for acceptance.

Section VI - Supplementary Provisions

Article 34

The internal organization of the Corporation and the detailed procedures of business operation shall be determined by the Board of Directors.

Article 35

In regard to all matters not provided for in these Articles of Incorporation, the Company Law of the Republic of China shall govern.

Article 36

These Articles of Incorporation are agreed to and signed on December 10, 1986 by all the promoters of the Corporation, and the first Amendment was approved by the shareholders' meeting on April 28, 1987, the second Amendment on November 27, 1989, the third Amendment on May 28, 1991, the fourth Amendment on May 18, 1993, the fifth Amendment on January 28, 1994, the sixth Amendment on May 12, 1995, the seventh Amendment on April 8, 1996, the eighth Amendment on May 13, 1997, the ninth Amendment on May 12, 1998, the tenth Amendment on May 11, 1999, the eleventh Amendment on April 14, 2000, the twelfth Amendment on September 5, 2000, the thirteenth Amendment on May 15, 2001, the fourteenth Amendment on May 7, 2002, the fifteenth Amendment on June 3, 2003, the sixteenth Amendment on December 21, 2004, the seventeenth Amendment on May 10, 2005, the eighteenth Amendment on May 16, 2006, the nineteenth Amendment on May 7, 2007, the twentieth Amendment on June 15, 2010, the twenty-first Amendment on June 12, 2012, the twenty-second Amendment on June 7, 2016, the twenty-third Amendment on June 8, 2017, the twenty-fourth Amendment on June 5, 2018, the twenty-fifth Amendment on June 5, 2019, the twenty-sixth Amendment on June 8, 2022, the twenty-seventh Amendment on June 4, 2024, and the twenty-eighth Amendment on June 3, 2025.

Appendix III

Taiwan Semiconductor Manufacturing Company Limited

Shareholdings of All Directors

Record Date: April 6, 2026

Title	Name	Shareholdings (Shares)
Chairman	C.C. Wei	7,452,349
Director	F.C. Tseng	29,472,675
Director	National Development Fund, Executive Yuan Representative: Chun-Hsien Yeh	1,653,709,980
Independent Director	Sir Peter L. Bonfield	-
Independent Director	Michael R. Splinter	-
Independent Director	Moshe N. Gavriellov	-
Independent Director	L. Rafael Reif	-
Independent Director	Ursula M. Burns	-
Independent Director	Lynn L. Elsenhans	-
Independent Director	Chuan Lin	126,826
Total		1,690,761,830

Note 1: Total shares issued as of 4/6/2026: 25,932,524,521 common shares.

Note 2: Shareholdings of the directors did not include any common shares held in the form of American Depositary Shares.

Note 3: As TSMC has a majority of independent directors, and has established the audit committee that satisfies the requirements of the Securities and Exchange Act, the minimum shareholding requirements for directors and supervisors do not apply.