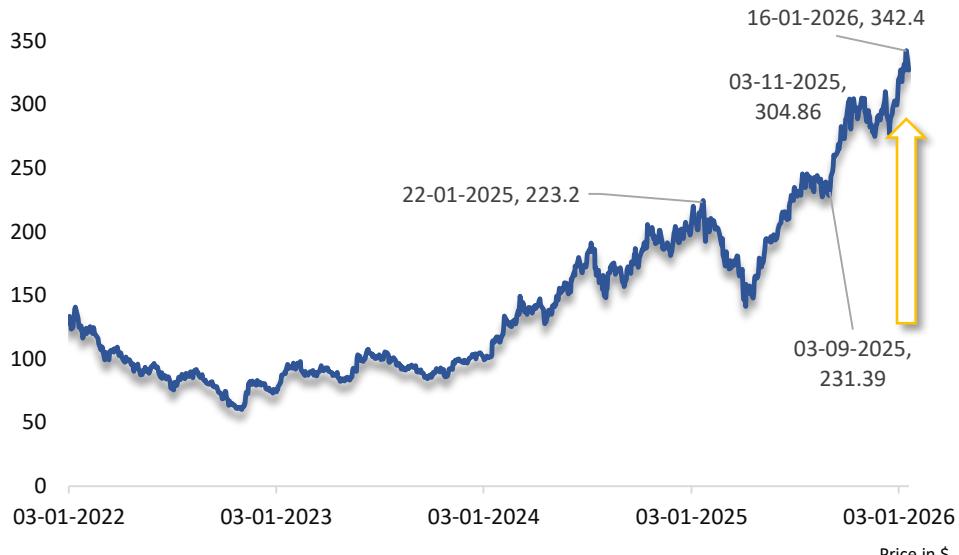




TSMC



January 21st, 2026

| TSM | |
|--------------------------|----------|
| CMP (\$) | 327.16 |
| YTD Returns (%) | 7.66% |
| 2025 returns (%) | 54% |
| 52 week high (\$) | 351.33 |
| 52 week low (\$) | 134.25 |
| Mkt cap (\$) | 1,696.8B |

Source: Bloomberg (CMP as on 20-01-2026)

COMPANY OVERVIEW | NYSE: Taiwan Semiconductor Manufacturing (TSM)

| Category | Details |
|--|--|
| Origins | Founded in 1987 in Taiwan as the world's first pure-play semiconductor foundry, pioneering the fabless–foundry business model under the leadership of Morris Chang |
| Headquarters | Hsinchu, Taiwan |
| Global Reach | Operates advanced wafer fabrication facilities in Taiwan with expanding manufacturing presence in the United States, Japan, and Europe; serves customers globally |
| Core Business | Contract manufacturing of advanced semiconductors (foundry services) across leading-edge nodes (5nm, 3nm, upcoming 2nm) and specialty technologies |
| Major Clients / Deals | Key manufacturing partner for global technology leaders such as Apple, NVIDIA, AMD, Qualcomm, Broadcom; strong exposure to AI, high-performance computing, smartphones, and data centers |
| AI & Semiconductor Ecosystem Role | Critical enabler of AI chips, GPUs, and data-center processors; advanced packaging technologies (CoWoS) support AI accelerators and high-bandwidth memory integration |
| Ancillary & Linked Industries | Semiconductor equipment (ASML), memory suppliers (SK Hynix, Samsung), advanced packaging, electronic design automation (EDA), AI hardware and cloud data-center infrastructure |
| Future Growth Areas | AI and high-performance computing chips, 2nm and next-generation process technologies, advanced chip packaging, geographic capacity expansion to enhance supply-chain resilience |

Recent Developments

Taiwan Semiconductor Manufacturing Company continues to demonstrate strong market performance as AI-driven demand fuels shareholder confidence. In early 2026, TSMC's stock hit record highs, buoyed by a significant earnings beat and bullish analyst commentary. TSMC recently reported strong fourth-quarter profit growth—up approximately 35% year-over-year—driven by robust orders for advanced AI chips, and indicated plans to increase capital expenditures in 2026 to support continued capacity expansion. Major US stock indices also reflected TSMC's influence, with AI-centric optimism contributing to gains in chip and tech shares.



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Strategic Expansion & Geopolitical Moves

TSMC is aggressively expanding beyond its Taiwan base. Recent developments show the company's intention to invest tens of billions in U.S. fabrication plants, aligning with strategic geopolitical and supply-chain objectives to diversify manufacturing footprint and reduce regional risk exposures while serving major customers like Apple and Nvidia. This global expansion trend, supported by trade agreements and government incentives, underscores TSMC's role not just as a contract manufacturer but as a pivotal global infrastructure player in advanced semiconductor production.

AI and Semiconductor Industry Synergy

The semiconductor industry is increasingly intertwined with the AI supercycle, and TSMC stands at its core. Advanced nodes such as 2nm (N2) have entered high-volume production, reflecting the company's leadership in next-generation process technology—crucial for AI accelerators, data-center GPUs, and high-performance computing chips. Meanwhile, advanced packaging innovations like CoWoS (Chip-on-Wafer-on-Substrate) are scaling rapidly to meet demand from AI workloads that require large multi-die configurations and integration with High-Bandwidth Memory (HBM).

Investment Risks and Considerations

While TSMC's leadership in advanced process technologies remains dominant, competition from peers like Samsung and Intel persists—each seeking breakthroughs in alternative architectures and foundry services. Geopolitical risks, including tariff changes (e.g., recent U.S. tariffs on China-bound AI chips) and supply chain realignments, remain potential volatility drivers.

The company's heavy capital expenditure plans, although aimed at securing long-term growth, introduce near-term execution and margin pressure considerations that investors should monitor.

Key Takeaways & Future Outlook

Core Strength: TSMC's leadership in advanced semiconductor manufacturing is reinforced by record profit growth, sustained AI chip demand, and robust technology roadmaps for 2nm and beyond.

AI Tailwinds: Continued growth in data centers, generative AI, and HPC workloads should underpin long-term demand for TSMC's high-performance chips.

Ecosystem Impact: TSMC's expansion positively influences ancillary industries—from materials and equipment suppliers to memory and packaging technologies—highlighting its central role in the semiconductor value chain.

Strategic Expansion: Global capacity expansion, especially in the U.S. and Japan, will help diversify geopolitical risk and align TSMC with strategic customers, but but execution timelines and costs remain key variables.

The update and data points are compiled from Bloomberg, along with other media reports

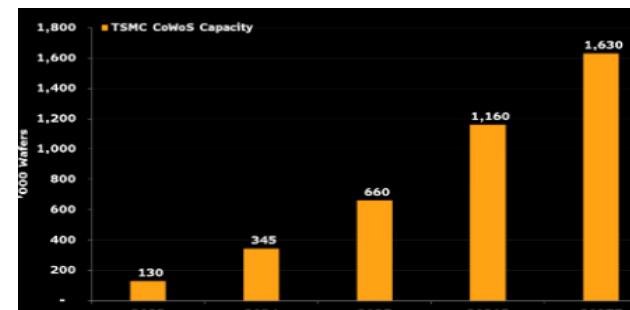
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Disclaimer: Investment in Securities Market are subject to market risks. Read all the related documents carefully before investing.

TSMC's Quarterly Sales



Advance-Node Capacity Expansion: TSMC vs Peers

