

THE TAIWAN FUND, INC.

Manager's Commentary

Market Review

Taiwan's equity markets posted solid gains in October, led by continued strength in the tech sector and sustained artificial intelligence ("AI") growth. The Taiwan TAIEX Total Return Index, (the "Benchmark") increased by 8.41% in October 2025 in U.S. dollar terms, outperforming regional peers on strong demand for AI and electronic component stocks. During the month, Semiconductors & Semiconductor Equipment, Commercial & Professional Services and Technology Hardware & Equipment were the best performing industry groups. Also during the month, the poorest performing industry groups were Pharmaceuticals, Biotechnology & Life Sciences, Consumer Discretionary Distribution & Retail and Automobiles & Components. We do not have any holdings in the Pharmaceuticals, Biotechnology & Life Sciences, Consumer Discretionary Distribution & Retail and Automobiles & Components industry groups.

Fund Review (Attribution Reports)

The Taiwan Fund, Inc. (the "Fund") increased by 7.24% in October 2025, underperforming the Benchmark in U.S. dollar terms. The Fund's underperformance was primarily driven by stock selection in the Semiconductors & Semiconductor Equipment, Materials and Consumer Durables & Apparel industry groups. Conversely, relative outperformance was primarily driven by having no exposure to the Banks, Insurance and Telecommunication Services industry groups.

On a stock selection basis, the largest negative contributors to performance were Jentech Precision Industrial Co. Ltd., Shin Zu Shing Co. Ltd., Dynapack International Technology Corporation, Nien Made Enterprise Co. Ltd. and Century Iron & Steel Industry Co. Ltd. The largest contributors to relative performance were Taiwan Semiconductor Manufacturing Co. Ltd., Bizlink Holding Inc., King Slide Co. Ltd., Delta Electronics Inc. and Winway Technology Co. Ltd.

Key Transactions

The Fund's total securities holdings represented 95.2% of net assets as of October 31, 2025. This represented a slight increase from the 94.5% held as of September 30, 2025.

The major changes in the portfolio were in the Semiconductors & Semiconductor Equipment and Technology Hardware & Equipment industry groups. In the Semiconductors & Semiconductor Equipment industry group, the Fund increased its holdings in MPI Corporation. Their probe card and Co-Packaged Optics (CPOs) equipment businesses are showing strong growth

Fund Data

Description	Seeks long-term capital appreciation primarily through investments in equity securities listed in Taiwan.
Inception Date	December 23, 1986
Total Fund Net Assets (millions)	\$403.2
Median Market Cap (in billions)	\$4.83
Distribution Frequency	Annual
Management Firm	Nomura Asset Management U.S.A. Inc.

Fund Manager



Sky Chen
Lead Portfolio Manager

Performance

(US\$ Returns as of 10/31/2025)

	Fund	Benchmark ¹
One Month	7.24%	8.41%
Three Month	20.88%	16.99%
One Year	46.34%	32.79%
Three Year (Annualized)	49.35%	35.76%

Net Asset Value/Market Price (as of 10/31/2025)

NAV/Market Price	\$67.09 / \$57.53
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High/Low Ranges (52-Week)

High/Low NAV	\$67.41 / \$33.32
High/Low Market Price	\$58.10 / \$27.66
Premium/Discount to NAV (as of 10/31/2025)	-14.25%

Fund Data (Common Shares)

Shares Outstanding	6,009,450
Average Daily Volume	24,609
Expense Ratio ²	1.32%

NOMURA

NOMURA ASSET MANAGEMENT
Nomura Asset Management U.S.A. Inc.

¹Taiwan TAIEX Total Return Index.

²One year ended August 31, 2025.

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Manager's Commentary (continued)

momentum, with revenue projected to increase by 42.0% year over year in 2026, while gross margins are expected to rise to 59.4%. Additionally, the Fund continued to increase its holdings in Elite Material Co. Ltd. in the Technology Hardware & Equipment industry group. With the continued rise in computing power, AI specifications are evolving rapidly, driving clear upgrades in Copper-Clad Laminates ("CCLs") standards. Elite Material Co. Ltd., as a certified supplier for M9, NVIDIA's latest board material specification for next-generation graphics processing unit ('GPU') and AI platforms, is well-positioned to be a major beneficiary.

Meanwhile, the Fund reduced its holdings in Delta Electronics Inc. in the Technology Hardware & Equipment industry group though we remain positive on its long-term prospects.

Outlook and Strategy

In October 2025, the Federal Reserve Board, (the "Fed") took decisive action to ease financial market pressures by halting its three-year Quantitative Tightening program, effective December 1, 2025, and implementing an interest rate cut. These measures aim to alleviate liquidity constraints in money markets and ensure the smooth functioning of the banking system, underscoring the Fed's commitment to financial stability amid growing concerns over structural vulnerabilities in the U.S. economy.

The impact of tariffs have somewhat moderated and the economic effects remain manageable, leading to an upward revision of the global economic outlook. Overall, AI servers, High-Performance Computing (HPC), and related industries continue to serve as the primary growth drivers supporting the Taiwan stock market. Major cloud service providers have recently raised their 2025 capital expenditure forecasts, reinforcing strong growth visibility for Taiwan's AI supply chain.

Looking ahead, the market may consolidate in the short term, but sustained AI demand continues to support investment opportunities. Key areas of focus include AI servers, thermal solutions, Battery Backup Units, power management, Concise CCLs, Printed Circuit Board and slide rails, along with advanced semiconductor processes and Application Specific Integrated Circuits. Additionally, rising chip power consumption is driving stronger demand for power delivery, cooling, and testing, while broader AI adoption is expected to further boost infrastructure and memory needs, making these sectors the key market highlights ahead.

THE TAIWAN FUND, INC.

Returns (%)

	1 Month	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception
NAV	7.24	20.88	42.02	46.34	49.35	28.18	21.47	11.50
Market Price	6.30	25.64	48.85	57.88	54.57	29.13	21.11	10.10
Taiwan TAIEX Total Return Index	8.41	16.99	34.40	32.79	35.76	19.81	17.47	—
Taiwan TAIEX Price Index	8.41	16.44	30.72	28.95	31.72	15.93	13.30	—
MSCI Taiwan Index (net)	9.84	19.12	38.35	37.83	40.97	21.17	18.48	—

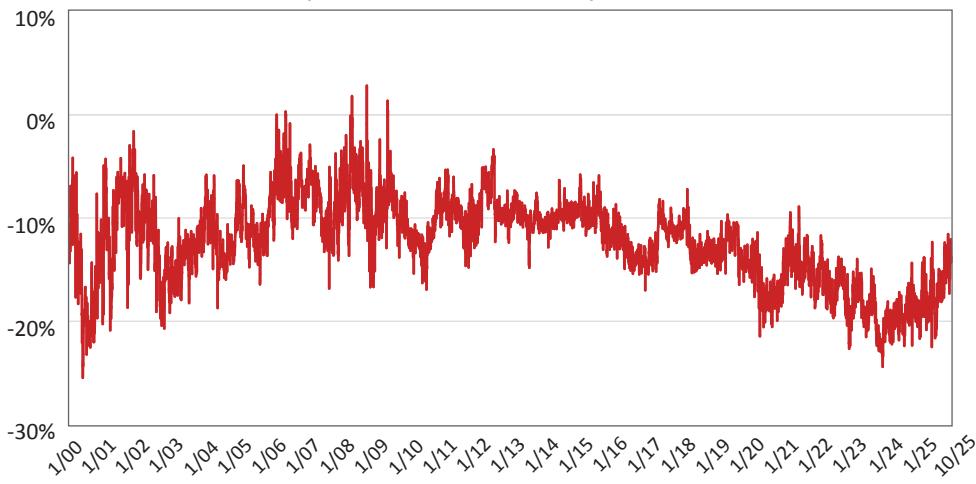
Calendar Year Returns (%)

	2017	2018	2019	2020	2021	2022	2023	2024
NAV	28.44	-14.96	47.11	41.97	55.09	-36.27	58.11	29.05
Market Price	33.61	-19.11	46.75	39.81	58.26	-38.54	51.74	32.93
Taiwan TAIEX Total Return Index	29.45	-7.86	32.19	35.62	29.04	-26.80	31.68	23.32
Taiwan TAIEX Price Index	24.56	-11.51	26.46	31.01	25.59	-30.15	27.02	20.26
MSCI Taiwan Index (net)	27.53	-8.93	36.37	40.99	26.13	-29.76	30.42	34.38

Past performance is not indicative of future results.

Returns are expressed in US dollars and are annualized except for periods of less than one year. Source: Nomura Asset Management U.S.A. Inc., utilizing data from State Street Bank & Trust Company. Returns for the Fund are historical returns that reflect changes in net asset value and market price per share during each period and assume that dividends and capital gains, if any, were reinvested. Net asset value is total assets less total liabilities divided by the number of shares outstanding. NAV performance includes the deduction of management fees and other expenses. NAV and market price returns do not reflect broker sales charges or commissions, which would reduce returns. Expense Ratio: 1.32% for the year ended August 31, 2025.

Premium/Discount (1/3/00 - 10/31/25)



Past performance is not indicative of future results.

Sector Breakdown (%)

	Fund	Benchmark
Information Technology	78.09	73.20
Industrials	10.23	5.89
Consumer Discretionary	5.18	2.86
Materials	1.72	3.10
Financials	0	9.32
Communication Services	0	1.97
Consumer Staples	0	1.24
Health Care	0	0.98
Real Estate	0	0.83
Energy	0	0.47
Utilities	0	0.14
N/A	0	0

Top 10 Holdings (%)

Taiwan Semiconductor Manufacturing Co. Ltd.	28.47
Bizlink Holding, Inc.	5.49
King Slide Works Co. Ltd.	5.31
Delta Electronics, Inc.	4.85
WinWay Technology Co. Ltd.	4.77
Elite Material Co. Ltd.	3.87
Jentech Precision Industrial Co. Ltd.	3.82
MediaTek, Inc.	3.64
eMemory Technology, Inc.	3.21
MPI Corp.	3.20

Holdings and sector weightings are subject to change. Source: State Street Bank & Trust Company, Bloomberg L.P. as of 10/31/2025.

THE TAIWAN FUND, INC.

Portfolio Characteristics

Fund	
Number of Issues	31
Foreign Holdings (%)	95.2
Cash and Other Assets less Liabilities (%)	4.8

As of 10/31/2025.

Distribution History (10 Year)

Ex-dividend Date	Record Date	Payable Date	Distribution/Share	Income	Long-term Capital Gain	Short-term Capital Gain
12/26/14	12/30/14	1/9/15	2.633200	0.000000	2.633200	0.000000
12/28/17	12/29/17	1/9/18	0.660000	0.660000	0.000000	0.000000
12/20/18	12/21/18	1/4/19	1.707800	0.000000	1.707800	0.000000
12/27/19	12/30/19	1/10/20	1.699100	1.469500	0.164500	0.065100
12/28/20	12/29/20	1/8/21	3.312200	0.375900	0.615600	2.320700
12/27/21	12/28/21	1/10/22	2.922700	0.478000	2.444700	0.000000
12/27/23	12/28/23	1/10/24	0.436500	0.000000	0.436500	0.000000
12/27/24	12/27/24	1/10/25	7.398400	0.000000	7.398400	0.000000

Distribution/Share includes income, long-term capital gains, and short-term capital gains.

THE TAIWAN FUND, INC.

All Portfolio Holdings

As of October 31, 2025

Sector	Company (exchange ticker)	Price TWD	Holding	Value US\$	% of Fund
INFORMATION TECHNOLOGY					
Taiwan Semiconductor Manufacturing Co. Ltd.	2330-TW	1,500.00	2,352,000	114,765,297	28.47
King Slide Works Co. Ltd.	2059-TW	4,110.00	160,000	21,391,627	5.31
Delta Electronics, Inc.	2308-TW	995.00	604,000	19,549,787	4.85
WinWay Technology Co. Ltd.	6515-TW	2,630.00	225,000	19,249,536	4.77
Elite Material Co. Ltd.	2383-TW	1,360.00	353,000	15,616,928	3.87
Jentech Precision Industrial Co. Ltd.	3653-TW	2,130.00	222,000	15,382,063	3.82
MediaTek, Inc.	2454-TW	1,310.00	344,000	14,659,250	3.64
eMemory Technology, Inc.	3529-TW	1,990.00	200,000	12,946,879	3.21
MPI Corp.	6223-TW	2,100.00	189,000	12,911,096	3.20
Parade Technologies Ltd.	4966-TW	680.00	481,000	10,639,862	2.64
Alchip Technologies Ltd.	3661-TW	3,495.00	88,000	10,004,879	2.48
Accton Technology Corp.	2345-TW	1,080.00	224,000	7,869,621	1.95
Dynapack International Technology Corp.	3211-TW	307.00	724,000	7,230,344	1.79
Wiwynn Corp.	6669-TW	4,365.00	40,000	5,679,711	1.41
Lotes Co. Ltd.	3533-TW	1,380.00	126,000	5,656,290	1.40
Asia Vital Components Co. Ltd.	3017-TW	1,425.00	115,000	5,330,829	1.32
EZconn Corp.	6442-TW	939.00	166,000	5,070,557	1.26
Fositek Corp.	9805-TW	1,455.00	106,000	5,017,078	1.24
Chroma ATE, Inc.	2360-TW	819.00	111,000	2,957,256	0.73
LandMark Optoelectronics Corp.	3081-TW	425.50	117,000	1,619,450	0.40
E Ink Holdings, Inc.	8069-TW	212.00	187,000	1,289,613	0.32
INDUSTRIALS					
Bizlink Holding, Inc.	3665-TW	1,395.00	487,317	22,114,024	5.49
Advanced Energy Solution Holding Co. Ltd.	6781-TW	1,180.00	272,000	10,440,779	2.59
Shin Zu Shing Co. Ltd.	3376-TW	211.50	1,265,000	8,703,279	2.16
CONSUMER DISCRETIONARY					
Nien Made Enterprise Co. Ltd.	8464-TW	370.00	799,000	9,616,798	2.39
Merida Industry Co. Ltd.	9914-TW	100.00	1,562,000	5,081,162	1.26
Fulgent Sun International Holding Co. Ltd.	9802-TW	96.10	1,234,899	3,860,440	0.96
Giant Manufacturing Co. Ltd.	9921-TW	101.50	370,000	1,221,658	0.30
Gourmet Master Co. Ltd.	2723-TW	69.90	461,000	1,048,239	0.26
KMC Kuei Meng International, Inc.	5306-TW	90.10	20,000	58,619	0.01
MATERIALS					
Century Iron & Steel Industrial Co. Ltd.	9958-TW	153.50	1,388,000	6,930,744	1.72

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Index Descriptions

The Taiwan TAIEX Total Return Index is a stock market index for companies traded on the Taiwan Stock Exchange (TWSE). The index is calculated on a total return basis with net dividends reinvested. The MSCI Taiwan Index (net) is a free float-adjusted market capitalization-weighted index that measures the performance of the large and mid-cap segments of the Taiwan market. The index is calculated on a total return basis with net dividends reinvested. The Taiwan TAIEX Price Index is a stock market index for companies traded on the Taiwan Stock Exchange (TWSE). The index is calculated on a price return basis. The indexes are unmanaged, their returns do not reflect any fees, expenses, or sales charges, and they are not available for direct investment.

Important Information:

- Nomura Asset Management U.S.A. Inc. (NAM-USA) became the Investment Manager of the Fund on September 17, 2022. Portfolio holdings are subject to change daily. It should not be assumed that any of the securities transactions or holdings discussed here were or will prove to be profitable, or that the investment recommendations or decisions NAM-USA makes in the future will be profitable or will equal the investment performance of the securities discussed herein. Investing in the Fund involves certain considerations in addition to the risks normally associated with making investments in securities. The value of the shares issued by the Fund, and the income from them, may go down as well as up and there can be no assurance that upon sale, or otherwise, investors will receive back the amount originally invested. There can be no assurance that you will receive comparable performance returns. Movements in foreign exchange rates may have a separate effect, unfavorable as well as favorable, on the gain or loss otherwise experienced on an investment. Past performance is not a guide to future returns. Accordingly, the Fund is only suitable for investment by investors who are able and willing to withstand the total loss of their investment. In particular, prospective investors should consider the following risks:
- Discretionary investment is not risk free. The past operating performance does not guarantee a minimum return for the discretionary investment fund. Apart from exercising the duty of care of a prudent adviser, NAM-USA will not be responsible for the profit or loss of the Fund, nor guarantee a minimum return.
- It should be noted that investment in the Fund is only suitable for sophisticated investors who are aware of the risk of investing in Taiwan and should be regarded as long term. Funds that invest in one country carry a higher degree of risk than those with portfolios diversified across a number of markets.
- Investment in the securities of smaller and unquoted companies can involve greater risk than is customarily associated with investment in larger, more established, companies. In particular, smaller companies often have limited product lines, markets, or financial resources and their management may be dependent on a smaller number of key individuals. In addition, the market for stock in smaller companies is often less liquid than that for stock in larger companies, bringing with it potential difficulties in acquiring, valuing, and disposing of such stock. Proper information for determining their value, or the risks to which they are exposed, may not be available.
- Investments within emerging markets, such as Taiwan, can be of higher risk. Many emerging markets, and the companies quoted on their stock exchanges, are exposed to the risks of political, social, and religious instability, expropriation of assets or nationalization, rapid rates of inflation, high interest rates, currency depreciation, and fluctuations and changes in taxation which may affect the Fund's income and the value of its investments.
- The marketability of quoted shares may be limited due to foreign investment restrictions, wide dealing spreads, exchange controls, foreign ownership restrictions, the restricted opening of stock exchanges, and a narrow range of investors. Trading volume may be lower than on more developed stock markets, and equities are less liquid. Volatility of prices can also be greater than in more developed stock markets. The infrastructure for clearing, settlement, and registration on the primary and secondary markets may be undeveloped. Under certain circumstances, there may be delays in settling transactions in some of the markets.

Forward P/E Ratio: Per share stock price divided by projected future 12-months earnings per share. **P/B Ratio:** A ratio used to compare a stock's market value to its book value. **Beta:** A quantitative measure of the volatility, or systematic risk, of a security or a portfolio in comparison to the market as a whole.

R-Squared: A measure that represents the percentage of a fund or security's movements that can be explained by movements in a benchmark index. **Standard Deviation:** Measures variability of returns around the average return for an investment portfolio. Higher standard deviation suggests greater risk.

The Fund is a closed-end fund whose shares of common stock trade on the NYSE. Vision 4 Fund Distributors, LLC ("Vision 4") is a member of FINRA and has filed this material with FINRA on behalf of the Fund. Vision 4 does not serve as a distributor or as an underwriter to the Fund. Unlike open-end funds, shares are not continually offered. Vision 4 is contracted by NAM-USA to promote the Fund and provide secondary market support services.

NOT FDIC INSURED | MAY LOSE VALUE | NOT BANK GUARANTEED

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