

THE TAIWAN FUND, INC.

Manager's Commentary

Market Review

Taiwan's equity market delivered strong performance in April 2026, with the TAIEX Total Return Index (the "Benchmark") rising 23.83% in U.S. dollar terms, driven by accelerating AI and semiconductor demand, broad-based gains across the technology sector and strong foreign institutional inflows of \$6.3 billion (USD) amid a record tech-led export surge and first quarter 2026 GDP growth reaching a near 39-year high. During the month, the best three performing industry groups were Technology Hardware & Equipment, Semiconductors & Semiconductor Equipment and Capital Goods. The poorest performing industry groups were Household & Personal Products, Food, Beverage & Tobacco and Consumer Discretionary Distribution & Retail. Note that we do not have any holdings in these industry groups.

Fund Review (Attribution Reports)

The Taiwan Fund, Inc. (the "Fund") increased by 39.65% in April outperforming the Benchmark in U.S. dollar terms. The Fund's outperformance was primarily driven by stock selection in the Semiconductors & Semiconductor Equipment, Technology Hardware & Equipment and Capital Goods industry groups. For the whole portfolio at the stock level, the top positive contributors to relative performance were Unimicron Technology Corporation, Elite Material Co. Ltd. and Bizlink Holding Inc.

On the other hand, the Fund's relative outperformance was negatively impacted by stock selection and the overweight positions in the weaker-performing industry groups, including Consumer Durables & Apparel and Consumer Services. For the portfolio at the stock level, one of the leading negative contributors to relative performance was the underweight position in Taiwan Semiconductor Manufacturing Co. Ltd. ("TSMC"). The Fund's holdings of TSMC represented 26.95% of net assets on April 30, 2026, while it was 43.79% of the Benchmark. The other negative contributors to relative performance were Century Iron & Steel Industry Co. Ltd. and Merida Industry Co. Ltd.

Key Transactions

The major changes in the portfolio were in the Semiconductors & Semiconductor Equipment, Consumer Durables & Apparel and Technology Hardware & Equipment industry groups. In the Semiconductors & Semiconductor Equipment industry group, the Fund added Kinsus Interconnect Technology Corporation to its portfolio holdings. The company is benefiting from the rapid expansion in demand for high-end Ajinomoto Build-up Film ("ABF") substrates fueled by AI applications. Demand also remains robust for products such as Graphics Processing Units (GPUs), Application-Specific Integrated Circuits (ASICs), and high-speed switches. Additionally, the Fund also increased its holdings in Nien Made Enterprise Co. Ltd. in the Consumer Durables & Apparel industry group.

¹Taiwan TAIEX Total Return Index.

²Six months ended February 28, 2026, annualized, unaudited.

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)	\$587.8
Median Market Cap (in billions)	\$10.64
Distribution Frequency	Annual
Management Firm	Nomura Asset Management U.S.A. Inc.

Fund Manager



Sky Chen
Lead Portfolio Manager

Performance

(US\$ Returns as of 04/30/2026)

	Fund	Benchmark ¹
One Month	39.65%	23.83%
Three Month	54.74%	20.83%
One Year	195.33%	99.83%
Three Year (Annualized)	63.69%	38.42%

Net Asset Value/Market Price

(as of 04/30/2026)

NAV/Market Price	\$105.02 / \$94.40
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High/Low Ranges (52-Week)

High/Low NAV	\$106.28 / \$33.32
High/Low Market Price	\$94.40 / \$27.66
Premium/Discount to NAV (as of 04/30/2026)	-10.11%

Fund Data (Common Shares)

Shares Outstanding	5,596,911
Average Daily Volume	35,348
Expense Ratio ²	1.25%

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

THE TAIWAN FUND, INC.

Manager's Commentary (continued)

The contribution from the company's new production capacity is expected to gradually materialize beginning in 2027, with customized-size products continuing to gain market share in the United States.

Meanwhile, the Fund reduced its holdings in EZconn Corporation within the Technology Hardware & Equipment industry group due to the tight upstream optical fiber supply as actual shipments may be constrained, limiting the extent of upward revisions to revenue and earnings.

Outlook and Strategy

Regarding the Middle East, reports at the end of April suggest a continuing ceasefire in the US-Iran conflict and that markets expect the marginal impact to be less severe than in March and April. However, risks surrounding oil prices, the Strait of Hormuz and energy supplies remain key variables for May. Should oil prices stay elevated, concerns over inflation and the Federal Reserve Board's interest rate path could persist, placing pressure on the valuations of growth stocks.

Despite these uncertainties, Taiwan's outlook remains robust, supported by AI, High-Performance Computing ("HPC") and cloud capital expenditure. TSMC's guidance on advanced processes and HPC demand remains positive with strong exports and first quarter 2026 GDP data suggesting that there is still room for upward revisions to 2026 earnings.

Looking ahead, demand for AI servers, advanced packaging, and high-end chips remains robust. If global volatility eases, capital is likely to refocus on AI and semiconductor names with strong earnings growth potential, leaving Taiwan equities volatile but with an upside bias. Key areas of focus include advanced packaging and testing, thermal management modules, power management, Printed Circuit Boards (PCBs) and ABF substrates.

THE TAIWAN FUND, INC.

Returns (%)

	1 Month	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception
NAV	39.65	54.74	67.18	195.33	63.69	31.91	28.51	12.93
Market Price	43.60	63.86	76.85	226.14	70.17	33.62	28.92	11.66
Taiwan TAIEX Total Return Index	23.83	20.83	33.62	99.83	38.42	18.17	21.16	—
Taiwan TAIEX Price Index	23.81	20.58	33.28	94.18	34.34	14.33	16.81	—
MSCI Taiwan Index (net)	26.22	23.88	37.69	113.92	45.09	20.00	22.67	—

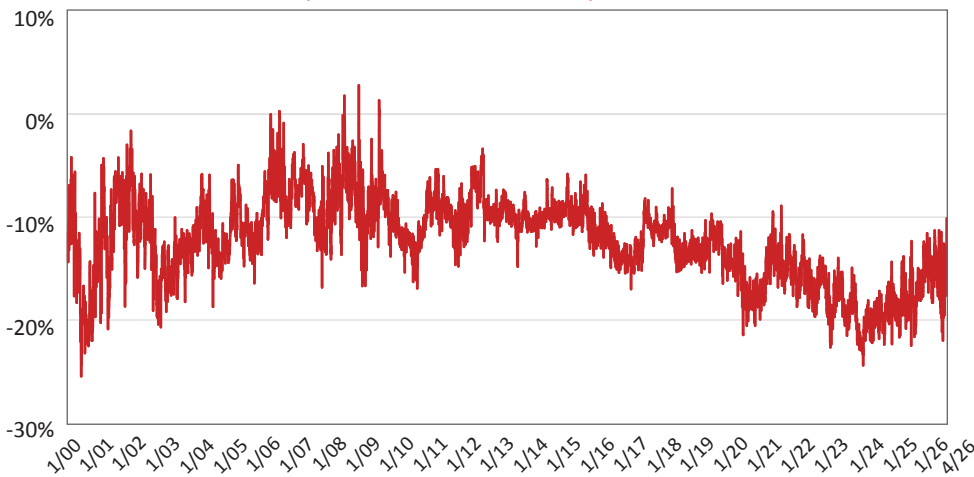
Calendar Year Returns (%)

	2018	2019	2020	2021	2022	2023	2024	2025
NAV	-14.96	47.11	41.97	55.09	-36.27	58.11	29.05	46.19
Market Price	-19.11	46.75	39.81	58.26	-38.54	51.74	32.93	51.83
Taiwan TAIEX Total Return Index	-7.86	32.19	35.62	29.04	-26.80	31.68	23.32	35.09
Taiwan TAIEX Price Index	-11.51	26.46	31.01	25.59	-30.15	27.02	20.26	31.19
MSCI Taiwan Index (net)	-8.93	36.37	40.99	26.13	-29.76	30.42	34.38	39.06

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: 1.25% for the six months ended February 28, 2026; annualized and unaudited.

Premium/Discount (1/3/00 - 04/30/26)



Past performance is not indicative of future results.

Sector Breakdown (%)

	Fund	Benchmark
Information Technology	87.44	78.91
Industrials	6.55	4.95
Consumer Discretionary	3.09	1.79
Materials	0.75	2.82
Financials	0	7.48
Communication Services	0	1.45
Consumer Staples	0	0.83
Health Care	0	0.70
Real Estate	0	0.56
Energy	0	0.43
Utilities	0	0.08
N/A	0	0

Top 10 Holdings (%)

Taiwan Semiconductor Manufacturing Co. Ltd.	26.95
MediaTek, Inc.	5.41
Unimicron Technology Corp.	4.94
Delta Electronics, Inc.	4.59
Elite Material Co. Ltd.	4.56
Jentech Precision Industrial Co. Ltd.	4.51
Hon Precision, Inc.	4.46
King Slide Works Co. Ltd.	4.35
MPI Corp.	4.26
Bizlink Holding, Inc.	4.24

Holdings and sector weightings are subject to change. Source: State Street Bank & Trust Company, Bloomberg L.P. as of 04/30/2026.

THE TAIWAN FUND, INC.

Portfolio Characteristics

	Fund
Number of Issues	29
Foreign Holdings (%)	97.8
Cash and Other Assets less Liabilities (%)	2.2

As of 04/30/2026.

Distribution History (since 2015)

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
12/29/25	12/29/25	1/06/26	6.200200	0.037800	6.087300	0.075100

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

THE TAIWAN FUND, INC.**All Portfolio Holdings**

As of April 30, 2026

Sector	Company (exchange ticker)	Price TWD	Holding	Value US\$	% of Fund
INFORMATION TECHNOLOGY					87.44
	Taiwan Semiconductor Manufacturing Co. Ltd.	2330-TW	2,351,000	158,417,681	26.95
	MediaTek, Inc.	2454-TW	386,000	31,796,620	5.41
	Unimicron Technology Corp.	3037-TW	1,042,000	29,038,994	4.94
	Delta Electronics, Inc.	2308-TW	395,000	26,990,327	4.59
	Elite Material Co. Ltd.	2383-TW	187,000	26,824,315	4.56
	Jentech Precision Industrial Co. Ltd.	3653-TW	156,000	26,488,662	4.51
	Hon Precision, Inc.	7769-TW	168,000	26,219,760	4.46
	King Slide Works Co. Ltd.	2059-TW	207,000	25,544,667	4.35
	MPI Corp.	6223-TW	161,000	25,025,643	4.26
	eMemory Technology, Inc.	3529-TW	200,000	24,586,154	4.18
	WinWay Technology Co. Ltd.	6515-TW	75,000	24,582,209	4.18
	LandMark Optoelectronics Corp.	3081-TW	277,000	23,080,055	3.93
	Gold Circuit Electronics Ltd.	2368-TW	355,000	15,573,861	2.65
	Kinsus Interconnect Technology Corp.	3189-TW	700,000	11,665,010	1.98
	Hornng Terng Automation Co. Ltd.	7751-TW	150,000	11,456,706	1.95
	Accton Technology Corp.	2345-TW	152,000	10,937,840	1.86
	Fositek Corp.	9805-TW	106,000	6,925,153	1.18
	Chroma ATE, Inc.	2360-TW	78,000	5,218,956	0.89
	Alchip Technologies Ltd.	3661-TW	26,000	3,393,142	0.58
	Lotes Co. Ltd.	3533-TW	2,000	165,065	0.03
INDUSTRIALS					6.55
	Bizlink Holding, Inc.	3665-TW	285,317	24,943,682	4.24
	Advanced Energy Solution Holding Co. Ltd.	6781-TW	388,000	13,531,538	2.30
CONSUMER DISCRETIONARY					3.09
	Nien Made Enterprise Co. Ltd.	8464-TW	1,019,000	11,288,453	1.92
	Fulgent Sun International Holding Co. Ltd.	9802-TW	1,234,899	3,020,552	0.51
	Merida Industry Co. Ltd.	9914-TW	1,562,000	2,854,386	0.49
	Gourmet Master Co. Ltd.	2723-TW	436,000	873,803	0.15
	Giant Manufacturing Co. Ltd.	9921-TW	54,000	114,870	0.02
	KMC Kuei Meng International, Inc.	5306-TW	13,000	33,152	0.01
MATERIALS					0.75
	Century Iron & Steel Industrial Co. Ltd.	9958-TW	1,388,000	4,424,498	0.75

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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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