August 2026 Monthly Insights

THE TAIWAN FUND, INC.

Manager's Commentary

Market Review

Taiwan's equity market rebounded in August 2026 with the TAIEX Total Return Index (the "Benchmark") rising 9.15% in U.S. dollar terms, as investors returned to AI-related names on resilient technology fundamentals. Taiwan's economic backdrop remained strong, with industrial production data pointing to upside potential for 3rd quarter 2026 GDP growth amid a continued AI-driven upcycle. The rally was also supported by a sharp reversal in foreign institutional investor ("FII") positioning, with FIIs purchasing net $7.6 billion USD of Taiwan equities in August. During the month, the best three performing industry groups were Materials, Pharmaceuticals, Biotechnology & Life Sciences and Technology Hardware & Equipment. The three poorest performing industry groups were Consumer Discretionary Distribution & Retail, Media & Entertainment and Consumer Staples Distribution & Retail. We do not have any holdings in these three industry groups.

Fund Review (Attribution Reports)

The Taiwan Fund, Inc. (the "Fund") experienced a 20.01% gain in August, outperforming the Benchmark in U.S. dollar terms. The Fund's outperformance was primarily driven by stock selection in the Semiconductors & Semiconductor Equipment and Technology Hardware & Equipment industry groups. For the portfolio at the stock level, the leading contributors to relative performance were King Slide Works Co. Ltd., LandMark Optoelectronics Corporation and Jentech Precision Industrial Co. Ltd.

On the other hand, the Fund's relative outperformance was negatively impacted by the overweight positions in Consumer Durables & Apparel and Semiconductors & Semiconductor Equipment, as these two industry groups underperformed the broader market during the month. Nevertheless, within the Semiconductors & Semiconductor Equipment industry group, effective stock selection and timely purchases helped drive the portfolio's rise. At the stock level, the poorest performing contributors to relative performance included Hon Precision, Inc., eMemory Technology, Inc. and Century Iron & Steel Industrial Co. Ltd.

Key Transactions

We remain bullish on the long-term prospects of the AI supply chain ecosystem in Taiwan, and we believe the Fund continues to be well positioned in this regard. The Fund reduced its holdings in Jentech Precision Industrial Co. Ltd. within the Semiconductors & Semiconductor Equipment industry group. While the growing size of AI chips and rising TDP (Thermal Design Power) are expected to drive demand for higher-specification vapor chambers and support significant revenue and earnings growth from 2027 onwards, the Fund took profits given the stock's elevated valuation. The Fund also reduced its holdings in King Slide Works Co. Ltd. within the Technology Hardware & Equipment industry given its significant out-performance.

[1]Taiwan TAIEX Total Return Index.
[2]Six 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)	$685.3
Median Market Cap (in billions)	$13.63
Distribution Frequency	Annual
Management Firm	Nomura Asset Management U.S.A. Inc.

Fund Manager

Sky Chen
Lead Portfolio Manager

Performance

(US$ Returns as of 08/31/2026)

	Fund	Benchmark[1]
One Month	20.01%	9.15%
Three Month	5.29%	3.05%
One Year	131.57%	86.81%
Three Year (Annualized)	60.74%	44.12%

Net Asset Value/Market Price

(as of 08/31/2026)

NAV/Market Price	$123.08 / $102.06

High/Low Ranges (52-Week)

High/Low NAV	$124.88 / $54.45
High/Low Market Price	$102.52 / $45.79
Premium/Discount to NAV (as of 08/31/2026)	-17.08%

Fund Data (Common Shares)

Shares Outstanding	5,567,873
Average Daily Volume	26,881
Expense Ratio[2]	1.25%

NOMURA ASSET MANAGEMENT

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

THE TAIWAN FUND, INC.

Manager's Commentary (continued)

Outlook and Strategy

Escalating geopolitical tensions between the United States and Iran have heightened uncertainty across global markets. Renewed military exchanges and disruptions to shipping through the Strait of Hormuz have raised concerns over energy supply, pushing oil prices higher and weighing on investor sentiment. While alternative supply routes and non-OPEC oil production may help mitigate some of the impact, prolonged disruptions could sustain upward pressure on energy prices and increase market volatility. Nevertheless, we believe the structural AI investment cycle remains intact, although elevated geopolitical and energy-related risks may continue to weigh on risk sentiment in the near term.

Taiwan equities are expected to maintain a favorable fundamental outlook, although near-term market volatility may persist. Strong fundamentals remain the key underpinning of the market. Taiwan Directorate-General of Budget, Accounting and Statistics (DGBAS) has raised its forecast for Taiwan's 2026 GDP growth to 11.05%, primarily reflecting continued growth in global AI infrastructure demand. This robust demand is driven by capacity expansion across the semiconductor supply chain, including advanced packaging, memory and semiconductor equipment.

We remain optimistic on the long-term AI investment cycle. Our preferred areas continue to be AI infrastructure-related industries, including advanced packaging, Application-Specific Integrated Circuits (ASICs), Copper Clad Laminate (CCL), Printed Circuit Boards (PCBs), power management, and optical communications.

THE TAIWAN FUND, INC.

Returns (%)

	1 Month	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception
NAV	20.01	5.29	95.92	131.57	60.74	33.01	28.77	13.26
Market Price	24.30	2.93	91.20	125.95	63.85	32.77	28.35	11.78
Taiwan TAIEX Total Return Index	9.15	3.05	60.06	86.81	44.12	21.93	21.74	—
Taiwan TAIEX Price Index	8.99	1.83	57.75	83.44	40.68	18.17	17.67	—
MSCI Taiwan Index (net)	6.41	1.89	63.48	97.41	51.12	23.81	23.01	—

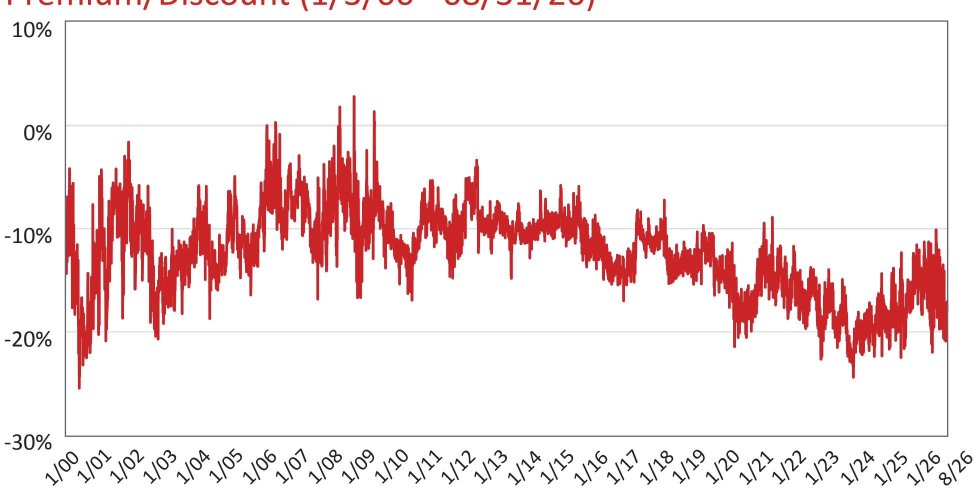
Calendar Year Returns (%)

	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 - 08/31/26)



Past performance is not indicative of future results.

Sector Breakdown (%)

	Fund	Benchmark
Information Technology	88.04	78.31
Industrials	4.86	4.45
Consumer Discretionary	2.91	1.58
Materials	0.58	3.41
Financials	0	8.42
Communication Services	0	1.25
Health Care	0	0.86
Consumer Staples	0	0.70
Real Estate	0	0.48
Energy	0	0.47
Utilities	0	0.07

Top 10 Holdings (%)

Taiwan Semiconductor Manufacturing Co. Ltd.	26.01
King Slide Works Co. Ltd.	7.83
MediaTek, Inc.	6.97
Jentech Precision Industrial Co. Ltd.	5.81
LandMark Optoelectronics Corp.	5.57
Elite Material Co. Ltd.	4.72
Unimicron Technology Corp.	4.56
Hon Precision, Inc.	4.02
MPI Corp.	3.42
Delta Electronics, Inc.	3.14

Holdings and sector weightings are subject to change. Source: State Street Bank & Trust Company, Bloomberg L.P. as of 08/31/2026.

THE TAIWAN FUND, INC.

Portfolio Characteristics

	Fund
Number of Issues	32
Foreign Holdings (%)	96.4
Cash and Other Assets less Liabilities (%)	3.6

As of 08/31/2026.

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 August 31, 2026

Sector	Company (exchange ticker)	Price TWD	Holding	Value US$	% of Fund
INFORMATION TECHNOLOGY					**88.04**
Taiwan Semiconductor Manufacturing Co. Ltd.	2330-TW	2,405.00	2,351,000	178,240,811	26.01
King Slide Works Co. Ltd.	2059-TW	14,180.00	120,000	53,641,006	7.83
MediaTek, Inc.	2454-TW	3,925.00	386,000	47,760,229	6.97
Jentech Precision Industrial Co. Ltd.	3653-TW	5,990.00	211,000	39,842,696	5.81
LandMark Optoelectronics Corp.	3081-TW	3,530.00	343,200	38,191,035	5.57
Elite Material Co. Ltd.	2383-TW	5,485.00	187,000	32,333,869	4.72
Unimicron Technology Corp.	3037-TW	999.00	992,000	31,240,401	4.56
Hon Precision, Inc.	7769-TW	5,860.00	149,000	27,524,746	4.02
MPI Corp.	6223-TW	5,130.00	145,000	23,449,026	3.42
Delta Electronics, Inc.	2308-TW	1,840.00	371,000	21,519,450	3.14
Kinsus Interconnect Technology Corp.	3189-TW	819.00	700,000	18,072,631	2.64
eMemory Technology, Inc.	3529-TW	2,400.00	200,000	15,131,454	2.21
WinWay Technology Co. Ltd.	6515-TW	6,285.00	75,000	14,859,561	2.17
Gold Circuit Electronics Ltd.	2368-TW	1,165.00	355,000	13,037,482	1.90
Largan Precision Co. Ltd.	3008-TW	7,650.00	52,000	12,540,193	1.83
Global Unichip Corp.	3443-TW	6,100.00	38,000	7,307,232	1.07
Accton Technology Corp.	2345-TW	2,035.00	112,000	7,184,919	1.05
Horng Terng Automation Co. Ltd.	7751-TW	1,615.00	140,000	7,127,546	1.04
Chroma ATE, Inc.	2360-TW	1,960.00	78,000	4,819,368	0.70
Alchip Technologies Ltd.	3661-TW	4,075.00	26,000	3,339,953	0.49
Browave Corp.	3163-TW	741.00	138,650	3,238,751	0.47
Asia Vital Components Co. Ltd.	3017-TW	3,425.00	26,000	2,807,200	0.41
Lotes Co. Ltd.	3533-TW	1,690.00	2,000	106,551	0.02
INDUSTRIALS					**4.86**
Bizlink Holding, Inc.	3665-TW	2,170.00	285,317	19,517,618	2.85
Advanced Energy Solution Holding Co. Ltd.	6781-TW	1,125.00	388,000	13,760,167	2.01
CONSUMER DISCRETIONARY					**2.91**
Nien Made Enterprise Co. Ltd.	8464-TW	374.00	1,019,000	12,013,934	1.75
Merida Industry Co. Ltd.	9914-TW	81.90	1,522,000	3,929,506	0.57
Fulgent Sun International Holding Co. Ltd.	9802-TW	71.50	1,234,899	2,783,408	0.41
Gourmet Master Co. Ltd.	2723-TW	82.00	421,000	1,088,267	0.16
Giant Manufacturing Co. Ltd.	9921-TW	102.00	36,000	115,756	0.02
KMC Kuei Meng International, Inc.	5306-TW	93.60	8,000	23,605	0.00
MATERIALS					**0.58**
Century Iron & Steel Industrial Co. Ltd.	9958-TW	90.30	1,388,000	3,951,087	0.58

Source: State Street Bank and Trust Company, Nomura Asset Management U.S.A. Inc..
Note: Cash (including for these purposes cash equivalents) is not included.

THE TAIWAN FUND, INC.

The opinions expressed herein are those of Nomura Asset Management U.S.A. Inc. and are subject to change at any time and without notice. Past performance is not indicative of future results. This material is not intended as an offer or solicitation for the purchase or sale of any financial instrument, it is not provided in a fiduciary capacity, and may not be relied upon for or in connection with the making of investment decisions. Investors should consider the investment objectives, risks, charges, and expenses of any investment fund carefully before investing. This and other information is contained in the Fund's annual and semiannual reports, proxy statement, and other fund information, which may be obtained by contacting your financial professional or visiting the Fund's website at www.thetaiwanfund.com. This information is unaudited and is intended for informational purposes only. It is presented only to provide information on the Fund's holdings, performance, and strategies. The Fund is a closed-end exchange traded management investment company. This material is presented only to provide information and is not intended for trading purposes. Closed-end funds, unlike open-end funds, are not continuously offered. After the initial public offering by a closed-end fund, its shares can be purchased and sold on the open market through a stock exchange, where shares may trade at a premium or a discount the per share net asset value of the Fund's shares.

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