THE TAIWAN FUND, INC.

Manager's Commentary

Market Review

Taiwan's equity market experienced a pullback in October 2026, with the TAIEX Total Return Index (the "Benchmark") declining 7.91% in U.S. dollar terms as mixed sentiment on AI trade related issuers weighed on the Information Technology and Industrials sectors, while the Communication Services and Financials sectors experienced gains. Taiwan's economic backdrop remained robust. Advance estimates showed third quarter 2026 GDP expanding on strong capital investment and government consumption. Foreign institutional investors (FIIs) were the main source of pressure, selling a record net US$28.3 billion of Taiwan equities, primarily concentrated in Technology stocks. During the month, the three best performing industry groups were Communication Services, Financials and Materials. The three poorest performing industry groups were Information Technology, Health Care and Industrials. The Fund does not have any holdings in the Health Care industry group.

Fund Review (Attribution Reports)

The Taiwan Fund, Inc. (the "Fund") decreased by 13.76% in October, underperforming the Benchmark in U.S. dollar terms. The Fund's underperformance was primarily driven by stock selection in the Semiconductors & Semiconductor Equipment and Technology Hardware, Storage & Peripherals industry groups. For the portfolio at the individual security level, the largest negative contributors to relative performance were BizLink Holding Inc., King Slide Works Co. Ltd. and MediaTek Inc.

With regards to BizLink Holding Inc., its shares came under pressure amid a broad sell-off in AI infrastructure names and lingering concerns over the shift from copper to optical interconnects, which weighed on the stock. Nevertheless, the company's fundamentals remained intact, supported by record quarterly revenue in the third quarter.

King Slide Works Co. Ltd. also detracted from relative performance, as the shares fell sharply after September revenue declined month over month, ending a six-month streak of record highs as the surge in rush orders from cloud and AI customers in July and August subsided. Nevertheless, the company's growth momentum remained strong, with demand for AI server rail kits staying robust.

By contrast, the Fund's overweight position in the Household Durables industry group partially offset the underperformance. At the stock selection level, the largest positive contributor to relative performance was Gourmet Master Co. Ltd.

[1]Taiwan TAIEX Total Return Index.
[2]One year ended August 31, 2026.

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)	$603.3
Median Market Cap (in billions)	$11.90
Distribution Frequency	Annual
Management Firm	Nomura Asset Management U.S.A. Inc.

Fund Manager



Sky Chen
Lead Portfolio Manager

Performance
(US$ Returns as of 10/31/2026)

	Fund	Benchmark[1]
One Month	-13.76%	-7.91%
Three Month	5.65%	4.27%
One Year	79.67%	53.69%
Three Year (Annualized)	59.39%	44.57%

Net Asset Value/Market Price
(as of 10/31/2026)

NAV/Market Price	$108.35 / $86.47

High/Low Ranges (52-Week)

High/Low NAV	$133.37 / $62.22
High/Low Market Price	$106.89 / $52.64
Premium/Discount to NAV (as of 10/31/2026)	-20.19%

Fund Data (Common Shares)

Shares Outstanding	5,567,873
Average Daily Volume	23,532
Expense Ratio[2]	1.20%

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

THE TAIWAN FUND, INC.

Manager's Commentary (continued)

Key Transactions

There were no changes to the portfolio's holdings in October, as the Fund did not add to or trim any existing holdings during the month. Despite heightened market volatility, particularly the pullback in AI-related names, the portfolio positioning remained unchanged, reflecting the Fund's continued conviction in the long-term fundamentals and growth prospects of its existing holdings. The Fund will continue to monitor market developments closely and adjust its positioning as opportunities arise.

Outlook and Strategy

Geopolitical tensions between the United States and Iran remained a key source of uncertainty for global markets in October. Attacks on commercial vessels in the Strait of Hormuz intensified in the early part of October, reaching their highest level since the conflict began and keeping energy supply concerns elevated. However, U.S.-led escort and shuttle operations helped restore Middle Eastern oil flows to around pre-war levels by late October. Diplomatic efforts resumed late in the month, with Qatar submitting a new draft agreement and Washington seeking to restart talks, even though previous negotiations have repeatedly broken down. Prolonged disruptions could keep energy prices elevated and increase market volatility. Nevertheless, the structural AI investment cycle remains intact, despite near-term geopolitical and energy-related risks.

Markets grew concerned that the monetization of massive AI investments may take longer than expected, whether due to construction and power-supply delays pushing back shipments and acceptance, or lower-than-expected utilization and returns once capacity comes online. This raised fears that cash flows may lag the next round of capital expenditure, leading to cuts in equipment orders and downward revisions to supply chain earnings and valuations, which contributed to the recent sharp market correction. However, with much of this concern already priced into valuations and with the anticipated disclosure of operating figures at Anthropic, PBC as it moves closer to its proposed IPO, which it is expected to help reaffirm that AI demand remains on a growth trajectory.

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. 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	-13.76	5.65	72.48	79.67	59.39	29.01	27.22	12.84
Market Price	-15.18	5.31	61.99	67.21	59.94	28.53	26.26	11.26
Taiwan TAIEX Total Return Index	-7.91	4.27	52.90	53.69	44.57	21.52	20.78	—
Taiwan TAIEX Price Index	-7.91	3.95	50.46	51.01	41.14	17.82	16.77	—
MSCI Taiwan Index (net)	-8.37	1.52	55.97	56.76	51.53	23.53	21.91	—

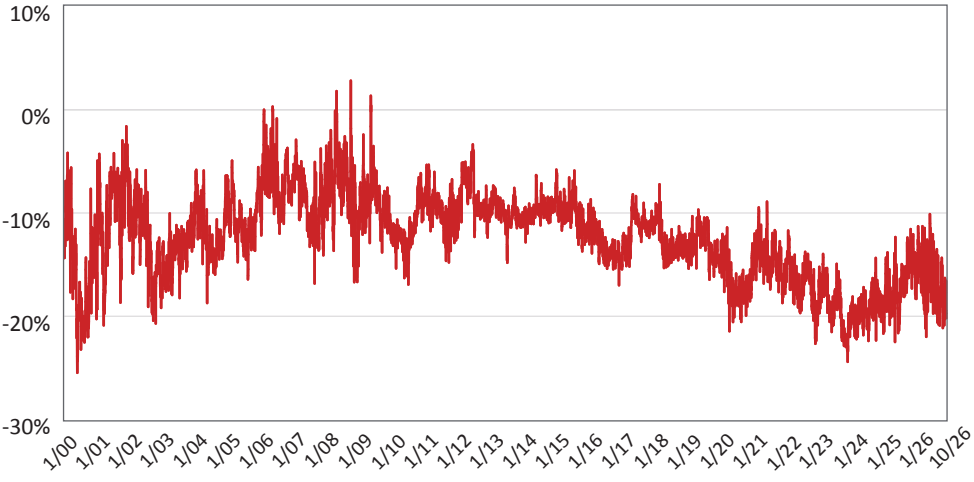
Calendar Year Returns (%)

	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: 1.20% for the year ended August 31, 2026.

Premium/Discount (1/3/00 - 10/31/26)



Past performance is not indicative of future results.

Sector Breakdown (%)

	Fund	Benchmark
Information Technology	88.63	76.50
Industrials	4.09	4.33
Consumer Discretionary	2.98	1.57
Materials	1.95	3.80
Financials	0	9.67
Communication Services	0	1.47
Health Care	0	0.75
Consumer Staples	0	0.73
Energy	0	0.64
Real Estate	0	0.47
Utilities	0	0.08

Top 10 Holdings (%)

Taiwan Semiconductor Manufacturing Co. Ltd.	28.33
MediaTek, Inc.	7.68
Jentech Precision Industrial Co. Ltd.	6.78
King Slide Works Co. Ltd.	5.89
Unimicron Technology Corp.	4.99
Elite Material Co. Ltd.	4.45
LandMark Optoelectronics Corp.	4.14
Hon Precision, Inc.	3.75
MPI Corp.	3.40
Kinsus Interconnect Technology Corp.	3.32

Holdings and sector weightings are subject to change. Source: State Street Bank & Trust Company, Bloomberg L.P. as of 10/31/2026.

THE TAIWAN FUND, INC.

Portfolio Characteristics

	Fund
Number of Issues	33
Foreign Holdings (%)	97.6
Cash and Other Assets less Liabilities (%)	2.4

As of 10/31/2026.

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 October 31, 2026

Sector	Company (exchange ticker)	Price TWD	Holding	Value US$	% of Fund
INFORMATION TECHNOLOGY					**88.63**
Taiwan Semiconductor Manufacturing Co. Ltd.	2330-TW	2,370.00	2,351,000	170,926,744	28.33
MediaTek, Inc.	2454-TW	3,915.00	386,000	46,358,366	7.68
Jentech Precision Industrial Co. Ltd.	3653-TW	6,315.00	211,000	40,875,667	6.78
King Slide Works Co. Ltd.	2059-TW	9,650.00	120,000	35,523,652	5.89
Unimicron Technology Corp.	3037-TW	989.00	992,000	30,096,570	4.99
Elite Material Co. Ltd.	2383-TW	4,675.00	187,000	26,818,363	4.45
LandMark Optoelectronics Corp.	3081-TW	2,370.00	343,200	24,951,960	4.14
Hon Precision, Inc.	7769-TW	4,950.00	149,000	22,625,621	3.75
MPI Corp.	6223-TW	4,610.00	145,000	20,505,859	3.40
Kinsus Interconnect Technology Corp.	3189-TW	932.00	700,000	20,013,498	3.32
eMemory Technology, Inc.	3529-TW	2,490.00	246,000	18,790,723	3.11
Delta Electronics, Inc.	2308-TW	1,335.00	371,000	15,193,724	2.52
Gold Circuit Electronics Ltd.	2368-TW	1,020.00	355,000	11,108,043	1.84
WinWay Technology Co. Ltd.	6515-TW	4,565.00	75,000	10,502,945	1.74
Global Unichip Corp.	3443-TW	7,635.00	38,000	8,900,239	1.48
Largan Precision Co. Ltd.	3008-TW	5,430.00	52,000	8,661,881	1.44
Horng Terng Automation Co. Ltd.	7751-TW	1,305.00	140,000	5,604,638	0.93
Accton Technology Corp.	2345-TW	1,615.00	112,000	5,548,807	0.92
Chroma ATE, Inc.	2360-TW	1,755.00	78,000	4,199,337	0.70
Alchip Technologies Ltd.	3661-TW	3,425.00	26,000	2,731,763	0.45
Asia Vital Components Co. Ltd.	3017-TW	3,095.00	26,000	2,468,556	0.41
Browave Corp.	3163-TW	509.00	138,650	2,164,944	0.36
Lotes Co. Ltd.	3533-TW	1,860.00	2,000	114,117	0.02
INDUSTRIALS					**4.09**
Bizlink Holding, Inc.	3665-TW	1,625.00	285,317	14,222,962	2.36
Advanced Energy Solution Holding Co. Ltd.	6781-TW	880.00	388,000	10,474,262	1.74
CONSUMER DISCRETIONARY					**2.98**
Nien Made Enterprise Co. Ltd.	8464-TW	370.00	1,019,000	11,566,047	1.92
Merida Industry Co. Ltd.	9914-TW	61.60	1,522,000	2,876,103	0.48
Fulgent Sun International Holding Co. Ltd.	9802-TW	61.20	1,234,899	2,318,419	0.38
Gourmet Master Co. Ltd.	2723-TW	83.20	421,000	1,074,520	0.18
Giant Manufacturing Co. Ltd.	9921-TW	85.70	36,000	94,644	0.02
KMC Kuei Meng International, Inc.	5306-TW	87.40	8,000	21,449	0.00
MATERIALS					**1.95**
Nan Ya Plastics Corp.	1303-TW	296.00	906,000	8,226,762	1.36
Century Iron & Steel Industrial Co. Ltd.	9958-TW	82.60	1,388,000	3,517,050	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

©2026 The Taiwan Fund, Inc., c/o State Street Bank and Trust Company, One Congress Street, Suite 1, Boston, MA, 02111-2016