

THE TAIWAN FUND, INC.

Manager's Commentary

Market Review

The Taiwan market was rather volatile during the month of April, lacking a clear trend. Technology companies in the United States generally exceeded market expectations, while the pace of capital expenditures (CapEx), particularly in artificial intelligence (“AI”), continued to be strong. However, together with the elevated valuations, some companies in Taiwan did not meaningfully express their direction for the coming year, which fueled market volatility. The Taiwan TAIEX Total Return Index, (the “Benchmark”) fell 1.15% in April 2024, in US dollar terms, with Information Technology and Communication Services being the poorest performing sectors. Within the Information Technology sector, Semiconductors & Semiconductor Equipment and Technology Hardware & Equipment were the poorest performing industry groups. In the Communication Services sector, the downturn was generally driven by the Telecommunication Services industry group. During the month, the best two performing sectors were Real Estate and Industrials. Within the Industrials sector, the Transportation industry group was the main contributor to the sector performance.

Fund Review (Attribution Reports)

The Taiwan Fund, Inc. (the “Fund”) outperformed the Benchmark in April primarily due to overweight positions in the Consumer Durables & Apparel, Capital Goods and Consumer Staples Distribution & Retail industry groups. Conversely, the Fund’s relative performance was negatively impacted by underweight positions in the Real Estate Management & Development and Transportation industry groups and an overweight position in the Technology Hardware & Equipment industry group. At the stock selection level, the largest contributors to relative performance were Fortune Electric Co. Ltd., Asia Vital Components Co. Ltd., Nien Made Enterprise Co. Ltd., Merida Industry Co. Ltd. and WinWay Technology Co. Ltd. Conversely, the largest detractors to relative performance were MediaTek Inc., ASMedia Technology Inc., eMemory Technology Inc., Quanta Computer Inc. and Faraday Technology Corporation.

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)	\$338.4
Median Market Cap (in billions)	\$4.15
Distribution Frequency	Annual
Management Firm	Nomura Asset Management U.S.A. Inc.

Fund Manager



Sky Chen
Lead Portfolio Manager

Performance

(US\$ Returns as of 4/30/2024)

	Fund	Benchmark ¹
One Month	-0.75%	-1.15%
Three Month	5.18%	9.91%
One Year	51.24%	28.19%
Three Year (Annualized)	11.27%	3.66%

Net Asset Value/Market Price (as of 4/30/2024)

NAV/Market Price	\$47.93 / \$38.75
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High/Low Ranges (52-Week)

High/Low NAV	\$50.40 / \$32.09
High/Low Market Price	\$40.97 / \$25.56
Premium/Discount to NAV (as of 4/30/2024)	-19.15%

Fund Data (Common Shares)

Shares Outstanding	7,058,655
Average Daily Volume	16,062
Expense Ratio ²	1.29%

¹Taiwan TAIEX Total Return Index.

²Six months ended February 29, 2024, annualized, unaudited.

NOMURA

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

THE TAIWAN FUND, INC.

Manager's Commentary (continued)

Key Transactions

The Fund's total securities holdings represented 88.6% of net assets as of April 30, 2024. This represented a decrease from the 89.7% held as of March 29, 2024. The major change in the portfolio was a reduction of holdings in Shin Zu Shing Co. Ltd., as its overall product plan schedule is moving at a slower pace than expected while Research & Development (R&D) expenses for the new project have increased, both of which are detrimental to the company's gross profit.

On the other hand, the Fund added to its holdings in ASMedia Technology Inc. in the Semiconductors & Semiconductor Equipment industry group, as its earnings are expected to grow strongly in the coming years.

Outlook and Strategy

Geopolitical tensions in the Middle East, together with the elevated inflation in the United States, lowered the number of expected interest rate cuts by the US Federal Reserve and made the outlook more unclear. We continue to be positive on the Taiwan market as the fundamentals remain strong, particularly for technology, although we expect the elevated volatility to continue.

Although there has been a modest rebound in US inflation rates, we believe this to be a short-term variation. We expect US inflation rates will continue to trend down throughout the second half of this year and into 2025. Although the timing and number of potential rate cuts may be delayed and adjusted, we expect that the US Federal Reserve will lower the rates.

As AI technology continues to evolve and thrive, the projected penetration rates for AI personal computers ("PC") are expected to increase by 60% in 2027 (as per Canalys Research) and AI notebooks ("NB") are expected to increase by 7.3% in 2027 (as per Omdia Research), respectively. However, since interest rates may remain high for a while, it may dampen consumer demand in the second half of this year. Consumers may opt to delay purchases of AI PCs and AI NBs until software capabilities mature, and the efficacy improves.

THE TAIWAN FUND, INC.

Returns (%)

	1 Month	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception
NAV	-0.75	5.18	10.06	51.24	11.27	25.49	15.19	10.47
Market Price	-2.20	7.16	12.03	52.84	9.73	23.25	13.89	8.86
Taiwan TAIEX Total Return Index	-1.15	9.91	7.60	28.19	3.66	16.43	12.16	—
Taiwan TAIEX Price Index	-1.22	9.60	7.22	23.61	-0.13	12.03	7.96	—
MSCI Taiwan Index (net)	-2.30	11.15	9.84	30.38	2.04	16.58	12.23	—

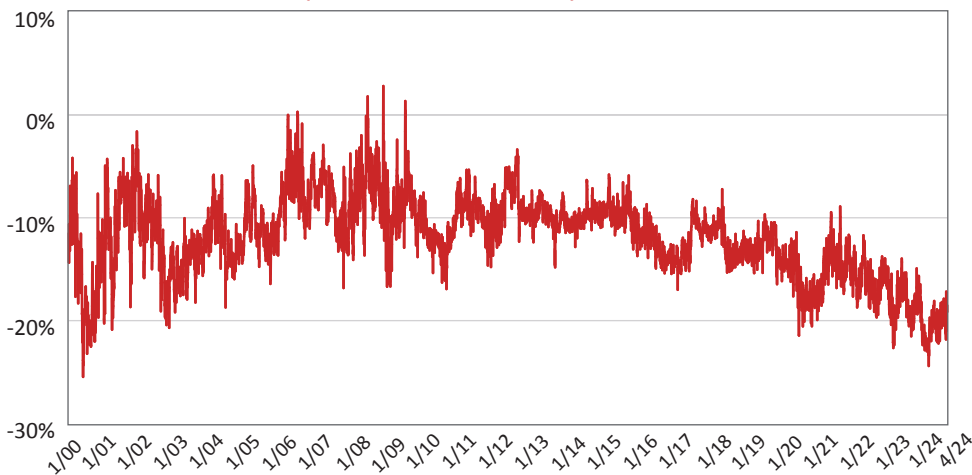
Calendar Year Returns (%)

	2016	2017	2018	2019	2020	2021	2022	2023
NAV	11.17	28.44	-14.96	47.11	41.97	55.09	-36.27	58.11
Market Price	10.05	33.61	-19.11	46.75	39.81	58.26	-38.54	51.74
Taiwan TAIEX Total Return Index	17.81	29.45	-7.86	32.19	35.62	29.04	-26.80	31.68
Taiwan TAIEX Price Index	13.11	24.56	-11.51	26.46	31.01	25.59	-30.15	27.02
MSCI Taiwan Index (net)	18.54	27.53	-8.93	36.37	40.99	26.13	-29.76	30.42

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: 1.29% for the 6 months ended February 29, 2024; annualized and unaudited.

Premium/Discount (1/3/00 - 4/30/24)



Past performance is not indicative of future results.

Sector Breakdown (%)

	Fund	Benchmark
Information Technology	69.14	62.50
Consumer Discretionary	6.63	4.94
Industrials	5.75	7.32
Materials	3.43	5.79
Consumer Staples	2.16	1.89
Communication Services	1.45	2.59
Financials	0	11.33
Real Estate	0	1.49
Energy	0	1.07
Health Care	0	0.86
Utilities	0	0.22

Top 10 Holdings (%)

Taiwan Semiconductor Manufacturing Co. Ltd.	23.20
Alchip Technologies Ltd.	4.96
Fortune Electric Co. Ltd.	4.75
Quanta Computer, Inc.	4.20
Asia Vital Components Co. Ltd.	3.82
eMemory Technology, Inc.	3.78
Gigabyte Technology Co. Ltd.	3.55
Century Iron & Steel Industrial Co. Ltd.	3.43
MediaTek, Inc.	3.30
Wistron Corp.	2.74

Holdings and sector weightings are subject to change. Source: State Street Bank & Trust Company, Bloomberg L.P. as of 4/30/2024.

THE TAIWAN FUND, INC.

Portfolio Characteristics

	Fund
Number of Issues	39
Foreign Holdings (%)	88.6
Cash and Other Assets less Liabilities (%)	11.4

As of 4/30/2024.

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

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

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

As of April 30, 2024

Sector	Company (exchange ticker)	Price TWD	Holding	Value US\$	% of Fund	
INFORMATION TECHNOLOGY					69.14	
	Taiwan Semiconductor Manufacturing Co. Ltd.	2330-TW	790.00	3,235,000	78,485,658	23.20
	Alchip Technologies Ltd.	3661-TW	3,120.00	175,000	16,768,012	4.96
	Quanta Computer, Inc.	2382-TW	260.00	1,781,000	14,220,871	4.20
	Asia Vital Components Co. Ltd.	3017-TW	654.00	643,705	12,928,661	3.82
	eMemory Technology, Inc.	3529-TW	2,225.00	187,000	12,777,931	3.78
	Gigabyte Technology Co. Ltd.	2376-TW	299.00	1,307,000	12,001,505	3.55
	MediaTek, Inc.	2454-TW	992.00	367,000	11,180,640	3.30
	Wistron Corp.	3231-TW	113.50	2,658,000	9,264,879	2.74
	ASMedia Technology, Inc.	5269-TW	1,950.00	116,000	6,946,748	2.05
	Fositek Corp.	9805-TW	791.00	276,000	6,704,625	1.98
	Faraday Technology Corp.	3035-TW	294.00	675,104	6,095,466	1.80
	Delta Electronics, Inc.	2308-TW	320.50	524,000	5,157,607	1.52
	King Slide Works Co. Ltd.	2059-TW	1,230.00	125,000	4,721,762	1.40
	E Ink Holdings, Inc.	8069-TW	210.00	731,000	4,714,391	1.39
	WinWay Technology Co. Ltd.	6515-TW	837.00	174,000	4,472,637	1.32
	Phison Electronics Corp.	8299-TW	703.00	178,000	3,842,946	1.14
	Global Unichip Corp.	3443 TW	1,370.00	86,000	3,618,328	1.07
	Jentech Precision Industrial Co. Ltd.	3653-TW	977.00	120,000	3,600,516	1.06
	Elite Material Co. Ltd.	2383-TW	412.00	283,000	3,580,738	1.06
	Wistron NeWeb Corp.	6285-TW	150.50	689,000	3,184,525	0.94
	SDI Corp.	2351-TW	105.50	895,000	2,899,776	0.86
	ASPEED Technology, Inc.	5274-TW	3,085.00	27,000	2,558,043	0.76
	Grand Process Technology Corp.	3131-TW	1,100.00	68,000	2,297,156	0.68
	Globalwafers Co. Ltd.	6488-TW	522.00	103,000	1,651,189	0.49
	M31 Technology Corp.	6643-TW	1,200.00	7,000	257,969	0.08
CONSUMER DISCRETIONARY					6.63	
	Nien Made Enterprise Co. Ltd.	8464-TW	381.00	714,000	8,354,339	2.47
	Merida Industry Co. Ltd.	9914-TW	235.00	652,000	4,705,485	1.39
	Makalot Industrial Co. Ltd.	1477-TW	392.00	196,000	2,359,560	0.70
	Fulgent Sun International Holding Co. Ltd.	9802-TW	120.50	505,000	1,868,820	0.55
	Feng TAY Enterprise Co. Ltd.	9910-TW	162.00	324,800	1,615,920	0.48
	Giant Manufacturing Co. Ltd.	9921-TW	218.50	220,000	1,476,261	0.44
	Gourmet Master Co. Ltd.	2723-TW	90.90	526,000	1,468,380	0.43
	Bafang Yunji International Co. Ltd.	2753-TW	170.50	110,000	575,978	0.17
INDUSTRIALS					5.75	
	Fortune Electric Co. Ltd.	1519-TW	847.00	618,000	16,075,364	4.75
	Sunonwealth Electric Machine Industry Co. Ltd.	2421-TW	112.50	846,000	2,922,886	0.86
	Advanced Energy Solution Holding Co. Ltd.	6781-TW	630.00	23,000	444,997	0.13
MATERIALS					3.43	
	Century Iron & Steel Industrial Co. Ltd.	9958-TW	223.50	1,692,000	11,613,599	3.43
CONSUMER STAPLES					2.16	
	President Chain Store Corp.	2912-TW	274.00	869,000	7,312,389	2.16
COMMUNICATION SERVICES					1.45	
	Chunghwa Telecom Co. Ltd.	2412-TW	124.00	1,285,000	4,893,434	1.45

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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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