**The Herzfeld Caribbean Basin Fund, Inc.**
**Celebrates 30th Anniversary of Listing on NASDAQ and Extends Managed Distribution Policy, Self-Tender Policy and Management Fee Waiver**

MIAMI BEACH, FLA., May 20, 2024 – The Herzfeld Caribbean Basin Fund, Inc. (NASDAQ: CUBA) (the "Fund") is pleased to announce that May 20, 2024 marks 30 years since the Fund's common stock commenced trading on the NASDAQ Capital Market. The original date of May 20th was selected to honor Cuban Independence Day and to emphasize the importance of Cuba to the economic future of the Caribbean Basin. The Fund was launched through a continuous offering which began in 1993 and closed in the first quarter of 1994. Trading was then delayed until May 20, 1994.

Thomas J. Herzfeld, Founder and Chairman of the Board of Directors of the Fund, stated: "I believed then and even more now that there is enormous potential for investment in Cuba once the U.S. trade embargo with that country is lifted. We continue to manage the Fund strategically with that view. Furthermore, my expectation is that an economic boom in Cuba will have a positive impact throughout the countries of the Caribbean Basin."

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The Fund also announced the extension of its Managed Distribution Plan (the "Plan") to June 30, 2025, with certain modifications discussed below. The Plan has the following two components:

*Managed Distribution Policy*

Under the Plan, the Fund's Managed Distribution Policy ("MDP") will be extended to June 30, 2025.

The primary purpose of the MDP is to provide stockholders with a constant, but not guaranteed, fixed minimum rate of distribution. The MDP as originally adopted set quarterly distributions at an annual rate of 15% of the Fund's NAV as determined on a date determined by the Fund's Board of Directors. The Board recently amended the policy to maintain the 15% annual rate of distribution, but at quarterly, semi-annual or annual periods of distribution to be reviewed by the Board each quarter. The purpose of the modification is to allow the Fund to maintain its 15% annual distribution of NAV, but provide flexibility in determining the timing of those distributions in order to account for required year-end regulatory distributions of capital gains necessary to maintain the Fund's tax-free status. The Fund has capital gains as of May 15, 2024 of approximately $3.6 million.

The Fund cannot predict what effect, if any, the MDP will have on the market price of its shares or whether such market price will reflect a greater or lesser discount to net asset value as compared to prior to the adoption of the MDP.

Under the MDP, the Fund will distribute all available investment income to its stockholders, consistent with its investment objective and as required by the Internal Revenue Code of 1986, as amended (the "Code"). **The amount distributed per share is subject to change at the discretion**

**of the Board.** If sufficient investment income is not available for distribution, the Fund will distribute long-term capital gains and/or return capital to its stockholders in order to maintain its managed distribution level. The Fund is currently not relying on any exemptive relief from Section 19(b) of the Investment Company Act of 1940, as amended (the "1940 Act"). The Fund may make additional distributions from time to time, including additional capital gain distributions at the end of the taxable year, if required to meet requirements imposed by the Code and/or the 1940 Act.

The Fund expects that distributions under the MDP will exceed investment income and available capital gains and thus expects that distributions under the MDP will likely include returns of capital for the foreseeable future. A return of capital may occur, for example, when some or all of a stockholder's investment is paid back to the stockholder. A return of capital distribution does not necessarily reflect the Fund's investment performance and should not be confused with 'yield' or 'income.' Any such returns of capital will decrease the Fund's total assets and, therefore, could have the effect of increasing the Fund's expense ratio. In addition, in order to maintain the level of distributions called for under its MDP, the Fund may have to sell portfolio securities at a less than opportune time. **No conclusions should be drawn about the Fund's investment performance from the amount of the Fund's distributions or from the terms of the Plan.** The amount distributed per share is subject to change at the discretion of the Board. The MDP is subject to ongoing review by the Board to determine whether it should be continued, modified or terminated. The Board may amend the terms of the MDP, suspend the MDP, or terminate the MDP at any time without prior notice to the Fund's stockholders if it deems such actions to be in the best interest of the Fund or its stockholders. The amendment or termination of the MDP could have an adverse effect on the market price of the Fund's shares. With each distribution that does not consist solely of net investment income, the Fund will issue a notice to stockholders and an accompanying press release that will provide detailed information regarding the amount and composition of the distribution and other related information. The amounts and sources of distributions reported in the notice to stockholders are only estimates and are not being provided for tax reporting purposes. The actual amounts and sources of the amounts for tax reporting purposes will depend upon the Fund's investment experience during its full fiscal year and may be subject to changes based on tax regulations. The Fund will send stockholders a Form 1099-DIV for the respective calendar year that will tell them how to report these distributions for federal income tax purposes. Stockholders should consult their tax advisor for proper tax treatment of the Fund's distributions.

*Self-Tender Policy*

The Plan also includes a Self-Tender Policy, which has similarly been extended to June 30, 2025. Under the Self-Tender Policy, the Fund has undertaken to commence a tender offer by October 31, 2024 of up to 5% of outstanding shares of the Fund at 97.5% of NAV if the average discount was greater than 10% for the fiscal year ending June 30, 2024. The determination of the percentage of shares to be repurchased under any Tender Offer will be made after the conclusion of the Fund's fiscal year.

The formal offer and detailed terms of any Tender Offer will be announced prior to October 31, 2024.

**Management Fee Waiver**

In support of the Plan's objective of addressing the Fund's trading discount to NAV per share, HERZFELD/CUBA, a division of Thomas J. Herzfeld Advisors, Inc. ("TJHA"), the investment adviser for the Fund, previously agreed to waive its management fee by ten (10) basis points (from 1.45% to 1.35%) for any fiscal year if the Fund's average discount to NAV during the preceding fiscal year is greater than 5%. TJHA has extended that fee waiver through June 30, 2025 and has further agreed to voluntarily waive its management fee on the Fund's net assets in excess of $30 million by an additional ten (10) basis points. Accordingly, if the Fund's average discount to NAV during the current fiscal year ending June 30, 2024 is greater than 5%, TJHA's management fee after the voluntary waiver will be (i) 1.35% of the Fund's assets up to and including $30 million and (ii) 1.25% of the Fund's assets in excess of $30 million.

**Tender Offer Statement**

The above statements are not intended to constitute an offer to participate in any tender offer. Shareholders will be notified of the terms of the tender offer in accordance with the requirements of the Securities Exchange Act of 1934, as amended, and the Investment Company Act of 1940, as amended, either by publication or mailing or both. Any tender offer will be made by an offer to purchase, a related letter of transmittal, and other documents filed with the SEC. Shareholders of the Fund should read the offer to purchase and tender offer statement and related exhibits when those documents are filed and become available, as they will contain important information about the tender offer. These and other filed documents will be available to investors for free both at the website of the SEC (www.sec.gov) and from the Fund (www.herzfeld.com/cuba).

The Fund's investment adviser is HERZFELD/CUBA, a division of Thomas J. Herzfeld Advisors, Inc. and the Fund's shares trade on the NASDAQ Capital Market under the symbol "CUBA." Thomas J. Herzfeld Advisors, Inc. specializes in the field of closed-end funds. Information about the investment adviser and the Fund can be found at www.herzfeld.com. **This announcement is not an offer to sell securities and the Fund is not soliciting an offer to buy securities in any state where the offer or sale is not permitted**.

NASDAQ Capital Market: CUBA
CUSIP: 42804T106

**About Thomas J. Herzfeld Advisors, Inc.**

Thomas J. Herzfeld Advisors, Inc., founded in 1984, is an SEC-registered investment advisor, specializing in investment analysis and account management in closed-end funds. The Firm also specializes in investment in the Caribbean Basin. The HERZFELD/CUBA division of Thomas J. Herzfeld Advisors, Inc. serves as the investment advisor to The Herzfeld Caribbean Basin Fund, Inc. a publicly traded closed-end fund (NASDAQ: CUBA).

More information about the advisor can be found at www.herzfeld.com.

*Past performance is no guarantee of future performance. An investment in the Fund is subject to certain risks, including market risk. In general, shares of closed-end funds often trade at a discount from their net asset value and at the time of sale may be trading on the exchange at a price which is more or less than the original purchase price or the net asset value. An investor should carefully consider the Fund's investment objective, risks, charges and expenses. Please read the Fund's disclosure documents before investing.*

***Forward-Looking Statements***

*This press release, and other statements that TJHA or the Fund may make regarding management's future expectations, beliefs, intentions, goals, strategies, plans or prospects, including statements relating to: management's beliefs that the cash and stock distribution will allow the Fund to strengthen its balance sheet and to be in a position to capitalize on potential future investment opportunities, when there can be no assurance either will occur; the tax consequences of the distributions to stockholders; and other factors may contain forward looking statements within the meaning of the Private Securities Litigation Reform Act, with respect to the Fund's or TJHA's future financial or business performance, strategies or expectations. Forward-looking statements are typically identified by words or phrases such as "trend," "potential," "opportunity," "pipeline," "believe," "comfortable," "expect," "anticipate," "current," "intention," "estimate," "position," "assume," "outlook," "continue," "remain," "maintain," "sustain," "seek," "achieve," and similar expressions, or future or conditional verbs such as "will," "would," "should," "could," "may" or similar expressions. TJHA and the Fund caution that forward-looking statements are subject to numerous assumptions, risks and uncertainties, which change over time. Forward-looking statements speak only as of the date they are made, and TJHA and the Fund assume no duty to and do not undertake to update forward-looking statements. Actual results could differ materially from those anticipated in forward-looking statements and future results could differ materially from historical performance. With respect to the Fund, the following factors, among others, could cause actual events to differ materially from forward-looking statements or historical performance: (1) changes and volatility in political, economic or industry conditions, particularly with respect to Cuba and other Caribbean Basin countries, the interest rate environment, foreign exchange rates or financial and capital markets, which could result in changes in demand for the Fund or in the Fund's net asset value; (2) the relative and absolute investment performance of the Fund and its investments; (3) the impact of increased competition; (4) the unfavorable resolution of any legal proceedings; (5) the extent and timing of any distributions or share repurchases; (6) the impact, extent and timing of technological changes; (7) the impact of legislative and regulatory actions and reforms, including the Dodd-Frank Wall Street Reform and Consumer Protection Act, and regulatory, supervisory or enforcement actions of government agencies relating to the Fund or TJHA, as applicable; (8) terrorist activities, international hostilities and natural disasters, which may adversely affect the general economy, domestic and local financial and capital markets, specific industries or TJHA or the Fund; (9) TJHA's and the Fund's ability to attract and retain highly talented professionals; (10) the impact of TJHA electing to provide support to its products from time to time; (11) the impact of problems at other financial institutions or the failure or negative performance of products at other financial institutions; and (12) the effects of an epidemic, pandemic or public health emergency, including without limitation, COVID-19. Annual and Semi-Annual Reports and other regulatory filings of the Fund* *with the SEC are accessible on the SEC’s website at www.sec.gov and on TJHA’s website at www.herzfeld.com/cuba, and may discuss these or other factors that affect the Fund. The information contained on TJHA’s website is not a part of this press release.*

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