

THE HERZFELD CARIBBEAN BASIN FUND, INC.

ANNOUNCES FINAL RESULTS OF RIGHTS OFFERING

MIAMI BEACH, FL-- December 18, 2023 - The Herzfeld Caribbean Basin Fund, Inc. (NASDAQ: CUBA) (the "Fund") today announced the final results of its non-transferable rights offering (the "Offering") that expired on December 13, 2023 (the "Expiration Date"). The Fund will issue a total of 9,000,000 new shares of common stock as a result of the Offering.

The Offering's final subscription price per share was determined to be \$2.31. The subscription price was established pursuant to the terms of the Offering and based on a formula equal to 92% of the volume-weighted average closing sales price of a share of common stock on the NASDAQ Capital Market on the Expiration Date of the Offering and the four preceding trading days.

The Offering was oversubscribed and the over-subscription requests exceeded the primary subscription shares available (*i.e.*, 7,150,673 shares). The Board of Directors of the Fund determined to issue an additional 25.86% of the number of shares issued in the primary subscription, or 1,849,327 additional shares, for a total issuance of 9,000,000 new shares of common stock. The shares issued as part of the over-subscription privilege of the Offering will be allocated pro rata among record date stockholders who submitted over-subscription requests based on the number of rights originally issued to them by the Fund. Gross proceeds from the Offering, before any expenses of the Offering, are expected to total approximately \$20.8 million.

The final subscription price is lower than the original estimated subscription price of \$2.57 per share. Accordingly, any excess payments will be returned to subscribing rights holders as soon as practicable, in accordance with the prospectus supplement and accompanying prospectus, filed with the Securities and Exchange Commission on November 22, 2023.

This press release shall not constitute an offer to sell or constitute a solicitation of an offer to buy.

For additional information on the Fund, please contact the Fund at 800-TJH-FUND or visit us on the web at www.herzfeld.com/cuba.

The Fund is a non-diversified, closed-end fund managed by HERZFELD/CUBA, a division of Thomas J. Herzfeld Advisors, Inc. (based in Miami Beach). The Fund seeks long-term capital appreciation. To achieve its objective the Fund invests in issuers that are likely, in the Advisor's view, to benefit from economic, political, structural and technological developments in countries in the Caribbean Basin, which the Fund considers to consist of Cuba, Jamaica, Trinidad and Tobago, the Bahamas, the Dominican Republic, Barbados, Aruba, Haiti, the Netherlands Antilles, the Commonwealth of Puerto Rico, Mexico, Honduras, Guatemala, Belize, Costa Rica, Panama, Colombia, Venezuela, Guyana and the United States (Caribbean Basin Countries).

Investments in the Fund involve risks. Investing in companies of Caribbean Basin Countries may present certain unique risks not associated with domestic investments, such as currency fluctuation, political and economic changes and market risks. These factors may result in greater share price volatility.

Shares of closed-end funds frequently trade at a discount to their net asset value (NAV). The price of the Fund's shares is determined by a number of factors, several of which are beyond the control of the Fund. Therefore, the Fund cannot predict whether its shares will trade at, below or above NAV.

Before investing in the Fund, investors should carefully consider the investment objective, risks, and charges and expenses of the Fund. This information can be found in the Fund's prospectus on file with the Securities and Exchange Commission. An investor should carefully read the Fund's prospectus before investing.

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.

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