

## **THE HERZFELD CARIBBEAN BASIN FUND, INC.**

### **ANNOUNCES PRELIMINARY RESULTS OF RIGHTS OFFERING**

MIAMI BEACH, FL -- December 14, 2023 - The Herzfeld Caribbean Basin Fund, Inc. (NASDAQ: CUBA) (the “Fund”) today announced the preliminary results of its non-transferable rights offering (the “Offering”) that expired on December 13, 2023 (the “Expiration Date”). In the Offering, the Fund received subscription requests for 14,371,838 shares of common stock from rights holders.

The Offering’s final subscription price per share was determined to be \$2.35. 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. Accordingly, a minimum of 7,150,673 shares will be issued as part of the Primary Subscription as described in the registration statement related to the Offering. The Fund may, but is not required to, issue an additional number of shares (up to 200% of the Primary Subscription) to meet over-subscription requests. The Fund will make a determination of whether to allocate available shares pro rata among fully exercising stockholders (pursuant to the formula as described in the prospectus) and to what extent to honor over-subscription requests upon receipt of final results of the Offering and receipt of payment for “delivery-guaranteed” subscriptions, on or about December 18, 2023. Gross proceeds from the Offering are expected to total approximately \$16.8 million to up to \$33.7 million, before expenses, depending upon the amount of additional over-subscription shares, if any, issued by the Fund.

The foregoing numbers are estimates only. The Fund will announce the final results of the Rights Offering in a press release on or about December 18, 2023.

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](http://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.

Participating stockholders will be required to initially pay for the Shares subscribed for in the offer as well as any additional shares subscribed for as part of the over-subscription privilege at the estimated subscription price.

#### **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](http://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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