

CORRECTION - Herzfeld Credit Income Fund, Inc.

Declares Year-End Distribution in Stock and Cash; Fund Updates

MIAMI BEACH, Fla., November 17, 2025 – In a release issued under the same headline on November 10th, 2025 by Herzfeld Credit Income Fund, Inc. (NASDAQ: HERZ) (the “Fund”), please note that in the table under the “Distribution in Stock and Cash” section, the “Ex-Date” should be 12/31/2025 instead of November 21, 2025, and the “Payment Date” should be 12/30/2025 instead of 12/31/2025. In addition, the estimated amount of the distribution is approximately \$11,031,085 instead of \$11,031,035. The Corrected release follows:

Herzfeld Credit Income Fund, Inc. (NASDAQ: HERZ) (the “Fund”) today declared a year-end distribution to stockholders and provided updates on the Fund’s strategy transition and operations.

Year-End Distribution in Stock and Cash

The year-end distribution will be made in order (i) to avoid excise taxes that may be imposed, (ii) to meet the income distribution requirements under the Internal Revenue Code of 1986, as amended (the “IRC”), and (iii) to meet the requirements to qualify as a regulated investment company (“RIC”) as defined in the IRC and under the Investment Company Act of 1940, as amended (collectively, the “Statutory Distribution Requirements”).

The estimated amount of the distribution is approximately \$11,031,085 which is expected to be characterized as long-term capital gains.

The Fund has announced a distribution to be paid as follows:

Declaration Date	Ex-Date	Record Date	Payment Date	Per Share (estimated)
11/10/2025	12/31/2025	11/21/2025	12/30/2025	\$0.6867(est)

The distribution to stockholders will be paid in cash or shares of the Fund’s common stock at the election of stockholders. The total amount of cash distributed to all stockholders will be limited to 20% of the total distribution to be paid, excluding any cash paid for fractional shares. The remainder of the distribution (approximately 80%) will be paid in the form of shares of the Fund’s common stock. The exact distribution of cash and stock to any given stockholder will be dependent upon his/her election as well as elections of other stockholders, subject to the pro-rata limitation.

The number of shares of common stock to be issued to stockholders receiving all or a portion of the distribution in shares of common stock will be based on the volume weighted average price per share of common stock on the Nasdaq Capital Market on December 12, 15 and 16, 2025.

Management believes 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.

The schedule above applies to the distribution to stockholders of record on the close of business on the Record Date.

The details of the distribution will be described in the election form and accompanying materials that will be mailed to stockholders in connection with the distribution not later than promptly following the Record Date. Election forms must be returned on or before 5:00 p.m. Eastern Time on December 16, 2025, to be effective.

Stockholders who do not return a timely and properly completed election form before the election deadline will be deemed to have made an election to receive 100% of their distribution in stock.

Participants in the Fund's dividend reinvestment plan will also receive an election form. The investment feature of the dividend reinvestment plan will be suspended for the distribution and will be reinstated after the distribution has been completed.

Stockholders who hold their shares through a bank, broker or nominee, or in "street name" will not receive an election form directly from the Company and should receive information regarding the election process from their bank, broker or nominee. Street name holders should contact their bank, broker or nominee for additional information.

The amount distributed per share is subject to change. The amount to be distributed per share set forth above is an estimate based upon the number of current shares outstanding and the estimated amount of realized capital gains that must be distributed in accordance with the Statutory Distribution Requirements. The final amount distributed per share shall be calculated by the Fund's administrator and included with the notice to stockholders with respect to their election to receive the distribution in cash or shares.

New Distribution Policy; Monthly Distribution of Net Investment Income

The Fund also announced that it has continued to transition its holdings from the prior strategy to the new strategy and has made its first investments, marking an important milestone in its transition. The Fund has made targeted investments across collateralized loan obligation "CLO" equity, debt, and structured credit, demonstrating a diversified approach to capitalizing on opportunities within the structured finance market. These initial allocations reflect the Fund's commitment to identifying high-quality strategies across structured credit to meet its objective of total return and generating income for stockholders. The Fund expects these investments to generate current income beginning in 2026.

Effective January 2026, the Fund has adopted the following distribution policy:

The Fund intends to make regular monthly distributions of all or a portion of the Fund's net investment income to holders of the Fund's common stock.

At times, to maintain a stable level of distributions, the Fund may pay out less than the Fund's net investment income or pay out accumulated undistributed income in addition to current net investment income.

The Fund also intends to make at least annual distributions of all or a portion of the Fund's net capital gains (which is the excess of net long-term capital gains over net short-term capital loss) or, alternatively, to retain all or a portion of the year's net capital gains and pay federal income tax on the retained gain. As provided under federal tax law, if the Fund retains all or a portion of such gains and makes an election, stockholders of record as of the end of our taxable year will include their attributable share of the retained gain in their income for the year as a long-term capital gain, and will be entitled to a tax credit or refund for the tax deemed paid on their behalf by the Fund.

Monthly Net Asset Value Calculation

The Board also confirmed that the calculation of the Fund's Net Asset Value ("NAV") shall be provided on a monthly basis, consistent with the Fund's commitment to distribute monthly net investment income. The Fund had previously calculated NAV on a daily basis. With the change in investment strategy, the daily NAV calculation is no longer necessary and the Fund expects to experience cost savings from the Fund's administrator as a result of the less frequent NAV determination.

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.

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. There can be no assurance that any Share repurchases will reduce or eliminate the discount of the Fund's market price to the Fund's net asset value per share. 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 Thomas J. Herzfeld Advisors, Inc. ("TJHA") or the Fund may make, 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) shares of the Fund may trade at a discount from Net Asset Value; (2)) risk of investment in CLOs and related securities generally (3) dependence on managers of the CLOs in which the Fund invests (4) the Fund is exposed to risks associated with equity and equity-linked securities to the extent that adverse equity market conditions could negatively impact the ability of the borrowers to make payment of interest and/or principal with respect to loans underlying the CLOS in which the Fund invests; (5) as a “non-diversified” investment company, the Fund’s investments involve greater risks than would be the case for a similar diversified investment company (6) the Adviser’s judgment about the attractiveness, relative value or potential appreciation of a particular security or investment strategy may prove incorrect; and (7) market disruption risks, including certain events that have had a disruptive effect on the securities markets, generally, such as pandemics, terrorist attacks, war and other geopolitical events, hurricanes, droughts, floods and other natural disasters; (8. 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/herz 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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