

ES BANCSHARES, INC.

1441 South Avenue, Suite 705
Staten Island, New York 10314
(845) 451-7825

April 22, 2024

Dear Fellow Stockholder:

We are holding the 2024 Annual Meeting of Stockholders (the “Meeting”) of ES Bancshares, Inc. (the “Company”) at the Hilton Garden Inn, 1100 South Avenue, Staten Island, New York 10314 at 3:00 p.m., Eastern time, on Thursday, May 23, 2024.

An important aspect of the Meeting process is the stockholder vote on corporate business items. I urge you to exercise your rights as a stockholder to vote and participate in this process. Stockholders are being asked to consider and vote upon the election of three directors and the ratification of the appointment of our independent registered public auditing firm for the year ending December 31, 2024. Your Board of Directors unanimously recommends that you vote **FOR** each of the nominees named in the Proxy Statement and **FOR** the ratification of the appointment of our independent registered public auditing firm. Additionally, the board of directors has been notified that a shareholder intends to present a proposal at the Meeting requesting that the board of directors takes certain specified actions to effectuate a sale of the Company. If this proposal is properly presented at the Meeting, the board of directors intends to vote its proxies against such proposal.

In addition to the annual stockholder votes on corporate business items, the Meeting will include management’s report to you on our 2023 financial and operating performance. The Company’s 2023 Annual Report has been included or made available with this Proxy Statement.

Please read the Proxy Statement and then complete, sign and date the proxy card and return it in the postage prepaid envelope provided or vote by internet using the instructions on the proxy card. This will save the Company additional expense in soliciting proxies and will ensure that your shares are represented.

We will be using the “Notice and Access” method of providing proxy materials to you via the internet. We believe that this process should provide you with a convenient and quick way to access your proxy materials and vote your shares, while allowing us to conserve natural resources and reduce the costs of printing and distributing the proxy materials. On or about April 22, 2024, we will mail to our stockholders a Stockholder Meeting Notice (the “Meeting Notice”) containing instructions on how to access our Proxy Statement and 2023 Annual Report, and how to vote your shares. The Meeting Notice will also contain instructions on how you may receive, if you wish, a paper copy of your proxy materials.

Thank you for your attention to this important matter.

Sincerely,



Philip Guarnieri
Chief Executive Officer

ES BANCSHARES, INC.

1441 South Avenue, Suite 705
Staten Island, New York 10314
(845) 451-7825

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To be held on Thursday, May 23, 2024

Notice is hereby given that the Annual Meeting of Stockholders (the “Meeting”) of ES Bancshares, Inc. will be held at the Hilton Garden Inn, 1100 South Avenue, Staten Island, New York 10314 at 3:00 p.m., Eastern time, on Thursday, May 23, 2024.

The Meeting is for the purpose of considering and acting upon:

1. The election of three directors of ES Bancshares, Inc.;
2. The ratification of the appointment of Crowe LLP as our independent registered public auditing firm for the year ending December 31, 2024; and

such other matters as may properly come before the Meeting, or any adjournments or postponements thereof. The board of directors has been notified that a shareholder intends to present a proposal at the Meeting requesting that the board of directors takes certain specified actions to effectuate a sale of the Company. If this proposal is properly presented at the Meeting, the board of directors intends to vote its proxies against such proposal.

Any action may be taken on the foregoing items at the Meeting on the date specified above, or on any date or dates to which the Meeting may be adjourned or postponed. Stockholders of record at the close of business on February 28, 2024 are the stockholders entitled to vote at the Meeting and any adjournments or postponements thereof.

You are requested to complete, sign and date the proxy card provided to you, which is solicited on behalf of the Board of Directors, and to mail it promptly in the envelope provided. You may also vote by internet using the instructions on the proxy card. Only the latest dated proxy card or vote you submit will be counted. The proxy will not be used if you attend and vote at the Meeting in person.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE ANNUAL MEETING OF STOCKHOLDERS TO BE HELD ON MAY 23, 2024, THE PROXY STATEMENT AND ES BANCSHARES, INC.’S 2023 ANNUAL REPORT ARE EACH AVAILABLE AT <http://www.annualgeneralmeetings.com/esbs2024>

BY ORDER OF THE BOARD OF DIRECTORS



Philip Guarnieri
Chief Executive Officer

Staten Island, New York
April 22, 2024

IMPORTANT: THE PROMPT RETURN OF PROXIES WILL SAVE ES BANCSHARES, INC. THE EXPENSE OF FURTHER REQUESTS FOR PROXIES TO ENSURE A QUORUM AT THE MEETING. A SELF-ADDRESSED ENVELOPE IS BEING PROVIDED FOR YOUR CONVENIENCE. NO POSTAGE IS REQUIRED IF MAILED WITHIN THE UNITED STATES.

PROXY STATEMENT

ES BANCSHARES, INC.

1441 South Avenue, Suite 705
Staten Island, New York 10314
(845) 451-7825

ANNUAL MEETING OF STOCKHOLDERS

To be held on Thursday, May 23, 2024

This Proxy Statement is furnished in connection with the solicitation, on behalf of the Board of Directors of ES Bancshares, Inc., of proxies to be used at the Annual Meeting of Stockholders (the “Meeting”) which will be held at the Hilton Garden Inn located at 1100 South Avenue, Staten Island, New York 10314 at 3:00 p.m., Eastern time, on Thursday, May 23, 2024, and all adjournments and postponements of the Meeting. This Proxy Statement is dated and is first begin made available on or about April 22, 2024.

Vote Required and Proxy Information

All shares of our common stock, par value \$0.01 per share (the “Common Stock”), represented at the Meeting by properly executed proxies received prior to or at the Meeting, and not revoked, will be voted at the Meeting in accordance with the instructions thereon. If no instructions are indicated, properly executed proxies will be voted for the election of the nominees named herein and for the ratification of the appointment of Crowe LLP as our independent registered public auditing firm for 2024. Additionally, the board of directors has been notified that a shareholder intends to present a proposal at the Meeting requesting that the board of directors takes certain specified actions to effectuate a sale of the Company. If this proposal is properly presented at the Meeting, the board of directors intends to vote its proxies against such proposal. An affirmative vote of the holders of a majority of the shares of Common Stock cast at the Meeting on the proposal would be required to approve this proposal.

The proxy card provided by the Board of Directors enables a stockholder to vote “FOR” the election of the nominees proposed by the Board of Directors or to “WITHHOLD AUTHORITY” to vote for one or more of the nominees. You may also vote by internet using the instructions on the proxy card provided to you. Only the latest dated proxy card or vote you submit will be counted. Directors are elected by a plurality of votes cast without regard to either (i) broker non-votes or (ii) proxies as to which authority to vote for one or more of the nominees is withheld. Stockholders do not have cumulative voting rights with respect to the election of directors.

The proxy card provided by the Board of Directors enables a stockholder to (i) vote “FOR” the proposal to ratify the appointment of Crowe LLP as our independent registered public auditing firm, (ii) vote “AGAINST” such proposal, or (iii) “ABSTAIN” from voting on such proposal. An affirmative vote of the holders of a majority of the shares of Common Stock cast at the Meeting on the proposal is required to ratify the appointment of the independent registered public auditing firm. Shares as to which the “ABSTAIN” box has been selected on the proxy card and broker non-votes will not be counted as votes cast and will have no effect on the vote on the proposal.

The holders of a majority of the outstanding shares of the Common Stock entitled to vote, present in person or represented by proxy, will constitute a quorum for purposes of the Meeting. Proxies marked to abstain, withheld votes and broker non-votes will be counted for purposes of determining a quorum.

If you plan to attend the Meeting and wish to vote in person, we will give you a ballot at the Meeting. However, if your shares are held in the name of your broker, bank or other nominee, you must bring appropriate documents from the nominee indicating that you were the beneficial owner of common stock and authorizing you to vote the shares held on February 28, 2024, the record date for voting at the annual meeting, and stating the number of shares held by the nominee on your behalf.

A proxy given pursuant to the solicitation may be revoked at any time before it is voted. Proxies may be revoked by: (i) filing with our Secretary at or before the Meeting a written notice of revocation bearing a later date than the proxy, (ii) duly executing a subsequent proxy relating to the same shares and delivering it to our Secretary at or before the Meeting, or following the internet instructions on the proxy card provided to you or (iii) attending the Meeting and voting in person (although attendance at the Meeting will not in and of itself constitute revocation

of a proxy). Any written notice revoking a proxy should be delivered to: Peggy Edwards, Corporate Secretary, ES Bancshares, Inc., 1441 South Avenue, Suite 705, Staten Island, New York 10314.

In the event at the time of the Meeting there are not sufficient votes for a quorum or to approve or ratify any matter being presented by the Board of Directors, the Meeting may be adjourned in order to permit the further solicitation of proxies.

Proxies solicited hereby will be returned to us and will be tabulated by an Inspector of Election designated by our Board of Directors.

Voting Securities and Certain Holders Thereof

Stockholders of record as of the close of business on February 28, 2024 (the “Record Date”) will be entitled to one vote for each share of Common Stock then held. As of the Record Date, the Company had 6,834,165 shares of common stock issued and outstanding.

PROPOSAL I - ELECTION OF DIRECTORS

Our Board of Directors is presently comprised of 11 members and is divided into three classes. Each class is as nearly equal in numbers as possible. At the meeting, a total of three directors will be elected, each to serve for a three-year term and until their respective successors have been elected and qualified.

The following table sets forth certain information regarding our Board of Directors, including nominees, including their terms of office, and the shares of common stock beneficially owned at the record date for voting at the annual meeting. It is intended that the proxies solicited on behalf of the Board of Directors (other than proxies in which the vote is withheld as to the nominee) will be voted at the Meeting for the election of the nominees identified in the following table. If any nominee is unable to serve, the shares represented by all such proxies will be voted for the election of such substitute or substitutes as the Board of Directors may recommend. At this time, the Board of Directors knows of no reason why any nominee might be unable to serve, if elected.

<u>Name⁽¹⁾</u>	<u>Age⁽²⁾</u>	<u>Position(s) Held</u>	<u>Director Since</u>	<u>Term to Expire</u>	<u>Shares of Common Stock Beneficially Owned at February 28, 2024 ⁽³⁾</u>	<u>Percent of Outstanding Shares</u>
NOMINEES						
Michael Menicucci	69	Director	2013	2027	60,835	*
Michael P. Ostrow	73	Director	2004	2027	84,824	1.2%
Penda Aiken	74	Director	2020	2027	29,500	*
DIRECTORS REMAINING IN OFFICE						
Andrew G. Finkelstein	58	Chairman/Director	2004	2025	214,033	3.1%
Thomas Thiel	39	Director	2024	2025	307,890	4.5%
Gale L. Foster	70	Director	2004	2025	60,922	*
Thomas D. Weddell	67	Director	2006	2025	64,383	*
Thomas Sperzel	51	President and Chief Operating Officer and Director	2016	2025	220,148	3.2%
Philip Guarnieri	66	Chief Executive Officer and Director	2004	2026	385,231	5.6%
Walter Daszkowski	51	Vice Chairman/Director	2010	2026	313,177	4.6%
Michael T. O'Brien	70	Director	2020	2026	<u>497,928</u>	<u>7.3%</u>
All Directors and Executive Officers as a Group (11 persons)					<u>2,238,871</u>	<u>32.2%</u>

* Less than 1%.

(1) The address of each person is ES Bancshares, Inc., 1441 South Avenue, Suite 705, Staten Island, New York 10314.

(2) At February 28, 2024.

(3) For each director, other than directors Guarnieri, Sperzel, O'Brien, Aiken and Thiel their ownership includes 12,000 options under our Stock Option Plan which are currently exercisable. For directors O'Brien and Aiken, 14,500 options are included within their ownership under our Stock Option Plan which are currently exercisable. For directors Guarnieri and Sperzel, their ownership includes 12,475 options under our Stock Option Plan which are currently exercisable. Also includes shares held directly as well as shares held in retirement accounts, held by certain members of the named individual's families, or held by trusts of which the named individual is a trustee or substantial beneficiary with respect to whose shares the named individual may be deemed to have sole or shared voting and/or dispositive powers.

Directors

The business experience for at least the past five years of each nominee for director and each director continuing in office is set forth below. All continuing directors and nominees for director have held their positions at least five years, except as otherwise indicated.

Nominees

Penda Aiken is an entrepreneur with more than 30 years of experience in the staffing industry and has held numerous leadership roles. She is President and Principal Owner of Penda Aiken Inc. (PAI), a prime talent acquisition firm, which she established in 1990 serving the NYC Metropolitan area with a wide range of programs and services. Ms. Aiken holds a bachelor's degree from the CUNY Baccalaureate Program and an MFA from Columbia University. She is an active member of various community boards where she holds numerous leadership positions in a variety of non-profit organizations.

Michael Menicucci is the founder and managing partner of Menicucci, Villa & Associates PPLC, a law firm focused on banking, finance and real estate development. Mr. Menicucci has also worked for a number of elected officials, including borough presidents and U.S. Congressmen.

Michael P. Ostrow is retired and is a founding member and organizer of the Bank. Prior to his retirement, Mr. Ostrow was an Automobile Dealer. Mr. Ostrow is currently a real estate investor.

Continuing Directors

Walter Daszkowski is Vice Chairman of ES Bancorp, Inc. and Empire State Bank. Mr. Daszkowski is a Certified Public Accountant (CPA) as well as a Personal Financial Specialist (PFS). He is the founding shareholder of Daszkowski, Tompkins, Weg & Carbonella PC, a certified public accounting firm with offices in New York and New Jersey. Additionally, he is the founder and a partner in Lotus Financial Group LLC, a wealth management company, and Lotus Advisory Group, an employee benefits and insurance agency. Mr. Daszkowski has vast knowledge in financial reporting, accounting, tax matters, and mergers and acquisitions.

Andrew G. Finkelstein, Esq. is Chairman of ES Bancorp, Inc. and Empire State Bank. He is Managing Partner of Finkelstein & Partners, a law firm based in Newburgh, New York. As manager of a significant business, Mr. Finkelstein has significant insight into business operations and the local business climate.

Gale L. Foster, Esq. is retired and is a founding member and organizer of the Bank. Prior to her retirement in 2015, Ms. Foster practiced law for 35 years in Dutchess and Ulster County primarily in the business field of estates, real estate, and business. Prior to establishing her own firm of GALE LAUREN FOSTER PC, she was an attorney with McCabe and Mack in Poughkeepsie and with Blatchly, Foster and Simon in New Paltz, New York. Ms. Foster served on numerous boards in the Town of Gardiner for over 20 years including planning board, zoning, revision commission, and ethics committee.

Philip Guarnieri is our Chief Executive Officer. Mr. Guarnieri served as President and Co-CEO from 2009 to 2015 and from 2004 to 2008, he served as President and Chief Operating Officer. Mr. Guarnieri was instrumental in the organizing and chartering of Empire State Bank and has become a banking leader in the small business community. He oversees the corporate direction and strategy and has simplified operations, improved efficiency, built capital, and established a straightforward business model providing financial products and services to customers and clients. Mr. Guarnieri is focused on innovation to create strategic long-term planning, new business development and growth initiatives in the emerging millennial market.

Michael T. O'Brien is founder of Deerhill Pond Investment Partners, LP which is dedicated to investing in the financial service industry. Mr. O'Brien also worked for Keefe, Bruyette & Woods (KBW) for 22 years and served as a member of the Board of Directors and Operating Committee for KBW. Accordingly, he brings a depth of understanding from his experience investing in community banks for the past 35 years.

Thomas Sperzel is our President and Chief Operating Officer. Mr. Sperzel served as our Senior Vice President and Chief Financial Officer from January 2009 until June 2013 at which time he served as Executive Vice President and Chief Operating Officer. From 2007 until January 2009, Mr. Sperzel served as Director of Finance for Robert Martin Company LLC, a real estate development and venture capital firm based in Elmsford, New York. Mr. Sperzel is a Certified Public Accountant (CPA) and holds an MBA in Bank Management.

Thomas Thiel is founder and president of JWTT Inc., a market maker and broker dealer that specializes in financial services companies and is one of the most active market makers in OTC and NASDAQ banks ranging from \$150 million to over \$20 billion in assets. JWTT Inc. also has one of the larger retail and institutional investor networks in banks and financials. Mr. Thiel is a long-term investor in community banks across the country. Mr. Thiel began his career in 2007 at McAdams Wright Ragen, a broker dealer that later was acquired by Baird. He then spent 5 years at Wedbush Securities on their Bank Trading desk before starting JWTT Inc. in 2019.

Thomas D. Weddell is a Business Development Consultant, Certified Public Accountant (CPA) and Director for RBT CPAs LLP, a certified public accounting firm located in Newburgh, New York. Mr. Weddell has significant expertise and background with regard to accounting matters, the application of generally accepted accounting principles and matters of business finance and business transactions.

Board of Directors' Meetings and Committees and Attendance at Annual Meetings of Stockholders

The Board of Directors has standing Audit and Governance/Nominating Committees, and additionally, the Board of Directors of Empire State Bank has standing Executive and Compensation Committees.

Meetings of our Board of Directors are generally held on a monthly basis. The Board of Directors held 15 meetings during 2023.

Executive Committee

The Executive Committee is comprised of Directors Finkelstein, Guarnieri, Sperzel, O'Brien and Menicucci. The Executive Committee has and exercises all of the powers of the Board of Directors when such powers are required between meetings of the Board of Directors.

Audit Committee

The Audit Committee is comprised of Directors Weddell, Foster, Finkelstein, O'Brien and Aiken. Each member of the Audit Committee has an understanding of, and the ability to analyze and evaluate the financial statements of Empire State Bank, as well as an understanding of an audit committee's functions.

Our management is primarily responsible for our financial reporting and internal and disclosure controls. The Audit Committee is responsible for the relationship between our independent auditor and us. The Audit Committee also receives reports with respect to our financial reporting, internal control over financial reporting and disclosure controls and reviews our unaudited interim financial statements and audited year-end financial statements. Finally, the Audit Committee maintains a procedure for confidential employee complaints regarding accounting matters.

Governance/Nominating Committee

The Governance/Nominating Committee consists of Directors Aiken, Menicucci, O'Brien, Foster and Weddell. The primary functions of the Governance/Nominating Committee are to identify individuals qualified to become members of the Board of Directors and select director nominees to be presented for stockholder approval and to review the structure and performance of the Board of Directors and its committees and make recommendations with respect to the Board of Directors and its committees, including size and composition.

Compensation Committee

The Compensation Committee is comprised of Directors, Finkelstein, Ostrow, Aiken, Foster and Weddell. The role of the Compensation Committee is to review annually the performance and compensation levels of our executive officers and directors and recommend compensation, including salary, bonus, incentive and equity compensation of our executive officers and directors to the Board of Directors. The Compensation Committee also reviews and makes recommendations regarding certain of our other compensation policies, plans and programs.

Director Compensation

In 2023, each non-employee director received an annual retainer fee in the amount of \$32,000. The Chairman and Vice Chairman of the Board received an annual retainer fee of \$46,000 and \$38,000, respectively.

PROPOSAL II - RATIFICATION OF APPOINTMENT OF INDEPENDENT AUDITOR

Our independent registered public accounting firm for the year ended December 31, 2023 was Crowe LLP. Our Audit Committee has approved the engagement of Crowe LLP to be our independent registered public accounting firm for the year ending December 31, 2024 subject to the ratification of the engagement by our stockholders.

THE BOARD OF DIRECTORS RECOMMENDS THAT STOCKHOLDERS VOTE “FOR” THE RATIFICATION OF THE APPOINTMENT OF CROWE LLP AS OUR INDEPENDENT PUBLIC ACCOUNTING FIRM FOR THE YEAR ENDING DECEMBER 31, 2024.

ADVANCE NOTICE OF STOCKHOLDER NOMINATIONS AND BUSINESS TO BE CONDUCTED AT AN ANNUAL MEETING

Our Bylaws provide an advance notice procedure for certain business, or nominations to the Board of Directors, to be brought before an annual meeting of stockholders. In order for a stockholder properly to bring business before an annual meeting, or properly to propose a nominee to the Board of Directors at an annual meeting, the stockholder must give written notice to our Secretary not earlier than the close of business on the 120th day and not less than the close of business on the 90th day prior to the one year anniversary date of the date of our proxy materials for the preceding year's annual meeting; provided, however, that if the date of the annual meeting is advanced more than 20 days prior to or delayed by more than 60 days after the anniversary of the preceding year's annual meeting, notice by the stockholder, to be timely, must be received not earlier than the close of business on the 120th day prior to the date of such annual meeting and not later than the close of business on the later of (A) the 90th day prior to the date of such annual meeting or (B) the tenth day following the first to occur of (i) the day on which notice of the date of the annual meeting was mailed or otherwise transmitted or (ii) the day on which we first make public announcement of the date of the annual meeting.

The notice must include the stockholder's name, record address, and number of shares owned, describe briefly the proposed business, the reasons for bringing the business before the annual meeting, any material interest of the stockholder in the proposed business and a representation that the stockholder intends to appear in person or by proxy at the annual meeting to bring such business before the meeting. In the case of nominations to the Board of Directors, certain information regarding the nominee must be provided, as set forth in our bylaws which may be found at www.esbna.com. Nothing in this paragraph shall be deemed to require ES Bancshares, Inc. to include a stockholder's proposal or nominee in its proxy statement.

The date on which the 2025 Annual Meeting of Stockholders is expected to be held is May 22, 2025. Accordingly, advance written notice of business or nominations to the Board of Directors to be brought before the 2025 Annual Meeting of Stockholders must be received by the Secretary at our executive office, located at 1441 South Avenue, Suite 705, Staten Island 10314, no earlier than December 23, 2024 and no later than January 22, 2025.

The chairman of an annual meeting may, if the facts warrant, determine and declare to the meeting that certain business was not properly brought before the meeting in accordance with the provisions of our Bylaws, and if he should so determine, he shall so declare to the meeting and any such business not properly brought before the meeting shall not be transacted. This provision is not a limitation on any other applicable laws and regulations.

OTHER MATTERS

The board of directors has been notified that a shareholder intends to present a proposal at the Meeting requesting that the board of directors takes certain specified actions to effectuate a sale of the Company. If this proposal is properly presented at the Meeting, the board of directors intends to vote its proxies against such proposal.

The cost of solicitation of proxies will be borne by us. We will reimburse brokerage firms and other custodians, nominees and fiduciaries for reasonable expenses incurred by them in sending proxy materials to the beneficial owners of Common Stock. In addition to solicitation by mail, our directors, officers and regular employees may solicit proxies personally, by telephone or by other forms of communication without additional compensation. We have retained Alliance Advisors, LLC to assist us in soliciting proxies, and have agreed to pay Alliance Advisors a fee of \$10,500 plus reasonable expenses for these services.