



ES BANCSHARES, INC. ANNOUNCES THIRD QUARTER 2025 RESULTS; CONTINUES POSITIVE TREND OF NET INCOME GROWTH

STATEN ISLAND, N.Y., October 22, 2025 (GLOBE NEWSWIRE) – ES Bancshares, Inc. (OTCQX: ESBS) (the “Company”) the holding company for Empire State Bank, (the “Bank”) today reported net income of \$637 thousand, or \$0.10 per diluted common share, for the quarter ended September 30, 2025, compared to a net income of \$1.03 million, or \$0.15 per diluted common share for the quarter ended June 30, 2025.

Key Quarterly Financial Data				2025 Highlights
Performance Metrics	3Q25	2Q25	1Q25	•Non interest-bearing deposits grew by \$6.8 million from year end 2024. •The Cost of Funds for the three months ended September 30, 2025, dropped to 2.65% from 2.72% in the prior linked quarter.
Return on average assets (%)	0.41	0.66	0.35	
Return on average equity (%)	5.12	8.44	4.53	
Return on average tangible equity (%)	5.18	8.55	4.59	
Net interest margin (%)	2.79	2.66	2.68	•For 3 months ended September 30, 2025, the Company's net interest margin increased to 2.79% compared to 2.66% for the 3 months ended June 30, 2025. •The Company received \$384K in Employee Retention Tax Credits and applicable interest in the second quarter of 2025. •Book value for the quarter ended September 30, 2025, totaled \$7.24 per share increasing for the sixth consecutive quarter.
Income Statement (a)	3Q25	2Q25	1Q25	
Net interest income	\$ 4,236	\$ 4,019	\$ 4,112	
Non-interest income	\$ 328	\$ 1,120	\$ 349	
Net income	\$ 637	\$ 1,034	\$ 546	
Earnings per diluted common share	\$ 0.10	\$ 0.15	\$ 0.08	
Balance Sheet (a)	3Q25	2Q25	1Q25	
Average total loans	\$ 558,270	\$ 557,878	\$ 568,508	
Average total deposits	\$ 509,511	\$ 508,496	\$ 506,524	
Book value per share	\$ 7.24	\$ 7.13	\$ 6.97	
Tangible book value per share	\$ 7.15	\$ 7.05	\$ 6.89	

(a) In thousands except for per share amounts

Phil Guarnieri, Director, and Chief Executive Officer of ES Bancshares said “The third quarter of 2025 showed continued improvement in our net interest income and our net interest margin. Our concentration in attracting non-interest-bearing deposits and our reduction in borrowings has helped to increase our core earnings.”

Selected Balance Sheet Information:

September 30, 2025 vs. December 31, 2024

As of September 30, 2025, total assets were \$621.0 million, a decrease of \$15.7 million, or 2.5%, as compared to total assets of \$636.7 million on December 31, 2024. The decrease can be attributed to our reducing our borrowed funds and interest-bearing deposits.

Loans receivable, net of Allowance for Credit Losses on Loans totaled \$552.9 million, a decrease of \$6.4 million or 1.3% from December 31, 2024. As of September 30, 2025, the Allowance for Credit Losses on Loans as a percentage of gross loans was 0.93%.

Nonperforming assets, which includes nonaccrual loans and foreclosed real estate were \$6.1 million or 0.98% of total assets, as of September 30, 2025, increasing from \$5.3 million or 0.84% of total assets at December 31, 2024. The ratio of nonaccrual loans to loans receivable was 1.09%, as of September 30,



2025, and 0.94% for December 31, 2024. The increase from December 31, 2024, was primarily due to one non-owner occupied commercial real estate loan being placed on non-accrual status in a prior 2025 quarter.

Total liabilities decreased \$18.3 million to \$570.9 million at September 30, 2025, from \$589.2 million at December 31, 2024. The decrease can be attributed to a decrease in Federal Home Loan (FHLB) borrowings, interest-bearing deposits and in brokered deposits partially offset by an increase in non-interest-bearing deposits.

As of September 30, 2025, the Bank's Tier 1 capital leverage ratio, common equity tier 1 capital ratio, Tier 1 capital ratio and total capital ratios were 9.91%, 14.51%, 14.51% and 15.76% respectively, all in excess of the ratios required to be deemed "well-capitalized." During the third quarter of 2025 the Company did not repurchase shares under its stock repurchase program. Book value per common share was \$7.24 at September 30, 2025, compared to \$6.89 at December 31, 2024. Tangible common book value per share (which represents common equity less goodwill, divided by the number of shares outstanding) was \$7.15 at September 30, 2025, compared to \$6.81 at December 31, 2024.

Financial Performance Overview:

Three Months Ended September 30, 2025, vs. June 30, 2025

For the three months ended September 30, 2025, the Company net income totaled \$637 thousand compared to a net income of \$1.0 million for the three months ended June 30, 2025. The decrease can be attributed to lower non-interest income partially offset by higher net interest income and a lower loan loss provision quarter over quarter.

Net interest income for the three months ended September 30, 2025 increased \$217 thousand, to \$4.2 million from \$4.0 million at three months ended June 30, 2025. The Company's net interest margin increased by thirteen basis points to 2.79% for the three months ended September 30, 2025, as compared to 2.66% for the three months ended June 30, 2025. The increase in margin can be attributed to a decrease of 14 basis points in the Company's average cost for its interest-bearing liabilities as we have repriced deposits at lower rates coupled with the increase in average yield on interest-bearing assets of 8 basis points in the third quarter.

There was a \$41 thousand reversal for credit losses taken for the three months ended September 30, 2025, compared to a \$43 thousand provision for credit losses for the three months ended June 30, 2025. The reversal for credit losses was due to a decrease in the ACL for off-balance sheet positions, partially offset by a higher ACL for investments.

Non-interest income decreased \$791 thousand, to \$328 thousand for the three months ended September 30, 2025, compared with non-interest income of \$1.1 million for the three months ended June 30, 2025. The majority of the decreases can be attributed to the receipt of \$384 thousand Employee Retention Tax Credits ("ERTC") plus applicable interest in the second quarter of 2025 and lower service charges and fees on loans in the third quarter of 2025. We have not yet received the remaining ERTC installments for the 2021 tax year.

Non-interest expenses totaled \$3.7 million for the three months ended September 30, 2025, compared to \$3.8 million for the three months ended June 30, 2025. The largest fluctuations quarter over quarter were due to a \$65 thousand increase in other expenses due to additional loan collection expenses, partially offset by a \$42 thousand decrease in professional fees, due to reduced legal expenses, \$29 thousand decrease in FDIC and NYSDFS premiums and a \$22 thousand decrease in marketing expenses.



Nine months ended September 30, 2025 vs. September 30, 2024

For the nine months ended September 30, 2025, net income totaled \$2.2 million in comparison to \$637 thousand for the nine months ended September 30, 2024. The increase can mainly be attributed to higher net interest income of \$2.2 million, increased non-interest income of \$644 thousand partially offset by higher non-interest expense of \$861 thousand and higher provision for income taxes of \$391 thousand.

Net interest income for the nine months ended September 30, 2025, increased 21% or \$2.2 million, to \$12.4 million from \$10.2 million at September 30, 2024. The increase can be attributed to decreased interest expense for deposits of \$1.8 million and lower borrowing costs of \$241 thousand.

Reversal for credit losses totaled \$28 thousand for the nine months ended September 30, 2025, compared to a \$10 thousand provision for the nine months ended September 30, 2024.

Non-interest income totaled \$1.8 million for the nine months ended September 30, 2025, compared with noninterest income of \$1.2 million for the nine months ended September 30, 2024. The increase can be attributed to increased service charges and fees collected, the receipt of the Employee Retention Tax Credit in 2025, and the gain on sale of loans, partially offset by the reduction in extinguishment gain, period over period.

Operating expenses totaled \$11.2 million for the nine months ended September 30, 2025, compared to \$10.4 million for the nine months ended September 30, 2024, or an increase of 8.3%. The increase in non-interest expenses can be attributed to the increases in other non-interest expenses, professional fees, and salary and compensation.

About ES Bancshares Inc.

ES Bancshares, Inc. (the "Company") is incorporated under Maryland law and serves as the holding company for Empire State Bank (the "Bank"). The Company is subject to regulation by the Board of Governors of the Federal Reserve System while the Bank is primarily subject to regulation and supervision by the New York State Department of Financial Services. Currently, the Company does not transact any material business other than through the Bank, its subsidiary.

The Bank was organized under federal law in 2004 as a national bank regulated by the Office of the Comptroller of the Currency. The Bank's deposits are insured up to legal limits by the FDIC. In March 2009, the Bank converted its charter to a New York State commercial bank charter. The Bank's principal business is attracting commercial and retail deposits in New York and investing those deposits primarily in loans, consisting of commercial real estate loans, and other commercial loans including SBA and mortgage loans secured by one-to-four-family residences. In addition, the Bank invests in mortgage-backed securities, securities issued by the U.S. Government and agencies thereof, corporate securities and other investments permitted by applicable law and regulations.

We operate from our five Banking Center locations, a Loan Production Office and our Corporate Headquarters located in Staten Island, New York. The Company's website address is www.esbna.com. The Company's annual report, quarterly earnings releases and all press releases are available free of charge through its website, as soon as reasonably practicable.



Forward-Looking Statements

This release may contain certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. For this purpose, any statements contained in this release that are not statements of historical fact may be deemed to be forward-looking statements. Without limiting the foregoing, words such as “may”, “will”, “expect”, “believe”, “anticipate”, “estimate” or “continue” or comparable terminology, are intended to identify forward-looking statements. These statements by their nature involve substantial risks and uncertainties, and actual results may differ materially depending on a variety of factors, many of which are not within ES Bancshares, Inc.’s. control. The forward-looking statements included in this release are made only as of the date of this release. We have no intention, and do not assume any obligation, to update these forward-looking statements.

Investor Contact:
Peggy Edwards, Corporate Secretary
(845) 451-7825



ES Bancshares, Inc.
Consolidated Statements of Financial Condition
(in thousands)

	September 30, 2025	December 31, 2024
	----(unaudited)----	
Assets		
Cash and cash equivalents	\$ 28,337.76	\$ 26,713
Securities, net	16,043	22,336
Loans receivable, net:		
Real estate mortgage loans	535,667	545,569
Commercial and Lines of Credit	18,463	14,417
Home Equity and Consumer Loans	273	397
Deferred costs	3,694	4,084
Allowance for Loan Credit Losses	(5,169)	(5,137)
Total loans receivable, net	552,928	559,330
Accrued interest receivable	2,719	2,628
Investment in restricted stock, at cost	3,853	4,335
Goodwill	581	581
Bank premises and equipment, net	4,310	4,845
Reposessed assets	-	-
Right of use lease assets	5,240	5,894
Bank Owned Life Insurance	5,609	5,489
Other Assets	1,417	4,589
Total Assets	<u>\$ 621,038</u>	<u>\$ 636,739</u>
Liabilities & Stockholders' Equity		
Non-Interest-Bearing Deposits	\$ 104,256	\$ 97,490
Interest-Bearing Deposits	385,982	395,593
Brokered Deposits	17,106	20,750
Total Deposits	507,344	513,833
Bond Issue, net of costs	11,817	11,787
Borrowed Money	39,520	50,083
Lease Liability	5,527	6,172
Other Liabilities	6,714	7,313
Total Liabilities	570,922	589,188
Stockholders' equity	50,116	47,551
Total liabilities and stockholders' equity	<u>\$ 621,038</u>	<u>\$ 636,739</u>



ES Bancshares, Inc.
Consolidated Statements of Income
(in thousands)

	Three Months Ended			Nine Months Ended	
	September 30, 2025	June 30, 2025	March 31, 2025	September 30, 2025	September 30, 2024
	------(unaudited)-----			-----(unaudited)----	
Interest income					
Loans	\$ 7,467	\$ 7,354	\$ 7,478	\$ 22,299	\$ 21,868
Securities	149	193	213	555	454
Other interest-earning assets	340	279	243	862	1,252
Total Interest Income	7,956	7,826	7,934	23,716	23,574
Interest expense					
Deposits	3,065	3,146	3,118	9,329	11,096
Borrowings	655	661	704	2,020	2,261
Total Interest Expense	3,720	3,807	3,822	11,349	13,357
Net Interest Income	4,236	4,019	4,112	12,367	10,217
(Rev)Prov for Credit Losses	(41)	43	(30)	(28)	10
Net Interest Income after (Rev)Prov for Credit Losses	4,277	3,976	4,142	12,395	10,207
Non-interest income					
Service charges and fees	270	693	175	1,138	636
Gain on loan sales	-	-	132	132	1
Gain on extinguishment of Sub-debt	-	-	-	-	245
Other	58	427	42	527	271
Total non-interest income	328	1,120	349	1,797	1,153
Non-interest expenses					
Compensation and benefits	1,839	1,836	1,689	5,364	5,168
Occupancy and equipment	621	626	669	1,916	1,891
Data processing service fees	338	345	315	998	958
Professional fees	204	246	335	785	561
FDIC & NYS Banking Assessments	84	113	113	310	296
Marketing	100	122	89	311	244
Insurance	48	48	53	149	151
Other	497	432	471	1,400	1,103
Total non-interest expense	3,731	3,768	3,734	11,233	10,372
Income prior to tax expense	874	1,328	757	2,959	988
Income taxes	237	294	211	742	351
Net Income	\$ 637	\$ 1,034	\$ 546	\$ 2,217	\$ 637

ES Bancshares, Inc. Average Balance Sheet Data For the Three Months Ended (dollars in thousands)									
September 30, 2025			June 30, 2025			September 30, 2024			
Avg Bal Rolling 3 Mos.	Interest Rolling 3 Mos.	Average Yield/Cost	Avg Bal Rolling 3 Mos.	Interest Rolling 3 Mos.	Average Yield/Cost	Avg Bal Rolling 3 Mos.	Interest Rolling 3 Mos.	Average Yield/Cost	
Assets									
Interest-earning assets:									
Loans receivable	\$ 558,270	\$ 7,467	5.35%	\$ 557,878	\$ 7,354	5.27%	\$ 566,031	\$ 7,315	5.17%
Investment securities	16,848	149	3.54%	20,844	192	3.69%	22,480	218	3.87%
Other interest-earning assets	31,152	339	4.32%	26,781	280	4.20%	31,656	428	5.29%
Total interest-earning assets	606,270	7,956	5.25%	605,503	7,826	5.17%	620,167	7,961	5.13%
Non-interest earning assets	21,221			24,968			17,919		
Total assets	\$ 627,491			\$ 630,471			\$ 638,086		
Liabilities and Stockholders' Equity									
Interest-bearing liabilities:									
Interest-bearing checking	\$ 34,333	\$ 30	0.35%	\$ 31,717	\$ 28	0.35%	\$ 33,512	\$ 55	0.65%
Savings accounts	212,479	1,511	2.82%	202,172	1,490	2.96%	200,248	1,728	3.42%
Certificates of deposit	159,570	1,525	3.79%	167,948	1,628	3.89%	173,577	1,891	4.32%
Total interest-bearing deposits	406,382	3,065	2.99%	401,837	3,146	3.14%	407,337	3,674	3.58%
Borrowings	39,584	465	4.66%	40,407	471	4.68%	52,984	519	3.89%
Subordinated debenture	11,812	190	6.43%	11,803	190	6.44%	12,388	201	6.44%
Total interest-bearing liabilities	457,778	3,720	3.22%	454,047	3,807	3.36%	472,709	4,394	3.69%
Non-interest-bearing demand deposits	103,129			106,659			104,782		
Other liabilities	16,843			20,741			13,842		
Total non-interest-bearing liabilities	119,972			127,400			118,624		
Stockholders' equity	49,741			49,024			46,753		
Total liabilities and stockholders' equity	\$ 627,491			\$ 630,471			\$ 638,086		
Net interest income		\$ 4,236			\$ 4,019			\$ 3,567	
Average interest rate spread			2.03%			1.81%			1.45%
Net interest margin			2.79%			2.66%			2.30%

Five Quarter Performance Ratio Highlights	Three Months Ended				
	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024	September 30, 2024
Performance Ratios (%) - annualized					
Return(loss) on Average Assets	0.41	0.66	0.35	0.29	0.36
Return(loss) on Average Equity	5.12	8.44	4.53	3.94	4.98
Return(loss) on Average Tangible Equity	5.18	8.55	4.59	3.99	5.04
Efficiency Ratio	81.71	73.30	83.71	84.58	81.70
Yields / Costs (%)					
Average Yield - Interest Earning Assets	5.25	5.17	5.18	5.17	5.13
Average Cost - Interest-bearing Liabilities	3.22	3.36	3.30	3.42	3.69
Net Interest Margin	2.79	2.66	2.68	2.50	2.30
Capital Ratios (%)					
Equity / Assets	8.07	7.66	7.65	7.47	7.44
Tangible Equity / Assets	7.98	7.58	7.56	7.38	7.36
Tier I leverage ratio (a)	9.91	9.78	9.46	9.31	9.18
Common equity Tier I capital ratio (a)	14.51	14.35	13.81	13.68	13.67
Tier I Risk-based capital ratio (a)	14.51	14.35	13.81	13.68	13.67
Total Risk-based capital ratio (a)	15.76	15.60	15.06	14.93	14.92
Stock Valuation					
Book Value	\$ 7.24	\$ 7.13	\$ 6.97	\$ 6.89	\$ 6.85
Tangible Book Value	\$ 7.15	\$ 7.05	\$ 6.89	\$ 6.81	\$ 6.77
Shares Outstanding (b)	6,926	6,927	6,927	6,900	6,878
Asset Quality (%)					
ACL / Total Loans	0.93	0.93	0.91	0.91	0.90
Non Performing Loans / Total Loans	1.09	1.13	0.96	0.94	0.91
Non Performing Assets / Total Assets	0.98	0.98	0.86	0.84	0.81

(a) Ratios at Bank level

(b) Shares information presented in thousands