



ES BANCSHARES, INC. ANNOUNCES FOURTH QUARTER 2025 RESULTS; SEVENTH CONSECUTIVE QUARTER OF GROWTH IN OUR BOOK VALUE PER SHARE

STATEN ISLAND, N.Y., January 21, 2026 (GLOBE NEWSWIRE) – ES Bancshares, Inc. (OTCQX: ESBS) (the “Company”) the holding company for Empire State Bank, (the “Bank”) today reported net income of \$660 thousand, or \$0.10 per diluted common share, for the quarter ended December 31, 2025, compared to a net income of \$637 thousand, or \$0.10 per diluted common share for the quarter ended September 30, 2025.

Key Quarterly Financial Data				2025 Highlights
Performance Metrics	4Q25	3Q25	2Q25	<ul style="list-style-type: none"> •Non interest-bearing deposits grew by \$10.3 million from year end 2024. •The Cost of Funds for the three months ended December 31, 2025, dropped to 2.64% from 2.65% in the prior linked quarter.
Return on average assets (%)	0.42	0.41	0.66	
Return on average equity (%)	5.31	5.12	8.44	
Return on average tangible equity (%)	5.37	5.18	8.55	
Net interest margin (%)	2.77	2.79	2.66	<ul style="list-style-type: none"> •For 3 months ended December 31, 2025, the Company's net interest margin decreased slightly to 2.77% compared to 2.79% for the 3 months ended September 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 December 31, 2025, totaled \$7.34 per share increasing for the seventh consecutive quarter.
Income Statement (a)	4Q25	3Q25	2Q25	
Net interest income	\$ 4,239	\$ 4,236	\$ 4,019	
Non-interest income	\$ 403	\$ 328	\$ 1,120	
Net income	\$ 660	\$ 637	\$ 1,034	
Earnings per diluted common share	\$ 0.10	\$ 0.10	\$ 0.15	
Balance Sheet (a)	4Q25	3Q25	2Q25	
Average total loans	\$ 553,324	\$ 558,270	\$ 557,878	
Average total deposits	\$ 512,918	\$ 509,511	\$ 508,496	
Book value per share	\$ 7.34	\$ 7.24	\$ 7.13	
Tangible book value per share	\$ 7.25	\$ 7.15	\$ 7.05	

(a) In thousands except for per share amounts

Phil Guarnieri, Director, and Chief Executive Officer of ES Bancshares said “We ended the year with increased quarterly core earnings. We have been able to lower our retail deposit costs despite the competitive pressures in our market. Our strategy to reduce our borrowings and brokered cds has provided us increased liquidity options in this volatile environment.”

Selected Balance Sheet Information:

December 31, 2025 vs. December 31, 2024

As of December 31, 2025, total assets were \$616.3 million, a decrease of \$20.5 million, or 3.2%, 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 \$544.6 million, a decrease of \$14.7 million or 2.6% from December 31, 2024. As of December 31, 2025, the Allowance for Credit Losses on Loans as a percentage of gross loans was 0.94%.

Nonperforming assets, which includes nonaccrual loans and foreclosed real estate were \$5.9 million or 0.96% of total assets, as of December 31, 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 1.08%, as of December 31,



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 \$23.7 million to \$565.4 million at December 31, 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 December 31, 2025, the Bank's Tier 1 capital leverage ratio, common equity tier 1 capital ratio, Tier 1 capital ratio and total capital ratios were 10.00%, 14.91%, 14.91% and 16.16% respectively, all in excess of the ratios required to be deemed "well-capitalized." During the fourth quarter of 2025 the Company did not repurchase shares under its stock repurchase program. Book value per common share was \$7.34 at December 31, 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 \$7.25 at December 31, 2025, compared to \$6.81 at December 31, 2024.

Financial Performance Overview:

Three Months Ended December 31, 2025, vs. September 30, 2025

For the three months ended December 31, 2025, the Company net income totaled \$660 thousand compared to a net income of \$637 thousand for the three months ended September 30, 2025. The increase can be attributed to higher non-interest income partially offset by higher non-interest expense and a lower reversal of loan loss provision quarter over quarter.

Net interest income for the three months ended December 31, 2025 remained stable at \$4.2 million despite the lower average loan balance during the current quarter. The Company's net interest margin decreased by two basis points to 2.77% for the three months ended December 31, 2025, as compared to 2.79% for the three months ended September 30, 2025. The decrease in margin can be attributed to a change in the mix of interest-bearing assets, specifically the decrease in the average balance of the loan portfolio of \$4.9 million despite the yield on loans remaining the same from the third quarter. This was partially offset by the decrease in the cost of interest-bearing deposits of 10 basis points from the third quarter of 2025. Additionally, our subordinated debt repriced as of October 30, 2025, and now adjusts quarterly at a margin of 579 basis points over the 3-month SOFR rate. The interest rate increased from 6.00% to 9.63% for the last two months of this quarter.

There was a \$10 thousand reversal for credit losses taken for the three months ended December 31, 2025, compared to a \$41 thousand reversal for credit losses for the three months ended September 30, 2025. The reversal for credit losses was due to a decrease in the ACL for the loan portfolio, partially offset by a higher ACL for investments and off-balance sheet positions.

Non-interest income increased \$75 thousand, to \$403 thousand for the three months ended December 31, 2025, compared with non-interest income of \$328 thousand for the three months ended September 30, 2025. The majority of the increase can be attributed to higher service charges and fees on loans in the fourth quarter of 2025. We have not yet received the remaining ERTC installments for the 2021 tax year.

Non-interest expenses totaled \$3.8 million for the three months ended December 31, 2025, compared to \$3.7 million for the three months ended September 30, 2025. The largest fluctuations quarter over quarter were due to an \$112 thousand increase in professional fees, due to increased legal expenses, and an \$18



thousand increase in FDIC and NYSDFS premiums partially offset by a \$60 thousand decrease in compensation and benefits and a \$19 thousand decrease in data processing expenses.

Year ended December 31, 2025 vs. December 31, 2024

For the year ended December 31, 2025, net income totaled \$2.9 million in comparison to \$1.1 million for the year ended December 31, 2024. The increase can mainly be attributed to higher net interest income of \$2.5 million, increased non-interest income of \$673 thousand partially offset by higher non-interest expense of \$1.0 million and higher provision for income taxes of \$445 thousand.

Net interest income for the year ended December 31, 2025, increased 17.8% or \$2.5 million, to \$16.6 million from \$14.1 million at December 31, 2024. The increase can be attributed to decreased interest expense for deposits of \$2.2 million and lower borrowing costs of \$195 thousand.

Reversal for credit losses totaled \$38 thousand for the year ended December 31, 2025, compared to a \$12 thousand provision for the year ended December 31, 2024.

Non-interest income totaled \$2.2 million for the year ended December 31, 2025, compared with noninterest income of \$1.5 million for the year ended December 31, 2024. The increase can be attributed to increased service charges and fees collected, and the receipt of the Employee Retention Tax Credit in 2025, partially offset by the reduction in extinguishment gain, period over period.

Operating expenses totaled \$15.0 million for the year ended December 31, 2025, compared to \$14.0 million for the year ended December 31, 2024, or an increase of 7.3%. The increase in non-interest expenses can be attributed to the increases in salary and compensation, professional fees and other non-interest expenses.

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:

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

	December 31, 2025	December 31, 2024
	-----(unaudited)-----	
Assets		
Cash and cash equivalents	\$ 36,645	\$ 26,713
Securities, net	11,916	22,336
Loans receivable, net:		
Real estate mortgage loans	527,715	545,569
Commercial and Lines of Credit	18,090	14,417
Construction Loans	-	-
Home Equity and Consumer Loans	379	397
Deferred costs	3,544	4,084
Allowance for Loan Credit Losses	(5,142)	(5,137)
Total loans receivable, net	544,586	559,330
Accrued interest receivable	2,649	2,628
Investment in restricted stock, at cost	3,846	4,335
Goodwill	581	581
Bank premises and equipment, net	4,128	4,845
Reposessed assets	-	-
Right of use lease asset	5,019	5,894
Bank Owned Life Insurance	5,653	5,489
Other Assets	1,256	4,589
Total Assets	<u>\$ 616,278</u>	<u>\$ 636,739</u>
Liabilities & Stockholders' Equity		
Non-Interest-Bearing Deposits	\$ 107,823	\$ 97,490
Interest-Bearing Deposits	379,673	395,593
Brokered Deposits	15,040	20,750
Total Deposits	502,537	513,833
Bond Issue, net of costs	11,823	11,787
Borrowed Money	39,328	50,084
Lease liability	5,307	6,172
Other Liabilities	6,450	7,313
Total Liabilities	565,445	589,188
Stockholders' equity	50,833	47,551
Total liabilities and stockholders' equity	<u>\$ 616,278</u>	<u>\$ 636,739</u>

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

	Three Months Ended,			For the Year Ended	
	December 31, 2025	September 30, 2025	June 30, 2025	December 31, 2025	December 31, 2024
	-----(unaudited)-----			-----(unaudited)----	
Interest income					
Loans	\$ 7,401	\$ 7,467	\$ 7,353	\$ 29,700	\$ 29,273
Securities	126	149	192	681	678
Other interest-earning assets	431	339	280	1,293	1,624
Total Interest Income	7,959	7,956	7,826	31,675	31,576
Interest expense					
Deposits	2,984	3,065	3,146	12,313	14,531
Borrowings	735	655	661	2,755	2,950
Total Interest Expense	3,720	3,720	3,807	15,068	17,482
Net Interest Income	4,239	4,236	4,019	16,606	14,094
Prov for Credit Losses	(10)	(41)	43	(38)	12
Net Interest Income after Pro for Credit Losses	4,249	4,277	3,976	16,644	14,082
Non-interest income					
Service charges and fees	357	270	693	1,496	829
Gain on loan sales	-	-	-	132	140
Gain on sale of repossessed assets	-	-	-	-	-
Gain on Extinguishment of Sub-debt	-	-	-	-	245
Other	46	58	426	573	313
Total non-interest income	403	328	1,120	2,200	1,527
Non-interest expenses					
Compensation and benefits	1,779	1,839	1,835	7,143	6,830
Occupancy and equipment	614	621	625	2,531	2,509
Data processing service fees	317	338	345	1,315	1,253
Professional fees	316	204	246	1,100	808
FDIC & NYS Banking Premiums	102	84	113	412	428
Advertising	85	100	123	396	308
Insurance	47	48	48	197	208
Other	489	496	432	1,889	1,621
Total non-interest expense	3,750	3,730	3,768	14,984	13,966
Income(loss) prior to tax expense	902	874	1,328	3,860	1,643
Income taxes	242	237	294	984	539
Net Profit	\$ 660	\$ 637	\$ 1,034	\$ 2,876	\$ 1,104

ES Bancshares, Inc.
Average Balance Sheet Data

For the Three Months Ended (dollars in thousands)

	December 31, 2025			September 30, 2025			December 31, 2024		
	Avg Bal	Interest	Average	Avg Bal	Interest	Average	Avg Bal	Interest	Average
	Rolling 3 Mos.	Rolling 3 Mos.	Yield/Cost	Rolling 3 Mos.	Rolling 3 Mos.	Yield/Cost	Rolling 3 Mos.	Rolling 3 Mos.	Yield/Cost
Assets									
Interest-earning assets:									
Loans receivable	\$ 553,324	\$ 7,401	5.35%	\$ 558,270	\$ 7,467	5.35%	\$ 564,745	\$ 7,405	5.24%
Investment securities	14,638	126	3.43%	16,848	149	3.54%	22,898	224	3.91%
Other interest earning assets	43,364	431	3.94%	31,152	339	4.32%	31,135	373	4.69%
Total interest-earning assets	611,326	7,958	5.21%	606,270	7,956	5.25%	618,778	8,002	5.17%
Non-interest earning assets	14,542			21,221			18,048		
Total assets	<u>\$ 625,868</u>			<u>\$ 627,491</u>			<u>\$ 636,826</u>		
Liabilities and Stockholders' Equity									
Interest-bearing liabilities:									
Demand Deposit accounts	\$ 34,442	\$ 32	0.37%	\$ 34,333	\$ 30	0.35%	\$ 32,800	\$ 27	0.33%
Savings accounts	221,921	1,533	2.74%	212,479	1,511	2.82%	217,746	1,695	3.09%
Certificates of deposit	153,046	1,419	3.68%	159,570	1,525	3.79%	166,368	1,714	4.09%
Total interest-bearing deposits	409,408	2,984	2.89%	406,382	3,065	2.99%	416,914	3,436	3.27%
Borrowings	39,393	463	4.66%	39,584	465	4.66%	50,189	499	3.94%
Subordinated debenture	11,820	272	9.20%	11,812	190	6.43%	11,784	191	6.43%
Total interest-bearing liabilities	460,622	3,719	3.20%	457,778	3,721	3.22%	478,887	4,126	3.42%
Non-interest-bearing demand deposits	103,510			103,129			96,011		
Other liabilities	11,118			16,843			14,581		
Total non-interest-bearing liabilities	114,628			119,972			110,592		
Stockholders' equity	50,619			49,741			47,347		
Total liabilities and stockholders' equity	<u>\$ 625,868</u>			<u>\$ 627,491</u>			<u>\$ 636,826</u>		
Net interest income		<u>\$ 4,239</u>			<u>\$ 4,236</u>			<u>\$ 3,874</u>	
rate spread (1)			2.01%			2.03%			1.75%
rest margin (2)			2.77%			2.79%			2.51%

(1) Average interest rate spread represents the difference between the yield on average interest-earning assets and the cost of average interest-bearing liabilities.

(2) Net interest margin represents net interest income divided by average total interest-earning assets.

ES Bancshares, Inc.

Five Quarter Performance Ratio Highlights	Three Months Ended				
	December 31, 2025	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024
Performance Ratios (%) - annualized					
Return(loss) on Average Assets	0.42%	0.41%	0.66%	0.35%	0.29%
Return(loss) on Average Equity	5.31%	5.12%	8.44%	4.53%	3.94%
Return(loss) on Average Tangible Equity	5.37%	5.18%	8.55%	4.59%	3.99%
Efficiency Ratio	80.84%	81.71%	73.30%	83.69%	84.58%
Yields / Costs (%)					
Average Yield - Interest Earning Assets	5.21%	5.25%	5.17%	5.18%	5.17%
Average Cost - Interest-bearing Liabilities	3.20%	3.22%	3.36%	3.30%	3.42%
Net Interest Margin	2.77%	2.79%	2.66%	2.68%	2.50%
Capital Ratios (%)					
Equity / Assets	8.25%	8.07%	7.66%	7.65%	7.47%
Tangible Equity / Assets	8.16%	7.98%	7.58%	7.56%	7.38%
Tier I leverage ratio (a)	10.00%	9.91%	9.78%	9.46%	9.31%
Common equity Tier I capital ratio (a)	14.91%	14.51%	14.35%	13.81%	13.68%
Tier I Risk-based capital ratio (a)	14.91%	14.51%	14.35%	13.81%	13.68%
Total Risk-based capital ratio (a)	16.16%	15.76%	15.60%	15.06%	14.93%
Stock Valuation					
Book Value (c)	\$7.34	\$7.24	\$7.13	\$6.97	\$6.89
Tangible Book Value (c)	\$7.25	\$7.15	\$7.05	\$6.89	\$6.81
Shares Outstanding (b)	6,926	6,926	6,927	6,927	6,900
Asset Quality (%)					
ACL / Total Loans	0.94%	0.93%	0.93%	0.91%	0.91%
Non Performing Loans / Total Loans	1.08%	1.10%	1.13%	0.96%	0.94%
Non Performing Assets / Total Assets	0.96%	0.98%	0.98%	0.86%	0.84%

(a) Ratios at Bank level

(b) Shares information presented in thousands

(c) Share value is in dollars