

## ES BANCSHARES, INC.

68 North Plank Road  
Newburgh, New York 12550  
(845) 451-7825

April 12, 2021

Dear Fellow Stockholder:

We are holding the 2021 Annual Meeting of Stockholders (the “Annual Meeting”) of ES Bancshares, Inc. (the “Company”) at Angelina’s Restaurant located at 399 Ellis Street, Staten Island, New York 10307 at 2:30 p.m., Eastern time, on Thursday, May 20, 2021.

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 four directors and the ratification of the appointment of our independent registered public auditing firm for the year ending December 31, 2021. 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.

In addition to the annual stockholder votes on corporate business items, the meeting will include management’s report to you on our 2020 financial and operating performance.

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 telephone or internet using the instructions on the proxy card. This will save ES Bancshares, Inc. 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 12, 2021, we will mail to our stockholders a Stockholder Meeting Notice (the “Meeting Notice”) containing instructions on how to access our Proxy Statement and 2020 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.

We continue to strictly adhere to safety standards and protocols related to COVID-19. Accordingly, masks will be required for those attending the Annual Meeting and seating will be limited in order to provide adequate social distancing.

Thank you for your attention to this important matter.

Sincerely,



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Philip Guarnieri  
*Chief Executive Officer*

# ES BANCSHARES, INC.

68 North Plank Road  
Newburgh, New York 12550  
(845) 451-7825

## NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To be held on May 20, 2021

Notice is hereby given that the Annual Meeting of Stockholders (the “Meeting”) of ES Bancshares, Inc. will be held at Angelina’s Restaurant located at 399 Ellis Street, Staten Island, New York 10307 at 2:30 p.m., Eastern time, on Thursday, May 20, 2021.

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

1. The election of four 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, 2021; and

such other matters as may properly come before the Meeting, or any adjournments or postponements thereof. Other than the matters presented, the Board of Directors is not aware of any other business to come before the Meeting.

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 March 31, 2021 are the stockholders entitled to vote at the Meeting and any adjournments or postponements thereof.

As part of the Company’s precautions regarding the coronavirus, or COVID-19, and the potential for emergency orders limiting gatherings of people and closing places of business, the Company is planning for the possibility that the Meeting may be delayed, postponed or adjourned, including changing the time, location or date of the Meeting. If the Company takes any of these steps, it will announce the decision to do so in advance in a press release, as well as any other notification required by state law.

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 telephone or 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 20, 2021—THE PROXY STATEMENT AND ES BANCSHARES, INC.’S 2020 ANNUAL REPORT ARE EACH AVAILABLE AT <http://annualgeneralmeetings.com/esbancshares> UNDER THE CONTACT US PAGE.**

BY ORDER OF THE BOARD OF DIRECTORS



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Philip Guarnieri  
*Chief Executive Officer*

Newburgh, New York

April 12, 2021

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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.

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# PROXY STATEMENT

## ES BANCSHARES, INC.

68 North Plank Road  
Newburgh, New York 12550  
(845) 451-7825

### ANNUAL MEETING OF STOCKHOLDERS

To be held on May 20, 2021

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 Angelina’s Restaurant located at 399 Ellis Street, Staten Island, New York 10307 at 2:30 p.m., Eastern time, on Thursday, May 20, 2021, and all adjournments and postponements of the Meeting. This Proxy Statement is dated and is first begin made available on or about April 12, 2021.

At the Meeting, our stockholders are being asked to consider and vote upon (i) the election of four directors; and (ii) the ratification of the appointment of Crowe LLP as our independent registered public auditing firm for the year ending December 31, 2021.

#### 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 2021. We know of no matters that are to come before the Meeting, other than those described in the Notice of Annual Meeting. If any matters are properly presented at the Meeting for action other than those set forth in the Notice of Annual Meeting of Stockholders, the Board of Directors, as proxy for the stockholder, will have the discretion to vote on such matters in accordance with their best judgment.

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 telephone or 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 on March 31, 2021, the record date for voting at the annual meeting, and stating the number of shares held by the nominee on your behalf. Please note, masks will be required for those attending the Annual Meeting and seating will be limited in order to provide adequate social distancing.

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 or phone 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., 68 North Plank Road, Newburgh, New York, 12550.

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, 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 March 31, 2021 (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 6,648,320 shares of common stock issued and outstanding.

### **PROPOSAL I - ELECTION OF DIRECTORS**

Our Board of Directors is presently comprised of 13 members and is divided into three classes. Two of our current directors, Albert J. Pagano and David N. Mesches, are retiring from the Board of Directors effective May 18, 2021. Upon their retirement, the Board of Directors will be comprised of 11 members. Each class is as nearly equal in numbers as possible. At the meeting, a total of four 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, our executive officers, 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<sup>(1)</sup></u>	<u>Age<sup>(2)</sup></u>	<u>Position(s) Held</u>	<u>Director Since</u>	<u>Term to Expire</u>	<u>Shares of Common Stock Beneficially Owned at March 31, 2021<sup>(3)</sup></u>	<u>Percent of Class</u>
<b>NOMINEES</b>						
Michael Menicucci	66	Director	2013	2021	51,335	*
Michael P. Ostrow	70	Director	2004	2021	65,051	1.0%
Kelly Zhong	48	Director	2019	2021	24,097	*
Penda Aiken	71	Director	2020	2021	—	—%
<b>DIRECTORS REMAINING IN OFFICE</b>						
Andrew G. Finkelstein	55	Chairman/Director	2004	2022	168,060	2.5%
Philip Guarnieri	63	Chief Executive Officer and Director	2004	2023	360,483	5.4%
Gale L. Foster	67	Director	2004	2022	34,050	*
Thomas D. Weddell	64	Director	2006	2022	48,383	*
Thomas Sperzel	48	President and Chief Operating Officer and Director	2016	2022	194,401	2.9%
Walter Daszkowski	48	Vice Chairman/Director	2010	2023	303,504	4.6%
Michael T. O'Brien	67	Director	2020	2023	481,928	7.3%
<b>DIRECTORS RETIRING PRIOR TO THE ANNUAL MEETING</b>						
Albert J. Pagano	84	Director	2004	2021	125,899	1.9%
David N. Mesches, M.D.	86	Director	2004	2022	42,468	*
All Directors and Executive Officers as a Group (13 persons)					1,900,659	28.6%

\* Less than 1%.

<sup>(1)</sup> The address of each person is ES Bancshares, Inc., 68 North Plank Road, Newburgh, New York 12550.

<sup>(2)</sup> At March 31, 2021.

<sup>(3)</sup> For each director, other than Directors Guarnieri, Sperzel, O'Brien, Aiken and Zhong, includes 10,000 options under our Stock Option Plan which are currently exercisable. For directors Guarnieri and Sperzel, includes 47,500 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.

**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.

**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 and holds an MBA in Bank Management. Mr. Sperzel is active in civic and charitable organizations and serves on various committees and boards of these organizations.

**Penda Aiken** is respected 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.

**Walter Daszkowski** is Vice Chairman of Empire State Bank. He is also 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 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 a retired attorney in New Paltz, New York.

**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** Retired Auto Dealer. He also is a Real Estate Investor.

**Thomas D. Weddell** is a Business Development Consultant, Certified Public Accountant 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.

**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, Bruyete & Woods (KBW) for twenty- two 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 thirty- five years. Mr. O'Brien is a survivor of the bombings in the World Trade Center in 1993 and 2001.

**Kelly Zhong** is an entrepreneur and investor in real estate in New York and New Jersey where she develops, owns and manages properties. Ms. Zhong owns various successful businesses both nationally and internationally. Ms. Zhong is active member of Chinese Community Groups devoted to the preservation of Chinese culture and heritage and promotion of community harmony and participation, education, and leadership, to foster cultural exchange and awareness to benefit the younger generations of Chinese immigrants.

#### **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 19 meetings during 2020.

## **Executive Committee**

The Executive Committee is comprised of Directors Finkelstein, Guarnieri, Sperzel, O'Brien and Ostrow. 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, Mesches, O'Brien and Pagano. 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 Finkelstein, Menicucci, O'Brien 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, Menicucci, Pagano 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 2020, each non-employee director, received an annual retainer fee in the amount of \$26,000. The Chairman and Vice Chairman of the Board received an annual retainer fee of \$40,000 and \$32,000, respectively. Additionally, non-employee directors who served on the loan committee received an additional annual retainer in the amount of \$4,000.

## **PROPOSAL II - RATIFICATION OF APPOINTMENT OF INDEPENDENT AUDITOR**

Our independent registered public accounting firm for the year ended December 31, 2020 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, 2021 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, 2021.**

## **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](http://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.

Advance written notice of business or nominations to the Board of Directors to be brought before the 2022 Annual Meeting of Stockholders must be received by the Secretary at our executive office, located at 68 North Plank Road, Newburgh, New York 12550, no earlier than December 13, 2021 and no later than January 12, 2022. The date on which the 2022 Annual Meeting of Stockholders is expected to be held is May 19, 2022.

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**

Other than the matters set forth in the Notice of Annual Meeting of Stockholders, the Board of Directors is not aware of any business to come before the Meeting. If any matters are properly presented at the Meeting for action other than those set forth in the Notice of Annual Meeting of Stockholders, the Board of Directors, as proxy for the stockholder, will have discretion to vote on such matters in accordance with their best judgment.

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.