

South Atlantic Bancshares, Inc.

630 29th Avenue North
Myrtle Beach, South Carolina 29577

NOTICE OF 2026 ANNUAL MEETING OF SHAREHOLDERS TO BE HELD TUESDAY, APRIL 28, 2026

Dear Fellow Shareholder:

We cordially invite you to attend the 2026 Annual Meeting of Shareholders (the “Annual Meeting”) of South Atlantic Bancshares, Inc. (the “Company”) (OTCQX: SABK), the parent of South Atlantic Bank. At the Annual Meeting, we will report on our performance in 2025 and answer your questions. We are pleased to discuss our achievements, along with our plans for 2026, with you.

This letter serves as your official notice that we will hold the Annual Meeting on Tuesday, April 28, 2026, at 4:00 p.m. local time at our Towne Centre office (3990 River Oaks Drive in Myrtle Beach, South Carolina 29579), for the following purposes:

1. To elect four Class I directors of the Company to serve until the 2029 annual meeting of shareholders or until their respective successors are duly elected and qualified or until their earlier death, resignation or removal from office;
2. To ratify the appointment of Elliott Davis, LLC as the independent registered public accounting firm of the Company for the year ending December 31, 2026; and
3. To approve the South Atlantic Bancshares, Inc. 2026 Equity Incentive Plan; and
4. To transact any other business that may properly come before the Annual Meeting or any adjournment(s) or postponement(s) thereof.

Shareholders of record owning shares of the Company’s common stock as of the close of business on March 13, 2026, are entitled to attend and vote at the Annual Meeting. A complete list of these shareholders will be available at our offices beginning on the date of this notice continuing through the date of the Annual Meeting. This list of shareholders will also be available at the Annual Meeting, and any shareholder of the Company will be entitled to inspect the list at any time during the Annual Meeting or at any adjournment(s) or postponement(s) thereof. In addition to the specific matters to be acted upon at the Annual Meeting, there also will be a report on our operations, and our directors and officers will be present to respond to your questions.

Please use this opportunity to take part in the affairs of your Company by voting on the business to come before this Annual Meeting. Even if you plan to attend the Annual Meeting in-person, we encourage you to vote your proxy online, by phone or by mail as promptly as possible so that your shares may be represented and voted in accordance with your wishes and in order that the presence of quorum may be assured at the Annual Meeting. This will not prevent you from attending and voting in-person but will assure that your vote is counted if you are unable to attend.

By Order of the Board of Directors,



K. Wayne Wicker
Chairman and Chief Executive Officer

March 13, 2026

South Atlantic Bancshares, Inc.



PROXY STATEMENT

FOR THE 2026 ANNUAL MEETING OF SHAREHOLDERS TO BE HELD ON TUESDAY, APRIL 28, 2026

Our Board of Directors (the “Board of Directors” or the “Board”) of South Atlantic Bancshares, Inc. (the “Company”) is soliciting proxies for the 2026 Annual Meeting of Shareholders (the “Annual Meeting”) to be held at 4:00 p.m. local time, at our Towne Centre office (3990 River Oaks Drive, Myrtle Beach, South Carolina 29579). This proxy statement contains important information for you to consider when deciding how to vote on the matters brought before the Annual Meeting. We encourage you to read it carefully and in its entirety.

At the Annual Meeting, shareholders of the Company will be asked to (1) elect four Class I directors of the Company to serve until the 2029 annual meeting of shareholders or until their respective successors are duly elected and qualified or until their earlier death, resignation or removal from office; (2) ratify the appointment of Elliott Davis, LLC as the independent registered public accounting firm of the Company for the year ending December 31, 2026; and (3) approve the South Atlantic Bancshares, Inc. 2026 Equity Incentive Plan; and (4) transact any other business that may properly come before the Annual Meeting or any adjournment(s) or postponement(s) thereof.

VOTING INFORMATION

The Board of Directors set March 13, 2026, as the record date for the Annual Meeting. Shareholders of record owning shares of the Company’s common stock as of the close of business on the record date are entitled to attend and vote at the Annual Meeting, with each share entitled to one vote. There were 7,587,806 shares of the Company’s common stock outstanding as of the close of business on the record date. A majority of the outstanding shares of common stock represented in person or by proxy at the Annual Meeting will constitute a quorum. We will count abstentions and broker non-votes, which are described below, in determining whether a quorum exists.

Some of our shareholders hold their shares through a stockbroker, bank, or other nominee rather than directly in their own name. If you hold our shares in a stock brokerage account or by a bank or other nominee, you are considered the beneficial owner of shares held in street name, and these materials are being forwarded to you by your broker or nominee, which is considered the shareholder of record with respect to those shares. As the beneficial owner, you have the right to direct your broker or nominee how to vote and are also invited to attend the Annual Meeting. However, because you are not the shareholder of record, you may not vote these shares in person at the Annual Meeting unless you obtain a signed proxy from the shareholder of record giving you the right to vote the shares. Your broker or nominee has enclosed or provided voting instructions for you to use to direct your broker or nominee in voting these shares.

When you sign the proxy, you appoint Matthew Hobert as your representative at the Annual Meeting. Mr. Hobert will vote your proxy as you have instructed on the proxy card. If you submit a proxy but do not specify how you would like it to be voted, the shares will be voted in favor of all proposals set forth herein. However, if any other matters properly come before the Annual Meeting, Mr. Hobert will vote your proxy on such matters in accordance with his judgment.

You may revoke your proxy and change your vote at any time before the polls close at the Annual Meeting. You may do this by signing and delivering another proxy with a later date or by voting in person at the Annual Meeting.

Brokers who hold shares for the accounts of their clients may vote these shares either as directed by their clients or in their own discretion if permitted by the exchange or other organization of which they are members. Proxies that brokers do not vote on some proposals, but that they do vote on others are referred to as “broker non-votes” with respect to the proposals not voted upon. A broker non-vote occurs when a broker holding shares for a beneficial owner does not vote on a particular proposal because the broker does not have discretionary voting power with respect to that item and has not received voting instructions from the beneficial owner. Your broker has discretionary authority to vote your shares with respect to ratification of the appointment of Elliott Davis, LLC as our independent registered public accounting firm (Proposal 2). In the absence of specific instructions from you, your broker does not have discretionary authority to vote your shares with respect to the election of directors to the Board of Directors (Proposal 1). or with respect to approval of the South Atlantic Bancshares, Inc. 2026 Equity Incentive Plan (Proposal 3).

Because the ratification of the appointment of the independent registered public accounting firm is considered a routine matter and a broker or other nominee may generally vote on routine matters, no broker non-votes are expected to occur in connection to Proposal 2. A broker non-vote does not count as a vote in favor of or against a particular proposal for which the broker has no discretionary voting authority and will have no effect on Proposals 1 or 3.

If a shareholder abstains from voting on a Proposal 2 or Proposal 3 at the Annual Meeting, the abstention will have the same effect as a vote against such proposal.

With respect to the election of directors, you may vote “for” or “withhold” authority to vote for each of the nominees for the Board of Directors. If you “withhold” authority to vote with respect to one or more director nominees, your vote will have no effect on the election of such nominees. “Withhold” votes and broker non-votes are not considered votes cast for the foregoing purpose, and will have no effect on the election of the nominees.

We are paying for the costs of preparing and mailing the proxy materials and of reimbursing brokers and others for their expenses of forwarding copies of the proxy materials to our shareholders. Our officers and employees may assist in soliciting proxies but will not receive additional compensation for doing so.

You may review the proxy and complete your proxy online by going to www.proxyvote.com. by 11:59 p.m. Eastern Time on Monday, April 27, 2026. Enter your control number, which appears on the front of the proxy card and follow the instructions. **Voting online is the preferred method.** You may also vote your shares via telephone by calling 1.800.690.6903 by 11:59 p.m. Eastern Time on Monday, April 27, 2026, by returning the proxy via U.S. mail or by voting in person at the Annual Meeting.

The Board recommends that you vote your shares as follows:

- Proposal 1: **“FOR”** the election of the four Class I directors of the Company to serve until the 2029 annual meeting of shareholders or until their respective successors are duly elected and qualified or until their earlier death, resignation or removal from office;
- Proposal 2: **“FOR”** the ratification of Elliott Davis, LLC as the independent registered public accounting firm of the Company for the year ending December 31, 2026; and
- Proposal 3: **“FOR”** the proposal to approve the South Atlantic Bancshares, Inc. 2026 Equity Incentive Plan.

PROPOSAL NO. 1: ELECTION OF DIRECTORS

The Board of Directors is divided into three classes with staggered terms, so that the terms of only approximately one-third of the board members expire at each annual meeting of shareholders. The current terms of the Class I directors will expire at the meeting. The terms of the Class II directors will expire at the 2027 Annual Meeting. The terms of the Class III directors will expire at the 2028 Annual Meeting. Our directors and their classes are:

CLASS I	CLASS II	CLASS III
R. Scott Plyler	James Carson Benton, Jr.	K. Wayne Wicker
Thomas C. Brittain	Albert A. Springs, IV	Miles M. Herring
Tony K. Cox	Jack L. Springs, Jr.	Martha S. Lewis
R. Jason Caskey		Michael C. Tawes, Sr. Edgar L. Woods

At the Annual Meeting, shareholders will elect four nominees as Class I directors of the Company to serve until the 2029 annual meeting of shareholders or until their respective successors are duly elected and qualified or until their earlier death, resignation or removal from office. The directors will be elected by a plurality of the votes cast at the Annual Meeting. This means that the four nominees receiving the highest number of votes will be elected. If you “withhold” authority to vote with respect to one or more director nominees, your vote will have no effect on the election of such nominees. “Withhold” votes and broker non-votes are not considered votes cast for the foregoing purpose, and will have no effect of the election of the nominees. In accordance with the Company’s articles of incorporation, shareholders are not entitled to cumulate their votes in the election of directors (or for any other decision).

The Board of Directors unanimously recommends that you vote “FOR” the election of R. Scott Plyler, Thomas C. Brittain, Tony K. Cox, R. Jason Caskey as Class I directors of the Company.

If you submit a proxy but do not specify how you would like it to be voted, Mr. Hobert will vote your proxy to elect Mr. Plyler, Mr. Brittain, Mr. Cox and Mr. Caskey. If any of these nominees is unable or fails to accept nomination or election (which we do not anticipate), Mr. Hobert will vote instead for a replacement to be recommended by the Board of Directors, unless you specifically instruct otherwise in the proxy.

Set forth below is certain information about the four nominees. The Board unanimously recommends a vote “FOR” each of the following four nominees as Class I directors of the Company.

Each of the four following nominees currently serves as a director of the Company and also serves as a director of the Company’s wholly-owned banking subsidiary, South Atlantic Bank. Each of the above-listed nominees has indicated a willingness to serve, if elected, but if any nominee should be unable or unwilling to serve, proxies may be voted for a substitute nominee designated by the Board of Directors.

R. SCOTT PLYLER | PRESIDENT | SOUTH ATLANTIC BANCSHARES, INC., AND SOUTH ATLANTIC BANK

Mr. Plyler has 33 years of banking experience along the Grand Strand, including six years as market president of Carolina First Bank’s South Carolina coastal region, which included 23 branches and 245 employees. He previously served as a commercial lender with the former Anchor Bank and Wachovia Bank in Myrtle Beach, South Carolina. A graduate of the University of South Carolina with a B.S. degree in business administration, Mr. Plyler also completed The Graduate School of Banking of the South and the South Carolina Bankers School. He is vice chairman of the University of South Carolina Education



Board and serves as chairman of the Governance Committee of the Education Foundation Board. Mr. Plyler is also immediate past chairman of the Community Bankers Division of the South Carolina Bankers Association and is a board member of the South Carolina Bankers Association. He is a former board member of the South Carolina Young Bankers Association, and former chairman of the South Carolina Bankers School. He previously served on the Ocean View Memorial Foundation Board, the South Strand United Way, and additionally served as the chairman of the Belin United Methodist Finance Committee. The South Carolina Bankers Association named him Young Banker of the Year in 2009.

THOMAS C. (TOMMY) BRITAIN | PARTNER | THE BRITAIN LAW FIRM

Mr. Britain is a graduate of Conway High School and graduated magna cum laude, Phi Beta Kappa, from Wofford College in 1975, where he played football and received a law degree from the University of South Carolina School of Law in 1978. He was a law clerk for Governor Robert E. McNair. After graduation, he entered active duty in the United States Army and served as a captain at Fort Hood, Texas, for four years. Mr. Britain serves as a member of the compensation committee. He served as chairman of the Wofford College Board of Trustees (2003–2009), is a fellow of the American College of Trial Lawyers, and is a member of the Fourth Circuit Judicial Conference. He was designated a “Super Lawyer” by The New York Times (2007–2017) and has been rated AV Preeminent (the highest ranking awarded from a lawyer’s peers) for the past 25 years by the Martindale–Hubbell Law Directory. In May 2010, he was awarded an Honorary Doctor of Humanities degree from Wofford College.



R. JASON CASKEY | PRESIDENT AND CHIEF EXECUTIVE OFFICER | UNIVERSITY OF SOUTH CAROLINA FOUNDATIONS

Mr. Caskey was appointed to the Board of the Company in January 2026. Mr. Caskey has served as President and Chief Executive Officer of the University of South Carolina Foundations since 2018. He is the leader of the USC Educational Foundation and the USC Development Foundation, serving as CEO and ex-officio board member of both foundations. He is a certified public accountant and holds a B.S. degree in accounting from the University of South Carolina. He spent 28 years providing audit and advisory services to financial institutions across the Southeast and served as Financial Services Practice Leader at Elliott Davis, LLC for 12 years before joining the Foundations. He has been appointed the Board’s Audit Committee. Additionally, Caskey is Vice Chair of the Board of Directors, Chair of the Audit Committee, and a member of the Investment Committee of the SC Student Loan Corporation, as well as a member of the Board of Directors of the Midlands Business Leadership Group. Caskey has served in leadership roles with the United Way of the Midlands, Central Carolina Community Foundation, and Main Street District, among others.



TONY K. COX | RETIRED | BURROUGHS AND CHAPIN COMPANY, INC.

Mr. Cox has more than 45 years of experience in the real estate business and served as executive vice president of Burroughs and Chapin Company Inc.’s real estate division for 23 years. He is a graduate of the University of South Carolina with a B.A. degree in public administration/real estate. He also completed the Harvard Graduate School of Design, Advanced Management Development Program. He is a Certified Commercial Investment Member (CCIM) and a Graduate, Realtor® Institute (GRI). An Horry County native, he has extensive knowledge of the Grand Strand real estate market and considerable banking experience as a former member of the advisory boards of the National Bank of South Carolina and Crescent Mortgage. He serves as chairman of the compensation committee, and as a member of the asset liability, executive and loan committees. Mr. Cox is a past member and chairman of the SC Real Estate Commission, the Horry County Planning Commission, and the Coastal Educational Foundation. Mr. Cox also served as a commissioner and two-time Chairman of the South Carolina Department of Transportation. For his service to the state of South Carolina, he was awarded the state’s highest civilian honor, the Order of the Palmetto, by Governor Henry McMaster.



Set forth below is information about each of our other directors. Each is also a director of South Atlantic Bank.

JAMES CARSON BENTON, JR. | CO-OWNER/OPERATOR | OSPREY MARINA

Mr. Benton is retired from C.L. Benton and Sons, Inc. where he served as co-owner, operator and general contractor for more than 40 years. He is co-owner and operator of Osprey Marina and holds a B.S. degree in industrial education from Clemson University. As a former member of the Anchor Bank and Carolina First Bank advisory boards, he has detailed knowledge of retail and commercial banking along the Grand Strand. His experience in business and residential contracting makes him uniquely qualified to lead the bank's loan committee and serve on the audit and executive committees. He has resided in Myrtle Beach since 1958 and is active in the community. He is chairman of the board of the Grand Strand Miracle League, and a former board member of the Horry County Solid Waste Authority, the Myrtle Beach Area Chamber of Commerce, the Waccamaw Community Foundation, and the Ocean View Memorial Foundation. Mr. Benton is a member of Ocean View Baptist Church.



MILES M. HERRING | COMMERCIAL REAL ESTATE MANAGEMENT AND DEVELOPMENT

A Myrtle Beach native, Mr. Herring is a graduate of the College of Charleston with a B.A. degree in political science. In addition to his banking experience as a former advisory board member of Carolina First Bank, Mr. Herring brings an entrepreneurial spirit and a strong business acumen to his roles as chairman of the audit committee and member of the executive and compensation committees. He is a member of Belin United Methodist Church.



MARTHA S. LEWIS | PHYSICAL THERAPIST

Ms. Lewis has been a physical therapist in the Myrtle Beach area for more than 40 years. She co-founded Atlantic Physical Therapy, an outpatient rehabilitation facility in 1986, and oversaw its expansion to several locations along the Grand Strand. Atlantic Physical Therapy became a part of Georgetown Hospital System (now Tidelands Health) in January 2013. Ms. Lewis' strong entrepreneurial skills are an asset to the bank in her role as a member of the Board's audit and compensation committees, and the asset liability committee. A native of North Carolina, she attended East Carolina University and received a B.S. degree in physical therapy from the Medical University of South Carolina. Ms. Lewis is strongly committed to the community and serves on the board of the Horry-Georgetown Technical College Foundation. In retirement, she is a volunteer physical therapist at the Smith Free Clinic in Pawleys Island, which provides services for low-income and uninsured residents. Ms. Lewis is a resident of Conway and attends St. Anne's Episcopal Church in Conway.



ALBERT A. SPRINGS, IV | CO-OWNER AND PRESIDENT | H.B. SPRINGS COMPANY

Mr. Springs has been in the insurance industry for more than 38 years. He is a graduate of the University of South Carolina with a B.S. degree in business administration and the University of Georgia with an M.B.A. degree in risk management and real estate. His qualifications are augmented by his service on the advisory boards of the former Anchor Bank and Carolina First Bank. He is a member of the Board's loan and audit committees. A lifelong resident of Myrtle Beach, Mr. Springs serves on the Chapin Foundation Board of Advisors. He has also served on the boards of the Myrtle Beach Education Foundation and Helping Hand.



JACK L. (JAY) SPRINGS, JR. | OWNER/BROKER ASSOCIATE | CENTURY 21 BAREFOOT REALTY | BAREFOOT RESORT RENTALS

Mr. Springs currently leads the real estate team, J. Springs Team, operating within Century 21 Barefoot Realty. The J. Springs Team specializes in residential real estate along the entire Grand Strand. Mr. Springs has resided in both North Myrtle Beach and Myrtle Beach, collectively for 57 years, and has gained more than 27 years of experience in the real estate industry. In addition, he holds local bank knowledge having served as a former advisory board member of Horry County State Bank. He currently sits on South Atlantic Bank's loan and compensation committees. An active community member, he presides on the Coastal Carolina University Housing committee, participates on the Non-Residential Association of Barefoot Resort, and is a dedicated member and volunteer of First Presbyterian Church of Myrtle Beach. Mr. Springs serves on several church ministry committees and is an elder of the congregation. He is a graduate of the University of South Carolina and holds a B.S. degree in Hotel, Restaurant and Tourism. He successfully managed his family's restaurant for many years before transitioning into his real estate career.



MICHAEL C. TAWES, SR. | PARTNER | VALBRIDGE PROPERTY ADVISORS

Mr. Tawes brings more than 27 years of real estate experience in the Charleston area to his role as director. A graduate of the University of South Carolina with a B.S. degree in business administration, Mr. Tawes is a Certified General Real Estate Appraiser in South Carolina. He serves as chairman of the Board's asset liability committee. He is a member of the Charleston Trident Area Board of Realtors and the Appraisal Institute.



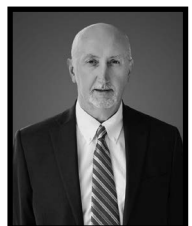
**K. WAYNE WICKER | CHAIRMAN OF THE BOARD AND CHIEF EXECUTIVE OFFICER
SOUTH ATLANTIC BANCSHARES, INC. AND SOUTH ATLANTIC BANK**

Mr. Wicker is a veteran banker with more than 38 years of experience in the Myrtle Beach and South Carolina markets and a founding Director of South Atlantic Bank and South Atlantic Bancshares, Inc. He holds a B.S. degree in business administration from The Citadel and completed the Graduate School of Banking of the South at Louisiana State University and the South Carolina Bankers School at the University of South Carolina. He currently serves as treasurer and board member of the American Bankers Association. He is the past chairman of the board of the South Carolina Bankers Association. In 2018, he was appointed by the governor to serve as a board member of the South Carolina Board of Financial Institutions. Mr. Wicker serves as president on the board of The Citadel Brigadier Foundation and has served on the board of the South Carolina Young Bankers Association, the Myrtle Beach Area and North Myrtle Beach Chambers of Commerce. A former member of the South Carolina Air National Guard, Mr. Wicker is a Gulf War veteran.



**EDGAR L. WOODS | FOUNDER AND PRESIDENT | PALMETTO GRAIN BROKERAGE LLC
PRESIDENT | PERFORMANCE AG, LLC**

Mr. Woods is also a founding partner of Silveus Southeast and the Agriculture Products Exchange with offices in New York, Iowa, and South Carolina. He is a graduate of Clemson University with a B.S. degree in agricultural mechanization and business. He serves on the Board's asset liability committee. He is past chairman of the Palmetto Agribusiness Council and past president of both the South Carolina Grain Dealers Association and Southeastern Feed and Grain. Mr. Woods resides in Bluffton, South Carolina.



COMPENSATION OF DIRECTORS:

Each of the directors of the Company received compensation in the amount of \$4,000 per meeting attended during the year ended December 31, 2025. The nine independent, non-employee directors of the Company each received \$500 per committee meeting attended for year ended December 31, 2025.

PROPOSAL NO. 2: RATIFICATION OF THE APPOINTMENT OF ELLIOTT DAVIS, LLC AS THE COMPANY'S INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR THE YEAR ENDING DECEMBER 31, 2026

Pursuant to the recommendation of the audit committee of the Board of Directors (the "Audit Committee"), the Board of Directors has appointed Elliott Davis, LLC as the independent registered public accounting firm of the Company for the year ending December 31, 2026. The Board is seeking ratification of the appointment of Elliott Davis, LLC for the year ending December 31, 2026. Shareholder ratification of the selection of Elliott Davis, LLC as our independent registered public accounting firm for the year ending December 31, 2026 is not required by our bylaws, state law or otherwise. However, the Board is submitting the selection of Elliott Davis, LLC to our shareholders for ratification as a matter of good corporate governance. If the shareholders fail to ratify the selection, the Audit Committee may consider this information when determining whether to retain Elliott Davis, LLC for future services. Even if the appointment is ratified, the Audit Committee in its discretion may direct the appointment of a different independent registered public accounting firm at any time if it is determined that such a change would be in the best interests of the Company.

At the Annual Meeting, shareholders will be asked to consider and act upon a proposal to ratify the appointment of Elliott Davis, LLC as the independent registered public accounting firm of the Company for the year ending December 31, 2026. Assuming a quorum is present, the ratification of such appointment will require the affirmative vote of the majority of the shares entitled to vote and represented in person or by proxy. Shares represented by proxy will be voted in accordance with instructions. If you submit a proxy but do not specify how you would like it to be voted, Mr. Hobert will vote your proxy "FOR" the ratification of the appointment of Elliott Davis, LLC. Abstentions will have the same effect as a vote against approval of the ratification of the appointment of Elliott Davis, LLC. Representatives of Elliott Davis, LLC are expected to be in attendance at the Annual Meeting and will be afforded the opportunity to make a statement. The representatives will also be available to respond to questions.

The Board unanimously recommends a vote "FOR" the proposal to ratify the appointment of Elliott Davis, LLC as the Company's independent registered public accounting firm for the year ending December 31, 2026.

PROPOSAL NO. 3: APPROVAL OF THE SOUTH ATLANTIC BANCSHARES, INC. 2026 EQUITY INCENTIVE PLAN: The Board of Directors has adopted the South Atlantic Bancshares, Inc. 2026 Equity Incentive Plan (hereinafter called the "2026 Plan"), effective February 18, 2026. To the extent that awards are granted pursuant to the 2026 Plan and shareholder approval of the 2026 Plan is not obtained within 12 months from the grant of an option that is intended to be subject to incentive stock option treatment, then such option shall automatically convert into a nonstatutory stock option ("NSO"). The 2026 Plan is intended to enable the Company to remain competitive and innovative in its ability to attract, motivate, reward, and retain the services of key employees and outside directors. The 2026 Plan allows for the granting of incentive stock options, non-qualified stock options, stock appreciation rights ("SARs"), restricted stock, restricted stock units, performance awards, dividend equivalent rights, and other awards which may be granted singly, in combination, or in tandem. The 2026 Plan is expected to provide flexibility to the Company's compensation methods in order to adapt the compensation of key employees and outside directors to a changing business environment (after giving due consideration to competitive conditions and the impact of accounting rules and federal tax laws). The Board of Directors recommends shareholder approval of the 2026 Plan.

Description of the 2026 Plan

The following is a brief summary of the material terms of the 2026 Plan. A copy of the 2026 Plan is attached as Appendix A to this proxy statement, and the following description is qualified in its entirety by reference to the 2026 Plan. You are encouraged to read the 2026 Plan.

Purpose. The purpose of our 2026 Plan is to attract and retain employees by providing them with additional incentives, and to promote the success of the Company's business.

Administration. The Board or one or more committees appointed by the Board will administer the 2026 Plan.

Eligibility. Persons eligible to receive awards under the 2026 Plan include our officers, employees, consultants and members of the Board. The Board or one or more committees appointed by the Board will determine from time to time the participants to whom awards will be granted.

Authorized Shares; Limits on Awards. The maximum number of common shares that may be issued or transferred pursuant to awards under the 2026 Plan equals 700,000 all of which may be subject to incentive stock option treatment. The maximum aggregate number of common shares that may be issued pursuant to all awards under the 2026 Plan shall increase annually on the first day of each fiscal year following the adoption of the 2026 Plan by the number of common shares equal to four percent (4%) of the total issued and outstanding common stock of the Company on the first day of such fiscal year or such lesser amount determined by the Board.

Adjustments or Changes in Capitalization. In the event of any change in the outstanding common stock of the Company by reason of a stock split, stock dividend or other non-recurring dividends or distributions, recapitalization, merger, consolidation, spin-off, combination, repurchase or exchange of stock, reorganization, liquidation, dissolution or other similar corporate transaction that affects our common stock, the aggregate number of shares of common stock available under the 2026 Plan or subject to outstanding awards (including the exercise price of any awards) shall be adjusted as the Board deems necessary or appropriate.

Incentive Awards. The 2026 Plan authorizes stock options, stock appreciation rights ("SARs"), restricted stock, restricted stock units, performance-based awards, as well as other awards (described in the 2026 Plan) that are responsive to changing developments in management compensation. The 2026 Plan retains the flexibility to offer competitive incentives and to tailor benefits to specific needs and circumstances. Any award may be paid or settled in cash. An option or SAR will expire, or other award will vest, in accordance with the schedule set forth in the applicable award agreement.

Stock Option. A stock option is the right to purchase common shares at a future date at a specified price per share generally equal to, but no less than, the fair market value of a share on the date of grant. An option may either be an Incentive Stock Option ("ISO") or a NSO. ISO benefits are taxed differently from NSOs, as described under "Federal Income Tax Treatment of Awards under the 2026 Plan," below. ISOs also are subject to more restrictive terms and are limited in amount by the Code and the 2026 Plan. Full payment for shares purchased on the exercise of any option must be made at the time of such exercise in a manner approved by the Board.

SARs. A SAR is the right to receive payment of an amount equal to the excess of the fair market value of a common share on the date of exercise of the SAR over the base price of the SAR. The base price will be established by the Board at the time of grant of the SAR but will not be less than the fair market value of a share on the date of grant. SARs may be granted in connection with other awards or independently.

Restricted Stock. A restricted stock award is typically for a fixed number of shares of common stock subject to restrictions. The Board specifies the price, if any, the participant must pay for such shares and the restrictions (which may include, for example, continued service and/or performance standards) imposed on such shares. A stock bonus may be granted by the Board to any eligible person to reward exceptional or special services, contributions or achievements in the manner and on such terms and conditions (including any restrictions on such shares) as determined from time to time by the Board. The number of shares so awarded shall be determined by the Board and may be granted independently or in lieu of a cash bonus.

Restricted Stock Units. A restricted stock unit is similar to a SAR except that it entitles the recipient to receive an amount equal to the fair market value of a common share.

Performance-Based Awards. The Board may designate any award, the exercisability or settlement of which is subject to the achievement of performance conditions, as a performance-based award. In order to qualify as performance-based compensation, the performance objective(s) used for the performance-based award must be from the list of performance objectives set forth in the 2026 Plan. The performance objectives set forth in the 2026 Plan include, but are not limited to: interest income and expense; net earning or net income; net interest margin; efficiency ratio; reduction in non-accrual loans and non-interest expense; growth in non-interest income and ratios to earnings assets; net revenue growth and ratio to earning assets; capital ratios; asset or liability interest rate sensitivity and gap; effective tax rate; deposit growth and composition; liquidity management; securities portfolio (value, yield, spread, maturity, or duration); asset growth and composition (loans, securities); non-interest income (e.g., fees, premiums and commissions, loans, wealth management, treasury management, insurance, funds management) and expense; overhead ratios, productivity ratios; credit quality measures; return on assets; return on equity; economic value of equity; compliance and CAMELS or other regulatory ratings; internal controls; enterprise risk measures (e.g., interest rate, loan concentrations, portfolio composition, credit quality, operational measures, compliance ratings, balance sheet, liquidity, insurance); volume in production or loans; non-performing asset or non-performing loan levels or ratios or loan delinquency levels; provision for loan losses or net charge-offs; cash flow; cost; revenues; sales; ratio of debt to debt plus equity; net borrowing, credit quality or debt ratings; profit before tax; economic profit; earnings before interest and taxes; earnings before interest, taxes, depreciation and amortization; gross margin; profit margin; earnings per share; operating earnings; capital expenditures; expenses or expense levels; economic value added; ratio of operating earnings to capital spending or any other operating ratios; free cash flow; net profit; net sales; net asset value per share; the accomplishment of mergers, acquisitions, dispositions, public offerings or similar extraordinary business transactions; sales growth; price of the Company's shares; return on investment; equity or shareholder' equity; market share; inventory levels, inventory turn or shrinkage; customer satisfaction; or total shareholder return. The Board may select any number of performance objectives from this list of performance objectives when establishing the performance measures of a performance-based award, but such objectives must be set no later than 90 days after the beginning of the applicable performance period. The 2026 Plan allows performance objectives to be described in terms of objectives that are related to an individual participant or objectives that are Company-wide or related to a subsidiary, division, department, region, function or business unit and may be measured on an absolute or cumulative basis or on the basis of percentage of improvement over time, and may be measured in terms of Company performance (or performance of the applicable subsidiary, division, department, region, function or business unit) or measured relative to selected peer companies or a market index.

Acceleration of Awards; Possible Early Termination of Awards. Upon a change in control of the Company, outstanding awards under the 2026 Plan will be assumed or substituted on the same terms. However, if the successor corporation does not assume or substitute the outstanding awards, then vesting of these awards will fully accelerate, and in the case of options or stock appreciation rights, will become immediately exercisable. For this purpose a change in control is defined to include certain changes in the majority of our board, the sale of all or substantially all of the Company's assets, and the consummation of certain mergers or consolidations.

Transfer Restrictions. Subject to certain exceptions, awards under the 2026 Plan are not transferable by the recipient other than by will or the laws of descent and distribution and are generally exercisable, during the recipient's lifetime, only by him or her.

Termination of or Changes to the 2026 Plan. The Board may amend or terminate the 2026 Plan at any time and in any manner. Unless required by applicable law or listing agency rule, shareholder approval for any amendment will not be required. Unless previously terminated by the Board, the 2026 Plan will terminate on February 18, 2036. Generally speaking, outstanding awards may be amended, subject, however, to the consent of the holder if the amendment materially and adversely affects the holder.

Federal Income Tax Treatment of Awards under the 2026 Plan

Federal income tax consequences (subject to change) relating to awards under the 2026 Plan are summarized in the following discussion. This summary is not intended to be exhaustive and, among other considerations, does not describe the deferred compensation provisions of Section 409A of the U.S. Internal Revenue Code to the extent an award is subject to and does not satisfy those rules, nor does it describe state, local, or international tax consequences.

For "NSOs", the Company is generally entitled to deduct (and the optionee recognizes taxable income in) an amount equal to the difference between the option exercise price and the fair market value of the shares at the time of exercise. For ISOs, the Company is generally not entitled to a deduction nor does the participant recognize income at the time of exercise. The current federal income tax consequences of other awards authorized under the 2026 Plan generally follow certain basic patterns: SARs are taxed and deductible in substantially the same manner as NSOs; nontransferable restricted stock subject to a substantial risk of forfeiture results in income recognition equal to the excess of the fair market value over the price paid (if any) only at the time the restrictions lapse (unless the recipient elects to accelerate recognition as of the date of grant); bonuses and performance share awards are generally subject to tax at the time of payment; cash-based awards are generally subject to tax at the time of payment; and compensation otherwise effectively deferred is taxed when paid. The Company will generally have a corresponding deduction at the time the participant recognizes income. However, as for those awards subject to ISO treatment, the Company would generally have no corresponding compensation deduction.

At the Annual Meeting, shareholders will be asked to consider and act upon a proposal to approve the 2026 Plan. Assuming a quorum is present, the approval of the 2026 Plan will require the affirmative vote of the majority of the shares entitled to vote and represented in person or by proxy. Shares represented by proxy will be voted in accordance with instructions. If you submit a proxy but do not specify how you would like it to be voted, Mr. Hobert will vote your proxy "FOR" the approval of the 2026 Plan. Abstentions will have the same effect as a vote against approval of the ratification of the 2026 Plan, while broker non-votes have no effect.

The Board unanimously recommends a vote "FOR" the proposal to approve the South Atlantic Bancshares, Inc. 2026 Equity Incentive Plan.

BENEFICIAL OWNERS AND MANAGEMENT

The following table shows the number of shares of the Company's common stock owned by each of our directors and executive officers, as of March 13, 2026. The mailing address for each of our directors and executive officers is our headquarters at P.O. Box 70130, Myrtle Beach, SC 29572.

	NUMBER OF SHARES ⁽¹⁾	RIGHT TO ACQUIRE ⁽²⁾	% OF OWNERSHIP ⁽³⁾
James Carson Benton, Jr.	132,170	1,667	1.76%
Thomas C. Brittain	40,905	23,810	*
R. Jason Caskey	0	0	*
Tony K. Cox	80,824	10,500	1.20%
C. Alec Elmore	14,015	13,358	*
Miles M. Herring	106,368	23,810	1.71%
Matthew H. Hobert	4,150	3,333	*
Martha S. Lewis	17,371	10,500	*
Travis A. Minter	20,943	10,333	*
R. Scott Plyler	139,821	25,810	2.18%
Albert A. Springs, IV	56,998	23,810	1.06%
Jack L. Springs, Jr.	46,113	22,260	*
Michael C. Tawes, Sr.	9,131	8,031	*
K. Wayne Wicker	241,259	27,310	3.53%
Edgar L. Woods	346,690	17,260	4.79%
Executive Officers and Directors as a group (15 persons)	1,256,758	221,792	18.93%

*Less than 1%

- 1) Includes shares for which the named person:
 - has sole voting and investment power,
 - has shared voting and investment power with a spouse or other person, or
 - holds in an IRA or other retirement plan program, unless otherwise indicated in these footnotes.
 Does not include shares that may be acquired by exercising stock options.
- 2) Includes shares that may be acquired within the next 60 days by exercising stock options, but does not include any other stock options.
- 3) Determined by assuming the named person exercises all options which he or she has the right to acquire within 60 days, but that no other persons exercise any options.
- 4) Total ownership determined by assuming all rights to acquire shares are exercised by the group.

The following table sets forth the number and percentage of outstanding shares that exceed 5% beneficial ownership (determined in accordance with Rule 13d-3 under the Securities Exchange Act of 1934, as amended) by any single person or group, as known by the Company:

	NUMBER OF SHARES	RIGHT TO ACQUIRE	% OF OWNERSHIP
The BANC Funds Company, L.L.C.	430,078	–	5.7%

The mailing address for The Banc Funds Company, L.L.C., (“TBFC”) is 150 South Wacker Drive, Suite 2725, Chicago, IL 60606. TBFC information set forth in this proxy statement is based on information set forth in a Schedule 13G/A, as amended, filed by TBFC with the SEC on February 12, 2024, reporting that, jointly Banc Fund IX L.P. (“BF IX”), an Illinois Limited Partnership, Banc Fund X L.P. (“BF X”), an Illinois Limited Partnership, and TBFC Financial Technologies Fund L.P., an Illinois Limited Partnership (collectively, the “Reporting Persons”) have sole voting and dispositive power over 430,078 shares.

The general partner of BF IX is MidBan IX L.P. (“MidBan IX”), whose principal business is to be a general partner of BF IX. The general partner of BF X is MidBan X L.P. (“MidBan X”), whose principal business is to be a general partner of BF X. The general partner of TBFC Financial Technologies Fund L.P. is MidBan XI L.P. (“MidBan XI”), whose principal business is to be a general partner of TBFC Financial Technologies Fund L.P. The general partner of MidBan IX, MidBan X and MidBan XI is TBFC, whose principal business is to be a general partner of MidBan IX, MidBan X, and MidBan XI. TBFC is an Illinois corporation whose principal shareholder is Charles J. Moore. Mr. Moore has been the manager of BF IX, BF X, and TBFC Financial Technologies Fund L.P., since their respective inceptions. As manager, Mr. Moore has voting and dispositive power over the securities held by each of these entities. As the controlling member of TBFC, Mr. Moore will control TBFC, and therefore each of the partnership entities directly and indirectly controlled by TBFC.

	NUMBER OF SHARES	RIGHT TO ACQUIRE	% OF OWNERSHIP
Fourthstone, L.L.C.	755,500	-	9.9%

The registered office of Fourthstone LLC, Fourthstone Master Opportunity Fund Ltd., Fourthstone GP LLC, Fourthstone QP Opportunity Fund LP, Fourthstone Small-Cap Financials Fund LP is 575 Maryville Centre Drive, Suite 110, St Louis, MO 63131. The information set forth in this proxy statement is based on information set forth in a Schedule 13G/A, filed with the SEC on February 14, 2024 by Fourthstone LLC, a Delaware Limited Liability Company and Investment Adviser (“Fourthstone”). The persons reporting information on the Schedule 13G/A include, in addition to Fourthstone, a company incorporated in the Cayman Islands (“Fourthstone Master Opportunity Fund”), a Delaware Limited Partnership (“Fourthstone QP Opportunity”), a Delaware Limited Partnership (“Fourthstone Small-Cap Financials”), a Delaware Limited Partnership (“Fourthstone GP,” General Partner of Fourthstone QP Opportunity and Fourthstone Small-Cap Financials), and L. Phillip Stone, IV, a citizen of the United States of America, who is the Managing Member of Fourthstone and Fourthstone GP (each, a “Reporting Person” and, together, the “Reporting Persons”).

Fourthstone LLC directly holds 755,500 shares of common stock on behalf of its advisory clients. Each of the Reporting Persons listed in the Schedule 13G/A certified the securities referred to above were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of South Atlantic Bancshares, Inc. of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that effect.

OTHER MATTERS

As of the date of this proxy statement, the Board of Directors of the Company knows of no other matters that may be brought before the Annual Meeting. If, however, any matters other than those described in the Notice of 2026 Annual Meeting of Shareholders should properly come before the Annual Meeting or any adjournment(s) or postponement(s) thereof to be voted upon, the enclosed proxy card shall be deemed to confer discretionary authority to the individuals named as proxies therein to vote the shares in their discretion as to any such matters.

INTERNET (PREFERRED METHOD)	https://www.proxyvote.com Have your proxy card in hand when you access the website and follow the instructions on the screen.
PHONE	1-800-690-6903
MAIL	Please mark, sign, date, and return the proxy card promptly using the enclosed envelope. No postage is required if mailed in the United States.

By Order of the Board of Directors



Matthew H. Hobert, Secretary

March 13, 2026

APPENDIX A

**SOUTH ATLANTIC BANCSHARES, INC. 2026
EQUITY INCENTIVE PLAN**

SOUTH ATLANTIC BANCSHARES, INC.
2026 EQUITY INCENTIVE PLAN

1. Purposes of this Plan. The purpose of this Plan is to: (i) attract and retain the best available personnel for positions of substantial responsibility, (ii) provide additional incentive to Employees, Directors and Consultants, and (iii) promote the success of the Company's business by offering these individuals an opportunity to acquire a proprietary interest in the success of the Company, or to increase this interest, by permitting them to receive Shares of the Company. This Plan permits the grant of Options, Stock Appreciation Rights, Restricted Stock, Restricted Stock Units, Performance Units, Performance Shares, and Other Stock-Based Awards.

2. Definitions. As used in this Plan, the following definitions apply:

(a) "**Administrator**" means the Board or any of its Committees that are administering this Plan, in accordance with Section 4 of this Plan.

(b) "**Affiliate**" means a corporation or other entity that, directly or through one or more intermediaries, controls, is controlled by or is under common control with, the Company.

(c) "**Applicable Laws**" means the requirements relating to the administration of, and the issuance of securities under, equity-based awards or equity compensation plans, including, without limitation, the requirements of U.S. federal and state corporate laws, U.S. federal and state securities laws, the Code, any stock exchange or quotation system on which the Common Stock is listed or quoted and the applicable laws of any foreign country or jurisdiction where Awards are, or may be, granted under this Plan. For all purposes of this Plan, references to statutes and regulations shall be deemed to include any successor statutes or regulations, to the extent reasonably appropriate as determined by the Administrator.

(d) "**Acquiror**" means the surviving, continuing, successor, or purchasing corporation or other business entity or parent thereof, as the case may be, in a Change in Control.

(e) "**Award**" means, individually or collectively, a grant under this Plan of Options, SARs, Restricted Stock, Restricted Stock Units, Performance Units, Performance Shares or Other Stock-Based Awards.

(f) "**Award Agreement**" means the written agreement evidencing the grant of an Award executed by the Company and the Participant, including any amendments thereto. The Award Agreement may be in written or electronic format, in such form and with such terms as may be specified by the Administrator, evidencing the terms and conditions of an individual Award. Each Award Agreement is subject to the terms and conditions of this Plan.

(g) "**Bank**" means South Atlantic Bank, a wholly-owned subsidiary of the Company.

(h) "**Board**" means the Board of Directors of the Company.

(i) "**Cause**" means, with respect to a Participant's termination by the Company or the Bank (as applicable) as a Service Provider, for "Cause" as such term (or word of like import) is expressly defined in a then-effective written employment, consulting or other similar agreement between the Participant and the Company or the Bank (as applicable). In the absence of an effective written agreement that contains a definition of Cause, the term Cause shall mean any of the following: (i) any act or omission by the Participant that constitutes a material breach by the Participant of any of his or her obligations under this Plan or an applicable Award Agreement; (ii) the Participant's conviction of, or plea

of nolo contendere to, (A) any felony or (B) another crime involving dishonesty or moral turpitude or a crime which could reflect negatively upon the Company or otherwise impair or impede its operations; (iii) the Participant engaging in any misconduct, negligence, act of dishonesty, violence or threat of violence (including any violation of federal securities laws) that is injurious to the Company or any of its Affiliates; (iv) the Participant's material breach of a written policy of the Company, the Bank or the rules of any governmental or regulatory body applicable to the Company; (v) the Participant's refusal to follow the directions of his or her superiors; and (vi) any other willful misconduct by the Participant which is materially injurious to the financial condition or business reputation of the Company or any of its Affiliates. Notwithstanding anything in this Plan or in any Award Agreement to the contrary, if the Participant's status as a Service Provider is terminated without Cause, the Company or the Bank shall have the sole discretion to later use after-acquired evidence to retroactively re-characterize the prior termination as a termination for Cause if such after-acquired evidence supports such an action. If after-acquired evidence would support a termination for Cause and the Participant has already exercised an Option or vested in an Award, the Participant agrees as a condition of his or her receiving the Option that the Company shall repurchase the Shares at the price paid by the Participant, and if instead the Award was granted with no purchase price, then the Award or Shares shall be immediately and automatically forfeited for no consideration, with or without the Participant's consent.

(j) "**Change in Control**" means, as defined in an agreement that addresses Change in Control and equity awards and was entered into by and between the Participant and the Company or the Bank, and if not defined therein or no such agreement exists, then Change in Control means consummation of any of the following events:

(i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act, other than (A) a trustee or other fiduciary holding securities under an employee benefit plan of the Company or any Affiliate, or (B) any corporation owned, directly or indirectly, by the shareholders of the Company in substantially the same proportions as their ownership of the Common Stock) becomes the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;

(ii) The sale or disposition by the Company of all or substantially all of the Company's assets (or any transaction having a similar effecting, including liquidation) other than (A) the sale or disposition of all or substantially all of the assets of the Company to a person or persons who beneficially own, directly or indirectly, at least fifty percent (50%) or more of the combined voting power of the outstanding voting securities of the Company at the time of the sale or (B) pursuant to a spin-off type transaction, directly or indirectly, of such assets to the Company's shareholders;

(iii) A change in the composition of the Board during any twelve (12) consecutive month period the result of which is that fewer than a majority of the Directors are Incumbent Directors. For this purpose, "**Incumbent Directors**" are Directors who are elected, or nominated for election, to the Board with the affirmative votes of at least a majority of the Incumbent Directors at the time of such election or nomination (but does not include an individual whose election or nomination is in connection with an actual or threatened proxy contest relating to the election of Directors to the Company); or

(iv) A merger or consolidation of the Company with any other corporation, other than a merger or consolidation that would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting

power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

(k) "**Code**" means the Internal Revenue Code of 1986, as amended, and the U.S. Treasury regulations and administrative guidance promulgated thereunder.

(l) "**Committee**" means a committee of Directors or other individuals that satisfies Applicable Laws and was appointed by the Board in accordance with Section 4 of this Plan.

(m) "**Common Stock**" means the common stock of the Company.

(n) "**Company**" means South Atlantic Bancshares, Inc., and any successor thereto.

(o) "**Consultant**" means any natural person, including an advisor, engaged by the Company, the Bank or an Affiliate to render services to such entity.

(p) "**Director**" means a member of the Board.

(q) "**Disability**" means either: (i) a total and permanent disability as defined in Section 22(e)(3) of the Code (applicable only to Incentive Stock Options); or (ii) the Participant (w) is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months; (x) is, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months, receiving income replacement benefits for a period of not less than three months under an accident and health plan covering Participants of the Company or the Bank; (y) is determined by the Social Security Administration to be disabled or (z) is determined by the Administrator to be disabled as defined under the Company's long-term disability policy and the Participant is receiving benefits under such policy, or if the Participant is not covered by such policy, then the Participant could be receiving benefits under such policy if he or she were covered by such policy. Notwithstanding the foregoing, the Participant shall not be considered to have incurred a Disability unless he or she furnishes proof of such impairment sufficient to satisfy the Administrator in its sole discretion.

(r) "**Dividend Equivalent Right**" means a credit, made at the sole discretion of the Administrator, to the account of a Participant in an amount equal to the value of dividends paid on one Share for each Share represented by an Award held by such Participant. Under no circumstances will the payment of a Dividend Equivalent Right be made contingent on the exercise of an Option or Stock Appreciation Right. Additionally, Dividend Equivalent Rights will be subject to the same restrictions on transferability and forfeitability as the Award with respect to which they were paid.

(s) "**Employee**" means any person, including officers, employed by the Company, the Bank or any Affiliate. Neither service as a Director nor payment of a director's fee by the Company is sufficient to constitute "employment" by the Company.

(t) "**Exchange Act**" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

(u) "**Fair Market Value**" means, as of any date, the value of Common Stock determined as follows:

(i) If the Common Stock is listed on any established stock exchange or a national market system, the Fair Market Value is the closing sales price for such stock (or the closing bid, if no sales were reported) as quoted on such exchange or system for the day of determination, as reported in The Wall Street Journal or such other source as the Administrator deems reliable;

(ii) If the Common Stock is regularly quoted by a recognized securities dealer but selling prices are not reported, the Fair Market Value of a Share of Common Stock is the mean between the high bid and low asked prices for the Common Stock for the day of determination, as reported in The Wall Street Journal or such other source as the Administrator deems reliable; or

(iii) In the absence of an established market for the Common Stock, the Fair Market Value will be determined in good faith by the Administrator.

Notwithstanding the foregoing to the contrary, for federal, state, and local income tax reporting purposes and for such other purposes as the Administrator deems appropriate, the Fair Market Value will be determined by the Administrator in accordance with uniform and nondiscriminatory standards adopted by it from time to time.

(v) "**Incentive Stock Option**" means an Option intended to qualify as an incentive stock option within the meaning of Section 422 of the Code, as designated in the applicable Award Agreement.

(w) "**Nonstatutory Stock Option**" means an Option not intended to qualify as an Incentive Stock Option, as designated in the applicable Award Agreement, or an intended Incentive Stock Option that does not so qualify.

(x) "**Option**" means an option to purchase Shares that is granted pursuant to this Plan in accordance with Section 7 hereof.

(y) "**Other Stock-Based Awards**" means any other awards not specifically described in this Plan that are valued in whole or in part by reference to, or are otherwise based on, Shares and are created by the Administrator pursuant to Section 12 of this Plan.

(z) "**Parent**" means a "parent corporation" with respect to the Company, whether now or hereafter existing, as defined in Section 424(e) of the Code.

(aa) "**Participant**" means a Service Provider who has been granted an Award under this Plan or, if applicable, such other person who holds an outstanding Award.

(bb) "**Performance Goals**" means goals which have been established by the Administrator in connection with an Award and are based on one or more criteria as established by the Administrator in its sole discretion from time to time, including, but not limited to: interest income and expense; net earning or net income; net interest margin; efficiency ratio; reduction in non-accrual loans and non-interest expense; growth in non-interest income and ratios to earnings assets; net revenue growth and ratio to earning assets; capital ratios; asset or liability interest rate sensitivity and gap; effective tax rate; deposit growth and composition; liquidity management; securities portfolio (value, yield, spread, maturity, or duration); asset growth and composition (loans, securities); non-interest income (e.g., fees, premiums and commissions, loans, wealth management, treasury management, insurance, funds management) and expense; overhead ratios, productivity ratios; credit quality measures; return on assets; return on equity; economic value of equity; compliance and CAMELS or other regulatory ratings; internal controls; enterprise risk measures (e.g., interest rate, loan concentrations, portfolio composition, credit

quality, operational measures, compliance ratings, balance sheet, liquidity, insurance); volume in production or loans; non-performing asset or non-performing loan levels or ratios or loan delinquency levels; provision for loan losses or net charge-offs; cash flow; cost; revenues; sales; ratio of debt to debt plus equity; net borrowing, credit quality or debt ratings; profit before tax; economic profit; earnings before interest and taxes; earnings before interest, taxes, depreciation and amortization; gross margin; profit margin; earnings per Share; operating earnings; capital expenditures; expenses or expense levels; economic value added; ratio of operating earnings to capital spending or any other operating ratios; free cash flow; net profit; net sales; net asset value per Share; the accomplishment of mergers, acquisitions, dispositions, public offerings or similar extraordinary business transactions; sales growth; price of the Company's Shares; return on investment; equity or shareholder' equity; market share; inventory levels, inventory turn or shrinkage; customer satisfaction; or total shareholder return.

(cc) "**Performance Period**" means the time period during which the Performance Goals must be met.

(dd) "**Performance Share**" means Shares issued pursuant to a Performance Share Award under Section 11 of this Plan.

(ee) "**Performance Unit**" means, pursuant to Section 11 of this Plan, an unfunded and unsecured promise to deliver Shares, cash or other securities equal to the value set forth in the Award Agreement.

(ff) "**Plan**" means this 2026 Equity Incentive Plan, as amended from time to time, effective February 18, 2026. This Plan was approved by the Company's shareholders on [_____], 2026.

(gg) "**Restricted Stock**" means Shares issued pursuant to a Restricted Stock Award under Section 8 of this Plan or issued pursuant to the early exercise of an Option.

(hh) "**Restricted Stock Unit**" means, pursuant to Section 10 of this Plan, an unfunded and unsecured promise to deliver Shares, cash or other securities equal in value to the Fair Market Value of one Share in the Company on the date of vesting or settlement, or as otherwise set forth in the Award Agreement.

(ii) "**Rule 16b-3**" means Rule 16b-3 of the Exchange Act or any successor to Rule 16b-3, as in effect when discretion is being exercised with respect to this Plan.

(jj) "**Section 16(b)**" means Section 16(b) of the Exchange Act.

(kk) "**Securities Act**" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

(ll) "**Service Provider**" means a natural person that is an Employee, Director or Consultant.

(mm) "**Share**" means a share of Common Stock, as adjusted in accordance with Section 15 of this Plan.

(nn) "**Stock Appreciation Right**" or "**SAR**" means, pursuant to Section 9 of this Plan, an unfunded and unsecured promise to deliver Shares, cash or other securities equal in value to the difference between the Fair Market Value of a Share as of the date such SAR is exercised and the Fair

Market Value of a Share as of the date such SAR was granted, or as otherwise set forth in the Award Agreement.

(oo) "**Subsidiary**" means a "subsidiary corporation" with respect to the Company, whether now or hereafter existing, as defined in Section 424(f) of the Code.

3. Stock Subject to this Plan.

(a) Stock Subject to this Plan. Subject to the provisions of Section 15 of this Plan, the maximum aggregate number of Shares that may be issued under this Plan is 700,000 all of which may be subject to Incentive Stock Option treatment. The maximum aggregate number of Shares that may be issued pursuant to all awards under this Plan will increase annually on the first day of each fiscal year after the adoption of this Plan by the number of Shares equal to the lesser of (i) four percent (4.0%) of the total issued and outstanding common shares of the Company on the first day of such fiscal year, and (ii) such lesser amount (including zero) determined by the Board. Shares will not be deemed to have been issued pursuant to this Plan with respect to any portion of an Award that is settled in cash. Upon payment in Shares pursuant to the exercise or settlement of an Award, the number of Shares available for issuance under this Plan will be reduced only by the number of Shares actually issued in such exercise or settlement. If a Participant pays the exercise price (or purchase price, if applicable) of an Award through the tender or withholding of Shares as full or partial payment of such exercise price, or if Shares are tendered or withheld to satisfy any withholding obligations of the Company or the Bank, the number of Shares so tendered or withheld will again be available for issuance pursuant to future Awards under this Plan.

(b) Lapsed Awards. If any outstanding Award expires or is terminated or canceled without having been exercised or settled in full, or if Shares acquired pursuant to an Award subject to forfeiture or repurchase are forfeited or repurchased by the Company, the Shares allocable to the terminated portion of the Award or the forfeited or repurchased Shares will again be available for grant under this Plan.

(c) Share Reserve. The Company, during the term of this Plan, will at all times reserve and keep available such number of Shares as are sufficient to satisfy the requirements of this Plan. The Shares may consist, in whole or in part, of authorized but unissued Shares, treasury shares or Shares reacquired by the Company in any manner.

(d) Shares under Plans of Acquired Companies. Shares issued or transferred pursuant to an Award granted in substitution for outstanding awards, or in connection with assumed awards, previously granted by a company or other entity acquired by the Company or with which the Company combines, shall not count against the limits in the first sentence of Section 3(a) hereof.

4. Administration of this Plan.

(a) Procedure.

(i) Multiple Administrative Bodies. Different Committees with respect to different groups of Service Providers may administer this Plan.

(ii) Rule 16b-3. If a transaction is intended to be exempt under Rule 16b-3, then it will be structured to satisfy the requirements for exemption under Rule 16b-3.

(iii) Other Administration. Other than as provided above, this Plan will be administered by (A) the Board or (B) a Committee constituted to satisfy Applicable Laws.

(iv) Delegation of Authority for Day-to-Day Administration. Except to the extent prohibited by Applicable Law, the Administrator may delegate to one or more individuals the day-to-day administration of this Plan and any of the functions assigned to it in this Plan. Such delegation may be revoked at any time.

(b) Powers of the Administrator. Subject to the provisions of this Plan, and in the case of a Committee, subject to the specific duties delegated by the Board to the Committee, and subject to the approval of any relevant authorities, the Administrator has the authority, in its discretion to:

- (i) determine the Fair Market Value of Awards;
- (ii) select the Service Providers to whom Awards may be granted under this Plan;
- (iii) determine the number of Shares or cash to be covered by each Award granted under this Plan;
- (iv) determine when Awards are to be granted under this Plan and the applicable date of grant;
- (v) approve forms of Award Agreements for use under this Plan;
- (vi) determine the terms and conditions, not inconsistent with the terms of this Plan, of any Award granted under this Plan, including but not limited to, the exercise price, the purchase price, the time or times when Awards may be exercised (which may be based on Performance Goals), any acceleration of vesting or waiver of forfeiture or repurchase restrictions, and any restriction or limitation regarding any Award or the Shares relating thereto, based in each case on such factors as the Administrator, in its sole discretion, may determine;
- (vii) construe and interpret the terms of this Plan and Awards granted pursuant to this Plan;
- (viii) prescribe, amend and rescind rules and regulations relating to this Plan, including rules and regulations relating to the creation and administration of sub-plans established for the purpose of satisfying applicable laws of jurisdictions other than the United States;
- (ix) amend the terms of any outstanding Award, including the discretionary authority to extend the post-termination exercise period of Awards and accelerate the satisfaction of any vesting criteria or waiver of forfeiture or repurchase restrictions, but any amendment that would adversely affect the Participant's rights under an outstanding Award will not be made without the Participant's written consent; provided further, however, that notwithstanding the foregoing or any provisions in this Plan to the contrary, no amendment may be implemented that would reduce the exercise price of, reprice or cancel and re-grant outstanding stock options without a prior affirmative vote of the Company's shareholders;
- (x) allow Participants to satisfy withholding tax obligations by electing to have the Company or the Bank withhold from the Shares or cash to be issued upon exercise or vesting of an Award up to the number of Shares or cash having a Fair Market Value equal to the amount required to

be withheld up to the maximum individual income tax rate in the applicable jurisdiction. The Fair Market Value of any Shares to be withheld is to be determined on the date that the amount of tax to be withheld is to be determined, and all elections by a Participant to have Shares or cash withheld for this purpose are to be made in such form and under such conditions as the Administrator may deem necessary or advisable;

(xi) authorize any person to execute on behalf of the Company any instrument required to effect the grant of an Award previously granted by the Administrator;

(xii) allow a Participant to defer the receipt of the payment of cash or the delivery of Shares that would otherwise be due to the Participant under an Award;

(xiii) determine whether Awards are to be settled in Shares, cash or in a combination of Shares and cash;

(xiv) determine whether Awards are to be adjusted for Dividend Equivalent Rights;

(xv) create Other Stock-Based Awards for issuance under this Plan;

(xvi) establish a program whereby Service Providers designated by the Administrator can reduce compensation otherwise payable in cash in exchange for Awards under this Plan;

(xvii) impose such restrictions, conditions or limitations as it determines appropriate as to the timing and manner of any resales by a Participant or other subsequent transfers by the Participant of any Shares issued as a result of or under an Award, including without limitation, (A) restrictions under an insider trading policy, and (B) restrictions as to the use of a specified brokerage firm for such resales or other transfers;

(xviii) establish one or more programs under this Plan to permit selected Participants the opportunity to elect to defer receipt of consideration upon exercise of an Award, satisfaction of Performance Goals, or other event that absent the election, would entitle the Participant to payment or receipt of Shares or other consideration under an Award;

(xix) interpret, administer, reconcile any inconsistency in, correct any defect in and/or supply any omission in this Plan and any instrument or agreement relating to an Award;

(xx) to correct administrative errors; and

(xxi) make all other determinations that the Administrator deems necessary or advisable for administering this Plan.

The express grant in this Plan of any specific power to the Administrator will not be construed as limiting any power or authority of the Administrator. However, the Administrator may not exercise any right or power reserved to the Board.

(c) Effect of Administrator's Decision. The Administrator's decisions, determinations, actions and interpretations will be final, conclusive and binding on all persons having an interest in this Plan.

(d) Indemnification. The Company must defend and indemnify the Indemnitees to the maximum extent permitted by law against (i) all reasonable expenses, including reasonable attorneys' fees incurred in connection with the defense of any Claim to which any of them is a party by reason of any action taken or failure to act in connection with this Plan, or in connection with any Award granted under this Plan; and (ii) all amounts required to be paid by them in settlement of a Claim (provided the settlement is approved by the Company) or required to be paid by them in satisfaction of a judgment in any Claim. However, no person will be entitled to indemnification to the extent it is determined in such Claim that such person did not in good faith and in a manner reasonably believed to be in the best interests of the Company (or in the case of a criminal proceeding, had no reason to believe that the conduct complained of was unlawful). In addition, to be entitled to indemnification, the Indemnitee must, within thirty (30) days after written notice of the Claim, offer the Company, in writing, the opportunity, at the Company's expense, to defend the Claim. This right to indemnification is in addition to all other rights of indemnification available to the Indemnitee. For purposes of this Section 4(d), (y) the term "**Claim**" shall mean any claim, investigation, action, suit or proceeding, and any appeal therein, and (z) the term "**Indemnitee**" means members of the Board, the Committee, the Administrator, officers and Employees of the Company, the Bank or of an Affiliate to whom authority to act for the Board, the Committee, the Administrator or the Company or the Bank is delegated under this Plan.

5. Eligibility. With the exception of Incentive Stock Options, Awards may be granted to Employees, Directors, and Consultants. Incentive Stock Options may be granted only to Employees.

6. Limitations.

(a) \$100,000 Limitation for Incentive Stock Options. Each Option must be designated in the Award Agreement as either an Incentive Stock Option or a Nonstatutory Stock Option. However, notwithstanding such designation, to the extent that the aggregate Fair Market Value of the Shares with respect to which Incentive Stock Options are exercisable for the first time by a Participant during any calendar year (under all plans of the Company and any Parent or Subsidiary) exceeds \$100,000, such Options will be treated as Nonstatutory Stock Options. For purposes of this Section 6(a), Incentive Stock Options will be taken into account in the order in which they were granted. The Fair Market Value of the Shares will be determined as of the time the Options with respect to such Shares are granted.

(b) Non-Employee Director Annual Limits. The grant date fair value (determined for financial reporting purposes) of all Awards denominated in Common Stock granted in any calendar year to a Service Provider who is a non-Employee Director will not exceed \$500,000.00

(c) Repricing and Reload Options Prohibited. Except as provided in Section 15(a) (entitled "**Adjustments**"), and as an additional clarification to the latter language contained in Section 4(b)(x), the Company may not, without obtaining shareholder approval: (i) amend or modify the terms of any outstanding Option or SAR to reduce the exercise price of such outstanding Option or SAR; (ii) cancel, exchange or permit or accept the surrender of any outstanding Option or SAR in exchange for an Option or SAR with an exercise price that is less than the exercise price of the original Option or SAR; or (iii) cancel, exchange or permit or accept the surrender of any outstanding Option or SAR in exchange for any other Award, cash or securities for purposes of repricing such Option or SAR.

7. Options.

(a) Grant of Options. Subject to the terms and provisions of this Plan, the Administrator, at any time and from time to time, may grant Options to Service Providers in such amounts as the Administrator, in its sole discretion, may determine.

(b) Option Agreement. Each grant of an Option must be evidenced by an Award Agreement that specifies the exercise price, the term of the Option, the number of Shares subject to the Option, the exercise restrictions (if any) applicable to the Option, and such other terms and conditions as the Administrator, in its sole discretion, may determine.

(c) Term of Option. The term of each Option must be stated in the Award Agreement. In the case of an Incentive Stock Option, the term must be ten (10) years from the date of grant or such shorter term as may be provided in the Award Agreement. Moreover, in the case of an Incentive Stock Option granted to a Participant who, at the time the Incentive Stock Option is granted, owns stock representing more than ten percent (10%) of the total combined voting power of all classes of stock of the Company or any Parent or Subsidiary, the term of the Incentive Stock Option must be five (5) years from the date of grant or such shorter term as may be provided in the Award Agreement.

(d) Option Exercise Price and Consideration.

(i) Exercise Price. The per Share exercise price for the Shares to be issued pursuant to the exercise of an Option is to be determined by the Administrator, subject to the following:

(1) In the case of an Incentive Stock Option:

(A) granted to an Employee who, at the time the Incentive Stock Option is granted, owns stock representing more than ten percent (10%) of the total combined voting power of all classes of stock of the Company or any Parent or Subsidiary, the per Share exercise price must be no less than one hundred ten percent (110%) of the Fair Market Value per Share on the date of grant.

(B) granted to any Employee other than an Employee described in paragraph (A) immediately above, the per Share exercise price must be not less than one hundred percent (100%) of the Fair Market Value per Share on the date of grant.

(2) In the case of a Nonstatutory Stock Option, the per Share exercise price will be determined by the Administrator, but must not be less than the Fair Market Value per Share on the date of grant unless the terms of such Nonstatutory Stock Option comply with Section 409A of the Code.

(3) Notwithstanding the foregoing, Options may be granted with a per Share exercise price of less than one hundred percent (100%) of the Fair Market Value per Share on the date of grant pursuant to a transaction described in, and in a manner consistent with, Section 424(a) of the Code.

(ii) Waiting Period and Exercise Dates. At the time an Option is granted, the Administrator will fix the period within which the Option may be exercised and will determine any conditions that must be satisfied before the Option may be exercised. The Administrator may, in its sole discretion, accelerate the satisfaction of such conditions at any time.

(e) Form of Consideration. The Administrator will determine the acceptable form of consideration for exercising an Option, including the method of payment. In the case of an Incentive Stock Option, the Administrator will determine the acceptable form of consideration at the time of grant. Such consideration, to the extent permitted by Applicable Laws, may consist entirely of:

(i) cash or cash equivalents;

(ii) check;

(iii) in the discretion of the Administrator, surrendering or attesting to the ownership of Shares that are already owned by the Participant that meet the conditions established by the Administrator to avoid adverse accounting consequences, valued at their Fair Market Value on the date the Option is exercised;

(iv) in the discretion of the Administrator, payment may be made in whole or in part by the delivery (on a form prescribed by the Company) of an irrevocable direction to a securities broker approved by the Company to sell Shares and to deliver all or part of the sales proceeds to the Company in payment of all or part of the exercise price and/or any withholding taxes;

(v) in the discretion of the Administrator, through a "net exercise" such that, without the payment of any funds, the Participant may exercise the Option and receive the net number of Shares equal to (A) the number of Shares as to which the Option is being exercised, multiplied by (B) a fraction, the numerator of which is the Fair Market Value per Share (on such date as is determined by the Administrator) less the exercise price per Share, and the denominator of which is such Fair Market Value per Share. The number of net Shares to be received shall be rounded down to the nearest whole number of Shares;

(vi) in the discretion of the Administrator, a reduction in the amount of any Company liability to the Participant;

(vii) in the discretion of the Administrator, any combination of the foregoing methods of payment; or

(viii) in the discretion of the Administrator, any other consideration and method of payment for the issuance of Shares permitted by Applicable Laws.

(f) Exercise of Option.

(i) Procedure for Exercise; Rights as a Shareholder. Any Option granted under this Plan will be exercisable according to the terms of this Plan and at such times and under such conditions as determined by the Administrator and set forth in the Award Agreement. An Option will be deemed exercised when the Company receives: (x) written or electronic notice of exercise (in accordance with the Award Agreement) from the person entitled to exercise the Option, (y) full payment for the Shares with respect to which the Option is exercised (including provision for any applicable tax withholding), and (z) all representations and documents reasonably requested by the Administrator. Full payment may consist of any consideration and method of payment authorized by the Administrator and permitted by the Award Agreement and this Plan. Shares issued upon exercise of an Option must be issued in the name of the Participant or, if requested by the Participant, in the name of the Participant and his or her spouse. Until the Shares are issued (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company), no right to vote or receive dividends or any other rights as a shareholder will exist with respect to the Shares subject to the Option, notwithstanding the exercise of the Option. The Company will issue (or cause to be issued) such Shares promptly after the Option is exercised. No adjustment is to be made for a dividend or other right for which the record date is prior to the date the Shares are issued, except as provided in Section 15 or the applicable Award Agreement. Exercising an Option in any manner will decrease the number of Shares thereafter available for sale under the Option, by the number of Shares as to which the Option is exercised.

(ii) Termination of Relationship as a Service Provider (Other than Death or Disability). If a Participant ceases to be a Service Provider, other than upon the Participant's death or Disability, the Participant may exercise the vested portion of his or her Option within the time period specified in the Award Agreement (but in no event later than the expiration of the term of such Option as set forth in the Award Agreement). If the Award Agreement does not specify a time period within which the vested portion of such Option must be exercised after the Participant ceasing to be a Service Provider, the vested portion of such Option will be exercisable for three (3) months after the Participant ceases to be a Service Provider (other than upon the Participant's death or Disability). Unless otherwise provided by the Administrator, if the Participant is not vested as to his or her entire Option on the date the Participant ceases to be a Service Provider (other than upon the Participant's death or Disability), then immediately thereafter, the Shares covered by the unvested portion of the Option shall be forfeited. Additionally, if the Participant does not exercise his or her Option as to all of the vested Shares within the time period specified herein, then immediately thereafter, the Option will terminate and the Shares covered by the unexercised portion of the Option shall be forfeited.

(iii) Disability of Participant. If a Participant ceases to be a Service Provider as a result of his or her Disability, the Participant may exercise the vested portion of his or her Option within the time period specified in the Award Agreement (but in no event later than the expiration of the term of the Option as set forth in the Award Agreement). If the Award Agreement does not specify a time period within which the vested portion of such Option must be exercised after the Participant ceasing to be a Service Provider as a result of his or her Disability, the vested portion of such Option will be exercisable for twelve (12) months after the Participant ceasing to be a Service Provider as a result of his or her Disability. Unless otherwise provided by the Administrator, if the Participant is not vested as to the Participant's entire Option on the date he or she ceases to be a Service Provider as a result of his or her Disability, then immediately thereafter, the Shares covered by the unvested portion of the Option shall be forfeited. Additionally, if the Participant does not exercise his or her Option as to all of the vested Shares within the time period specified herein, then immediately thereafter, the Option will terminate and the Shares covered by the unexercised portion of the Option shall be forfeited.

(iv) Death of Participant. If a Participant dies while a Service Provider, the vested portion of the Option may be exercised within the time period specified in the Award Agreement (but in no event later than the expiration of the term of the Option as set forth in the Award Agreement), by the beneficiary designated by the Participant prior to his or her death; provided that such designation must be acceptable to the Administrator. If no beneficiary has been designated by the Participant, then the vested portion of the Option may be exercised by the personal representative of the Participant's estate, or by the persons to whom the Option is transferred pursuant to the Participant's will or in accordance with the laws of descent and distribution. If the Award Agreement does not specify a time period within which the vested portion of such Option must be exercised after a Participant's death, the vested portion of such Option will be exercisable for twelve (12) months after his or her death. Unless otherwise provided by the Administrator, if the Participant is not vested as to his or her entire Option on the date he or she ceases to be a Service Provider as a result of the Participant's death, then immediately thereafter, the Shares covered by the unvested portion of the Option shall be forfeited. Additionally, if the Participant's beneficiary, personal representative or permitted transferee does not exercise the Option as to all of the vested Shares within the time period specified herein, then immediately thereafter, the Option will terminate.

8. Restricted Stock.

(a) Grant of Restricted Stock. Subject to the terms and provisions of this Plan, the Administrator, at any time and from time to time, may grant Shares of Restricted Stock to Service Providers in such amounts as the Administrator, in its sole discretion, determines.

(b) Restricted Stock Agreement. Each Award of Restricted Stock must be evidenced by an Award Agreement that specifies the number of Shares granted, and such other terms and conditions as the Administrator, in its sole discretion, may determine.

(c) Removal of Restrictions. The Administrator may, in its sole discretion, accelerate the time at which any restrictions will lapse or be removed.

(d) Voting Rights. Participants holding Shares of Restricted Stock may exercise full voting rights with respect to those Shares, unless the Administrator determines otherwise.

(e) Dividends and Other Distributions. Shares of Restricted Stock will be entitled to receive all dividends and other distributions paid with respect to such Shares; provided, however, that if so determined by the Administrator and provided by the Award Agreement, such dividends and distributions shall be subject to the same restrictions on transferability and forfeitability as the Restricted Stock with respect to which such dividends or distributions were paid, and otherwise shall be paid no later than the end of the calendar year in which such dividends or distributions are paid to shareholders (or, if later, the fifteenth (15th) day of the third month following the date such dividends or distributions are paid to shareholders).

9. Stock Appreciation Rights.

(a) Grant of SARs. Subject to the terms and conditions of this Plan, a SAR may be granted to a Service Provider at any time and from time to time as may be determined by the Administrator, in its sole discretion. The Administrator has complete discretion to determine the number of SARs granted to any Service Provider. Subject to the provisions of Section 6(b), the Administrator has complete discretion to determine the terms and conditions of SARs granted under this Plan, including the sole discretion to accelerate exercisability at any time, but the per Share exercise price that will determine the amount of the payment the Company receives upon exercise of a SAR will not be less than the Fair Market Value per Share on the date of grant unless the terms of such SAR comply with Section 409A of the Code.

(b) SAR Agreement. Each SAR grant must be evidenced by an Award Agreement that specifies the exercise price, the term, the conditions of exercise, and such other terms and conditions as the Administrator, in its sole discretion, may determine.

(c) Expiration of SARs. A SAR granted under this Plan will expire upon the date determined by the Administrator, in its sole discretion, as set forth in the Award Agreement; but no SAR may be exercisable later than ten (10) years after the date of grant. Notwithstanding the foregoing, Sections 7(f)(ii), 7(f)(iii) and 7(f)(iv) also apply to SARs.

(d) Payment of SAR Amount. Upon exercise of a SAR, a Participant will be entitled to receive payment from the Company or the Bank in an amount determined by multiplying:

(i) The difference between the Fair Market Value of a Share on the date of exercise and the exercise price; by

(ii) The number of Shares with respect to which the SAR is exercised.

At the sole discretion of the Administrator, the payment upon the exercise of a SAR may be in cash, in Shares of equivalent value, or in some combination thereof.

10. Restricted Stock Units.

(a) Grant of Restricted Stock Units. Subject to the terms and provisions of this Plan, the Administrator, at any time and from time to time, may grant Restricted Stock Units to Service Providers in such amounts as the Administrator, in its sole discretion, determines.

(b) Restricted Stock Unit Agreement. Each Award of Restricted Stock Units must be evidenced by an Award Agreement that specifies the number of Restricted Stock Units granted, and such other terms and conditions as the Administrator, in its sole discretion, may determine.

(c) Removal of Restrictions. The Administrator may, in its sole discretion, accelerate the time at which any restrictions will lapse or be removed.

(d) Voting Rights. Participants holding Restricted Stock Units shall have no voting rights with respect to Shares represented by Restricted Stock Units until the date of the issuance of such shares (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company).

(e) Dividends Equivalent. The Administrator, in its discretion, may provide in the Award Agreement evidencing any Restricted Stock Unit Award that the Participant shall be entitled to Dividend Equivalent Rights with respect to the payment of cash dividends on Shares during the period beginning on the date such Award is granted and ending, with respect to each Share subject to the Award, on the earlier of the date the Award is settled or the date on which it is terminated. Dividend Equivalent Rights, if any, shall be paid by crediting the Participant with a cash amount or with additional whole Restricted Stock Units as of the date of payment of such cash dividends on Shares, as determined by the Administrator. The number of additional Restricted Stock Units (rounded to the nearest whole number), if any, to be credited shall be determined by dividing (a) the amount of cash dividends paid on the dividend payment date with respect to the number of Shares represented by the Restricted Stock Units previously credited to the Participant by (b) the Fair Market Value per Share on such date. If so determined by the Administrator and provided by the Award Agreement, such cash amount or additional Restricted Stock Units shall be subject to the same terms and conditions and shall be settled in the same manner and at the same time as the Restricted Stock Units originally granted. If the Award Agreement provides for current payment of Dividend Equivalent Rights in cash, such amounts shall be paid no later than the end of the calendar year in which the corresponding dividends are paid to shareholders (or, if later, the fifteenth (15th) day of the third (3rd) month following the date such dividends are paid to shareholders).

11. Performance Units and Performance Shares.

(a) Grant of Performance Units and Performance Shares. Subject to the terms and conditions of this Plan, Performance Units and Performance Shares may be granted to Service Providers at any time and from time to time, as may be determined by the Administrator in its sole discretion. The Administrator has complete discretion in determining the number of Performance Units and Performance Shares granted to each Service Provider.

(b) Value of Performance Units and Performance Shares. Each Performance Unit and Performance Share must have an initial value established by the Administrator on or before the date of grant. Each Performance Share must have an initial value equal to the Fair Market Value of a Share on the date of grant.

(c) Performance Goals and Other Terms. The Administrator may set Performance Goals in its sole discretion which, depending on the extent to which they are met, will determine the number or value of Performance Units and Performance Shares that will be paid out to the Participant. Each award of Performance Units or Performance Shares must be evidenced by an Award Agreement that specifies the Performance Period and such other terms and conditions as the Administrator in its sole discretion may determine. The Administrator may set Performance Goals based upon the achievement of Company-wide, Bank-wide, divisional, or individual goals (including solely continued service), or any other basis determined by the Administrator in its sole discretion.

(d) Earning of Performance Units and Performance Shares. After the applicable Performance Period has ended, the holder of Performance Units or Performance Shares will be entitled to receive a payout of the number of Performance Units or Performance Shares earned by the Participant over the Performance Period, to be determined as a function of the extent to which the corresponding Performance Goals have been achieved. After the grant of Performance Units or Performance Shares, the Administrator may, in its sole discretion, reduce or waive any performance objectives for the Performance Units or Performance Shares.

(e) Form and Timing of Payment of Performance Units. Payment of earned Performance Units, if any, will be made after the expiration of the applicable Performance Period at the time determined by the Administrator. The Administrator, in its sole discretion, may pay earned Performance Units in the form of cash, in Shares or in a combination of cash and Shares.

(f) Cancellation of Performance Units or Performance Shares. On the date set forth in the Award Agreement, all unearned or unvested Performance Units and Performance Shares will be forfeited to the Company, and the Shares subject to such Awards (if any) will again be available for grant under this Plan as set forth in Section 3.

12. Other Stock-Based Awards. Other Stock-Based Awards may be granted either alone, in addition to, or in tandem with, other Awards granted under this Plan and/or cash awards made outside of this Plan. The Administrator has authority to determine the Service Providers to whom and the time or times at which Other Stock-Based Awards are to be made, the amount of such Other Stock-Based Awards, and all other conditions of the Other Stock-Based Awards, including any dividend or distribution rights and whether the Award should be paid in cash.

13. Leaves of Absence. Unless the Administrator provides otherwise, vesting of Awards granted under this Plan will be suspended during any unpaid leave of absence and will resume on the date the Participant returns to work on a regular schedule as determined by the Company or the Bank; provided, that no vesting credit will be awarded for the time vesting has been suspended during such leave of absence. A Service Provider will not cease to be an Employee in the case of (i) any leave of absence approved by the Company or the Bank or (ii) transfers between locations of the Company or the Bank or between the Company, the Bank or any Affiliate. For purposes of Incentive Stock Options, no leave of absence may exceed ninety (90) days, unless reemployment upon expiration of such leave is guaranteed by statute or contract. If reemployment upon expiration of a leave of absence approved by the Company or the Bank is not guaranteed by statute or contract, then at the end of three (3) months after the expiration of the leave of absence, any Incentive Stock Option held by the Participant will cease to be treated as an Incentive Stock Option and will be treated for tax purposes as a Nonstatutory Stock Option.

14. Non-Transferability of Awards. Unless determined otherwise by the Administrator, an Award may not be sold, pledged, assigned, hypothecated, transferred, or disposed of in any manner other than by will or by the laws of descent or distribution and may be exercised during the lifetime of the

Participant only by the Participant. If the Administrator makes an Award transferable, such Award may contain such additional terms and conditions as the Administrator deems appropriate.

15. Adjustments; Dissolution or Liquidation; Change in Control.

(a) Adjustments. In the event of any change in the outstanding Shares of Common Stock by reason of any stock split, stock dividend or other non-recurring dividends or distributions, recapitalization, merger, consolidation, spin-off, combination, repurchase or exchange of stock, reorganization, liquidation, dissolution or other similar corporate transaction that affects the Common Stock, an adjustment will be made, as the Administrator deems necessary or appropriate, in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under this Plan. Such adjustment may include an adjustment to the number and class of Shares which may be delivered under this Plan, the number, class and price of Shares subject to outstanding Awards, the number and class of Shares issuable pursuant to Options, and the numerical limits contained in Sections 3 and 6(b). Notwithstanding the preceding sentence, the number of Shares subject to any Award always will be a whole number.

(b) Dissolution or Liquidation. In the event of the proposed dissolution or liquidation of the Company, the Administrator will notify each Participant as soon as practical prior to the effective date of the proposed transaction. The Administrator, in its sole discretion, may provide for a Participant to have the right to exercise his or her Award, to the extent applicable, until ten (10) days prior to the transaction as to all of the Shares covered thereby, including Shares as to which the Award would not otherwise be exercisable. In addition, the Administrator may provide that any Company repurchase option or forfeiture rights applicable to any Award will lapse with respect to one hundred percent (100%) of the Shares underlying such Award, and that any Award vesting will accelerate in full, provided the proposed dissolution or liquidation takes place at the time and in the manner contemplated. To the extent it has not been previously exercised or vested, an Award will terminate immediately prior to the consummation of such liquidation or dissolution.

(c) Change in Control. This Section 15(c) will apply except to the extent otherwise provided in the Award Agreement.

(i) Stock Options and SARs. In the event of a Change in Control, the Participant will fully vest in and have the right to exercise the Option or SAR as to all of the Award, including Shares as to which he or she would not otherwise be vested or exercisable. The Administrator will notify the Participant in writing or electronically that the Option or SAR will be exercisable, for a period of up to 15 days from the date of such notice, and the Option or SAR will terminate upon the expiration of such period. If the consideration received in the Change in Control is not solely common stock of the Acquiror, the Administrator may, with the consent of the Acquiror, provide for the consideration to be received upon the exercise of the Option or SAR, with respect to each share of Common Stock subject to the Option or SAR, to be solely common stock of the Acquiror or its Parent equal in Fair Market Value to the per share consideration received by the Company's other shareholders in the Change in Control.

(ii) Restricted Stock, Performance Shares, Performance Units, Restricted Stock Units and Other Stock Based Awards. In the event of a Change in Control, the Participant will fully vest in each outstanding Award of Restricted Stock, Restricted Stock Unit, Performance Share, Performance Unit, and Other Stock Based Award, including as to Shares or Units that would not otherwise be vested, all applicable restrictions will lapse, and all performance objectives and other vesting criteria will be deemed achieved at targeted levels. If the consideration received in the Change in Control is not solely common stock of the Acquiror, the Administrator may, with the consent of the Acquiror,

provide for the consideration to be received with respect to each Share (and if a Restricted Stock Unit or Performance Unit, for each Share as determined based on the then current value of the unit) to be solely common stock of the Acquiror or its Parent equal in fair market value to the per share consideration received by the Company's other shareholders in the Change in Control.

(iii) Cash-Out of Outstanding Stock-Based Awards. The Administrator may, in its discretion and without the consent of any Participant, determine that, upon the occurrence of a Change in Control, each or any Award denominated in Shares or portion thereof outstanding immediately prior to the Change in Control and not previously exercised or settled shall be canceled in exchange for a payment with respect to each vested Share (and each unvested Share, if so determined by the Administrator) subject to such canceled Award in (i) cash, (ii) stock of the Company or of a corporation or other business entity a party to the Change in Control, or (iii) other property which, in any such case, shall be in an amount having a Fair Market Value equal to the Fair Market Value of the consideration to be paid per Share in the Change in Control, reduced (but not below zero) by the exercise or purchase price per Share, if any, under such Award. In the event such determination is made by the Administrator, an Award having an exercise or purchase price per share equal to or greater than the Fair Market Value of the consideration to be paid per share of Stock in the Change in Control may be canceled without payment of consideration to the holder thereof. Payment pursuant to this Section 15 (reduced by applicable withholding taxes, if any) shall be made to Participants in respect of the vested portions of their canceled Awards as soon as practicable following the date of the Change in Control and in respect of the unvested portions of their canceled Awards in accordance with the vesting schedules applicable to such Awards.

16. Date of Grant. The date of grant of an Award will be, for all purposes, the date on which the Administrator makes the determination granting such Award, or a later date as is determined by the Administrator. The Administrator will provide a notice of the determination to each Participant within a reasonable time after the date of such grant.

17. Board and Shareholder Approval; Term of Plan. This Plan became effective February 18, 2026. From its effectiveness, this Plan will continue in effect for a term of ten (10) years unless terminated earlier under Section 18.

18. Amendment and Termination of this Plan.

(a) Amendment and Termination. The Board may at any time amend, alter, suspend or terminate this Plan.

(b) Shareholder Approval. The Company will obtain shareholder approval of any Plan amendment to the extent necessary to comply with Applicable Laws.

(c) Effect of Amendment or Termination. No amendment, alteration, suspension, or termination of this Plan will materially or adversely impair the rights of any Participant, unless otherwise mutually agreed upon by the Participant and the Administrator, which agreement must be in writing and signed by the Participant and the Company. Termination of this Plan will not affect the Administrator's ability to exercise the powers granted to it under this Plan with respect to Awards granted under this Plan prior to the date of termination. No Shares shall be issued or sold under this Plan after the termination thereof, except upon exercise of an Award granted prior to the termination of this Plan. Notwithstanding the foregoing, or anything in this Plan to the contrary, the Administrator shall have unilateral authority to amend an Award, without Participant consent, to the minimum extent necessary to comply with Section 409A of the Code and such amendment shall not be deemed to materially impair the rights of such Participant.

19. Conditions upon Issuance of Shares.

(a) Legal Compliance. Shares will not be issued pursuant to the exercise of an Award unless the exercise of the Award and the issuance and delivery of such Shares will comply with Applicable Laws and will be subject to the approval of counsel for the Company with respect to such compliance.

(b) Investment Representations. As a condition to the exercise or receipt of an Award, the Company may require the person exercising or receiving the Award to represent and warrant at the time of any such exercise or receipt that the Shares are being purchased only for investment and without any present intention to sell or distribute the Shares if, in the opinion of counsel for the Company, such a representation is required.

(c) Taxes. As a condition to the exercise or settlement of an Award, the Participant shall make such arrangements as the Administrator may require for the satisfaction of any applicable withholding taxes arising in connection with the exercise or settlement of an Award under the laws of U.S. federal, state, local or non-U.S. jurisdictions. The Company shall not be required to issue any Shares under this Plan until the foregoing obligations are satisfied. Without limiting the generality of the foregoing, upon the exercise or settlement of any Award, the Company and the Bank shall have the right to withhold taxes from any compensation or other amounts that the Company or the Bank may owe to the Participant, or to require the Participant to pay to the Company or the Bank the amount of any taxes that the Company or the Bank may be required to withhold with respect to the Shares issued to the Participant. Without limiting the generality of the foregoing, the Administrator in its sole discretion may authorize the Participant to satisfy all or part of any withholding tax liability by: (i) having the Company withhold from the Shares that would otherwise be issued upon the exercise or settlement of an Award up to that number of Shares having a Fair Market Value, as of the date the withholding tax liability arises, sufficient to satisfy the withholding obligations based on the maximum individual income tax rate in the applicable jurisdiction; and/or (ii) delivering to the Company previously owned and unencumbered Shares having a Fair Market Value, as of the date the withholding tax liability arises, equal to the amount of the Company's or the Bank's withholding tax liability to be so satisfied. Subject to the preceding sentence, the exercisability or settlement of any Award Agreement shall be determined by the Administrator in its sole discretion.

20. Severability. Notwithstanding any contrary provision of this Plan or an Award to the contrary, if any one or more of the provisions (or any part thereof) of this Plan or any Award Agreement are invalid, illegal, or unenforceable in any respect, such provision will be modified so as to make it valid, legal, and enforceable, and the validity, legality, and enforceability of the remaining provisions (or any part thereof) of this Plan or Award, as applicable, will not in any way be affected or impaired thereby.

21. Inability to Obtain Authority. The inability of the Company to obtain authority from any regulatory body having jurisdiction, which authority is deemed by the Company's counsel to be necessary to the lawful issuance and sale of any Shares hereunder, will relieve the Company of any liability in respect of the failure to issue or sell such Shares as to which such requisite authority has not been obtained.

22. No Rights to Awards. No Participant, eligible Service Provider, or other person shall have any claim to be granted any Award under this Plan, and there is no obligation for uniformity of treatment of a Service Provider, Participant, or holders or beneficiaries of Awards under this Plan. The terms and conditions of Awards need not be the same with respect to any Participant or with respect to different Participants.

23. No Shareholder Rights. Except as otherwise provided in an Award Agreement, a Participant has none of the rights of a shareholder with respect to Shares covered by an Award until the Participant becomes the record owner of the Shares.

24. Fractional Shares. No fractional Shares will be issued and the Administrator will determine, in its sole discretion, whether cash will be paid in lieu of fractional Shares or whether such fractional Shares will be eliminated by rounding up or down as appropriate.

25. Governing Law. This Plan, all Award Agreements, and all related matters, are to be governed by the laws of the State of Delaware, without regard to choice of law principles that direct the Applicable Laws of another state.

26. No Effect on Terms of Employment or Consulting Relationship; Coordination with Any Employment Agreement. This Plan does not confer upon any Participant any right as a Service Provider, nor does it interfere in any way with his or her right or the right of the Company, the Bank or an Affiliate to terminate the Participant's service at any time, with or without Cause, and with or without notice. If a Service Provider has an employment agreement with the Company that addresses vesting of outstanding Awards or the post-termination exercise period of outstanding Options and such terms in the employment agreement conflict with the terms of an Award Agreement, then such terms in the employment agreement shall prevail over the conflicting terms in the Award Agreement.

27. No Trust or Fund Created. Neither this Plan nor any Award shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Company or any Affiliate and a Participant or any other person. To the extent that any Participant acquires a right to receive payments from the Company or any Affiliate pursuant to an Award, such right shall be no greater than the right of any unsecured general creditor of the Company or any Affiliate.

28. Section 409A. It is the intention of the Company that no Award be "deferred compensation" subject to Section 409A of the Code, unless and to the extent that the Administrator specifically determines otherwise, and this Plan and the terms and conditions of all Awards are to be interpreted accordingly. The following rules will apply to Awards that are intended to comply with Section 409A:

(a) Any distribution of a 409A Award following a separation from service that would be subject to Section 409A(a)(2)(A)(i) of the Code as a distribution following a separation from service of a "specified employee" (as defined under Section 409A(a)(2)(B)(i) of the Code) will occur no earlier than the expiration of the six-month (6) period following such separation from service.

(b) In the case of any distribution of any other 409A Award, if the timing of such distribution is not otherwise specified in this Plan or Award Agreement or other governing document, the distribution will be made not later than the end of the calendar year during which the settlement of the 409A Award is specified to occur.

(c) Each payment that a Participant may receive with respect to a 409A Award will be treated as a "separate payment" for purposes of Section 409A of the Code.

29. Construction. Headings in this Plan are included for convenience and are not to be considered in the interpretation of this Plan. References to sections are to Sections of this Plan unless otherwise indicated. Pronouns include the masculine, feminine, neutral, singular or plural as the identity of the antecedent may require. This Plan is to be construed according to its fair meaning and is not to be strictly construed against the Company or the Bank.

30. Compensation Recoupment. All compensation and Awards payable or paid under this Plan and any sub-plans will be subject to the Company's ability to recover incentive-based compensation from executive officers, as is or may be required by the provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act, any regulations or rules promulgated thereunder, or any other "clawback" provision required by applicable law or the listing standards of any applicable stock exchange or national market system or policy of the Company, the Bank or any Affiliate.

31. Minimum Regulatory Capital Requirement and Forfeiture of Awards. Notwithstanding any provision of this Plan or any agreement to the contrary, all Awards granted under this Plan will expire, to the extent not exercised or settled (as applicable), within forty-five (45) days following the receipt of notice from the primary federal or state regulator ("**Regulator**") of the Company, the Bank or any Affiliate that (i) any of the foregoing has not maintained its minimum capital requirements (as determined by the Regulator); and (ii) the Regulator is requiring termination or forfeiture of Awards. Upon receipt of such notice from the Regulator, the Administrator will promptly notify each Participant that all vested portions of Awards issued under this Plan must be exercised or settled (as applicable) prior to the end of the forty-five-day (45) period or such earlier period as may be specified by the Regulator or the vested portions of Awards will be forfeited along with the unvested portions of Awards. In case of forfeiture, no Participant will have a cause of action, of any kind or nature, against the Company, the Bank or any Affiliate with respect to the forfeiture. None of the Company, the Bank or any Affiliate will be liable to any Participant due to the failure or inability of the Administrator to provide adequate notice to the Participant.

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**2026 ANNUAL MEETING OF SHAREHOLDERS OF
SOUTH ATLANTIC BANCSHARES, INC.**



TUESDAY, APRIL 28, 2026

4:00 P.M. LOCAL TIME

SOUTH ATLANTIC BANK

TOWNE CENTRE OFFICE

3990 RIVER OAKS DRIVE

MYRTLE BEACH, SOUTH CAROLINA 29579