

Timeline: What a difference a month can make

February 17: Announced all-stock acquisition of Commerce State Bank for \$130 million (Nicolet's stock price was \$72.32)

March 2: Announced all-cash acquisition of Advantage Community Bank

March 18: Implemented COVID-19 protocols: Branches open for "appointment only," certain branches closed, many employees working remotely

March 25: Wisconsin implements "Safer at Home" order (Nicolet's share price was \$53.51)

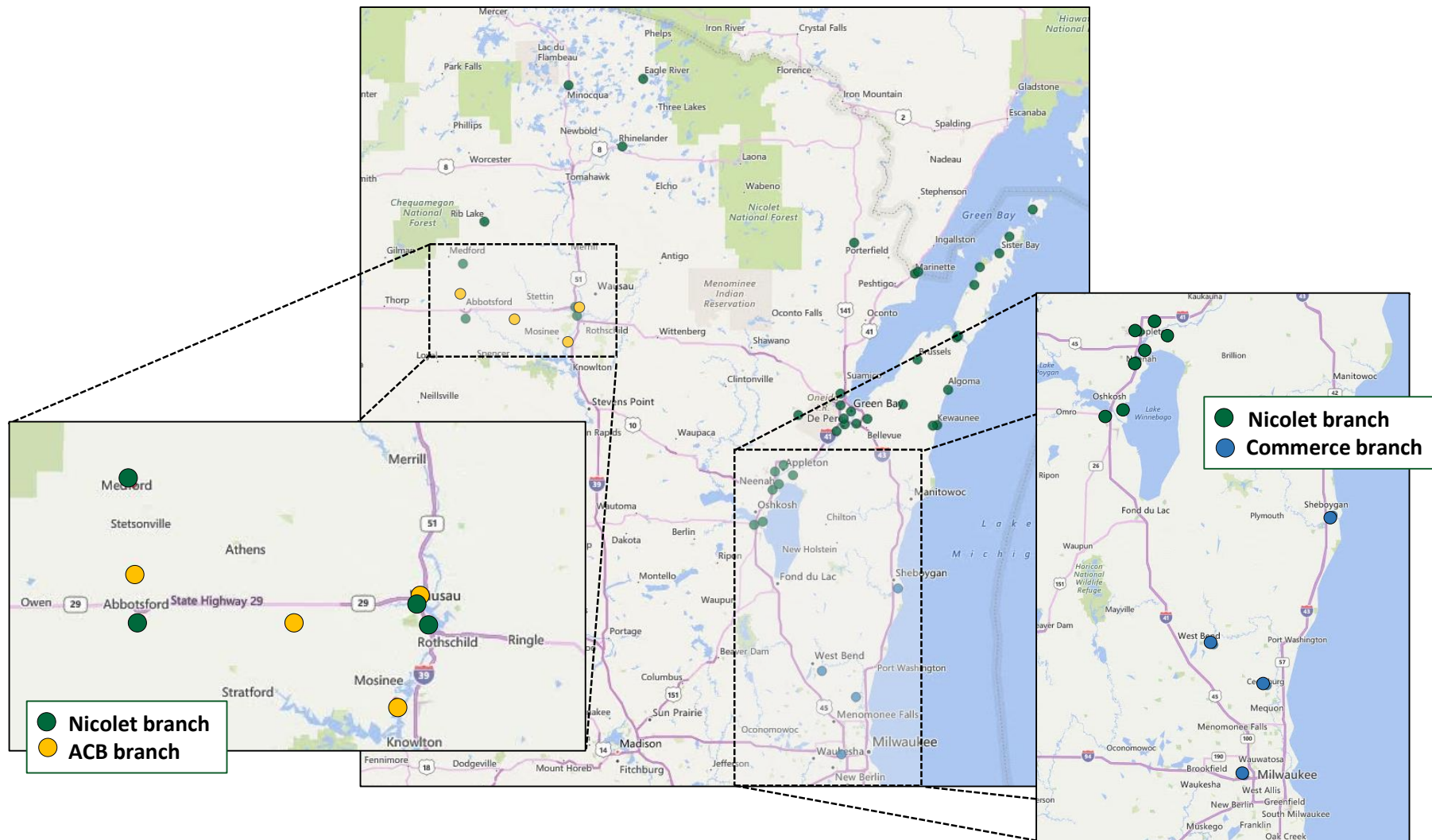
FEBRUARY 2020

SUN	MON	TUE	WED	THU	FRI	SAT
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2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29

MARCH 2020

SUN	MON	TUE	WED	THU	FRI	SAT
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

Branch Maps



(1) Ratios have been annualized

Deal Metrics

Advantage Community Bank

Assets:	\$155 million
FTEs:	27
2019 ROAA:	1.24%
Loans Growth (2014-19):	1.3%
NPAs / Assets:	0.00%
Time Deposits / Total Deposits:	20.6%
Cost of Funds:	45 bps

Purchase Price:	Not disclosed
Consideration:	All cash
Closing & Conversion:	August 21st

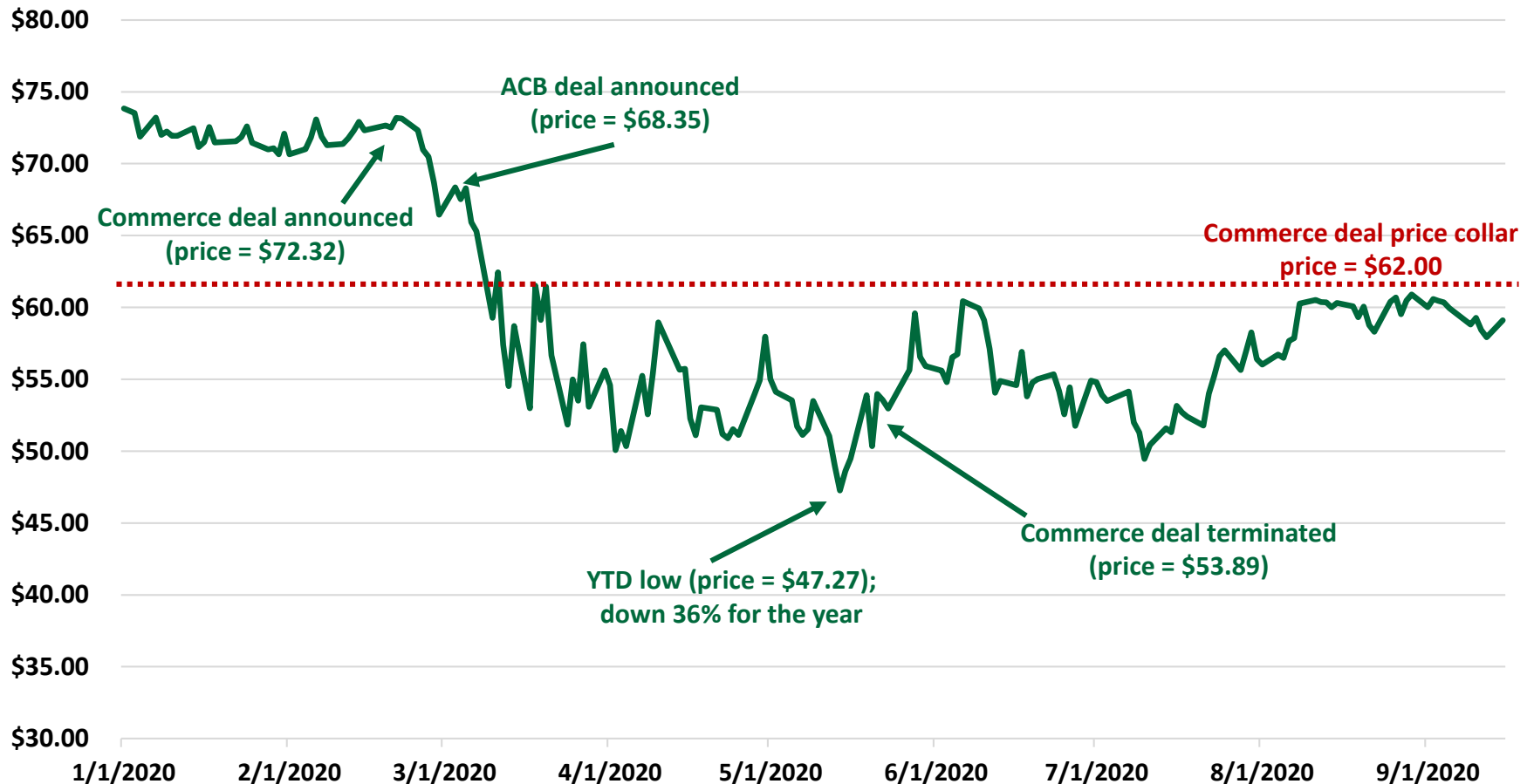
Commerce State Bank

Assets:	\$708 million
FTEs:	77
2019 ROAA:	1.12%
Loans Growth (2014-19):	105%
NPAs / Assets:	0.37%
Time Deposits / Total Deposits:	46.5%
Cost of Funds:	186 bps

Purchase Price:	\$130 million
Consideration:	All stock (NCBS stock price = \$72.32)
Price / TBV:	194%
Cap / Collars:	\$82.00 / \$62.00
Expected Closing:	July 2020 (Deal terminated May 18)

2020 YTD Stock Performance

Nicolet Bancshares, Inc. Share Price (2020 year-to-date)



Why it worked....and why it didn't....

Advantage Community Bank

- Small transaction (<5% Nicolet's size) in a market we knew well
- Conservatively run bank gave confidence despite pandemic uncertainty
- Had existing leadership already in market
- Easy conversion of systems
- All cash consideration meant stock market volatility never came into play
- ACB's people
- Deal closed on August 21

Commerce State Bank

- Larger transaction (20% Nicolet's size) in a brand new metro market
- Initial concern with overall credit quality (both us and them) during onset of the pandemic. This was especially true in Milwaukee, given how COVID was impacting metro areas
- The drop in Nicolet's stock price from \$72 to the low \$50s (below the \$62 collar price) raised a host of issues regarding relative value
- Deal mutually terminated on May 18