

September 9, 2022



Dear Fellow Shareholders,

I am pleased to share our Fiscal Year 2022 results, in which we made significant progress towards our goal of becoming a high-performing industrial company with fewer, larger platforms.

First and foremost, I am grateful to the employees of Standex in all businesses and regions of the world who successfully navigated global challenges including supply chain disruptions and accelerating inflation to continue to provide excellent support to our customers, advance our strategic priorities and deliver record financial results.

Notable highlights from FY22 include:

- We maintained world-class safety performance with an aggregate recordable incident rate of 0.65
- We delivered organic sales growth of 15%.
- Our Electronics business exceeded \$300 million in sales. Both the Electronics and Scientific businesses have doubled their sales in the last five years.
- Sales into fast growth end markets (such as electric vehicles, renewable energy, and smart grid management) grew 50% to \$59 million
- We achieved a record corporate operating margin of 13.7%
- We increased R&D spending by \$4 million and released new products in all our businesses
- We created the corporate innovation and technology function and appointed a chief innovation and technology officer to inject more technology into our new product development
- We advanced an exciting solar energy project with our partner, ENEL from the technology development phase to initiating the design of pilot plants

A notable achievement in the year was the emergence of our organic growth engine as a value creator, supplementing the progress we have made through portfolio moves and M&A. As the points above show, we have steadily increased our R&D spending over the years and in FY22 sales from new products began to move the needle company-wide. These new products have come about through our Growth Discipline Process (GDP) and serve healthy and fast-growing end markets. We have more products in the pipeline in all businesses and are optimistic about the prospects for long-term growth.

We took additional steps to improve our sustainability reporting and performance. Our businesses create more efficiencies for our customers and are therefore inherently focused on sustainability. Our operations are light assembly or service facilities with a light environmental footprint. In addition, much of our sales growth comes from solutions we provide to products that directly impact global sustainability such as electric vehicles, renewable energy, and smart grid

management. We appointed one of our senior leaders as vice president of sustainability to better communicate our impact on the world around us and work with the businesses to identify additional ways to direct our energies and resources to find additional, attractive opportunities for improvement.

Acquisitions have always been a core competence at Standex. We continue to manage an active pipeline of opportunities. In the past year, we completed two smaller acquisitions in Electronics that brought access to new technologies and end markets. We are already seeing significant sales synergy opportunities as they integrate with our core business's sales channels.

We continue to foster and strengthen the best elements of our culture that have animated Standex for seven decades. We have developed our own word to describe our culture: "Resumient" – the ability to resume an activity with no loss of enthusiasm, energy, or comment." In a world full of unexpected events, it is an essential quality. We continue to increase participation in our annual culture survey, engaging employees in the project of strengthening and expanding our culture. In FY2022 we established the Inclusion Advisory Council (IAC). This employee-led council will provide insights from a broad spectrum of employees. The council is working closely with business leadership, human resources, and corporate communications to assure that anyone who walks through our doors feels welcomed and sees an opportunity to contribute.

We continue to exercise a disciplined approach to capital allocation, strengthening our robust balance sheet during the year. We declared our 232nd consecutive quarterly dividend and continued to execute our share repurchase program, repurchasing a net 227,800 shares in the year. We also paid down a \$25 million tranche of long-term debt at its maturity. We ended the year with a net debt to EBITDA ratio of 0.54 and an available borrowing capacity of \$300 million.

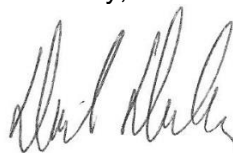
Looking Ahead

We enter our next fiscal year with more tools at our disposal to secure the long-term health of the business. Our operating disciplines continue to strengthen, providing more consistent and predictable results. Our R&D and innovation efforts have more new products in the pipeline. Our close relationship with customers addressing the world's greatest needs and opportunities will fuel our sales in fast-growing markets. We are engaged with our global employees in the common project of continuing to foster and strengthen our already strong and resilient culture.

It is difficult to predict what new challenges and opportunities lie ahead, but we are confident that the capabilities of our global employees and our nimble, agile culture are the secret sauce that will once again successfully sustain us as we navigate future challenges, which we will face with resumience.

Thank you to our customers and shareholders for your continued collaboration and support.

Sincerely,

A handwritten signature in black ink, appearing to read "David Dunbar". The signature is fluid and cursive, with the first name "David" being more prominent than the last name "Dunbar".

David Dunbar
Chairman, President & CEO