

Penguin Solutions Reports Inducement Grants Under Nasdaq Listing Rule 5635(c)(4)

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MILPITAS, Calif.--(BUSINESS WIRE)-- **Penguin Solutions, Inc.** (Penguin Solutions; Nasdaq: **PENG**) (“Penguin Solutions” or the “Company”) today announced the grant of inducement equity awards to its new Senior Vice President and Chief Revenue Officer, Tony Frey, in connection with the commencement of his employment with the Company on August 25, 2025. The independent Compensation Committee of the Board of Directors of the Company (the “Committee”) approved the grant to Mr. Frey, on August 25, 2025, of time-based restricted stock units with respect to 51,858 shares of Common Stock of the Company (the “RSUs”) and performance-based restricted stock units with respect to 51,858 shares of Common Stock of the Company at the target level (the “PSUs”).

The awards were granted to Mr. Frey as inducements material to his entering into employment with the Company in accordance with Rule 5635(c)(4) of the Nasdaq Marketplace Rules. The awards were granted under the Penguin Solutions, Inc. Amended and Restated 2021 Inducement Plan (the “2021 Inducement Plan”), which was adopted by the Company’s Board of Directors, effective as of June 30, 2025, and which authorizes equity awards outside of the stockholder-approved Penguin Solutions, Inc. Amended and Restated 2017 Stock Incentive Plan to provide inducements for certain individuals to enter into employment with the Company and its subsidiaries and affiliates.

The RSUs will vest over four years, with 25% vesting on October 20, 2026 and the remaining 75% vesting in equal quarterly installments thereafter, subject to Mr. Frey’s continued employment through each applicable vesting date.

The PSUs will vest, if at all, based on the Company’s total stockholder return (“TSR”) relative to the performance of the median company in the Russell 2000 Index following the end of a three-year performance period, subject to Mr. Frey’s continued employment through the date of the Committee’s certification that the Company’s TSR equals or exceeds the applicable threshold level of performance. The number of shares that may be earned under the PSUs ranges from 0% of target to 200% of target.

Other terms of the awards are set forth in the 2021 Inducement Plan and the applicable award agreements covering such awards.

About Penguin Solutions

The most exciting technological advancements are also the most challenging for companies to adopt. At Penguin Solutions, we support our customers in achieving their ambitions across our computing, memory, and LED lines of business. With our expert skills, experience, and partnerships, we turn our customers' most complex challenges into compelling opportunities.

For more information, visit <https://www.penguinsolutions.com>.

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