

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

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FREMONT, Calif.--(BUSINESS WIRE)-- **Penguin Solutions, Inc.** (Nasdaq: **PENG**) (“Penguin Solutions” or the “Company”) today announced the grant of inducement equity awards to its new President and Chief Executive Officer, Kash Shaikh, in connection with the commencement of his employment with the Company on February 2, 2026. The independent Compensation Committee of the Board of Directors of the Company (the “Committee”) approved the grants to Mr. Shaikh on February 2, 2026 of time-based restricted stock units with respect to 238,188 shares and 137,898 shares of the Company’s common stock (the “Initial RSUs” and the “Supplemental RSUs,” respectively) and performance-based restricted stock units with respect to 238,188 shares and 137,898 shares of the Company’s common stock at the target level of performance (the “Stock Appreciation PSUs” and the “Relative TSR PSUs,” respectively).

The awards were granted to Mr. Shaikh 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 Initial RSUs and the Supplemental RSUs will vest over four years, with 25% vesting on April 20, 2027 and the remaining 75% vesting in equal quarterly installments thereafter, subject to Mr. Shaikh’s continued service through each applicable vesting date.

The Stock Appreciation PSUs will vest, if at all, upon certification by the Committee that the 30-trading-day average

closing price of the Company's common stock has equaled or exceeded stock appreciation targets of 25%, 50%, 75%, and 100% above the 30-trading-day trailing average closing price of the Company's common stock preceding the grant date, with cumulative vesting at each level of 50%, 100%, 150%, and 200% of the number of Stock Appreciation PSUs, respectively, and subject to Mr. Shaikh's continued service through the applicable achievement certification date. The Stock Appreciation PSUs have a four-year performance period beginning on the grant date, and no Stock Appreciation PSUs will vest before the first regularly scheduled Committee meeting on or after the second anniversary of the grant date.

The Relative TSR 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. Shaikh's continued service 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 Relative TSR 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 Advanced Computing, Integrated Memory, and Optimized 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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