



NEWS RELEASE

SMART Global Holdings Reports Inducement Grants under Nasdaq Listing Rule 5635(c)(4) in Connection with Cree LED Acquisition

3/5/2021

NEWARK, Calif.--(BUSINESS WIRE)-- **SMART Global Holdings**, Inc. ("SGH", "SMART" or the "Company") (NASDAQ: SGH), today announced that the independent Compensation Committee of the Board of Directors of SGH has approved the grant, as of March 4, 2021, of restricted share units with respect to an aggregate of 794,640 ordinary shares of SGH to 519 non-executive employees who joined the Company group as a result of the Company's acquisition of Cree, Inc.'s LED Products business unit ("Cree LED"), which was completed on March 1, 2021.

Additionally, the Compensation Committee approved the grant, as of March 4, 2021, of individually negotiated awards to Claude Demby, who will lead the Cree LED business unit of SGH as Senior Vice President and President of Cree LED. Mr. Demby's awards include 98,419 time-based restricted share units and two awards of performance-based restricted share units, each with respect to 7,500 ordinary shares of SGH for an aggregate of 15,000 performance-based restricted share units.

The time-based restricted share units granted to all of the above-described new employees will vest over approximately four years, with 25% vesting on April 20, 2022 and the remaining portion vesting thereafter in equal quarterly installments of 6.25% of the initial number of shares in each grant, subject to the continued employment of the grant recipient as of each vesting date.

The two awards of performance-based restricted share units granted to Claude Demby will each vest over a period of approximately four years ending on April 20, 2025, subject to Mr. Demby's continued employment as of each vesting date and the achievement by Cree LED of certain profit-based financial performance targets, with the target for one performance-based award set at a higher level than the target for the other performance-based award. If the performance target for an award is not achieved during an initial earnout period of approximately one year, or

during the next following four full fiscal quarters of SGH, the award will be forfeited. If the performance target for an award is achieved within a performance period, the award will commence vesting to the same extent that the time-based restricted share units described above are then vested, and will continue to vest thereafter on the same schedule as applies to such time-based awards.

These awards have been granted to the new employees as inducements material to their entering into employment with the Company group in accordance with Rule 5635(c)(4) of the Nasdaq Marketplace Rules. The awards are granted under the SMART Global Holdings, Inc. 2021 Inducement Plan, which was adopted by the Company's Board of Directors effective as of February 15, 2021 and which authorizes equity awards outside of the shareholder-approved SMART Global Holdings, Inc. Amended and Restated 2017 Share Incentive Plan to provide inducements for certain individuals to enter into employment with the Company and its subsidiaries and affiliates. Other terms of the awards are set forth in the 2021 Inducement Plan and the applicable award agreements covering such awards.

About SMART Global Holdings – SGH

SGH is comprised of business units that are leading designers and manufacturers of electronic products focused on computing, memory and LED lighting technologies. These businesses specialize in application-specific product development and support for customers in enterprise, government and OEM sales channels.

Customers rely on SGH businesses as their strategic suppliers providing exceptional customer service, product quality, and technical support with engineering, sales, manufacturing, supply chain and logistics capabilities that span the globe. SGH's businesses support customers in communications, storage, networking, mobile, industrial automation, IoT and industrial IoT, government, military, computing including edge and high performance computing, and LED lighting markets. SGH businesses operate in three primary areas: specialty compute and storage solutions, specialty memory products including Brazil, and LED lighting.

For more information about **SGH** business units, visit: **SMART Modular Technologies; SMART Embedded Computing; SMART Wireless Computing; SMART Supply Chain Services; Penguin Computing; Cree LED.**

Investor Contact:

Suzanne Schmidt

Investor Relations for SMART Global Holdings, Inc.

(510) 360-8596

ir@smartm.com

PR Contact:

Maureen O'Leary

Senior Manager Marcom and PR, SMART Modular Technologies

+1 (602) 330-6846

maureen.o'leary@smartm.com

Source: SMART Global Holdings, Inc.