NEWS RELEASE

Penguin Computing™ Expanding Capabilities with New Production Facility, Customer Demonstration Lab, and Briefing Center in Fremont Headquarters

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- New building doubles manufacturing square footage and increases production capacity
- Expansion includes creation of benchmarking and innovation lab and customer briefing center

FREMONT, CA – August 27, 2018 – As part of its ongoing commitment to innovation and growth, **Penguin Computing**, a subsidiary of **SMART Global Holdings, Inc.** (NASDAQ: SGH) and leading provider of high-performance computing (HPC), artificial intelligence (AI), enterprise data center and cloud solutions, today announced that it is expanding its global headquarters in Fremont, California to become a two-building campus with a new, state-of-the art production facility, along with creation of both a benchmarking and innovation lab and a customer briefing center, all expected to be open by the end of the year.

This expansion doubles production and shipping space and is expected to triple the company's production capacity. Construction has already begun on the new building, which will include air and liquid cooling and give Penguin Computing a combined total of 6 megawatts of power. The new production space also takes advantage of optimized production line design practices that new parent company, SMART Global Holdings, has learned over its 3 decades of manufacturing, giving Penguin Computing a more efficient layout and improved production processes to further reduce time-to-customer-delivery.

In addition, the expansion will allow creation of the Penguin Computing Customer Briefing Center adjacent to the new production facility and the new Penguin Computing Benchmarking and Innovation Lab in the reconfigured existing site. The customer briefing center will allow customers to come on-site for demonstrations of new technologies and enable closer collaboration with Penguin Computing engineers and professional services consultants on project design and execution.

The lab will allow Penguin Computing to benchmark and test new designs before going to market, further enhancing the company's ability to innovate and deliver custom HPC, AI, data center, and cloud solutions. It will also allow customers to test their workloads on Penguin Computing systems, starting with the Open Compute Project (OCP) specification-based Tundra® Extreme Scale platform featuring Intel Xeon® Scalable Processors and the FrostByte™ software defined storage platform, either in person or via secure remote access.

"Penguin Computing has always been known for focusing on meeting customer needs in innovative ways and this new expansion will allow us to dramatically increase that capability and serve our customers even more effectively," said Tom Coull, President and Chief Executive Officer of the Penguin Computing Business Unit of SMART Global Holdings. "This is an exciting milestone for Penguin Computing and helps position the company to respond to the changing HPC, AI, and storage landscape and the increasing demand for our services and technologies."

The benchmarking lab will also highlight technologies from Penguin Computing partners, including Red Hat Ceph Storage and Red Hat Gluster Storage in the FrostByte platform and Intel Xeon Scalable Processors in the Tundra platform.

"For years, Intel and Penguin Computing have collaborated to help customers efficiently solve complex computing challenges," said Trish Damkroger, Vice President and General Manager, Data Center Group Intel Corporation. "The new Penguin Computing Benchmarking and Innovation Lab will allow customers to gain hands-on experience with the capabilities of Penguin Computing technologies and benchmark the performance of the latest Intel processors on optimized hardware."

"We are excited to showcase Red Hat Ceph Storage and Red Hat Gluster Storage offerings on hardware-optimized Penguin Computing platforms in the Penguin Computing Benchmarking and Innovation Lab," said Ben Cherian, Director, Partnerships, Alliances, Channel, Storage and Hyperconverged, Red Hat. "We have already had one client use the lab to see how well Red Hat Ceph Storage on Penguin Computing technologies can meet their datacenter needs and we look forward to collaborating with Penguin on additional opportunities."

About Penguin Computing, a SMART Global Holdings Company
Penguin Computing, a U.S.-based global provider of high-performance computing (HPC), artificial intelligence (AI) and machine learning, and data center solutions, has been serving industry for over 20 years with more than 2,500 customers in 40 countries across eight major vertical markets. Penguin offers a comprehensive portfolio of hardware and software including solutions based on the Open Compute Project (OCP), as well as extensive services including financing and top-rated customer support. Penguin Computing products include Linux-based servers, software, integrated turn-key clusters, enterprise-grade storage, and bare metal HPC, all available in hardware or cloud-based solutions via Penguin Computing® On-Demand™ (POD). Penguin Computing is a subsidiary of **SMART**

Global Holdings, Inc., and the cornerstone of SMART's newest business unit, Specialty Compute & Storage Solutions (SCSS).

Visit **www.penguincomputing.com** to learn more about the company.

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