

GRENDENE S.A.

Listed Company – CNPJ No. 89.850.341/0001-60 – NIRE Nº. 23300021118-CE

MARKET ANNOUNCEMENT

Grendene creates Investment Committee

Grendene S.A. (‘the Company’)(GRND3), in accordance with CVM Instruction 358/2002 as amended, **reports** to its stockholders and the market **as follows:**

On May 27, 2019 the Board of Directors approved creation of the Company’s Investment Committee, which will have five members, who will not be remunerated.

The initial members are:

- (i) Rudimar Dall’Onder;
- (ii) Alexandre Grendene Bartelle;
- (iii) Pedro Grendene Bartelle;
- (iv) André de Camargo Bartelle; and
- (v) Rodrigo Geraldi Arruy.

The principal duty of the committee will be to decide on the modalities of the Company’s investments.

The Board also decided that the Company would have the possibility of investing up to R\$ 300,000,000.00 (three hundred million Reais), in other modalities of investments, in private credit financial instruments, include real estate asset exchanges, to be decided by the Investment Committee.

Due to these decisions, changes will be made to the Reference Form, within the legally required period, in the items relating to Risks Policy.

For the Minutes of the meeting of the Board of Directors, see <http://ri.grendene.com.br>.

Farroupilha, Rio Grande do Sul, Brazil, May 27, 2019.

GRENDENE S. A.

Francisco Olinto Velo Schmitt
Investor Relations Director