

GRENDENE S.A.

Listed company – CNPJ 89.850.341/0001-60 – NIRE 23300021118-CE

MATERIAL ANNOUNCEMENT

Grendene S.A. (the Company) (GRND3), in compliance with CVM Instruction 358/02 as amended, informs its stockholders and the market in general as follows:

In support of the measures to contain Covid-19, and fully aware of its responsibilities to its employees, their families and the community, **Grendene S.A.** has decided in favor of **mandatory collective vacation** for all its employees, in all its units in Brazil, as from next Monday (March 23), for twenty-one days.

The adoption of collective vacations presupposes that all activities of manufacture will be frozen, and access to the Company's units will be restricted.

This decision is part of a series of preventive actions adopted by Grendene to mitigate the risk of contamination and preserve the health of its employees, of their families and of the communities where Grendene is present.

Faced with the uncertainty of how Covid-19 will develop, it is very difficult at this moment to foresee the final impact that it will have on the financial market and the world economy, and consequently on Grendene's activities in Brazil and worldwide.

Grendene will keep its stockholders and the market informed on any subsequent material developments on this subject.

Sobral – Ceará, Friday, March 20, 2020.

Luiz Antônio Moroni

Chief Investor Relations Officer