

GRENDENE S.A.

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

MATERIAL ANNOUNCEMENT

New buyback program for Grendene's common shares (GRND3)

In accordance with CVM Instruction 358, of January 3, 2002, Grendene S.A. (B3 ticker: GRND3; "Grendene" or "the Company"), informs its Stockholders that, in a meeting held on March 25, 2020, the Board of Directors decided, among other matters, pursuant to article 21 and subitem "i" of the Bylaws, and CVM Instruction 567, of September 17, 2015, to approve:

1. The closing of the buyback program for Grendene's common shares, without par value of the Company, which was approved at the Board of Directors' meeting held on April 25, 2019, according to the Relevant Fact, published on the same date, further clarifying that 1,467,613 shares issued by the Company were acquired under this program, with 1,317,613 shares already distributed under that program and 150,000 shares held on this date in treasury.

2. New program to buy back the Company's common shares, to be held in treasury and / or for subsequent sale, without reduction in the share capital, and including compliance with future exercises of options granted and exercisable by its executives under the Stock Options programs, subject to the conditions in the Regulations of the Stock Options Plan. The new program has the following characteristics:

a. Limit of acquisition, under Article 8 of CVM Instruction 567/2015, and based on the stockholding structure at March 25, 2020: Up to 25,000,000 common shares, corresponding to 9.22% of the shares in circulation.

b. Maximum period for acquisition: 540 days.

Start: March 25, 2020.

End: September 16, 2021.

c. The total number of Grendene' shares is 902,160,000, of which 271,290,545 are shares in circulation, 630,719,455 are shares held by the controlling stockholders and the Company's managers. On today's date the Company has 150,000 common shares in its Treasury.

d. The acquisitions will be made at market price exclusively in the stock market in which the Company's shares are traded, with intermediation by the following financial institution: Bradesco S.A. Corretora de Títulos e Valores Mobiliários, with head office at Av. Paulista 1,450, 7 andar, São Paulo, São Paulo State, registered in the CNPJ/ME under No. 61.855.045/0001-32.

The information on the new share acquisition program that has been approved, including the information required by CVM Instructions 567/15 and 480/09, as amended, is available to stockholders at the Company's head office, and on the websites of: the Company (<http://ri.grendene.com.br>), the CVM (Brazilian Securities Commission) – <http://www.cvm.gov.br>, and B3 S.A. – Brasil, Bolsa, Balcão (<http://www.b3.com.br>).

Farrroupilha, Rio Grande do Sul, Brazil, March 25, 2020.

Luiz Antonio Moroni
Investor Relations Officer