

GRENDENE S.A.

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

MARKET ANNOUNCEMENT

Grendene S.A. ('the Company')(GRND3), in accordance with Article 30, sub-item XXXIII of Appendix 30-XXXIII of CVM Instruction 480 of December 7, 2009 as amended, **hereby informs** its stockholders and the market in general of the following group of **transactions between related parties**:

Names of the Related Parties	EVEN Construtora e Incorporadora S.A. ('Even').
Relationship with the Issuer	47% of the shares in Even are held by Fundo Melpar FIA ('Melpar FIA') , which is managed by Nova Milano Investimentos Ltda. Mr. Alexandre Grendene Bartelle is controlling stockholder of the Company, Chair of its Board of Directors and a member of its Investment Committee, and is also the controlling stockholder of Nova Milano Investimentos Ltda. , and owns units of Melpar FIA. Mr. Rodrigo Geraldi Arruy , a member of the Company's Investment Committee, is also Chair of the Board of Directors of Even.
Period of the transactions	The transactions took place from September 23, 2019 through April 7, 2020. With the transaction of April 7, 2020, the joint total of the transactions exceeds 1% of the total assets of the Issuer.
Subject of the contract	Holdings as silent partner in certain Silent Partnerships (<i>Sociedades em Conta de Participação</i>) in which Even is the Ostensive Partner, to develop real estate projects.
Principal terms and conditions; and amount involved	The total amount of the investments by the Company in the Silent Partnerships is R\$ 47,104,000.00, as follows: R\$ 8,000,000.00 in the <i>Pensilvânia</i> project, on September 23, 2019; R\$ 7,000,000.00 in the <i>Neto de Araújo</i> project on October 23, 2019; R\$ 5,414,000.00 in the <i>Jesuino Maciel</i> project, on December 4, 2019; R\$ 5,000,000.00 in the <i>Saioa</i> project on April 2, 2020; R\$ 5,000,000.00 in the <i>Venâncio Aires</i> project on April 2, 2020; and R\$ 16,690,000.00 in the <i>Mairinque</i> project on April 7, 2020. The maturity dates of the investments are of up to 4 years from the date of each investment. The target average return is an interest rate of 9.33% p.a., plus inflation adjustment by the INCC index, to be paid in the form of dividends from each Partnership. As a guarantee of each of the investments, Even has granted fiduciary assignment ('chattel mortgage'), in favor of the Company, of unit shares in each of the Partnership companies. All projects will operate as follows: The respective Partnership will acquire the land for construction of buildings, using the capital funds subscribed and paid up by the Silent Partners. The Partnership companies are subject to the 'Segregated Asset Appropriation' tax regime, governed by Law 10931/04.

<p>Amounts involved</p>	<p>R\$ 47,104,000.00, as follows:</p> <table data-bbox="727 373 1484 646"> <tr> <td>R\$</td> <td>8,000,000.00</td> <td>on</td> <td>September 23, 2019;</td> </tr> <tr> <td>R\$</td> <td>7,000,000.00</td> <td>on</td> <td>October 23, 2019;</td> </tr> <tr> <td>R\$</td> <td>5,414,000.00</td> <td>on</td> <td>December 4, 2019;</td> </tr> <tr> <td>R\$</td> <td>5,000,000.00</td> <td>on</td> <td>April 2, 2020;</td> </tr> <tr> <td>R\$</td> <td>5,000,000.00</td> <td>on</td> <td>April 2, 2020, and</td> </tr> <tr> <td>R\$</td> <td>16,690,000.00</td> <td>on</td> <td>April 7, 2020.</td> </tr> </table> <p>The most recent of these transactions brought the total amount to more than 1% of the Issuer's total assets. The value of 1% of the Issuer's total assets is R\$ 40,644,470.00.</p>	R\$	8,000,000.00	on	September 23, 2019;	R\$	7,000,000.00	on	October 23, 2019;	R\$	5,414,000.00	on	December 4, 2019;	R\$	5,000,000.00	on	April 2, 2020;	R\$	5,000,000.00	on	April 2, 2020, and	R\$	16,690,000.00	on	April 7, 2020.
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<p>Justifications: Reasons why the Issuer's management believes the transaction is commutative or provides for payment of adequate consideration</p>	<p>It is the opinion of the Company's management that the transactions have been made in the best interests of the Company, that they comply with the requirement of commutativity, provide for adequate payment of remuneration, and were made on normal market terms, in compliance with the policy on financial investments adopted by the Company, and with the Company's <i>Related Party Transactions Policy</i>; and that effective negotiations of the terms and conditions took place without the related parties who were also counterparties being in any way involved on behalf of the Company in the process of negotiation, or of decision.</p>																								
<p>Any participation by the counterparty, its partners or its managers, as representatives of the Issuer, in the process of the Issuer's decision in relation to the transaction or negotiation of the transaction; describe any such participation.</p>	<p>Mr. Alexandre Grendene Bartelle and Mr. Rodrigo Geraldi Arruy abstained from voting, and did not take part in the voting in the meeting of the Investment Committee of the Company that decided on the investment; nor did they participate in any process of decision or negotiation of the said transaction. Thus, there was no participation by the counterparty as representative of the Issuer, or any of its partners or managers in the process of decision of the Issuer on the transaction, or negotiation of the transaction.</p>																								

Farroupilha, Rio Grande do Sul, Brazil, April 7, 2020.

GRENDENE S. A.
Luiz Antônio Moroni
 Chief Investor Relations Officer