

GRENDENE S.A.

Listed company – CNPJ 89.850.341/000160 – NIRE 23300021118-CE

MATERIAL ANNOUNCEMENT

In accordance with CVM Instruction 358/02, GRENDENE S.A. (GRND3) hereby **reports** to its stockholders and the market **as follows**:

In continuation of the information in the Material Announcements published on April 9 and 23, 2020 and May 5, 2020, and in accordance with Ceará State Government Decree 33.595 of May 20, 2020, the Company's activities in its units of Sobral, Crato and Fortaleza in the State of Ceará will be resumed on a partial basis, with both the working day and salaries being reduced by 70%, in accordance with an agreement signed with the Union of Employees of Sobral, Crato and Fortaleza.

Timing of resumption of activities will be as follows:

- From May 25, 2020 to May 31, 2020, employees will be dispensed from attendance, and hours not worked will be compensated using a 'Bank of Hours' system, with return to work scheduled for June 01, 2020.

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

Farroupilha, Rio Grande do Sul, Brazil – May 21, 2020.

Alceu Demartini de Albuquerque

Investor Relations Director

Grendene S.A.