

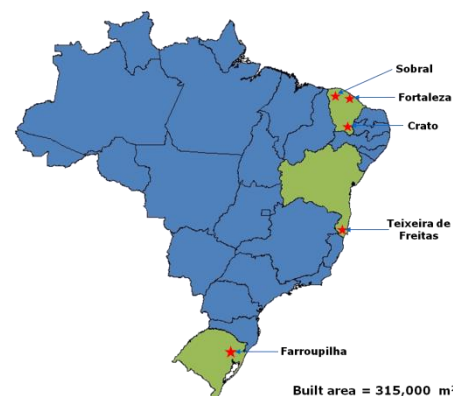
Grendene is one of the world's largest footwear producer, 20,000 employees, installed production capacity of 250 million pairs/year, gross revenues of R\$1,012.4 mn and 58.6 million pairs sold in 1H19 (Gross revenues of R\$2,825.0 mn and 173.0 million pairs sold in 2018).

Localization

Grendene has **11 footwear factories**, distributed in the state of Ceará, in the cities of Sobral (6), Fortaleza (2), Crato (1), in the state of Rio Grande do Sul in the city of Farroupilha (1) and the State of Bahia, in the city of Teixeira de Freitas (1), and **one PVC plant and 1 DC (Distribution Center)** in Sobral / CE, **one molding unit** in Farroupilha / RS, **one Showroom** Melissa in Milan and **four concept stores**: three "*Galeria Melissa*" (São Paulo, New York and London), and one "*Casa Ipanema*" (Rio de Janeiro).

Competitive advantages

- Verticalization (mold-making and PVC) and in-house technology.
- Scale, efficiency, speed and versatility in production.
- Brands with strong personality, and wide recognition; products that are benchmarks in the footwear sector.
- Innovation in product, and distribution; concentrated use of media; and globalization of our own proprietary brands.
- Speed and flexibility in increase of installed capacity, for non-significant investment.
- Solid capital structure.
- Listed on the Novo Mercado at the B3.
- Good payer of dividends.



Products

- Grendene produces footwear oriented to domestic market and exports, in the feminine, masculine, kids and mass consumption segments (Income group: A, B, C, D and E).
- New products/year: 1,436 in 2018.
- World presence: more than 100 countries.

Main footwear brands

Own brands: Melissa, Rider, Grendha, Ipanema, Ilhabela, Zaxy, Cartago, Pega Forte, Grendene Kids.

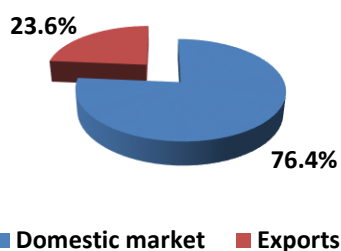
Third-party brands and licensings: Ivete Sangalo, Mormaí, Hot Wheels, Barbie, Hello Kitty, Liga da Justiça, LOL, Baby Alive, Star Wars, Playstation, Avengers Assemble, Patrulha Canina, Shopkins, Nerf, Max Steel, NBA, Bem 10, Lady Bug, Trolls, Moranguinho and the main licenses Disney.

Main Financial and Economic Indicators

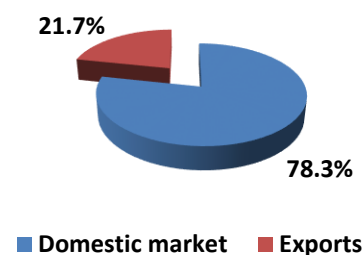
(R\$ mn)	2017	2018	Var.% 2018/2017	1H18	1H19	Var.% 1H19/1H18
Gross Revenues	2,727.7	2.825.0	3.6%	1,208.1	1,012.4	(16.2%)
<i>Domestic</i>	2,106.6	2.168.0	2.9%	922.6	793.0	(14.0%)
<i>Exports</i>	621.1	657.0	5.8%	285.5	219.4	(23.1%)
Net Sales	2,252.0	2.333.4	3.6%	991.9	823.1	(17.0%)
Gross Profit	1,100.8	1.106.1	0.5%	455.5	328.0	(28.0%)
<i>Gross margin</i>	48.9%	47.4%	(1.5 p.p.)	45.9%	39.9%	(6.0 p.p.)
EBIT	465.6	457.0	(1.9%)	182.6	43.6	(76.1%)
<i>EBIT margin</i>	20.7%	19.6%	(1.1 p.p.)	18.4%	5.3%	(13.1 p.p.)
EBITDA	526.2	522.7	(0.7%)	215.2	77.0	(64.2%)
<i>EBITDA margin</i>	23.4%	22.4%	(1.0 p.p.)	21.7%	9.4%	(12.3 p.p.)
Net Income	660.9	585.5	(11.4%)	221.9	118.0	(46.8%)
<i>Net margin</i>	29.3%	25.1%	(4.2 p.p.)	22.4%	14.3%	(8.1 p.p.)
EPS (R\$ per share)	0.73	0.65	(11.3%)	0.25	0.13	(46.9%)
Sales Volume (million pairs)	171.4	173.0	1.0%	73.4	58.6	(20.1%)

Gross sales revenue – Market %

1H18

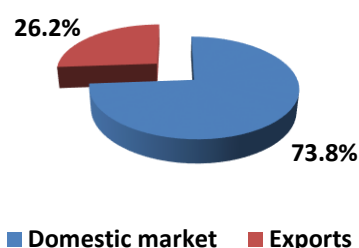


1H19

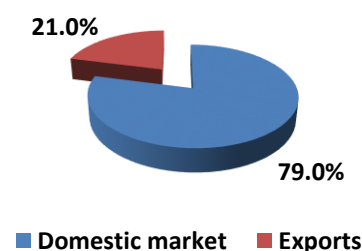


Sales volume – Market %

1H18



1H19



Economic and Operating Highlights in 1H19 vs. 1H18

- Net revenue 16.2% lower YoY, at R\$1,012.4 million.
- Net profit: R\$118.0 million – 46.8% lower YoY (R\$221.9 in 1Q18).
- Total of dividends (1Q19): R\$15.4 million.

Stock Capital on June 30, 2019

- Capital paid-in R\$1,231,301,604.46;
- Registered shares: 902,160,000 common shares;
- Price: 7.80 per share.

Headquarters

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Warning

Information in this Fact Sheet may contain statements about expected future conditions. It reflects the current perception and outlook of the company's management on the development of the business, based on expected developments in the macroeconomic environment, industry conditions, the company's performance and financial results. Any changes in such expectations and factors may cause results to be materially different from those currently expected and would reflect several risks and uncertainties.