



## RANDON S.A. IMPLEMENTOS E PARTICIPAÇÕES

Companhia Aberta

CNPJ/MF nº 89.086.144/0011-98

### MATERIAL FACT

**Randon S.A. Implementos e Participações** ( "Company" ), a publicly-held company, headquartered in Av. Abramo Randon, 770, 1<sup>st</sup> floor, Caxias do Sul, RS, pursuant to Law No. 6,404, of December 15, 1976, as amended, ("Brazilian Corporate Law") and Instruction 358, of the Brazilian Securities Exchange Commission ("CVM"), dated as of January 3, 2002, as amended ("CVM Instruction No. 358"), hereby informs its shareholders and the market in general that at the Meeting of the Board of Directors held on March 21, 2019 ("BDM"), the current Directors approved the 7th (seventh) issuance of simple debentures, not convertible into shares, in one series ("Debentures"), in the total amount of R\$400,000,000.00 (four hundred million reais) ("Issuance"), which will be publicly offered with restricted placement efforts, pursuant to CVM Instruction No. 476, of January 16, 2009, as amended ("CVM Instruction 476" and "Offer", respectively). The Issuance will be composed of 400.000 (four hundred thousand) Debentures at the face value of R\$1,000 (one thousand reais), on the issuance date ("Face Value"). Except for the hypotheses of early redemption of the Debentures and/or early maturity of the obligations arising therefrom, as set forth in the "Instrumento Particular de Escritura de 7<sup>a</sup> (sétima) Emissão de Debêntures Simples, Não Conversíveis em Ações, da Espécie Quirografária, em Série Única, para Distribuição Pública com Esforços Restritos, da Randon S.A. Implementos e Participações" ("Indenture"), the Debentures will mature 7 (seven) years as from the issuance date. The Offer exclusively targets professional investors as set forth under article 9-A of CVM Instruction No. 539, of November 13, 2013, as amended.

The Face Value or the outstanding amount of the Face Value of the Debentures, as the case may be, will not be monetary corrected by any index. The Face Value or the outstanding amount of the Face Value of the Debentures, as the case may be, will be increased by an interest rate equivalent to 100% (one hundred per cent) of the accumulated variation of the daily average rates of the interbank deposits DI for one day, "over extragroup" denominated in percentage form per annum, base 252 (two hundred

and fifty-two) business days, calculated and disclosed daily by B3 S.A. – Brasil, Bolsa, Balcão - CETIP UTVM Segment in its daily report available in its website (<http://www.B3.com.br>), increased by a spread of 1.20% (one point two percent) per annum, (“Interest”), calculated on an exponential and cumulative basis, on a *pro rata temporis* based on the business days elapsed from the date of the first subscription and payment of the Debentures or the date of payment of the Interest of the Debentures immediately precedent, as the case may be, until the date of its effective payment. Regardless of the payments due as a result of early redemption and/or acceleration of the obligations, as set forth in the Indenture, the Interest will be paid semiannually, from the issuance date of the Debentures that will be established in the Indenture.

The net proceeds raised through the Issuance will be used by the Company for the extension of the Company’s liabilities.

The minutes of the BDM that approved the Issuance as well as, among others, the terms and conditions described herein, will be available for consultation on the websites of the Company and CVM, pursuant to the applicable regulations.

This Material Fact is being disclosed by the Company exclusively in compliance with CVM Instruction 358 and the Brazilian Corporate Law, therefore it is exclusively informative and shall not be construed and/or considered, for all legal purposes, as a marketing material for sale and/or disclosure of the Debentures.

Caxias do Sul (RS), March 21, 2019.

Geraldo Santa Catharina  
Investor Relations Officer