

ANNOUNCEMENT ON TRANSACTIONS BETWEEN RELATED PARTIES

Pursuant to the provision in CVM Instruction 552/14 (Attachment 30-XXXIII), **Duratex S.A.** announces the execution of the following transactions between related parties:

Name of the Related Parties	Duratex S.A. (Seller) and Leo Madeiras, Máquinas & Ferragens Ltda. (Purchaser).
Relations with the issuer	Members of the Ligna Block, participant in the Controlling Group of Duratex S.A., holds the direct shareholding control of Leo Madeiras.
Transactions period	From January 01, 2019 to December 31, 2019
Contract purpose	Sale of wood panels.
Principal terms and conditions and amounts involved	Repeat commercial transactions for supply of wood panels for sale to the domestic market. From July 25 to December 17, 2019, aggregate sales totaled R\$ 53,117,276.09.
Justification of the reasons for which the issuer's management deems the transaction to have been conducted on the basis of arm's-length conditions or provides for adequate compensatory payment	The management of Duratex S.A. understands that the commercial transactions with Leo Madeiras, a long-standing client, have been conducted on the basis of arms-length conditions and provide for adequate compensatory payment, given that sales were made under normal market conditions pursuant to the commercial policy of Duratex S.A. These transactions have been examined and approved by the Committee for Evaluation of Transactions with Related Parties of Duratex S.A., comprising of, and chaired by, independent directors.
Eventual participation of the counterparty, its partners or managers in the decision-making process of the transaction or negotiation of the transaction as representatives of the issuer, describing this participation	Not applicable.

São Paulo (SP), December 19, 2019.

Carlos Henrique Pinto Haddad
Investor Relations Officer