

**FORM 51-102F3
MATERIAL CHANGE REPORT**

1. Name and Address of Company

Savaria Corporation (“**Savaria**”)
4350 Autoroute Chomedey
Laval, Quebec
H7R 6E9

2. Date of Material Change

May 18, 2017

3. News Release

A news release was issued by Savaria on May 18, 2017, a copy of which is attached hereto as Appendix A.

4. Summary of Material Change

Savaria completed its previously announced “bought-deal” private placement of 2,760,000 subscription receipts (the “**Subscription Receipts**”) at a price of \$13.90 per Subscription Receipts, for gross proceeds to Savaria of \$38,364,000.

5. Full Description of Material Change

The news release attached hereto as Appendix A contains a full description of the transaction and its material terms.

6. Reliance on subsection 7.1(2) of National Instrument 52-102

Not applicable.

7. Omitted Information

None.

8. Executive officer

For further information, please contact:

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Marcel Bourassa
President and Chief Executive Officer
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9. Date of Report

May 29, 2017

APPENDIX A

SAVARIA COMPLETES C\$38.36 MILLION “BOUGHT DEAL” PRIVATE PLACEMENT

May 18, 2017, Laval, Quebec – Savaria Corporation (“Savaria” or the “Corporation”) (TSX: SIS) is pleased to announce that it has completed its previously announced “bought deal” private placement of 2,760,000 subscription receipts at a price of C\$13.90 per subscription receipt (the “Offering Price”), for gross proceeds to Savaria of C\$38,364,000 (the “Offering”).

The Offering was led by National Bank Financial Inc. and GMP Securities L.P. and included the participation of Laurentian Bank Securities Inc., Cormark Securities Inc., PI Financial Corp and TD Securities Inc. (the “Underwriters”).

The net proceeds of the Offering will be used to partially finance the purchase price payable as per the terms of an agreement Savaria has reached on May 1, 2017 (the “Acquisition Agreement”) with Span-America Medical Systems, Inc. (“Span-America”) (NASDAQ: SPAN) pursuant to which Savaria will acquire Span-America by way of an all-cash tender offer of US\$29.00 per share (the “Tender Offer”), for a total transaction consideration of US\$80.2 million (or approximately C\$109.5 million) (the “Transaction”).

The subscription receipts are convertible on a one-for-one basis into common shares of Savaria (“Common Shares”) for no additional consideration and without any further action upon the successful completion of the Tender Offer (the “Conversion”). The gross proceeds of the Offering (less 50% of the underwriting fee and expenses) were deposited in escrow with Computershare Trust Company of Canada to be released to Savaria once the conditions to the Transaction have been satisfied. The holders of subscription receipts will also receive upon Conversion, in the form of a special interest payment, an amount equal to any dividends declared by Savaria and payable to holders of Common Shares of record as of dates from and including the closing date of the Offering to but excluding the date of the Conversion.

The subscription receipts issued in connection with the Offering and the underlying Common Shares are subject to a statutory hold period which expires on September 19, 2017.

Should the conditions to the Transaction not have been satisfied by September 1, 2017 or the Acquisition Agreement be otherwise terminated, the gross proceeds of the Offering will be returned to holders of subscription receipts with interest.

The subscription receipts were sold in Canada on a private placement basis to “accredited investors” under National Instrument 45-106 and pursuant to certain other available and agreed upon prospectus exemptions. The subscription receipts to be offered pursuant to the Upsized Offering have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any offer, solicitation or sale of the securities, in any jurisdiction in which such offer, solicitation or sale would be unlawful.

About Savaria

Savaria Corporation (savaria.com) is one of North America's leaders in the accessibility industry. It provides accessibility solutions for the elderly and physically challenged to increase their mobility and independence. The diversity of its product line is one of the most comprehensive on the market. Savaria designs, manufactures, distributes and installs accessibility equipment, such as stairlifts for straight and curved stairs, vertical and inclined wheelchair lifts, as well as elevators for home and commercial use. In addition, it converts and adapts vehicles to be wheelchair accessible. It also operates a network of franchisees and corporate stores through which new and recycled accessibility equipment is sold and, in certain locations, vehicle conversions are performed. Savaria operates a plant located in Huizhou (China) which increases its competitive edge. Savaria records close to 60% of its revenue outside Canada, primarily in the United States. It operates a sales network of some 400 retailers and affiliates in North America and employs some 500 people. Its principal places of business are located in Laval (Quebec), Brampton (Ontario) and Huizhou (China).

Forward Looking Statements

This press release contains statements that constitute "forward-looking information" or "forward-looking statements" (collectively "forward-looking information") within the meaning of applicable securities legislation. Forward-looking information is often, but not always, identified by the use of words such as "anticipate", "believe", "expect", "plan", "intend", "forecast", "target", "project", "may", "will", "should", "could" or similar words suggesting future outcomes or language suggesting an outlook.

Forward-looking information contained in this press release is based on the current beliefs of the Corporation as well as assumptions made by, and information currently available to, the Corporation. Although the Corporation considers these assumptions to be reasonable based on information currently available, they may prove to be incorrect.

By its very nature, the forward-looking information included in this press release involves inherent risks and uncertainties, both general and specific, and risks that predictions, forecasts, projections and other forward-looking information will not be achieved. Readers are cautioned not to place undue reliance on this forward-looking information as a number of important factors could cause the actual results to differ materially from those expressed in such forward-looking information. These factors include, but are not limited to, those risks associated with obtaining the securityholder approvals necessary to allow for the completion of the Transaction in accordance with its terms. Readers are cautioned that the foregoing list of factors that may affect future results is not exhaustive. For information identifying further known risks and uncertainties and other important factors that could cause actual results to differ materially from those anticipated in the forward-looking information, please refer to the heading "Risks and Uncertainties" in Savaria's most recent Management's Discussion and Analysis which can be found at www.sedar.com. When relying on forward-looking information to make decisions with respect to Savaria, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Furthermore, the forward-looking information contained in this press release is made as of the date of this press release and the Corporation does not undertake any obligation to update publicly or to revise any of the included forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable law. The forward-looking information contained in this press release is expressly qualified by this cautionary statement.

Important Additional Information

This document is for informational purposes only and is not an offer to buy or the solicitation of an offer to sell any securities. The solicitation and offer to buy the common stock of Span-America will only be made pursuant to an offer to purchase and related materials that the Corporation intends to file with the Securities and Exchange Commission. Span-America stockholders should read these materials carefully when they become available because they will contain important information, including the terms and conditions of the offer. Span-America stockholders will be able to obtain the offer to purchase and related materials with respect to the tender offer free of charge at the SEC's website at www.sec.gov or from the information agent named in the tender offer materials.

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