



ANNUAL INFORMATION FORM

For The Fiscal Year Ended

December 31, 2014

SAVARIA CORPORATION

2724 Etienne-Lenoir

Laval (Quebec) H7R 0A3

March 13, 2015

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FORWARD LOOKING STATEMENTS

Certain statements in this Annual Information Form ("AIF") and in 2014 management's report constitute forward-looking statements which are based on management's beliefs and information currently available to management, as well as on a number of assumptions concerning future events made by management. The use of words such as "anticipate", "believe", "could", "expect", "may", "estimate", "continue", "intend", and similar expressions, are intended to identify forward-looking statements. These statements are intended to express known and unknown risks, uncertainties and other factors which may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Management believes the expectations expressed by these statements are based on reasonable assumptions, but no assurance can be given that these expectations will prove to be correct. Forward-looking statements should only be relied upon with this caution in mind.

Forward-looking statements in this AIF include, but are not limited to, statements with respect to future capital expenditures, including the amount and nature of such expenditures, currency fluctuations, business strategy, including integration of acquisitions, expansion and growth of the Corporation's business and operations, including the Corporation's market share and position, and other such matters. The Corporation's actual results could differ materially from those anticipated in these forward-looking statements as a result of risks, uncertainties and assumptions which are difficult to predict, including, general economic, market and business conditions, incorrect assessments of the value of acquisitions, fluctuations in foreign exchange or interest rates, increase in competition, lack of available qualified management and key employees, changing technology and other factors, many of which are beyond the control of the Corporation. This list of factors should not be exhaustive and readers should also consider the items set out under the heading "Risk Factors" in this AIF. Except as required under applicable securities law, management is under no obligation to update or revise any forward-looking statements. These statements reflect only information as of the date of this AIF.

CORPORATE STRUCTURE

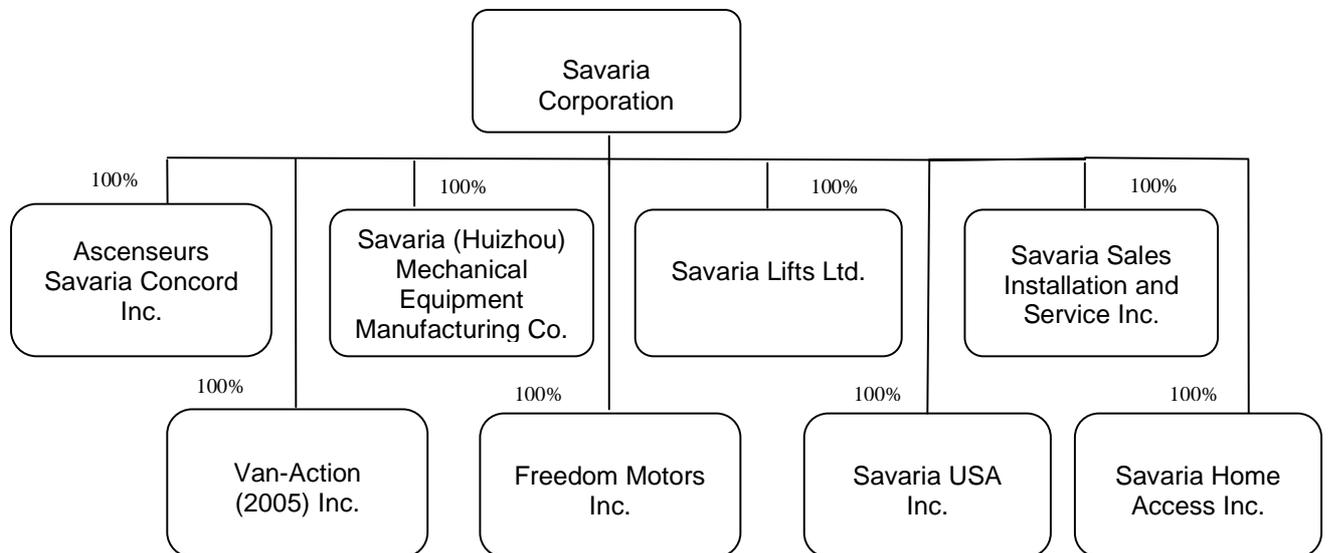
Incorporation of the Issuer

Savaria Corporation ("**Savaria**" or the "**Corporation**") was incorporated by Certificate of Incorporation issued pursuant to the provisions of the Business Corporations Act (Alberta) on October 25, 1999. The Articles of the Corporation were amended by Certificate of Amendment dated January 18, 2000, to delete the private company provisions including restrictions on resale. The Articles were amended again by a Certificate of Amendment dated July 25, 2000, consolidating the issued and outstanding common shares. A Certificate of Amendment dated December 21, 2001 provided for the changing of the name of the Corporation to Savaria Corporation, creating a Series "A" first preferred shares and providing for shareholders' meetings to be held outside of the Province of Alberta and were restated by a Certificate of Amendment and Registration of Restated Articles dated January 4, 2002. All of the previously issued and outstanding Series "A" first preferred shares have been converted to common shares in June 2005 and no Series "A" first preferred shares are currently issued and outstanding.

The Corporation's head office is located at 2724 Etienne-Lenoir, Laval, Quebec, H7R 0A3 and its registered office is located at Third Floor, 14505 Bannister Road S.E., Calgary, Alberta, T2X 3J3.

Intercorporate Relationships

Savaria has eight active subsidiaries as indicated in the chart below. Savaria owns, directly and indirectly, 100% of the issued and outstanding shares of these subsidiaries.



1. Savaria Concord Lifts Inc. ("**Savaria Concord**") was incorporated pursuant to the laws of the Province of Ontario. Located in Brampton (Ontario), it carries out the design, manufacturing and marketing of the Corporation's accessibility equipment and elevators. It also installs accessibility equipment and elevators in the Montreal (Quebec) area.
2. Savaria (Huizhou) Mechanical Equipment Manufacturing Co., Ltd. ("**Savaria Huizhou**") was incorporated pursuant to the laws of the Province of Guangdong, China. Located in Huizhou, it manufactures parts and assembles accessibility equipment and elevator components as well as finished products for the benefit of the Corporation and its subsidiaries and also for external sales.
3. Savaria Lifts Ltd ("**Savaria Lifts**") was incorporated pursuant to the laws of the Province of Alberta. Located in Calgary, Alberta, it installs accessibility equipment and elevators manufactured by Savaria Concord, in the province of Alberta.
4. Savaria Sales, Installation and Service Inc. ("**Savaria SIS**") was incorporated pursuant to the laws of the Province of Ontario under the name Concord Elevator (London) Ltd. Located in London (Ontario), it installs, in the Province of Ontario, equipment that is manufactured by Savaria Concord. It also manufactures elevator components for the Canadian and US markets.
5. Van-Action (2005) Inc. ("**Van-Action**") was incorporated pursuant to the laws of the Province of Quebec. Located in Montreal (Quebec), it converts and adapts vehicles for the physically challenged and distributes its products mostly in Canada and also in Europe.

6. Freedom Motors Inc. ("**Freedom**") was incorporated pursuant to the laws of the Province of Ontario. Located in Brampton (Ontario), it converts vehicles for the physically challenged and distributes its products mostly in Canada.

7. Savaria USA Inc. ("**Savaria USA**") was incorporated pursuant to the laws of the State of Vermont under the name Weber Accessibility Systems Inc. Located in Burlington (Vermont), it distributes accessibility equipment manufactured by Savaria Concord throughout the United States.

8. Savaria Home Access Inc. « **Savaria Home Access** » was incorporated pursuant to the laws of the province of Ontario. Located in Brampton (Ontario), it operates a network of franchisees and a corporate store which sell new and recycled accessibility equipment.

GENERAL DEVELOPMENT OF THE BUSINESS

Three-Year History

2012

To better control costs and seize the opportunity of low interest rates on the market, Savaria acquired a 125,000-square-foot plant in Brampton, Ontario, in April 2012 and operations were transferred over there during the summer.

In July 2012, the Savaria inclined platform lifts Omega, for curved staircases, and Delta, for straight staircases, were available on the North American market.

In autumn 2012, the subsidiary Savaria Huizhou has been selected for a major project on the island of Hainan in China. It sold 27 Omega platform lifts to equip all stations of the high-speed train of Hainan East Railway.

In November 2012, Savaria's main North American competitor ceased operations, which will enable Savaria to increase its market share.

2013

In 2013, sales efforts focused on acquiring new customers following the closing of Savaria's main competitor, were successful. This resulted in record-breaking growth in revenue and net income for the Corporation.

In May 2013, the subsidiary Savaria Huizhou transferred its operations to a new location, doubling its production area, to meet the growing demand from the North American subsidiary, Savaria Concord.

In September 2013, the new stairlift *Stairfriend* for curved stairs was launched. This new product offering strengthens the position of Savaria as being the one that provides the most complete range of products in the accessibility market.

2014

In April 2014, the Corporation completed a private placement underwriting 5,750,000 units at a price of \$3.25 per unit, for net proceeds of \$17.5 million, improving its highly satisfactory balance sheet.

In September 2014, the Corporation acquired all the operational assets of Silver Cross. Through this acquisition, Savaria became the operator of a franchise network which sells both new and recycled accessibility equipment, and of a lead identification program whereby potential customer names are distributed to over 100 affiliates in North America. This allowed the Corporation to increase its number of references obtained via the Internet from 3,500 to 10,500 per year.

It is in 2014 that the sales of the new stairlift for curved stairs, the *Stairfriend*, developed in 2013, has taken off. Furthermore, a new stairlift for straight stairs has been developed.

In the *Adapted Vehicles* segment, a new minivan based on the chassis of the *Ram ProMaster* has also been developed; this vehicle carries up to seven passengers, including three in wheelchairs. It has been unveiled this past February at the NMEDA annual conference in Daytona (Florida).

Both products will be introduced to market in the third quarter of 2015.

OVERVIEW OF THE BUSINESS

Savaria Corporation is North America's leader in the accessibility industry. The diversity of its product line, which includes a complete range of stairlifts, platform lifts, and residential and commercial elevators, enables the Corporation to stand out by proposing an integrated and customized solution, one of the most comprehensive on the market, to meet the mobility needs of its customers with mobility challenges. Savaria's operations in China have substantially grown and the collaboration with Savaria's other Canadian facilities increases its competitive edge in the market place. Headquartered in Laval (Quebec), Savaria has five other facilities, including a 125,000-square-foot plant in Brampton (Ontario), a 70,000-square-foot plant in Montreal (Quebec), a 75,000-square-foot plant in Huizhou (China), and two sales offices in London (Ontario), and Calgary (Alberta).

Savaria Corporation's operations are divided into two reportable segments: *Accessibility* and *Adapted Vehicles*. These segments are structured according to the market segments they address.

Savaria generates approximately 52% of its revenues from the U.S., 38% from Canada and 10% from the international market.

A. Accessibility

Overview of the business

The *Accessibility* segment designs, manufactures, distributes and installs accessibility products such as stairlifts for both straight and curved stairs, vertical and inclined platform lifts and elevators for home and commercial use. The products are manufactured, assembled and customized at the Brampton (Ontario) plant, and are offered through a network of some 600 retailers, which are primarily located in North America. The Huizhou (China) plant is the main supplier of parts and components for the Brampton

subsidiary; also, it assembles product components and finished products mainly for the benefit of the Corporation and for the sale of products on the Asian and European markets. Its product line, the most comprehensive on the market, includes thirteen products. A portion of the products manufactured by the Brampton facility are distributed and installed in the provinces of Quebec, Ontario and Alberta by Savaria Concord, Savaria SIS, Savaria Lifts and Savaria Home Access.

This segment also includes operations that came from the acquisition of Silver Cross in the third quarter of 2014, consisting of the operation of a franchise network through which new and recycled accessibility equipment is sold, and a lead generation program to capture and distribute leads on potential customers to over 100 affiliates in North America.

Savaria's products meet the requirements of Canadian Standards Association ("CSA") or American Society of Mechanical Engineers ("ASME"). The applicable standards and codes are CSA B355 (Lifts for Persons with Physical Disabilities), ASME A18.1 (Safety Standard for Platform Lifts and Stairway Chairlifts) and CSA B44 (Safety Code for Elevators). These safety standards specify minimum requirements for the design, construction, installation and testing of accessibility equipment.

The products are sold on both the commercial market (50%) and the residential market (50%). The *Accessibility* segment generated revenues of some \$70 million in 2014, representing 84% of the total revenues of the Corporation.

Production

Savaria designs and manufactures its accessibility products and elevators at its manufacturing facility in Brampton (Ontario). Product testing is conducted at the same facility. When parts are received, they are compared to the original design. Samples are selected from each received shipment and are submitted to rigorous testing. Once the samples have successfully passed all quality control tests, the product is sub-assembled. Other components are then painted, followed by the assembly of the electric/electronic components. Quality control, inspection, and examination are performed by non-assembly employees who specialize in quality control.

Components

Savaria acquires approximately 80% of required parts from external suppliers and assembles the final products. Drawings of the various components used to assemble final products are submitted to sub-contractors that supply these parts to Savaria using the just-in-time production strategy. Suppliers compete on price, delivery, service and quality. The inventory turnover rate is fifteen weeks.

New Product

In 2014, a new stairlift for straight stairs was developed; it is an improved version of the *SL-1000*, the model currently on the market. This new stairlift will be introduced to market in the fall of 2015.

Competitive Conditions

There are two major competitors to Savaria within the North American accessibility equipment industry. Most of the information relating to competition in the accessibility equipment industry was obtained through corporate websites and information provided directly by Savaria.

Bruno Independent Living Aids, Inc, Oconomowoc, Wisconsin, USA
Garaventa (Canada) Ltd., Surrey, British Columbia, Canada

Employees

The Corporation employs a total of 356 people: 169 in assembly, 67 in administration, 47 in installation, 46 in sales and marketing, 27 in engineering and research and development.

Foreign Operations

In the Accessibility segment, Savaria's foreign operations are sales of finished products and purchases of raw material. In 2014, the Corporation generates approximately 62% of its revenues from the U.S., 28% from Canada and the balance on the international market. As for purchases, approximately 31% are from Canada, 16% are from the U.S., 42% are from Asia and the balance from other countries. Of the 42% of purchases from Asia, 35% are sourced by the Chinese subsidiary, Savaria Huizhou. See also, *Risk Factors > General > Currency Fluctuations* below.

B. Adapted Vehicles

Overview of the business

The *Adapted Vehicles* segment converts and adapts minivans through the Van-Action and Freedom Motors subsidiaries located in Montreal (Quebec) and Brampton (Ontario). They offer models with rear entry, side entry or dual entry for people with mobility challenges. Via a ramp and a lowered floor, they make vans accessible in wheelchairs, for personal use or commercial use (taxis). Van-Action also adapts vehicles by installing lifting platforms, motorized winches, various manual controls and other accessories that aid people with reduced mobility in their driving.

This segment generated revenues of some \$13 million in 2014, representing 16% of the total revenues of the Corporation.

Production

Freedom and Van-Action design, manufacture, test and distribute lowered-floor minivans to accommodate wheelchairs. They convert about 500 vans per year. The line includes stages starting with disassembling the interior and mechanical components of the van, cutting open the floor, welding a new floor in place, painting, rewiring the electricity, reassembling the mechanical components and interior of the van and performing road tests.

Components

Approximately 300 parts are used to convert the vans. Of those, approximately 80% are from external suppliers. The inventory turnover rate is twelve weeks.

New Product

In 2014, a new vehicle conversion based on the chassis of *Ram ProMaster* was designed and carries up to seven passengers, including three in wheelchairs. This new vehicle was unveiled this past February at the NMEDA annual conference in Daytona (Florida), and will be introduced to market in the third quarter of 2015.

Competitive Conditions

There are three major competitors to Savaria in the adapted vehicles market within North America:

Braun Corporation, Winamac, Indiana, USA

VMI, Phoenix, Arizona, USA
Sidewinder, Chilliwack, British Columbia, Canada

Employees

The Corporation employs a total of 67 people: 40 in assembly, 12 in administration, 9 in sales and marketing, 6 in engineering and research and development.

Foreign Operations

Freedom and Van-Action sell approximately 89% of their production in Canada and 8% to one client in Sweden. As for purchases, approximately 87% are from Canada and the balance is imported from the U.S.

RISK FACTORS

The risks and uncertainties described below are not the only ones Savaria may face. Additional risks and uncertainties not presently known to the Corporation or that it currently deems immaterial may also impair business operations. If any of the following risks actually occurs, the business, financial conditions or results of operations could be materially adversely affected.

General

Financing - Savaria may require additional financing in the future. The ability of the Corporation to arrange such financing in the future will depend, in part, upon the prevailing capital market conditions, as well as the business performance of the Corporation. There can be no assurance that Savaria will be successful in its efforts to arrange additional financing on terms satisfactory to the Corporation. If additional financing is raised by the issuance of shares from treasury of the Corporation, shareholders may suffer additional dilution and control of the Corporation may change. If adequate funds are not available, or are not available under acceptable terms, Savaria may not be able to take advantage of opportunities, develop new products or otherwise respond to competitive pressures.

Limited Product Lines and Risk of Delays - Most of Savaria's sales are currently derived from a limited number of products and such products are expected to account for a substantial portion of the Corporation's revenues in the near term. In addition, the Corporation may experience delays in the development of new products and the enhancement of existing products.

Costs - Fixed costs, including costs associated with leases, labour costs, depreciation and interest expense account for a significant portion of the Corporation's costs and expenses. As a result, downtime or low productivity resulting from lower demand, equipment failure or other factors could result in significant operating losses for Savaria.

Growth Related Risks - Savaria's potential growth can place significant demands on management and other resources. The Corporation's ability to manage its growth effectively will require it to continue to develop and improve its operational, financial and other internal systems, as well as its business development capabilities and to train, motivate and manage its employees. If Savaria is unable to finance and manage its growth effectively, such inability could have a material adverse effect on the quality of its products, its ability to retain key personnel, its business, its financial condition and its operating results.

Currency Fluctuations – The Corporation realizes approximately 61% of its revenues in foreign currencies and accordingly is exposed to market risks related to foreign exchange fluctuations. Major exchange rate fluctuations could have a significant impact on its revenue and consequently on its gross margin. The Corporation partially compensates for these risks by purchasing materials in U.S. dollars and by using derivative financial instruments such as foreign exchange forward contracts. These contracts oblige the Corporation to sell U.S. dollars at a fixed rate.

Competition

There are a number of companies marketing and distributing accessibility equipment. Some of these companies may have substantially more financial and technical resources, more extensive research and development capabilities, greater marketing, distribution, and human resources and products already accepted in the market place. See sections “Competitive Conditions” of the segments, above.

The accessibility equipment industry is subject to technological change. There can be no assurance that developments by others will not render Savaria’s products non-competitive or that it will be able to keep pace with technological developments. Some of these products may have an entirely different approach or means of accomplishing the desired result than products being developed by Savaria and could be more effective and less costly than Savaria’s products.

Key Personnel

Savaria believes its future success will depend upon its ability to retain its key management personnel, including Marcel Bourassa, the Corporation's President and CEO, because of his experience and knowledge regarding the development, special opportunities and challenges of Savaria's business. The Corporation may not be successful in attracting and retaining key employees in the future. Savaria’s future success and its ability to expand its operations will also depend in large part on its ability to attract and retain additional qualified marketing, sales and technical personnel.

The Corporation may not be able to hire, train, retain, motivate and manage required personnel or to successfully identify, manage and exploit existing and potential market opportunities. Competition for these types of employees is intense due to the limited number of qualified professionals available. Failure to attract and retain personnel, particularly marketing, sales and technical personnel could make it difficult for the Corporation to manage its business and meet its objectives.

Product Liability

Savaria, like other manufacturing companies, is subject to a variety of potential liabilities connected with its business operations, including potential liabilities and expenses associated with possible product defects. The Corporation's products are highly complex and sophisticated and, from time to time, may contain design and manufacturing defects that are difficult to detect and correct. There can be no assurance that errors will not be found in new products after commencement of commercial shipments or, if discovered, that the Corporation will be able to successfully correct such errors in a timely manner or at all. In addition, despite tests carried out by the Corporation on all of its products to achieve, as much as possible, first pass product success, there is no assurance that Savaria will be able to fully simulate the environment in which its products will operate. As a result, the Corporation may be unable to adequately detect design and manufacturing defects in its products and they may only become apparent after the

products are installed. The consequences of such errors and failures could have a material adverse effect on the Corporation's business, financial condition and results of operations.

Consistent with industry practice, Savaria allows customers to return products for warranty repair, replacement or credit. Although the Corporation will provide allowances for anticipated returns, and management believes that the policies of the Corporation have resulted in the establishment of allowances that are adequate, there is no assurance that such product returns will not exceed such allowances in the future and as a result may have a material adverse effect on future operating results. If any of the products distributed by Savaria prove defective, the Corporation may be required to refund the price of or replace the product. Replacement or recall of such products may cause the Corporation to incur significant expenses and adversely affect the reputation of Savaria and its products.

Savaria maintains liability and other insurance coverage which it believes to be generally in accordance with industry practices. Nevertheless, such insurance coverage may not be adequate to fully protect the Corporation against substantial damage claims which may arise from product defects and failures.

Government Regulation

All Savaria products are submitted to, and meet the requirements of the CSA and the ASME standards. Although Savaria intends to seek all necessary approvals for future products, there can be no assurance that the codes and standards relating to such approvals will not change, thus requiring additional approvals, or that Savaria will be able to secure all necessary approvals at acceptable costs or within desired time frames.

Return on Investment

Savaria may continue to expand its operations or product lines through the acquisition of additional businesses, products or technologies. There can be no assurance that the Corporation will be able to identify, acquire or profitably manage additional businesses or successfully integrate any acquired businesses, products or technologies into the Corporation without substantial expenses, delays or other operational or financial problems. Furthermore, acquisitions involve a number of special risks, including diversion of management's attention, failure to retain key acquired personnel, unanticipated events or circumstances and legal liabilities, some or all of which could have a material adverse effect on the Corporation's business, results of operations and financial condition. In addition, there can be no assurance that acquired businesses, products or technologies, if any, will achieve anticipated revenues and income. An acquisition could also result in a potentially dilutive issuance of equity securities. If a strategy of growth through acquisition is pursued, the failure of the Corporation to manage this strategy successfully could have a material adverse effect on Savaria's business, results of operations and financial condition.

Operating Results

There is no assurance that the Corporation will achieve profitability in the future or that it will be able to generate sufficient cash from operations, or to raise sufficient financing, to fund its operations. Savaria's annual and quarterly results are affected by a number of factors. The primary factors affecting operating results are the level and timing of customer orders, fluctuations in materials costs and the mix of materials costs versus labour and manufacturing overhead costs. Other factors affecting annual and quarterly operating results include price competition, the Corporation's experience manufacturing a particular

product, the efficiencies achieved by the Corporation in managing inventories, fixed assets and manufacturing capacity, the timing of expenditures in anticipation of increased sales, the timing of acquisitions and related integration costs, customer product delivery requirements, product defects, shortage of raw materials or labour, expenditures or write-offs related to acquisitions, distribution and marketing costs, expenses relating to expanding existing manufacturing facilities and overall economic conditions in the accessibility equipment industry. Any one of these factors or a combination thereof could have a material adverse effect on the Corporation's results of operations, business, prospects and financial condition and could cause variability of results from period to period.

Healthcare Reimbursement

Savaria's ability to grow sales of accessibility equipment may depend, in part, on the extent to which reimbursement for the cost of such products will be available from government health administration authorities, private health coverage insurers, and other organizations. Third-party payers are increasingly challenging the price of medical equipment. There can be no assurance that third-party coverage will be available to assist potential buyers of Savaria's products.

Proprietary Rights

Much of Savaria's rights to know-how and technology may not be patentable, though this know-how and technology may constitute trade secrets. There can be no assurance that the Corporation will be able to meaningfully protect its rights to trade secrets. To help protect its rights, Savaria may require employees, consultants, suppliers and sub-contractors to enter into confidentiality agreements. There can be no assurance that these agreements will provide meaningful protection for the Corporation's rights to trade secrets, know-how or other proprietary information in the event of any unauthorized use or disclosure.

Technological Alteration

Savaria's products are manufactured to specifications designated by each country within which product is sold. A country can announce changes to its specifications for equipment design that can materially affect Savaria's production, design and implementation processes, thereby forcing the absorption of additional costs while adjusting to the new specifications.

DIVIDENDS

During each of the years indicated, the Corporation declared the following dividends per share:

	2014	2013	2012
Common Shares	\$0.24	\$0.14	\$0.094

These dividends were paid as per the Corporation policy, which currently is to declare a quarterly dividend of 4 cents (\$0.04) per common share.

GENERAL DESCRIPTION OF CAPITAL STRUCTURE

The Corporation is authorized to issue an unlimited number of common shares and first or second preferred shares, all with or without nominal value. As at the date of this AIF, 29,679,614 common shares are issued and outstanding as fully paid and non-assessable. No first or second preferred shares are issued and outstanding as at the date of this AIF.

The holders of the common shares are entitled to dividends, if, as and when declared by the board of directors, to one vote per share at meetings of the shareholders of the Corporation and, upon liquidation, to receive such assets of the Corporation as are distributable to the holders of the common shares.

MARKET FOR SECURITIES

Trading Price and Volume

The Corporation's common shares trade on the Toronto Stock Exchange under the symbol "SIS". The trading price of the common shares for the period of January 1, 2014 to December 31, 2014 was as follows:

Month	Price per share			Volume
	High	Low	Close	
January	\$3.60	\$3.00	\$3.30	389,251
February	\$3.30	\$3.10	\$3.20	545,069
March	\$3.94	\$3.06	\$3.50	222,936
April	\$3.80	\$3.30	\$3.80	527,551
May	\$3.80	\$3.49	\$3.55	152,905
June	\$3.70	\$3.19	\$3.35	391,977
July	\$3.45	\$2.95	\$3.26	304,847
August	\$3.50	\$3.15	\$3.50	257,991
September	\$3.75	\$3.50	\$3.65	83,115
October	\$3.69	\$2.82	\$3.65	710,946
November	\$4.45	\$3.55	\$4.32	491,098
December	\$4.50	\$3.85	\$4.35	361,068

DIRECTORS AND OFFICERS

Name, Occupation and Security Holdings

The following table sets out the name and municipality of residence of each of the directors and executive officers of the Corporation, their positions held in the Corporation, their principal occupation at present and during the preceding five years, and the number of common shares of the Corporation which that person has advised are beneficially owned by him or her, directly or indirectly, or over which control or direction is exercised, as of the date of this AIF. Each of these directors has been nominated for election

at the Corporation's annual meeting. If elected, they will serve until the next annual meeting, their resignation or until their successors are elected or appointed in accordance with the *Business Corporations Act* (Alberta) and the by-laws of the Corporation.

Name and municipality of residence	Position with Savaria and principal occupation during the past five years	Common Shares beneficially owned and/or controlled and percent of total issued and outstanding common shares
Marcel Bourassa Georgetown, Ontario	President, Chief Executive Officer and a director of the Corporation since January 2002. President of the Corporation's wholly-owned subsidiaries.	11,593,200 ⁽¹⁾ (39.1%)
Jean-Marie Bourassa Montreal, Quebec	Chief Financial Officer and director of the Corporation since January 2002. President and director of <i>Bourassa Boyer Inc.</i> , Chartered Professional Accountant firm, since 1980.	3,310,500 ⁽²⁾ (11.2%)
Robert Berthiaume Montreal, Quebec	Professional engineer with <i>Savaria Concord</i> since 1991. Director of the Corporation since January 2002.	34,500 (0.1%)
Peter Drutz ⁽³⁾ Richmond Hill, Ontario	President of <i>Kankare Home Services Inc.</i> (dba <i>Comfort Keepers</i>) since August 2004. Director of the Corporation since 1999.	135,766 (0.5%)
Jean-Louis Chapdelaine Pointe-Claire, Quebec	President of <i>Saraguay Investment Inc.</i> since 1975. Director of the Corporation since June 2005.	120,000 (0.4%)
Sylvain Dumoulin ⁽³⁾ L'Île-Bizard, Quebec	Real estate and construction consultant since 2005. Director of the Corporation since September 2010.	50,000 (0.2%)
Alain Tremblay ⁽³⁾ Laval, Quebec	Vice-President Finance and Operations of <i>Gestion Benoît Dumoulin inc.</i> since 2013. Vice-President Finance and Operations of <i>Habitations Raymond Allard inc.</i> from 2012 to 2013. Vice-President Control and Administration of <i>Gouverneur Hotels</i> from 2009 to 2012. Director of the Corporation since September 2011.	35,550 (0.1%)

⁽¹⁾ Of the 11,593,200 common shares indicated, 10,700,000 are held indirectly through *Les Élevateurs Savaria Inc.*, 500,000 held indirectly through *9264-4582 Quebec Inc.* and 392,300 are held indirectly through *9099-4591 Quebec Inc.*, all three of which are controlled by Marcel Bourassa and his children and 900 are held personally by Marcel Bourassa.

⁽²⁾ Of the 3,310,500 indicated, 2,675,000 are held indirectly through *Les Élévateurs Savaria Inc.*, 500,000 held indirectly through *9264-4582 Quebec Inc.* and 135,500 are held personally by Jean-Marie Bourassa.

⁽³⁾ Members of the Corporation's Audit Committee. Mr. Dumoulin is Chairman of the Audit Committee.

The directors and officers of the Corporation, as a group, beneficially own or control, directly or indirectly, 15,279,516 or 51.5% of the issued and outstanding common shares.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

1. None of the Corporation's directors or executive officers was, at the date of the AIF, or was within 10 years before the date of the AIF, a director, chief executive officer or chief financial officer of any company (including Savaria) that:
 - (a) was subject to an order that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer, or
 - (b) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

For the purpose of subsection 1, "order" means a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days.

2. None of the Corporation's directors or executive officers or any shareholder holding a sufficient number of securities of Savaria to affect material control of the Corporation
 - (a) was, as at the date of this AIF, or has been within the 10 years before the date of this AIF, a director or executive officer of any company (including Savaria) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, or
 - (b) had within the 10 years before the date of the AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or become subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee.

Conflicts of Interest

Directors and officers of Savaria may serve as directors or officers of, or have significant shareholdings in other companies, or be or become engaged in business and activities in the accessibility industry and/or other fields, on their own behalf and on behalf of other companies and entities. To the extent that such other companies or entities may participate in ventures in which the Corporation may participate, the

directors or officers of the Corporation may have a conflict of interest. Conflicts of interest, if any, will be subject to the procedures and remedies under the Business Corporations Act (Alberta).

As at the date of this AIF, the Corporation is not aware of any existing or potential material conflicts of interest between the Corporation and a director or officer of the Corporation.

PROMOTERS

Marcel Bourassa and Jean-Marie Bourassa may be considered promoters of the Corporation. The following table sets out the number (and percentage) of each class of securities of the Corporation beneficially owned, directly or indirectly, or over which control is exercised by the promoters of the Corporation:

Name of Promoter and Position with Savaria	Number and Percentage of Voting Securities Held
Marcel Bourassa President, Chief Executive Officer	11,593,200 ⁽¹⁾ common shares (39.1%)
Jean-Marie Bourassa Chief Financial Officer	3,310,500 ⁽²⁾ common shares (11.2%)

⁽¹⁾ Of the 11,593,200 common shares indicated, 10,700,000 are held indirectly through *Les Éleveurs Savaria Inc.*, 500,000 held indirectly through *9264-4582 Quebec Inc.* and 392,300 are held indirectly through *9099-4591 Quebec Inc.*, all three of which are controlled by Marcel Bourassa and his children and 900 are held personally by Marcel Bourassa.

⁽²⁾ Of the 3,310,500 indicated, 2,675,000 are held indirectly through *Les Éleveurs Savaria Inc.*, 500,000 held indirectly through *9264-4582 Quebec Inc.* and 135,500 are held personally by Jean-Marie Bourassa.

The following table sets out the nature and amount of anything of value, including money, property, contracts, options or rights of any kind received by the promoters directly or indirectly from Savaria or its wholly-owned subsidiary:

Name and principal position	Salary	Bonus	Other annual compensation	Securities under option	Any other items of value received
Marcel Bourassa	\$275,000	\$275,000	nil	nil	nil

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

During the fiscal year ended December 31, 2014, the Corporation recorded an amount of \$52,000 (2013: \$50,000, 2012: \$41,000) for services rendered by an entity whose officer is a director and Chief financial officer of the Corporation. It also signed a lease with a company belonging to a director and president and chief executive officer of the Corporation. According to the terms of the lease, an amount of \$25,000 was paid to that company in 2014 (2013: \$4,000, 2012: nil). The lease expires in October 2016 and the total remaining commitment is in the amount of \$46,000.

Other than the foregoing, the directors, officers and principal shareholders of the Corporation (and the known associates and affiliates of such persons) have had no direct or indirect interest in any transaction involving the Corporation, or its subsidiaries in the last fiscal year or in any proposed material transaction.

AUDIT COMMITTEE

Audit Committee Charter

See Schedule A.

Composition of the Audit Committee

Members of the Audit Committee are Sylvain Dumoulin (chair), Peter Drutz and Alain Tremblay. Each member of the Audit Committee is independent and financially literate.

Relevant Education and Experience

Sylvain Dumoulin

Mr. Dumoulin obtained his BAA in May 1986 after graduating from *l'École des Hautes Études Commerciales in Montreal* (HEC) and his Chartered Accountant degree in 1988, during his professional training with *Raymond, Chabot, Martin, Paré*, Chartered Accountant firm from 1986 to 1989. He was employed by *Grilli Property Group Inc.* from 1989 to 2002, the last 4 years as Vice President of Finance and as a member of the Board of Directors of the company. Among his accomplishments during that period, Mr. Dumoulin worked actively in the Grilli share issue on the stock market in 1992 and the financial restructuring of the company in 1996. He is now acting as a consultant for several real estate and construction companies.

Peter A. Drutz

Mr. Drutz obtained his Masters of Business Administration from the Faculty of Administrative Studies at *York University* in 1984. He was Executive Vice President of Retail for *Indigo Books and Music* from April 2003 to September 2004 and with *Amex Canada Inc.* from 1982 to 2003, the last 8 years as Vice President and General Manager of the *Travel Services Network Division*. Since 2004, Mr. Drutz has been President and CEO of *KanKare Home Services Inc* which is the Master Franchisor for the Canadian operations of *Comfort Keepers*, a business providing in home care to seniors and others in need of assistance. Over the course of his career, he has gained experience in analyzing financial statements and he has an understanding of internal controls and procedures for financial reporting. He is familiar with

audit committee functions and governance through his involvement with Savaria and being on the Board of Directors of *Amex Bank of Canada Inc.* and other public corporations.

Alain Tremblay

Mr. Tremblay obtained his BAA in May 1987 after graduating from *l'Université du Québec à Montréal* (UQAM) and his Chartered Accountant title in 1989, while he was working for KPMG from 1987 to 1992. He was then employed by *Grilli Property Group Inc.* from 1992 to 1996 as Corporate Controller, and from 2002 to 2009 as Vice-President Finance and member of the Board of Directors. He also acted as Director of Finance for *Provigo* and *Loblaw*, in the Financial Analysis and Internal Audit departments. From 2000 to 2002, he acted as Controller for Textiles Activities for *Gildan Activewear*, comprising 10 plants and distribution centers, across America. More recently, he acted as Vice-president Control and Administration for the *Gouverneur* Hotels Chain, and was recently appointed Vice-President Finance and Operations for a construction and real estate company *Gestion Benoit Dumoulin inc.* Among his accomplishments, Mr. Tremblay contributed to the financial comeback of *Grilli Property Group inc.*, putting together several financial agreements allowing the Company to substantially grow. He also contributed to various accounting software implementations through a participation role or as the team leader of the project. Employed by one company or another, he assumes the function of vice-president since more than 12 years.

External Auditors' Service Fees (By Category)

Year	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
2014	\$163,000	nil	\$16,000	\$29,750
2013	\$144,000	nil	\$18,000	nil

TRANSFER AGENT AND REGISTRAR

The Corporation's transfer agent and registrar is *Computershare Trust Company of Canada*. Computershare maintains the Corporation's registers at 1500 University, suite 700, Montreal, Quebec, H3A 3S8.

MATERIAL CONTRACTS

Savaria has not entered into any material contracts that are not disclosed or otherwise entered in the ordinary course of business.

INTEREST OF EXPERTS

KPMG LLP are the Corporation's auditors who will prepared the Auditors' Report to the shareholders as of March 26, 2015, with respect to the consolidated annual financial statements of the Corporation for the year ended December 31, 2014. As of the same date, KPMG is objective with respect to the Corporation

within the meaning of the Code of Ethics of the *Ordre des comptables professionnels agréés du Québec*.

ADDITIONAL INFORMATION

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Corporation's securities and options to purchase securities, will be contained in the Corporation's Information Circular for the annual meeting. Additional financial information is provided in Savaria's comparative financial statements for the year ended December 31, 2014. Copies of the Information Circular and the consolidated financial statements may be obtained upon request from the Corporation at its corporate head office. Additional information relating to Savaria may also be found on SEDAR (System for Electronic Document Analysis and Retrieval) at www.sedar.com, and on Savaria's website at www.savaria.com.

SCHEDULE A: AUDIT COMMITTEE'S CHARTER

1. General objectives

The Audit committee of Savaria (the "Committee") is established by and among the board of directors (the "Board") for the purpose of overseeing the accounting and financial reporting processes, as well as the audit of the financial statements of the Corporation.

2. Composition

The Committee shall be comprised of three or more directors as determined by the Board, none of whom are members of management of Savaria and all of whom are "independent" (as such term is used in Multilateral Instrument 52-110 — Audit Committees ("MI 52-110")) unless the Board shall have determined that the exemption contained in section 3.6 of MI 52-110 is available and has determined to rely thereon.

The expression "independent" shall mean a person with no direct or indirect relationship with the Corporation.

All of the members of the Committee shall be "financially literate" (as defined in MI 52-110) unless the Board shall determine that an exemption under MI 52-110 from such requirement in respect of any particular member is available and has determined to rely thereon in accordance with the provisions of MI 52-110.

The expression "financial literacy" shall mean the ability to read and understand financial statements that are presenting accounting issues that could reasonably be raised in the Corporation's financial statements.

The members of the Committee shall be appointed by the Board at the annual organizational meeting of the Board and remain as members of the Committee until their successors shall be duly elected and qualified.

Unless a Chair is elected by the full Board, the members of the Committee may designate a Chair by majority vote of the full Committee membership.

3. Organization

The Committee shall meet at least four times annually, or more frequently as circumstances dictate. The members of the Audit committee shall meet before or after each meeting without management. As part of its mandate to foster open communication, the Committee should meet at least annually with management and the external auditors in separate executive sessions to discuss any matters that the Committee or each of these groups believe should be discussed privately. The Chief Financial Officer may, at the discretion of the Committee, be present at meetings of the Committee and may be excused from all or part of any such meetings by the Chairman.

Minutes of all meetings of the Committee shall be taken and the Committee shall report the results of its meetings and reviews undertaken and any associated recommendations or resolutions to the Board. A written resolution signed by all Committee members entitled to vote on that resolution at a meeting of the Committee shall be a valid resolution of the Committee.

A quorum for meetings of the Committee shall be a majority of its members, and the rules for calling, holding, conducting and adjourning meetings of the Committee shall be the same as those governing the Board.

Members of the Committee may participate in a meeting of the Committee by means of telephone or other communication device or facilities that permit all persons participating in any such meeting to hear one another.

The Committee shall ensure the existence of an annual procedure to assess the performance of the Committee and its members.

4. Responsibilities and Duties

a) Financial Reporting and Disclosure of Documents

To fulfill its responsibilities and duties, the Committee shall:

- a. Review with management and the external auditors the annual financial statements and accompanying notes, the external auditors' report thereon and the related press release, including the information contained in management's discussion analysis, before recommending Board approval and prior to their release, filing and distribution.
- b. Review with management the quarterly financial statements and accompanying notes and the related press release, including the information contained in management's discussion analysis, before recommending Board approval and prior to their release, filing and distribution.
- c. Review the financial information contained in the annual information form, annual report, management proxy circular, prospectus and other documents containing similar information and prior to their release, filing and distribution with regulatory authorities in Canada.
- d. Ensure that the quarterly and annual audited financial statements of the Corporation accurately represent the financial situation, in accordance with generally accepted accounting principles, before recommending Board approval.
- e. Review with the external auditors and management the quality, appropriateness and adequacy of the Corporation's accounting principles and policies, underlying assumptions and financial reporting practices.
- f. Review, together with the Corporation's management and the external auditors, the proposed changes to the Corporation's accounting principles and policies, as well as the different estimates performed by management that could have a material impact on the financial information.
- g. Review the reports to management prepared by the external auditors and management's responses.
- h. Review of significant auditors' findings during the year, including the status of previous audit recommendations.

- i. Ensure that adequate procedures are in place for the review of the public disclosure of financial information extracted or derived from the financial statements and periodically review those procedures.
- j. Review and update this Charter, as conditions dictate.

b) Risk management and Internal Controls

To fulfill its responsibilities and duties, the Committee shall:

- a. Ensure, through discussion with management and external auditors, the effectiveness of the internal controls and the reliability of the financial information disclosed.
- b. Remain informed, through the external auditors, of any weakness in the systems that could cause errors or deficiencies in financial reporting or deviations from the accounting policies of the Corporation or from applicable laws and regulations.
- c. Review the financial and accounting aspects of transactions between related parties.
- d. Review risk management policies and procedures of the Corporation (i.e., hedging, litigation and insurance).
- e. Review the liability insurance coverage for the board members (annually and as required).
- f. Review requests for information from the *Autorité des marchés financiers* and any recommendations made and the steps taken by the Corporation to deal with any such issues.
- g. Assist the Board with the oversight of the Corporation's compliance with applicable regulatory requirements.

c) External Auditors

To fulfill its responsibilities and duties, the Committee shall:

- a. Be directly responsible for overseeing the work of the external auditors, including the resolution of disagreements between management and the external auditors regarding financial reporting.
- b. Recommend to the Board the external auditors to be nominated for appointment by the shareholders.
- c. Recommend to the Board the terms of engagement of the external auditors, including their compensation and a confirmation that the external auditors shall report directly to the Committee.
- d. On an annual basis, review and discuss with the auditors all significant relationships the auditors have with the Corporation to determine the auditors' independence.
- e. Review the performance of the external auditors and approve any proposed discharge of the external auditors when circumstances warrant.
- f. When there is to be a change in auditors, review the issues related to the change and the information to be included in the required notice to securities regulators of such change.
- g. Periodically consult with the external auditors, without the presence of management, about internal controls and the fullness and accuracy of the organization's financial statements.
- h. Review, in consultation with the external auditors, the audit scope and plan of the external auditors.

- i. Pre-approve the completion of any non-audit services by the external auditors and determine which non-audit services the external auditors are prohibited from providing.
- j. Review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Corporation.

d) Ethical and Legal Compliance

To fulfill its responsibilities and duties, the Committee shall:

- a. Establish a procedure for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal controls or auditing matters.
- b. Establish a procedure for the confidential transmittal, on condition of anonymity, by the Corporation's employees of concerns regarding questionable accounting or auditing matters.
- c. Conduct and authorize investigations into any matters within the Committee's scope of responsibilities. The Committee shall be empowered to retain, and to set and pay compensation for any independent counsel and other professionals to assist in the conduct of any investigation, subject to the Board approving any expenditure in excess of \$10,000 in this regard.
- d. See to the establishment and respect by the Corporation's Executive Management of the disclosure policy and any other governance policy regarding financial information, operations, activities, facts or events having a material impact effect on the Corporation's financial condition.
- e. Perform any other activities consistent with this Charter, the Corporation's by-laws and governing law, as the Committee or the Board deems necessary or appropriate.

ADOPTED BY THE BOARD OF DIRECTORS ON DECEMBER 10, 2008