FORM 27, Ontario, Alberta and British Columbia
FORM 25, Saskatchewan

MATERIAL CHANGE REPORT UNDER

SECTION 75(2) OF THE SECURITIES ACT (ONTARIO)
SECTION 84(1)(b) OF THE SECURITIES ACT (SASKATCHEWAN)
SECTION 118(1) OF THE SECURITIES ACT (ALBERTA)
SECTION 85(1) OF THE SECURITIES ACT (BRITISH COLUMBIA)

Item 1: Reporting issuer

Maax Inc.
600 Cameron Street
Sainte-Marie, Beauce, Québec
G6E 1B2

Item 2: Date of Material Change

May 20, 1998

Item 3: Press Release

A press release was issued on May 21, 1998 by Maax Inc. ("Maax") through Canadian Corporate News.

Item 4: Summary of Material Change

Maax entered into an agreement with Shostal Ltd. pursuant to which Maax acquired the operating assets of Shostal Ltd. and of its subsidiary, a major manufacturer of bathroom components for an aggregate purchase price payable as follows: (i) $12.0 million upon closing, (ii) the issue of a promissory note in the amount of $6.0 million, (iii) the issue of 195,000 common shares of Maax and (iv) the assumption of certain liabilities. The transaction is effective April 1, 1998.

Item 5: Full Description of Material Change

Pursuant to the agreement, Maax acquired the operating assets of Shostal Ltd., a major manufacturer of bathroom components for an aggregate purchase price payable as follows: (i) $12.0 million upon closing, (ii) the issue of a promissory note in the amount of $6.0 million, (iii) the issue of 195,000 common shares of Maax and (iv) the assumption of certain liabilities. The transaction is effective April 1, 1998.

Shostal Ltd. is a major bathroom equipment manufacturer in Canada and specializes in the manufacturing of shower kits, bathtub surrounds, medicine cabinets, vanities, vanity tops, laundry sinks, as well as acrylic bathtubs, whirlpools and showers.

The financial results of the new subsidiary will be consolidated with those of Maax Inc. retroactively to April 1, 1998.

Shostal's plants located in Lachine and Dorion, Québec and Calgary, Alberta, cover a total of 341,000 square feet in floor space and employ over 220 persons. Shostal's distribution network includes home improvement centres and plumbing wholesalers in Canada and the United States. This strategic acquisition will allow Maax to strengthen its position as a manufacturer of bathroom products in Canada and the United States and complete its already impressive line of products for the growing remodelling and home improvement market.

Shostal Ltd. sales should reach more than $41.0 million for the period between April 1, 1998 and the close of the financial year ending February 28 , 1999.

As mentioned, the transaction consists in the issue of 195,000 common shares of Maax, a cash payment of $12.0 million, and a balance of sale of $6.0 million. Payments will be made directly out of the Company's liquid assets.

Placid Poulin, President and Chief Executive Officer, stated that "Shostal Ltd. falls within the scope of Maax's ideal growth strategy to be a leader in bathroom equipment products in all market segments-both in new construction and remodelling." Mr. Poulin also specified that Messrs. Harvey Blatt and James Stapleton will continue to manage the business.

Mr. Poulin further detailed that this acquisition will allow Maax sales to attain over $280 million for the financial period ending February 28, 1999.

Item 6: Reliance on section 75(3) of the Securities Act (Ontario), section 84(2) of the Securities Act (Saskatchewan), section 118(2) of the Securities Act (Alberta) and section 85(2) of the Securities Act (British Columbia)

Not applicable.

Item 7: Omitted Information

Not applicable.

Item 8: Senior Officers

For further information, please contact Placide Poulin, Chairman of the Board, President and Chief Executive Officer.

Item 9: **Statement of Senior Officer**

The foregoing accurately discloses the material change referred to herein.

Dated at Montreal, this 21st day of May 1998

« *Placide Poulin* »

Placide Poulin
Chairman of the Board, President and
Chief Executive Officer

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