

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 11-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE FISCAL YEAR ENDED December 31, 2018

OR

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES AND EXCHANGE ACT OF 1934

FOR THE TRANSITION PERIOD FROM _____ TO

Commission File Number: 000-21835

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

SUN HYDRAULICS CORPORATION 401(K) RETIREMENT PLAN
1500 WEST UNIVERSITY PARKWAY
SARASOTA, FLORIDA 34243

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

HELIOS TECHNOLOGIES, INC.
1500 WEST UNIVERSITY PARKWAY
SARASOTA, FLORIDA 34243

SUN HYDRAULICS CORPORATION 401(K) RETIREMENT PLAN
FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULE
AND REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM
DECEMBER 31, 2018 AND 2017

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All other schedules are omitted as they are not applicable or not required based on disclosure requirements of the Employee Retirement Income Security Act of 1974 and regulations issued by the Department of Labor.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Plan Administrator and Plan Participants
Sun Hydraulics Corporation 401(k) Retirement Plan

Opinion on the financial statements

We have audited the accompanying statements of net assets available for benefits of Sun Hydraulics Corporation 401(k) Retirement Plan (the “Plan”) as of December 31, 2018 and 2017, the related statement of changes in net assets available for benefits for the year ended December 31, 2018, and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2018 and 2017, and the changes in net assets available for benefits for the year ended December 31, 2018 in conformity with accounting principles generally accepted in the United States of America.

Basis for opinion

These financial statements are the responsibility of the Plan’s management. Our responsibility is to express an opinion on the Plan’s financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Plan in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Plan is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Plan’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Supplemental information

The schedule of assets (held at end of year) as of December 31, 2018 (“supplemental information”) has been subjected to audit procedures performed in conjunction with the audit of the Plan’s financial statements. The supplemental information is the responsibility of the Plan’s management. Our audit procedures included determining whether the supplemental information reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental information. In forming our opinion on the supplemental information, we evaluated whether the supplemental information, including its form and content, is presented in conformity with the Department of Labor’s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. In our opinion, the supplemental information is fairly stated, in all material respects, in relation to the financial statements as a whole.

/s/ GRANT THORNTON LLP

We have served as the Plan’s auditor since 2016.

Tampa, Florida

June 27, 2019

SUN HYDRAULICS CORPORATION 401(K) RETIREMENT PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

	December 31,	
	2018	2017
Assets		
Investments at fair value:		
Money market funds and cash	\$ 8,537,734	\$ 8,574,673
Mutual funds	50,633,988	58,105,658
Common stock	780,031	791,949
Sponsor company common stock, non-participant directed	11,431,544	26,031,129
Total investments at fair value	71,383,297	93,503,409
Receivables:		
Employer contribution-sponsor company common stock	1,091,972	—
Employer contribution-cash	—	74,752
Participant contribution	—	113,794
Notes receivable from participants including interest	2,293,883	2,611,751
Total receivables	3,385,855	2,800,297
Liabilities		
Other liabilities	—	2,649
Net assets available for benefits	\$ 74,769,152	\$ 96,301,057

The accompanying Notes to the Financial Statements are an integral part of these financial statements.

SUN HYDRAULICS CORPORATION 401(K) RETIREMENT PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEAR ENDED DECEMBER 31, 2018

Additions:	
Investment (loss) income:	
Net depreciation in fair value of investments	\$ (17,068,446)
Interest and dividends	2,568,860
Total investment loss, net	(14,499,586)
Contributions:	
Participant	2,491,551
Employer - cash	1,728,397
Employer - sponsor company common stock, at fair value	1,091,802
Rollovers	445,770
Total contributions	5,757,520
Interest income on notes receivable from participants	136,355
Total additions	(8,605,711)
Deductions:	
Benefits paid to participants	12,868,486
Administrative expenses	57,708
Total deductions, net	12,926,194
Net decrease	(21,531,905)
Net assets available for benefits	
Beginning of the year	96,301,057
End of the year	\$ 74,769,152

The accompanying Notes to the Financial Statements are an integral part of these financial statements.

SUN HYDRAULICS CORPORATION 401(K) RETIREMENT PLAN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

1. Description of Plan

The following description of the Sun Hydraulics Corporation 401(k) Retirement Plan, known prior to January 1, 2019, as the Sun Hydraulics Corporation 401(k) and ESOP Retirement Plan (the “Plan”) provides only general information. Participants should refer to the Plan agreement, as amended, for a more complete description of the Plan’s provisions.

General

The Plan became effective January 1, 1979. The Plan is a defined contribution 401(k) plan covering certain employees of its sponsor, Helios Technologies, Inc. (the “Corporation”), previously known as Sun Hydraulics Corporation, who have completed three months of employment and reached the age of 18. Employees are automatically enrolled in the Plan effective on the first day of each calendar quarter following their third month of employment. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

The Plan is administered by the Employee Benefits Committee (the “Committee”) except in connection with the acquisition, retention or disposition of Corporation stock held by the Plan, with respect to which the Corporation’s Board of Directors retains authority. The Committee is composed of five employees of the Corporation appointed by the Corporation’s Board of Directors. Charles Schwab Bank (formerly known as Charles Schwab Trust Company) (the “Trustee”) is the current trustee for the Plan. Schwab Retirement Plan Services, Inc. provides the recordkeeping, accounting, and the telephone and Internet exchange features of the Plan.

During 2004, the Corporation adopted the Employee Stock Ownership Plan (“ESOP”). Under the ESOP, the Corporation could contribute on a discretionary basis company common stock to all employees eligible to participate in the Plan. The ESOP was a non-participant directed investment as the Corporation made all contributions to the fund. Effective January 1, 2019, the plan was restated to remove the ESOP feature of the Plan and replace it with a company stock fund. The company stock fund may be used in the future for discretionary contributions. In conjunction with the restatement, the Plan was renamed from the Sun Hydraulics Corporation 401(k) and ESOP Retirement Plan to the Sun Hydraulics Corporation 401(k) Retirement Plan.

On September 4, 2017, the Plan amended its rules regarding financial hardship withdrawals to temporarily permit additional distributions to aid participants in recovering from Hurricane Irma. The rules follow guidance issued by the Internal Revenue Service and applied from September 4, 2017 until January 31, 2018.

The sponsor company common stock fund is a share-based stock fund. At December 31, 2018, the fund held 344,427 shares of Helios Technologies, Inc. (formerly known as Sun Hydraulics Corporation) common stock with a price of \$33.19 per share as of such date. At December 31, 2017, the fund held 402,398 shares of Helios Technologies, Inc. common stock with a price of \$64.69 per share as of such date.

Contributions

Eligible employees are automatically enrolled in the Plan at 3% of eligible compensation. The automatic enrollment deferral rate increases over time, up to 6% of compensation, based on years of service. Employees can elect not to defer compensation or change their deferral rate at any time. Salary deferral contributions are made by participating employees through payroll deductions in amounts authorized by the employees. The Plan allows participants to make pre-tax contributions from 1% to 100% of their eligible compensation, not to exceed statutory limits. Pre-tax contributions, of up to 6% of the employee's salary (depending on length of service), are matched by the Corporation. Matching contributions are based on the years of service as listed in the following schedule:

<u>Years of Service</u>	<u>% Match</u>
Less than three years	3 %
After three years	4 %
After five years	5 %
After seven or more years	6 %

Additional contributions may be made by the Corporation on a discretionary basis. During 2018, the Corporation elected to contribute \$1,091,802 to the ESOP in the form of company stock. The contributions are shown as a contribution receivable for the 2018 plan year. During 2017, no additional contributions were made.

Participant Accounts

Each participant's account is credited with the participant's contribution, any employer contribution and an allocation of Plan earnings or losses. Allocations are based on the participant's account balance.

Vesting

Participants are immediately vested in their voluntary contributions plus actual earnings thereon. Participants are vested in employer matching contributions and discretionary employer ESOP contributions, or company stock fund contributions, based upon years of service defined in the Plan, as follows:

<u>Years of Service</u>	<u>Vesting %</u>
Less than 1	—
1	20 %
2	40 %
3	60 %
4	80 %
5 or more	100 %

Payment of Benefits

If a participant ceases to be employed by the Corporation for any reason other than death or total and permanent disability, prior to satisfying the age and service requirements for early or normal retirement, the terminated participant may elect to receive lump-sum or periodic payments of the participant's vested account balance. Withdrawals may be subject to tax withholdings and penalties.

Benefits may be paid upon death, disability, termination, retirement or upon reaching the normal retirement age. Benefits are paid to the participants or their beneficiaries, in lump-sum amounts or periodic payments. Under certain circumstances, hardship withdrawals are allowed from the Plan.

Investment Options

The participants, upon enrollment in the Plan, elect to invest their contributions, in one (1) percent increments, in the investment options provided by the Plan. Initial investments in sponsor company common stock is not a participant directed investment option. Participants may divest investments in sponsor company common stock immediately upon receipt.

Notes Receivable From Participants

A participant may receive a loan based on the loan program set forth by the Plan. The minimum loan is \$1,000 and the maximum is \$50,000, not to exceed 50% of the participant's vested account balance. The loans are collateralized by the balance in the participant's account and bear interest at a reasonable rate, as defined by the Plan. Current loans bear interest at a rate of 5.25% - 7.50%. Notes receivable from participants are presented at cost plus accrued interest. Interest income is recorded when earned. Principal and interest are paid through payroll deductions over a maximum of five (5) years. A participant can have only one loan outstanding at one time.

Plan Expenses

The Plan pays the account administrative service fee from income earned by the Plan. The Corporation pays the legal and accounting fees, and other expenses on behalf of the Plan.

Forfeitures

At December 31, 2018 and 2017, forfeited nonvested accounts totaled \$49,070 and \$5,029, respectively. Forfeited account balances revert back to the Plan and are used to pay reasonable administrative expenses of the Plan; any excess will be used to reduce the employer's matching contributions. Forfeitures in the amount of \$5,687 were utilized during 2018 to pay Plan expenses.

2. Summary of Accounting Policies

Basis of Accounting

The accompanying financial statements are presented on the accrual basis of accounting.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investments

The Plan's investments are held by the Trustee. The Plan's investments are stated at fair value. If available, quoted market prices are used to value investments. For investments without quoted market prices, the net asset value is calculated and verified on a daily basis by the respective trusts and reported to the Trustee. Investment income and gains and losses are allocated among participants on the basis of individual participant account balances. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividend income is recognized when earned.

Payment of Benefits

Benefits are recorded when paid.

Net Appreciation (Depreciation) in Fair Value of Investments

The Plan presents, in the statement of changes in net assets available for benefits, net appreciation (depreciation) in fair value of its investments consisting of realized gains (losses) and unrealized appreciation (depreciation) on those investments.

3. Fair Value Measurements

The Plan applies fair value accounting guidelines for all financial assets and liabilities that are recognized or disclosed at fair value in the financial statements on a recurring basis (at least annually). Under these guidelines, fair value is defined as the price that would be received for the sale of an asset or paid to transfer a liability (i.e. an exit price) in an orderly transaction between market participants at the measurement date. The guidance establishes a three-tier fair value hierarchy which prioritizes the inputs used in measuring fair value as follows:

Level 1 - Quoted prices in active markets for identical assets or liabilities.

Level 2 - Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets or liabilities in active markets or quoted prices for identical assets or liabilities in inactive markets.

Level 3 - Unobservable inputs that are supported by little, infrequent, or no market activity and reflect the Company's own assumptions about inputs used in pricing the asset or liability.

The fair value hierarchy also requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The following is a description of the valuation methodologies used for the investments measured at fair value, including the general classification of such instruments pursuant to the valuation hierarchy.

Common stocks

The Corporation's common stock and other common stocks held in self-directed brokerage accounts are stated at fair value as quoted by the market close price on a recognized securities exchange on the last business day of the Plan year and are classified as Level 1.

Money market funds

Money market funds and money market funds held in self-directed brokerage accounts are valued at quoted prices in an active market, which represents the net asset values of shares held by the Plan at year-end and are classified as Level 1.

Mutual funds

Mutual funds and mutual funds held in self-directed brokerage accounts are valued at quoted prices in an active market, which represents the net asset values of shares held by the Plan at year-end and are classified as Level 1.

As of December 31, 2018, the Plan's investments measured at fair value on a recurring basis were as follows:

	Fair Value Measurements at 12/31/18 Using			
	Investments Measured at Fair Value at 12/31/2018	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Sponsor company common stock	\$ 11,431,544	\$ 11,431,544	—	—
Money market funds	8,284,686	8,284,686	—	—
Mutual funds	50,488,967	50,488,967	—	—
Self directed brokerage accounts	1,178,100	1,178,100	—	—
	<u>\$ 71,383,297</u>	<u>\$ 71,383,297</u>	<u>—</u>	<u>—</u>

As of December 31, 2017, the Plan's investments measured at fair value on a recurring basis were as follows:

	Fair Value Measurements at 12/31/17 Using			
	Investments Measured at Fair Value at 12/31/2017	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Sponsor company common stock	\$ 26,031,129	\$ 26,031,129	—	—
Money market funds	8,317,234	8,317,234	—	—
Mutual funds	57,904,881	57,904,881	—	—
Self directed brokerage accounts	1,250,165	1,250,165	—	—
	<u>\$ 93,503,409</u>	<u>\$ 93,503,409</u>	<u>—</u>	<u>—</u>

4. Non-Participant Directed Investments

Information about the net assets and the significant components of the changes in net assets relating to the non-participant directed investments is as follows:

	2018	2017
Net assets:		
Sponsor company common stock, including contributions receivable	<u>\$ 12,523,516</u>	<u>\$ 26,031,129</u>
Changes in net assets:		
Contributions	\$	1,091,972
Net depreciation		(11,430,165)
Benefits paid to participants		(2,041,865)
Administrative expenses		(11,912)
Loans taken		(256,207)
Forfeitures		(16,042)
Transfers to participant directed investments		(843,394)
	\$	<u>(13,507,613)</u>

5. Tax Status of the Plan

The Internal Revenue Service has determined that the Plan and related trust is qualified under applicable sections of the Internal Revenue Code. The Corporation believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the Internal Revenue Code.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken uncertain tax positions that more-likely-than-not would not be sustained upon examination by applicable taxing authorities. The Plan Administrator has analyzed tax positions taken by the Plan and has concluded that, as of December 31, 2018, there are no uncertain tax positions taken, or expected to be taken, that would require recognition of a liability or that would require disclosure in the financial statements, and no interest or penalty expense was recognized related to uncertain tax positions for the year ended December 31, 2018. The Plan is subject to routine audits by taxing jurisdictions. However, currently no audits for any tax periods are in progress.

6. Plan Termination

Although it has not expressed any intent to do so, the Corporation has the right under the Plan to amend or discontinue the Plan at any time and to terminate the Plan, subject to the terms of ERISA. In the event of Plan termination, the participants will become 100% vested in their accounts and net assets of the Plan will be distributed to the participants and beneficiaries of the Plan.

7. Related Party Transactions

Certain Plan investments are shares of mutual funds, money market funds, self-directed brokerage accounts and cash managed by the Trustee, notes receivable from participants and shares of the Corporation's common stock; and, therefore, these transactions qualify as party-in-interest.

8. Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

SUPPLEMENTAL SCHEDULE
SUN HYDRAULICS CORPORATION 401(K) RETIREMENT PLAN
SCHEDULE OF ASSETS (HELD AT END OF YEAR)

December 31, 2018

Information furnished pursuant to item 4i, Schedule H of Form 5500
Employer identification number: 59 2754337
Plan number: 001

(a)	(b)	(c)	(d)	(e)
Identity of issuer, borrower, lessor, or similar party	Description of investment including maturity date, rate of interest, collateral, par or maturity value	Cost	Market value	
*	Schwab Value Advantage Money Ultra	Money Market Fund	#	\$ 8,284,073
*	Schwab Government Money Fund	Money Market Fund	#	613
	American Beacon Large Cap Value Inv	Mutual Fund	#	2,245,035
	Columbia Mid Cap Index Inst	Mutual Fund	#	2,983,911
	Columbia Small Cap Index Inst	Mutual Fund	#	1,314,131
	First Eagle Overseas A	Mutual Fund	#	931,139
	JPMorgan Core Bond I	Mutual Fund	#	3,207,349
	Loomis Sayles Small Cap Value Retail	Mutual Fund	#	1,886,756
	Manning & Napier Overseas S	Mutual Fund	#	2,141,434
	Morgan Stanley Mid Cap Grth A	Mutual Fund	#	571,218
	Oppenheimer Developing Mkts Y	Mutual Fund	#	1,138,699
*	Schwab S&P 500 Index Fund	Mutual Fund	#	8,351,496
	T Rowe Price Blue Chip	Mutual Fund	#	6,597,013
	Vanguard Inflation Protection Adm	Mutual Fund	#	1,459,200
	Vanguard Target Retirement 2020	Mutual Fund	#	7,173,339
	Vanguard Target Retirement 2030	Mutual Fund	#	5,412,203
	Vanguard Target Retirement 2040	Mutual Fund	#	2,514,688
	Vanguard Target Retirement 2050	Mutual Fund	#	1,678,276
	Vanguard Target Retirement 2060	Mutual Fund	#	498,223
	Vanguard Target Retirement Income	Mutual Fund	#	384,857
*	Personal Choice Retirement Account	Self Directed Brokerage Account	#	1,178,100
**	Helios Technologies, Inc. Common Stock	Common Stock	\$ 9,390,895	11,431,544
*	Notes receivable from participants	Various maturity dates with interest at 5.25% - 7.50%	#	2,293,883
	Total		\$ 9,390,895	\$ 73,677,180

* Represents a party-in-interest to the Plan.

** Represents both a party-in-interest to the Plan and a non-participant directed fund.

Investments are participant-directed and, therefore, cost information is not required.

See accompanying report of independent registered public accounting firm.

SIGNATURE

The Plan. Pursuant to the requirements of the Securities Exchange Act of 1934, the Plan Administrator has duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

Sun Hydraulics Corporation 401(K) Retirement Plan

June 27, 2019

By: /s/ Tricia L. Fulton
Tricia L. Fulton
Chief Financial Officer (Principal
Financial and Accounting Officer)

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We have issued our report dated June 27, 2019, with respect to the financial statements and supplemental information included in the Annual Report of Sun Hydraulics Corporation 401(k) Retirement Plan on Form 11-K for the year ended December 31, 2018. We consent to the incorporation by reference of said report in the Registration Statements of Helios Technologies, Inc. on Forms S-8 (File No. 333-30801, effective July 3, 1997, File No. 333-83269, effective July 20, 1999, File No. 333-62816, effective June 12, 2001, File No. 333-66008 effective July 27, 2001, File No. 333-119367, effective September 29, 2004, File No. 333-124174, effective April 19, 2005, File No. 333-158245, effective March 27, 2009, File No. 333-177448 effective October 21, 2011, File No. 333-184840, effective November 9, 2012 and File No. 333-232173, effective June 18, 2019).

/s/ GRANT THORNTON LLP
Tampa, FL
June 27, 2019