

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

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 OR 15(d)
of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): November 6, 2020

HELIOS TECHNOLOGIES, INC.

(Exact name of registrant as specified in its charter)

Florida
(State or other jurisdiction
of incorporation)

0-21835
(Commission
File Number)

59-2754337
(IRS Employer
Identification No.)

1500 West University Parkway, Sarasota, Florida
(Address of principal executive offices)

34243
(Zip Code)

Registrant's telephone number, including area code: (941) 362-1200

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions see General Instructions A.2. below:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock \$.001 Par Value	HLIO	The NASDAQ Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Explanatory Note

On November 6, 2020 (the “Closing Date”), Helios Technologies, Inc., a Florida corporation (“Helios”) and BWG Holdings I Corp (operating as Balboa Water Group), a Delaware corporation (“BWG Holdings”) consummated a business combination transaction (the “Transaction”) contemplated by the Agreement and Plan of Merger (the “Agreement”), dated as of October 9, 2020, by and among Helios, Vitality Merger Sub, Inc., a Delaware corporation and wholly-owned subsidiary of Helios (“Merger Sub”), BWG Holdings, ICM Holdco I Corp., a Delaware corporation (“Topco”), and SBF II Representative Corp., solely in its capacity as equityholder representative, as amended by that certain First Amendment to Agreement and Plan of Merger, dated as of November 3, 2020, by and among Helios, Merger Sub, BWG Holdings, Topco, and SBF II Representative Corp (the “Merger Amendment,” and together with the Agreement, the “Merger Agreement”). Upon consummation of the Transaction, Merger Sub merged with and into BWG Holdings, with BWG Holdings surviving as a direct wholly-owned subsidiary of Helios (the “Merger”). All capitalized terms used herein but not otherwise defined shall have the meanings given to them in the Agreement or the Merger Amendment.

This Current Report on Form 8-K is being filed for the purpose of disclosing certain events, including the consummation of the Transaction and entry into certain agreements, which are required to be disclosed on Form 8-K with respect to Helios as of the Closing Date.

Item 2.01 Completion of Acquisition or Disposition of Assets

On the Closing Date, Helios and BWG Holdings consummated the Transaction pursuant to the Merger Agreement. The disclosure set forth in the “Explanatory Note” above is incorporated into this Item 2.01 by reference.

In connection with the Transaction, effective immediately prior to the Closing, BWG Holdings effectuated certain Reorganization Transactions, pursuant to which certain indirect subsidiaries of BWG Holdings were transferred to Topco. As part of the Reorganization Transactions, Topco issued (a) 78,675.60 shares of Class A Topco Stock and (b) 12,576.47 Topco Options.

On the Closing Date, Helios paid cash consideration of approximately \$223 million, which includes approximately \$4 million of net cash. The Merger consideration is subject to customary post-closing working capital adjustments.

The foregoing description of the Merger Agreement is a summary only and is qualified in its entirety by reference to the full text of the Merger Agreement. A copy of the Agreement is attached as Exhibit 2.1 to the Current Report on Form 8-K filed by the Company with the U.S. Securities and Exchange Commission on October 13, 2020 and is incorporated herein by reference. The Merger Amendment is attached as Exhibit 2.1 to this Form 8-K and is incorporated herein by reference.

On November 9, 2020, the Company issued a press release in connection with foregoing. A copy of the press release is attached hereto as Exhibit 99.1 and incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

2.1* [First Amendment to Agreement and Plan of Merger, dated as of November 3, 2020, by and among Helios Technologies, Inc., Vitality Merger Sub, Inc., BWG Holdings I Corp., ICM Holdco I Corp., and SBF II Representative Corp.](#)

99.1 [Press release dated November 9, 2020.](#)

104 Cover Page Interactive Data File (embedded within the Inline XBRL document).

* Certain portions of the exhibit have been omitted pursuant to Rule 601(b)(2) of Regulation S-K. The omitted information is (i) not material and (ii) would likely cause competitive harm to Helios if public disclosed.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this Report to be signed on its behalf by the undersigned thereunto duly authorized.

HELIOS TECHNOLOGIES, INC.

Dated: November 9, 2020

By: _____ /s/ Tricia L. Fulton

Tricia L. Fulton
Chief Financial Officer
(Principal Financial and
Accounting Officer)

EXECUTION VERSION

Certain information has been excluded from the exhibit because it is not material and would likely cause competitive harm to the company if publicly disclosed. [***] indicates the redacted confidential portions of this exhibit.

**FIRST AMENDMENT
TO
AGREEMENT AND PLAN OF MERGER**

This **FIRST AMENDMENT TO AGREEMENT AND PLAN OF MERGER**, dated as of November 3, 2020 (this "Amendment"), is made by and among Helios Technologies, Inc., a Florida corporation ("Parent"), Vitality Merger Sub, Inc., a Delaware corporation and wholly-owned Subsidiary of Parent ("Merger Sub"), BWG Holdings I Corp, a Delaware corporation (the "Company"), ICM Holdco I Corp., a Delaware corporation ("Topco"), and SBF II Representative Corp., a Delaware corporation ("Equityholder Representative"), solely in its capacity as Equityholder Representative hereunder.

RECITALS

WHEREAS, Parent, Merger Sub, the Company, Topco, and the Equityholder Representative are party to that certain Agreement and Plan of Merger, dated as of October 9, 2020 (as amended, modified, or supplemented from time to time, the "Merger Agreement"); and

WHEREAS, pursuant to, and in accordance with, Section 10.8 of the Merger Agreement, the parties hereto desire to amend the Merger Agreement as set forth in this Amendment.

NOW THEREFORE, in consideration of the premises and the representations, warranties, covenants and agreements contained in this Amendment, and intending to be legally bound hereby, the parties hereto hereby agree as follows:

1. Defined Terms. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Merger Agreement.
 2. Equitable Adjustment of Options.
 - a. Notwithstanding anything to the contrary in the Merger Agreement, the parties hereto hereby agree that the Company shall be permitted, in connection with the Reorganization Transactions, to equitably adjust all Options (the "Balboa Options") in accordance with the terms and conditions of the 2015 BWG Holdings I Corp Stock Option Plan (the "BWG Option Plan") related to a Change in Capitalization (as defined in the BWG Option Plan), such that (1) the exercise price of each Balboa Option shall be reduced by multiplying (a) the current exercise price of a Balboa Option by (b) a fraction, the numerator of which is the fair market value of one share of Class B Common Stock as of the Closing, and the denominator of which is equal to the total fair market value of the sum of (i) one share of Class B Common
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Stock as of the Closing and (ii) one share of Class B Topco Stock as of the Closing (the new exercise price of a Balboa Option, the “Revised Exercise Price”), and (2) each Optionholder shall receive an option issued by Topco (collectively, the “Topco Options”) to acquire one share of Class B Topco Stock for each Balboa Option held by such Optionholder. The exercise price of each Topco Option shall be calculated by multiplying (a) the current exercise price of a Balboa Option by (b) a fraction, the numerator of which is equal to the fair market value of one share of Class B Topco Stock as of the Closing, and the denominator of which is equal to the fair market value of the sum of (i) one share of Class B Common Stock as of the Closing and (ii) one share of Class B Topco Stock as of the Closing.

- b. Notwithstanding anything to the contrary in the Merger Agreement, and without limitation of Section 2(a) hereof, at the Effective Time, by virtue of the Merger, each Balboa Option, whether vested or unvested, shall be converted into and represent the right to receive, in respect of each share of Class B Common Stock underlying such Balboa Option, an amount in cash, without interest, equal to (1) the Aggregate Merger Cash Consideration Per Share minus (2) the Revised Exercise Price for such share of Class B Common Stock pursuant to such Balboa Option, and in no event shall any Balboa Option be entitled to receive whole or fractional shares of Class B Topco Stock by virtue of the Merger. No payment of any kind shall be made in respect of any Balboa Option that has a Revised Exercise Price that is equal to or greater than the Aggregate Merger Cash Consideration Per Share.
- c. To the extent that any provision of the Merger Agreement requires the distribution of whole or fractional shares of Class B Topco Stock in settlement of a Balboa Option, the Merger Agreement shall be interpreted to disregard such provision.
- d. For the avoidance of doubt, except as required to give effect to this Section 2, nothing in this Section 2 shall amend or modify the provisions of Section 2.5, Section 2.6, Section 2.7, Section 2.8, or Section 10.1 of the Merger Agreement.

3. Company Service Provider List.

- a. Section 6.13 of the Merger Agreement is hereby deleted in its entirety and replaced with the following:

6.13 Company Service Provider List. The Company shall update and deliver to Parent an updated Company Service Provider List no later than three (3) Business Days prior to the Closing Date to reflect any terminations and new hires and relocations permitted by or consented to by Parent (if required) pursuant to Section 6.1(a).

- b. The Parties acknowledge that an updated Company Service Provider list was delivered to Parent on October 27, 2020. If the Closing Date is on or after November 11, 2020, the Company shall update and deliver to Parent an updated Company Service Provider List no later than three (3) Business Days prior to the

Closing Date to reflect any terminations and new hires and relocations permitted by or consented to by Parent (if required) pursuant to Section 6.1(a).

4. Indemnification. Exhibit H of the Merger Agreement is hereby deleted in its entirety and replaced with Exhibit H attached hereto.

5. Definitions.

a. The following terms shall be added to Section 1.1 of the Merger Agreement:

“Amendment” means the First Amendment to Agreement and Plan of Merger among the Parties and the Equityholder Representative, dated as of November 3, 2020.

“Topco Option” means an option issued by Topco pursuant to Section 2(a) of the Amendment.

b. The term “Class A Topco Stock” in Section 1.1 of the Merger Agreement is hereby deleted in its entirety and replaced with the following:

“Class A Topco Stock” means the Class A Common Stock, par value \$0.01 per share, of Topco.

6. No Other Amendments. Except as expressly amended hereby, the Merger Agreement and all exhibits, schedules, documents, instruments, and agreements related thereto shall remain in full force and effect. This Amendment and the Merger Agreement shall hereafter be read and construed together as a single document, and all references in the Merger Agreement or any agreement or instrument related to the Merger Agreement shall hereafter refer to the Merger Agreement as amended by this Amendment. Notwithstanding the foregoing, references to the date of the Merger Agreement, and references to “the date hereof” and “the date of this Agreement” shall continue to refer to October 9, 2020.

7. Counterparts. This Amendment may be executed in any number of counterparts (including counterparts transmitted via facsimile or in .pdf or similar format) with the same effect as if all signatory parties had signed the same document. All counterparts shall be construed together and shall constitute one and the same instrument.

8. Miscellaneous. The provisions set forth in Sections 10.3, 10.4, 10.5, 10.6, 10.7, 10.8, 10.9, 10.10, 10.11, 10.13, 10.14, 10.15, 10.16, 10.18, 10.19, and 10.21 of the Merger Agreement are hereby incorporated by reference and shall apply to this Amendment, *mutatis mutandis*.

[Signature Pages Follow]

IN WITNESS WHEREOF, each of the parties hereto has caused this Amendment to be duly executed and delivered in its name and on its behalf, all as of the day and year first above written.

BWG HOLDINGS I CORP

By: _____
Name: Eric Kownacki
Title: Vice President

ICM HOLDCO I CORP.

By: _____
Name: Eric Kownacki
Title: Vice President

SBF II REPRESENTATIVE CORP.

By: _____
Name: Alan Wilkinson
Title: Chairman

[Signature Page to First Amendment to Agreement and Plan of Merger]

HELIOS TECHNOLOGIES, INC.

By: _____
Name:
Title:

VITALITY MERGER SUB, INC.

By: _____
Name:
Title:

[Signature Page to First Amendment to Agreement and Plan of Merger]

Exhibit H

Specific Indemnities

1. [***]

NEWS RELEASE

FOR IMMEDIATE RELEASE

Helios Technologies Completes Acquisition of Balboa Water Group

- *Balboa strategically expands Helios's electronic controls technology with complementary AC (alternating current) capabilities*
- *Brings proprietary electronic controls technology to further end market diversification*
- *State-of-the-art, low-cost manufacturing facility in Mexico and supply chain footprint drives strong profitability profile*
- *Revenue contribution from the acquisition estimated at \$20M to \$22M for 2020*

Sarasota, FL, November 9, 2020 — Helios Technologies (Nasdaq: HLIO) (“Helios” or the “Company”), a global leader in highly engineered motion control and electronic controls technology for diverse end markets, today announced that it completed the acquisition of BWG Holdings I Corp. (operating as Balboa Water Group, hereinafter “Balboa”) for \$218.5 million from investment funds affiliated with AEA Investors LP (the “Acquisition”). The Company previously announced on October 12, 2020 that it had entered into a definitive agreement dated October 9, 2020 to acquire Balboa.

Balboa is an innovative market leader of electronic controls for the health and wellness industry with proprietary and patented technology that enables end-to-end electronic control systems for therapy bath and spas. Headquartered in Costa Mesa, CA, Balboa is a global operation selling into 47 different countries and utilizing a new state-of-the-art manufacturing facility in Baja, Mexico.

“This is another milestone in our Company’s history, and we are excited to welcome the Balboa team to the Helios family,” commented Josef Matosevic, the Company’s President and Chief Executive Officer. “Strategically, this acquisition is our first step in a multi-year journey to build out our Electronics segment into a top industry player. The deal aligns entirely with our Vision 2025 strategy and will have very attractive financial returns for our shareholders from day one. Additionally, I have already received very receptive feedback from some existing and potential new customers around areas for product development that Helios and Balboa will be able to create together.”

“Helios has financed the Balboa acquisition with the amended credit agreement and existing cash of \$16.2 million.” stated Tricia Fulton, Helios’s Chief Financial Officer. “On a pro forma basis, we expect our 2020 estimated year-end net debt-to-Adjusted EBITDA leverage ratio to be approximately 3.4x. We remain committed to a long-term net debt leverage target of less than 2.0x and expect to continue to benefit from our strong cash flows to support debt reduction and our organic growth initiatives.”

About Helios Technologies

Helios Technologies is a global leader in highly engineered motion control and electronic controls technology for diverse end markets, including construction, material handling, agriculture, energy, recreational vehicles, marine, health and wellness. Helios sells its products to customers in over 85 countries around the world. Its strategy for growth is to be the leading provider in niche markets, with premier products and solutions through innovative product development and acquisition. The company has paid a cash dividend to its shareholders every quarter since becoming a public company in 1997. For more information please visit: www.heliostechnologies.com.

Forward Looking Information

This news release contains "forward-looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934. Forward-looking statements involve risks and uncertainties, and actual results may differ materially from those expressed or implied by such statements. They include statements regarding current expectations, estimates, forecasts, projections, our beliefs, management's plans, projections and objectives for future operations, scale and performance, integration plans and expected synergies therefrom, the timing of completion of the proposed transaction, and assumptions made by Helios Technologies, Inc. ("Helios" or the "Company"), its directors or its officers about the Company and the industry in which it operates, and assumptions made by management, and include among other items, (i) the Company's strategies regarding growth, including the expected benefits of the Acquisition; (ii) the timing of completion of the Acquisition; (iii) Company's financing plans with respect to the funding of the Acquisition; and; (iv) objectives for future operations, integration plans and expected synergies. Words such as "may," "expects," "projects," "anticipates," "intends," "plans," "believes," "seeks," "estimates," variations of such words, and similar expressions are intended to identify such forward-looking statements. Similarly, statements that describe our future plans, objectives or goals also are forward-looking statements. These statements are not guaranteeing future performance and are subject to a number of risks and uncertainties. Our actual results may differ materially from what is expressed or forecasted in such forward-looking statements, and undue reliance should not be placed on such statements. All forward-looking statements are made as of the date hereof, and we undertake no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.

Factors that could cause the actual results to differ materially from what is expressed or forecasted in such forward-looking statements include, but are not limited to, failure to promptly and effectively integrate the Acquisition; objectives for future operations, integration plans and expected synergies; the ability to recognize the anticipated benefits of the Acquisition, which may be affected by, among other things, competition, and the ability of the combined business to grow and manage growth profitably; failure to promptly and effectively integrate the Acquisition; risks related to disruption of management time from ongoing business operations due to the Acquisition; and the ability of Helios to retain and hire key personnel, and maintain relationships with suppliers. Further information relating to factors that could cause actual results to differ from those anticipated is included but not limited to information under the heading Item 1. "Business" and Item 1A. "Risk Factors" in the Company's Form 10-K for the year ended December 28, 2019 and Part II, Item 1A, "Risk Factors" in the Company's Form 10-Q for the quarter ended March 28, 2020 and other filings with the Securities and Exchange Commission.

For more information, contact:

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