

APPLIED OPTOELECTRONICS, INC.

Form 8-K

April 17, 2019

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): April 11, 2019

Applied Optoelectronics, Inc.

(Exact name of Registrant as specified in its charter)

Delaware 001-36083 76-0533927
(State or incorporation) (Commission File Number) (I.R.S. Employer Identification No.)

13139 Jess Pirtle Blvd.

Sugar Land, TX 77478

(address of principal executive offices and zip code)

(281) 295-1800

(Registrant's telephone number, including area code)

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:

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))

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.

Item 1.01 Entry into a Material Definitive Agreement.

On April 11, 2019, Prime World International Holdings Ltd. (“Prime World”), a wholly owned subsidiary of Applied Optoelectronics, Inc. entered into a one-year credit facility totaling NT\$80 million (the “Credit Facility”) with Far Eastern International Bank Co., Ltd. (the “Bank”). Borrowing under the Credit Facility will be used for short-term working capital.

Prime World may draw upon the Credit Facility from April 11, 2019 until April 11, 2020. The term of each draw shall be up to 180 days. Under the Credit Facility borrowing in New Taiwan Dollars will bear interest at a rate equal to the Bank’s published one-year fixed term time deposits rate, plus 0.655%; for all foreign currency borrowing, interest shall be the TAIFX3 rate for the length of time equal to the term of the loan or the next longer tenor for which rates are quoted, plus 0.7%. As of the execution of the Credit Facility, the Bank’s published one-year fixed term time deposits rate and TAIFX3 rate are 1.045 % and 2.75%, respectively.

With respect to short-term loans under the Credit Facility, Prime World will make monthly payments of accrued interest; principal shall be repaid upon maturity. With respect to all other credit types under the Credit Facility, Prime World will make payment for all principal and accrued interest at the expiration of the draw term.

Prime World’s obligations under the Credit Facility will be secured by Promissory Note executed between Prime World and the Bank. The agreements for the Credit Facility contain representations and warranties, and events of default applicable to Prime World that are customary for agreements of this type.

The foregoing description of the Credit Facility does not purport to be a complete statement of the parties’ rights and obligations under the Credit Facility and is qualified in its entirety by reference to the translation of the full text of the Approval Notice, Comprehensive Credit Facilities Master Agreement, Credit Terms / Financial Transaction Terms Agreement and Promissory Note which are attached as Exhibits 10.1 through 10.4 to this Current Report on Form 8-K and incorporated by reference herein.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information contained in Item 1.01 of this Current Report on Form 8-K with respect to the Amendment is incorporated by reference herein and made a part hereof.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

- 10.1 Translation of Approval Notice between, Prime World International Holdings, Ltd., and Far Eastern International Bank Co., Ltd.
- 10.2 Translation of Comprehensive Credit Facilities Master Agreement between, Prime World International Holdings, Ltd., and Far Eastern International Bank Co., Ltd.
- 10.3 Translation of Credit Terms / Financial Transaction Terms Agreement between, Prime World International Holdings, Ltd., and Far Eastern International Bank Co., Ltd.
- 10.4 Translation of Promissory Note between, Prime World International Holdings, Ltd., and Far Eastern International Bank Co., Ltd.

SIGNATURES

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

Applied Optoelectronics, Inc.

By: /s/ David C. Kuo

David C. Kuo

General Counsel and Vice President

Date: April 17, 2019

