

APPLIED OPTOELECTRONICS, INC.

Form 8-K

December 17, 2018

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): December 11, 2018

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 December 11, 2018, Prime World International Holdings Ltd. (“Prime World”), a wholly owned subsidiary of Applied Optoelectronics, Inc. entered into a one-year credit facility totaling NT\$150 million (the “Credit Facility”) with CTBC 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 December 11, 2018 until October 31, 2019. The term of each draw shall be up to 120 days. Under the Credit Facility borrowing in New Taiwan Dollars will bear interest at a rate equal to the Bank’s Enterprise Swap Index Rate plus 1.2%; for all foreign currency borrowing interest will bear at a rate equal to the Bank’s Cost of Fund lending rate plus 1.2%. As of the execution of the Credit Facility, the Bank’s Enterprise Swap Index Rate and Cost of Funds lending rate is 0.69% and 3.40% respectively. At the end of the draw term, Prime World will make payment for all principal and accrued interest.

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 Individually Negotiated Terms and Conditions, Approval Notice, General Agreement for Omnibus Credit Lines 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 Financing Agreements is incorporated by reference herein and made a part hereof.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

- 10.1 Translation of Agreement for Individually Negotiated Terms and Conditions between, Prime World International Holdings, Ltd., and CTBC Bank, Ltd.
- 10.2 Translation of Approval Notice between, Prime World International Holdings, Ltd., and CTBC Bank, Ltd.
- 10.3 Translation of General Agreement for Omnibus Credit Lines between, Prime World International Holdings, Ltd., and CTBC Bank, Ltd.
- 10.4 Translation of Promissory Note between, Prime World International Holdings, Ltd., and CTBC Bank, 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: December 17, 2018

