AOI Awarded $20.9M Texas Semiconductor Innovation Fund Grant to Advance Manufacturing in Sugar Land

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SUGAR LAND, Texas, April 29, 2026 (GLOBE NEWSWIRE) -- Applied Optoelectronics Inc. (NASDAQ: AAOI), a leading provider of advanced optical and HFC networking products powering AI, today announced it was awarded a Texas Semiconductor Innovation Fund (TSIF) grant for $20,852,518 to support the company's manufacturing expansion plans in Sugar Land, Texas.

The TSIF fund provides grants to higher education and state entities for research and development, and to businesses for economic development related to semiconductor design and manufacturing, aiming to solidify Texas's leadership in the industry. AOI's 2026 expansion plans are underway to occupy an additional 210,000-square-foot manufacturing facility adjacent to its current headquarters in Sugar Land, where it will establish one of the largest production capacities for AI-focused data center transceivers in the U.S. and create over 500 new jobs in the coming years.

"Texas is leading America's resurgence in advanced manufacturing," said Governor Abbott. "This investment by AOI to expand their operations in Sugar Land will create hundreds of high-skilled jobs and advance our state's leadership in innovation and semiconductor manufacturing. The future of technological advancement will always be built in the great state of Texas."

"We are honored to accept this award. The support from the State of Texas is critical to our expansion plans and is a tangible commitment by the state to advancing semiconductor innovation for the AI era," said Stefan Murry, Chief Financial Officer and Chief Strategy Officer, AOI. "AOI was founded by a team from the University of Houston, and over the intervening 29 years we have expanded in Texas to become a major international supplier of optical products enabling the AI age. With this investment, we can continue to expand our Texas-based capacity for production of the advanced high-speed optical transceivers that interconnect today's AI data centers, helping cloud providers improve network performance while making their data centers more energy efficient and scalable."

Additional Resources:

- AOI Fact Sheet

About AOI
Applied Optoelectronics, Inc. (AOI) is a leading developer and manufacturer of advanced optical and HFC networking products that are the building blocks for AI datacenters, CATV and broadband fiber access networks around the world. AOI supplies this critical infrastructure to tier-one customers across cloud computing, CATV broadband, telecom, and FTTH markets. The company has R&D facilities in Atlanta, and R&D, engineering and manufacturing facilities at its corporate headquarters in Sugar Land, TX, as well as in Taipei, Taiwan and Ningbo, China. For additional information, visit http://newsroom.ao-inc.com.

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