

**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): March 17, 2022

---

**OPTICAL CABLE CORPORATION**

(Exact name of registrant as specified in its charter)

---

Virginia  
(State or other jurisdiction of  
incorporation or organization)

000-27022  
(Commission  
File Number)

54-1237042  
(I.R.S. Employer  
Identification Number)

5290 Concourse Drive  
Roanoke, VA  
(Address of principal executive offices)

24019  
(Zip Code)

(540) 265-0690  
(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 (see General Instruction 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:

<u>Title of Each Class</u>	<u>Trading Symbol</u>	<u>Name of exchange on which registered</u>
Common Stock, no par value	OCC	Nasdaq Global Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 or Rule 12B-2 of the Securities Exchange Act of 1934.

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.

---

[Table of Contents](#)

**Table of Contents**

[Item 2.02 Results of Operations and Financial Condition](#) 3

[Item 9.01 Financial Statements and Exhibits](#) 3

[Signatures](#) 4

[Exhibits](#)

2

---

**Item 2.02 Results of Operations and Financial Condition**

On March 17, 2022, Optical Cable Corporation issued a press release announcing its first quarter of fiscal year 2022 financial results. Also on March 17, 2022, Optical Cable Corporation held an earnings call. The press release is attached hereto as Exhibit 99.1 and the transcript for the earnings call is attached as Exhibit 99.2.

**Item 9.01 Financial Statements and Exhibits**

(d) Exhibits

The following are filed as Exhibits to this Report.

<b>Exhibit No.</b>	<b>Description of Exhibit</b>
99.1	<a href="#">Press Release dated March 17, 2022 (FILED HEREWITH)</a>
99.2	<a href="#">Transcript of earnings call on March 17, 2022 (FILED HEREWITH)</a>
104	Cover page Interactive Data File (embedded within the inline XBRL document)

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.

OPTICAL CABLE CORPORATION

By: /s/ Tracy G. Smith

Name: Tracy G. Smith

Title: Senior Vice President and Chief  
Financial Officer

Dated: March 18, 2022

**OPTICAL CABLE CORPORATION**

5290 Concourse Drive  
 Roanoke, VA 24019  
 (Nasdaq GM: OCC)  
[www.occfiber.com](http://www.occfiber.com)

**AT THE COMPANY:**

Neil Wilkin  
 Chairman, President & CEO  
 (540) 265-0690  
[investorrelations@occfiber.com](mailto:investorrelations@occfiber.com)

Tracy Smith  
 Senior Vice President & CFO  
 (540) 265-0690  
[investorrelations@occfiber.com](mailto:investorrelations@occfiber.com)

**AT JOELE FRANK, WILKINSON BRIMMER KATCHER:**

Andrew Siegel  
 (212) 355-4449 ext. 8627  
[occ-jfwbk@joelefrank.com](mailto:occ-jfwbk@joelefrank.com)

Aaron Palash  
 (212) 355-4449 ext. 8603  
[occ-jfwbk@joelefrank.com](mailto:occ-jfwbk@joelefrank.com)

**FOR IMMEDIATE RELEASE**

**OPTICAL CABLE CORPORATION REPORTS  
 FIRST QUARTER OF 2022 FINANCIAL RESULTS**

*OCC® Reports Double-Digit Increases in Net Sales and Gross Profit  
 in the First Quarter of Fiscal Year 2022*

**Roanoke, Va., March 17, 2022** — Optical Cable Corporation (Nasdaq GM: OCC) (“OCC®” or the “Company”) today announced financial results for its first quarter ended January 31, 2022.

*First Quarter 2022 Financial Results*

Consolidated net sales for the first quarter of fiscal year 2022 increased 21.6% to \$14.4 million, compared to net sales of \$11.9 million for the same period last year, with increased net sales in the enterprise and specialty markets, including the wireless carrier market.

The Company’s sales order backlog/forward load continues to increase due to strong product demand. While that demand continued to increase during the first quarter of fiscal year 2022, the Company’s net sales were impacted by the continuing direct and indirect effects of COVID-19—including supply chain and labor constraints in particular—that are affecting production volumes.

Gross profit increased 75.2% to \$4.0 million in the first quarter of fiscal year 2022, compared to gross profit of \$2.3 million for the same period last year. Gross profit margin, or gross profit as a percentage of net sales, increased to 28.0% in the first quarter of fiscal year 2022 compared to 19.4% in the first quarter of fiscal year 2021.

SG&A expenses increased to \$4.8 million during the first quarter of fiscal year 2022, compared to \$4.3 million for the first quarter of fiscal year 2021. The increase in SG&A expenses was primarily the result of net increases in employee and contracted sales personnel related costs. Included in employee and contracted sales personnel related costs are compensation costs, payroll taxes, commissions and share-based compensation expense.

For the first quarter of fiscal year 2022, OCC recorded a net loss of \$936,000, or \$0.12 per basic and diluted share, compared to a net loss of \$2.1 million, or \$0.29 per basic and diluted share, for the first quarter of fiscal year 2021.

As of January 31, 2022, OCC had a \$2.2 million receivable for Employee Retention Tax Credit still to be refunded.

#### *Management's Comments*

Neil Wilkin, President and Chief Executive Officer of OCC, said, “Our first quarter results reflect the OCC team’s solid execution in a market environment that is still directly and indirectly affected by COVID-19, including significant supply chain constraints. We are continuing to see strong demand for our full suite of mission-critical cabling and connectivity products and solutions, reinforcing our confidence in the strength of our offerings, growth strategies and competitive position in the market. Moving forward, we will continue to control what we can, including driving growth in our targeted markets and focusing on operating efficiently. As the various direct and indirect effects of the pandemic recede, OCC is poised to capture the opportunities ahead and deliver value to shareholders.”

#### *Conference Call Information*

As previously announced, OCC will host a conference call today, March 17, 2022, at 10:00 a.m. Eastern Time. Individuals wishing to participate in the conference call should call (888) 632-3384 in the U.S. or (785) 830-7975 internationally, Conference ID: OCCQ122. For interested individuals unable to join the call, a replay will be available through Thursday, March 24, 2022 by dialing (888) 269-5294 or (402) 220-7321. The call will also be broadcast live over the internet and can be accessed by visiting the investor relations section of the Company’s website at [www.occfiber.com](http://www.occfiber.com).

#### *Company Information*

Optical Cable Corporation (“OCC®”) is a leading manufacturer of a broad range of fiber optic and copper data communication cabling and connectivity solutions primarily for the enterprise market and various harsh environment and specialty markets (collectively, the non-carrier markets) and also the wireless carrier market, offering integrated suites of high-quality products which operate as a system solution or seamlessly integrate with other providers’ offerings.

OCC® is internationally recognized for pioneering innovative fiber optic and copper communications technologies, including fiber optic cable designs for the most demanding environments and applications, copper connectivity designs to meet the highest data communication industry standards, as well as a broad product offering built on the evolution of these fundamental technologies.

---

OCC uses its expertise to deliver cabling and connectivity products and integrated solutions that are best suited to the performance requirements of each end-user's application. And OCC's solutions offerings cover a broad range of applications—from commercial, enterprise network, datacenter, residential and campus installations to customized products for specialty applications and harsh environments, including military, industrial, mining, petrochemical and broadcast applications, as well as for the wireless carrier market.

Founded in 1983, OCC is headquartered in Roanoke, Virginia with offices, manufacturing and warehouse facilities located in Roanoke, Virginia, near Asheville, North Carolina and near Dallas, Texas. OCC's facilities are ISO 9001:2015 registered and its Roanoke and Dallas facilities are MIL-STD-790G certified.

Optical Cable Corporation™, OCC®, Procyon®, Superior Modular Products™, SMP Data Communications™, Applied Optical Systems™, and associated logos are trademarks of Optical Cable Corporation.

Further information about OCC® is available at [www.occfiber.com](http://www.occfiber.com).

#### FORWARD-LOOKING INFORMATION

This news release by Optical Cable Corporation and its subsidiaries (collectively, the "Company" or "OCC") may contain certain forward-looking information within the meaning of the federal securities laws. The forward-looking information may include, among other information, (i) statements concerning our outlook for the future, (ii) statements of belief, anticipation or expectation, (iii) future plans, strategies or anticipated events, and (iv) similar information and statements concerning matters that are not historical facts. Such forward-looking information is subject to known and unknown variables, uncertainties, contingencies and risks that may cause actual events or results to differ materially from our expectations, and such known and unknown variables, uncertainties, contingencies and risks may also adversely affect Optical Cable Corporation and its subsidiaries, the Company's future results of operations and future financial condition, and/or the future equity value of the Company. A partial list of such variables, uncertainties, contingencies and risks that could cause or contribute to such differences from our expectations or that could otherwise adversely affect Optical Cable Corporation and its subsidiaries is set forth in Optical Cable Corporation's quarterly and annual reports filed with the Securities and Exchange Commission ("SEC") under the heading "Forward-Looking Information." OCC's quarterly and annual reports are available to the public on the SEC's website at <http://www.sec.gov>. In providing forward-looking information, the Company expressly disclaims any obligation to update this information, whether as a result of new information, future events or otherwise except as required by applicable laws and regulations.

(Financial Tables Follow)

---

OPTICAL CABLE CORPORATION  
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS  
(thousands, except per share data)  
(unaudited)

	Three Months Ended January 31,	
	2022	2021
Net sales	\$ 14,440	\$ 11,876
Cost of goods sold	10,394	9,567
Gross profit	4,046	2,309
SG&A expenses	4,780	4,308
Royalty (income) expense, net	7	(7)
Amortization of intangible assets	12	10
Loss from operations	(753)	(2,002)
Interest expense, net	(158)	(174)
Other, net	(12)	3
Other expense, net	(170)	(171)
Loss before income taxes	(923)	(2,173)
Income tax expense (benefit)	13	(32)
Net loss	<u>\$ (936)</u>	<u>\$ (2,141)</u>
Net loss per share:		
Basic and diluted	<u>\$ (0.12)</u>	<u>\$ (0.29)</u>
Weighted average shares outstanding:		
Basic and diluted	<u>7,511</u>	<u>7,353</u>

--MORE--



OPTICAL CABLE CORPORATION  
CONDENSED CONSOLIDATED BALANCE SHEET DATA  
(thousands)  
(unaudited)

	January 31, 2022	October 31, 2021
Cash	\$ 138	\$ 132
Trade accounts receivable, net	8,392	8,376
Inventories	17,907	16,304
Other current assets	2,656	2,754
Total current assets	29,093	27,566
Non-current assets	10,010	10,351
Total assets	\$ 39,103	\$ 37,917
Current liabilities	\$ 6,833	\$ 6,168
Non-current liabilities	10,980	9,543
Total liabilities	17,813	15,711
Total shareholders' equity	21,290	22,206
Total liabilities and shareholders' equity	\$ 39,103	\$ 37,917

###

**Transcript: OCC –Q1 2022 Earnings Conference Call - 3/17/22 10:00 AM**

## CORPORATE PARTICIPANTS

**Neil D. Wilkin** - Optical Cable Corporation - Chairman, President & CEO

**Tracy G. Smith** - Optical Cable Corporation - Senior VP, CFO & Corporate Secretary

**Aaron Palash** - Joele Frank, Wilkinson Brimmer Katcher - IR

## PRESENTATION

**Operator**

Good morning. My name is Reed, and I will be your conference operator today. At this time, I would like to welcome you to Optical Cable Corporation's first quarter 2022 earnings conference call. (Operator Instructions) Mr. Palash, you may begin your conference.

**Aaron Palash** - Joele Frank, Wilkinson Brimmer Katcher - IR

Terrific. Thank you. Good morning, and thank you all for participating on Optical Cable Corporation's first quarter of fiscal year 2022 conference call. By this time, everyone should have a copy of the earnings press release issued earlier today. You can also visit [www.occfiber.com](http://www.occfiber.com) for a copy.

On the call with us today are Neil Wilkin, President and Chief Executive Officer of OCC, and Tracy Smith, Senior Vice President and Chief Financial Officer.

Before we begin, I'd like to remind everyone that this call may contain forward-looking statements that involve risks and uncertainties. The actual future results of Optical Cable Corporation may differ materially due to a number of factors and risks including, but not limited to, those factors referenced in the forward-looking statements section of this morning's press release. These cautionary statements apply to the contents of the Internet webcast on [www.occfiber.com](http://www.occfiber.com) as well as today's call.

With that, I'll turn the call over to Neil Wilkin. Neil, please begin.

**Neil D. Wilkin** - Optical Cable Corporation - Chairman, President & CEO

Thank you, Aaron, and good morning, everyone. I will begin the call today with a few opening remarks. Tracy will then review the first quarter results for the three-month period ended January 31, 2022 in some additional detail. After Tracy's remarks, we will answer as many of your questions as we can. As is our normal practice, we will only take questions from analysts and institutional investors during the Q&A session. However, we also offer other shareholders the opportunity to submit questions in advance of our earnings call. Instructions regarding such submissions are included in our press release announcing the date and time of our call today.

Our first quarter results reflect the OCC team's solid execution in a market environment that is still directly and indirectly affected by COVID-19, including significant supply chain constraints. During the quarter, net sales were up 21.6% and gross profit up 75.2%, in each case compared to the same period last year. We are pleased to continue seeing strong demand for our full suite of mission-critical cabling and connectivity products and solutions, reinforcing our confidence in the strength of our offerings, growth strategies and competitive position in the market.

It's worth reiterating that thanks to the hard work of our team, OCC remains uniquely positioned in our industry, and we appreciate the opportunity to meet the evolving and unique needs of our customers, installers, specifiers and end users.

At OCC, we have differentiated core strengths and capabilities that not only enable us to offer top-tier solutions, products, application and technical expertise, but also to successfully compete against much larger competitors. Moreover, our enviable market position, brand recognition and the loyalty of our customers and end users helps us distribute to a broad...

---

[Speakers line dropped unexpectedly. Speakers called back in and the conference call continued.]

**Neil D. Wilkin** - Optical Cable Corporation - Chairman, President & CEO

...diverse geographic footprint, with OCC selling into approximately 50 countries each year.

OCC continues to experience the effects of supply chain constraints, and the team is working diligently to minimize the impact of these challenges to the extent possible.

As we look ahead, OCC will continue to control what we can, including driving growth in our targeted markets and focusing on operating efficiently. As the various direct and indirect effects of the pandemic recede, OCC is poised to capture the opportunities ahead. We remain committed to leveraging our core strengths and capabilities, and executing our strategies and initiatives to create long-term value for shareholders.

And with that, assuming we're still on, I'll turn the call over to Tracy, who'll review in additional detail our first quarter of fiscal year 2022 financial results.

**Tracy G. Smith** - Optical Cable Corporation - Senior VP, CFO & Corporate Secretary

Thank you, Neil. Yes, that's 2022 financial results.

Consolidated net sales for the first quarter of fiscal 2022 increased 21.6% to \$14.4 million compared to net sales of \$11.9 million for the same period last year. During the first quarter of fiscal 2022, we experienced an increase in net sales in both the enterprise and specialty markets, including the wireless carrier market, compared to the same period last year.

Net sales to customers in the United States increased 25.2% and net sales to customers outside of the United States increased 5.7% in the first quarter of fiscal 2022 compared to the first quarter of fiscal 2021.

Our sales order backlog and forward load continues to increase due to strong product demand. While that demand continued to increase during the first quarter of fiscal year 2022, our net sales were impacted by the continuing direct and indirect effects of COVID-19, including supply chain and labor constraints in particular, that are affecting production volumes.

We are continuing to see some positive indicators of future strengthening in some of our markets and believe we will continue to benefit from improvements in our markets during the remaining nine months of fiscal year 2022. However, we cannot fully anticipate or reasonably estimate the continuing impacts of the pandemic on our various markets and customers, including impacts from emerging variants of COVID-19 in our various markets.

Turning to gross profit. Our gross profit increased 75.2% to \$4 million in the first quarter of fiscal 2022 compared to gross profit of \$2.3 million in the first quarter of fiscal 2021. Gross profit margin, or gross profit as a percentage of net sales, increased to 28% in the first quarter of fiscal 2022 compared to 19.4% for the same period last year.

Our gross profit margins tend to be higher when the Company achieves higher net sales levels, as certain fixed manufacturing costs are spread over higher sales. This operating leverage, which is beneficial at higher sales levels, positively impacted our gross profit margins in the first quarter of fiscal year 2022.

Additionally, we believe actions that we took and operational improvements we made in fiscal years 2020 and 2019 continued to have a positive impact on our gross profit margin. Our gross profit margin percentages are also heavily dependent upon product mix on a quarterly basis and may vary based on changes in product mix from quarter to quarter.

SG&A expenses increased to \$4.8 million during the first quarter of fiscal 2022 compared to \$4.3 million for the same period last year. SG&A expenses as a percentage of net sales were 33.1% in the first quarter of fiscal 2022 compared to 36.3% in the first quarter of fiscal 2021.

---

The increase in SG&A expenses was primarily the result of net increases in employee and contracted sales personnel-related costs. Included in employee and contracted sales personnel-related costs are compensation costs, payroll taxes, commissions and share-based compensation expense.

OCC recorded a net loss of \$936,000, or \$0.12 per basic and diluted share, for the first quarter of fiscal 2022 compared to a net loss of \$2.1 million, or \$0.29 per basic and diluted share, for the first quarter of fiscal 2021.

As of January 31, 2022, we had a \$2.2 million receivable for the Employee Retention Tax Credit still to be refunded.

As of January 31, 2022, we had outstanding borrowings of \$5.5 million on our Revolver and \$2.9 million in available credit. We also had outstanding loan balances of \$4.8 million under our real estate term loans.

And with that, I'll turn the call back over to Neil.

**Neil D. Wilkin** - Optical Cable Corporation - Chairman, President & CEO

Thank you, Tracy. And now, if any analysts and institutional investors have any questions, we're happy to answer them.

Reed, I think you're still our operator. If you could please indicate the instructions for our participants to call in any questions they may have, I'd appreciate it. Again, we are only taking live questions from analysts and institutional investors.

#### Q U E S T I O N S A N D A N S W E R S

##### **Operator**

(Operator Instructions) And there appear to be no questions at this time.

**Neil D. Wilkin** - Optical Cable Corporation - Chairman, President & CEO

Okay. Thank you, Reed.

Aaron, I know that we've gotten a couple of questions from individual shareholders. If you would read the questions, we will respond.

**Aaron Palash** - Joele Frank, Wilkinson Brimmer Katcher - IR

Sure. Can you provide a rough breakdown of your employees into sales, manufacturing, administration or similar groups?

---

**Neil D. Wilkin** - Optical Cable Corporation - Chairman, President & CEO

For competitive reasons, we don't provide breakdowns of our employee groups. However, and I think the reason why the question is being asked is, you all should know our commitment to operating as efficiently and as lean as possible.

You'll recall that we reduced SG&A expenses by \$1 million or 5.2% in fiscal year 2021 compared to fiscal year 2020, and that was after we had reduced SG&A expenses in fiscal year 2020 by \$4.2 million or 17.9% compared to the prior year.

**Aaron Palash** - Joele Frank, Wilkinson Brimmer Katcher - IR

Great. And then last question here, can you give us an update on the progress on the manufacturing and substation solutions?

**Neil D. Wilkin** - Optical Cable Corporation - Chairman, President & CEO

Thanks, Aaron. Again, for competitive reasons, we don't comment on specific products or projects. But what we can say is that we are moving forward with a comprehensive suite of solutions. We're excited by the demand we're seeing and believe we are well positioned to continue to drive growth across our markets.

**Aaron Palash** - Joele Frank, Wilkinson Brimmer Katcher - IR

Great. That was the final question.

**Neil D. Wilkin** - Optical Cable Corporation - Chairman, President & CEO

Okay. Thank you, Aaron. I appreciate that. I'd also like to thank everyone for listening to our first quarter of fiscal year 2022 conference call today. As always, we appreciate your time and your interest in Optical Cable Corporation. Thank you.

**Aaron Palash** - Joele Frank, Wilkinson Brimmer Katcher - IR

Operator, that concludes today's call.

**Operator**

And this does conclude today's program. We appreciate your participation, and you may now disconnect.