TECNOGLASS

Third Quarter 2024 Earnings Conference Call

Nov 7, 2024 – TECNOGLASS INC.
(NYSE: TGLS)

www.tecnoglass.com

Disclaimer

FORWARD LOOKING STATEMENTS

This presentation includes certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding future financial performance, future growth and future acquisitions. These statements are based on Tecnoglass' current expectations or beliefs and are subject to uncertainty and changes in circumstances. Actual results may vary materially from those expressed or implied by the statements herein due to changes in economic, business, competitive and/or regulatory factors, and other risks and uncertainties affecting the operation of Tecnoglass' business. These risks, uncertainties and contingencies are indicated from time to time in Tecnoglass' filings with the Securities and Exchange Commission. The information set forth herein should be read in light of such risks. Further, investors should keep in mind that Tecnoglass' financial results in any particular period may not be indicative of future results. Tecnoglass is under no obligation to, and expressly disclaims any obligation to, update or alter its forward-looking statements, whether as a result of new information, future events, changes in assumptions or otherwise.

FINANCIAL PRESENTATION

Certain of the financial information contained herein is unaudited and does not conform to SEC Regulation S-X. Furthermore, it includes EBITDA (earnings before interest, taxes, depreciation and amortization) which is a non-GAAP financial measure as defined by Regulation G promulgated by the SEC under the Securities Act of 1933, as amended. Accordingly, such information may be materially different when presented in Tecnoglass' filings with the Securities and Exchange Commission. Tecnoglass believes that the presentation of this non-GAAP financial measure provides information that is useful to investors as it indicates more clearly the ability of Tecnoglass to meet capital expenditures and working capital requirements and otherwise meet its obligations as they become due. EBITDA was derived by taking earnings before interest, taxes, depreciation and amortization as adjusted for certain one-time non-recurring items and exclusions.

NO OFFER OR SOLICITATION

This announcement is not intended to and does not constitute an offer to sell or the solicitation of an offer to subscribe for or buy or an invitation to purchase or subscribe for any securities or the solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance or transfer of securities in any jurisdiction in contravention of applicable law. No offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended.

300 Third Avenue
Waltham, Massachusetts

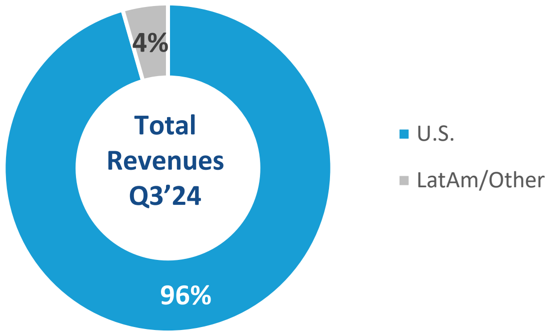
TECNOGLASS

Highlights

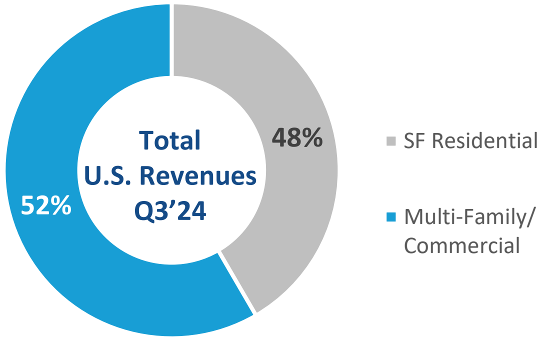
Q3 2024 Key Takeaways

- Revenues increased 13.1% to a record $238.3 mm, fueled by strong performance in all end markets
- Single-family residential revenues up 25.0% to an all time high of $109.7 mm, through dealership growth, geographic expansion and strong execution of record Q2 orders
- Solid growth in multi-family and commercial activity, up 4.6% YoY to $128.6 mm driven by execution on growing backlog
- Strong operating cashflow of $41.5 mm attributable to higher profitability YoY and enhanced working capital management; producing free cash flow of $17.8 mm
- Gross profit margin of 45.8% improved 290 bps, mainly attributable to favorable pricing and product mix dynamics
- Adj. EBITDA increased 14.2% YoY to $81.4 mm, or 34.2% of revenues
- Adjusted net income of $50.9 mm, or Adj. EPS of $1.08
- Total debt of $125 mm following $47.5 mm in repayments YTD, bringing net leverage to a record low of 0.01x net debt/LTM Adjusted EBITDA
- Backlog growth continued record trajectory, up 25% YoY to a record $1.04 bn, maintaining a book to build ratio above 1.1x and representing ~2.1x LTM multi-family and commercial revenues
- Strong level of vinyl quoting continues to support expected ramp-up in vinyl revenues for the rest of the year

Sales by Geography Q3'24



U.S. End Market Mix Q3'24



Q3'24 Revenues	**$238.3 mm**
Q3'24 Adj EBITDA	**$81.4 mm**
Q3'24 Operating Cash Flow	**$41.5 mm**
Backlog	**$1.04 bn**

Notes:

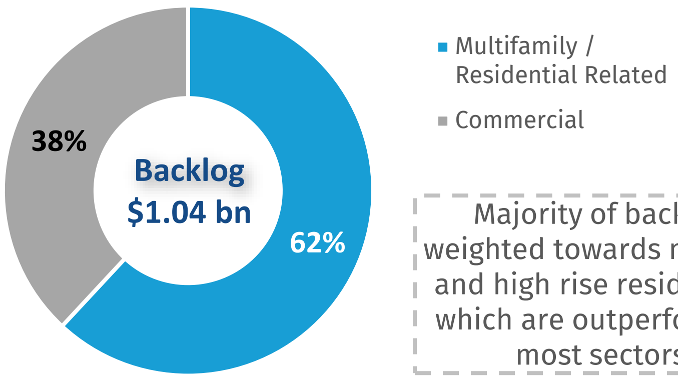
1. *Adjusted EBITDA, Adjusted Net Income and Adjusted EPS excludes non-recurring and non-cash expenses mainly associated with non-cash foreign exchange transaction gains or losses, non-recurring professional fees and other non-core items, and include the proportional contribution of the Company's joint venture with Saint-Gobain.*

U.S. Growth Driving Resilient Multi-family/Commercial Backlog

Backlog Overview

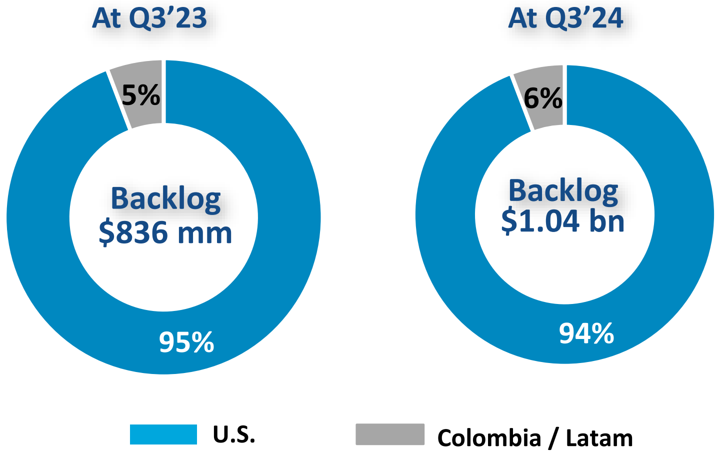
- Backlog expanded 25% YoY to a record $1.04 bn. Track record of successfully delivering high profile projects and maintaining consistent lead times has earned us an increasing number of opportunities across the U.S.
- Favorable demographic trends in Florida and Southeast along with favorable commercial sub-sector mix allow for continued strength despite macroeconomic uncertainty
- U.S. backlog represents 94% of total backlog, led by market share gains, geographical diversification and strong activity in the Southeast U.S.
- While interest rates remain high, the majority of backlog is comprised of projects that we believe to have lesser sensitivity to interest rate fluctuations (high end condos, luxury lodging, etc.)
- Strong "book to build" continues, paving the way for growth during 2024 and 2025
- Solid single-family residential growth trajectory not fully captured in backlog given shorter term "spot" duration of projects

Backlog as of Q3'24 by End Market



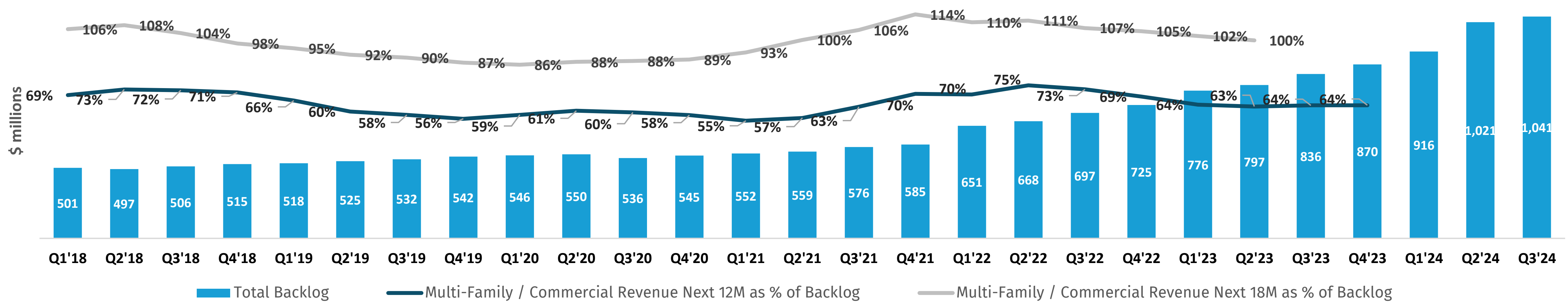
Majority of backlog weighted towards medium and high rise residential, which are outperforming most sectors

Geographic Mix



Demonstrated History of Converting Backlog to Revenue

Backlog to Revenue Conversion



Note: Excludes Single-family Residential

- Backlog has demonstrated consistent growth each quarter since 2021, reflecting sustained business momentum and a strong pipeline
- Historically, ~65% of multi-family and commercial revenue in backlog rolls off within 12 months and ~99% of the backlog rolls off within 18 months
- Book-to-bill ratio of 1.1x in Q3’24 with strong bidding activity signaling attractive project opportunities in the near future and adding to a solid book-to-bill ratio above 1.1x for the past 15 consecutive quarters
- Virtually no project cancellations historically given late-stage installation of windows into largely completed buildings, though tighter lending standards or other delays may lead to lags in invoicing materializing into revenues over a longer time period
- Single-family residential not reflected in backlog and provides additional growth avenues through showroom expansions and recent vinyl window market entry

Single-Family Residential Business Expanding

- Record Q3 SF Residential revenues of $110 mm; accounting for 48% of U.S. revenues, compared to 3% in 2017

- Market share upside to single-family residential revenues exists through multiple avenues:
  - Organic growth driven by a widening dealer base enabled by short lead times (5-6 weeks), innovative product development and tailwinds in sustainability
  - Geographic expansion in Florida and further brand recognition throughout the U.S. with additional showrooms in key markets (NYC, Charleston & Houston)
  - Recent vinyl market entry significantly expanded our addressable market, providing a solid runway for revenue growth and product diversification

- Favorable demographics support secular trend of population migration into southern states

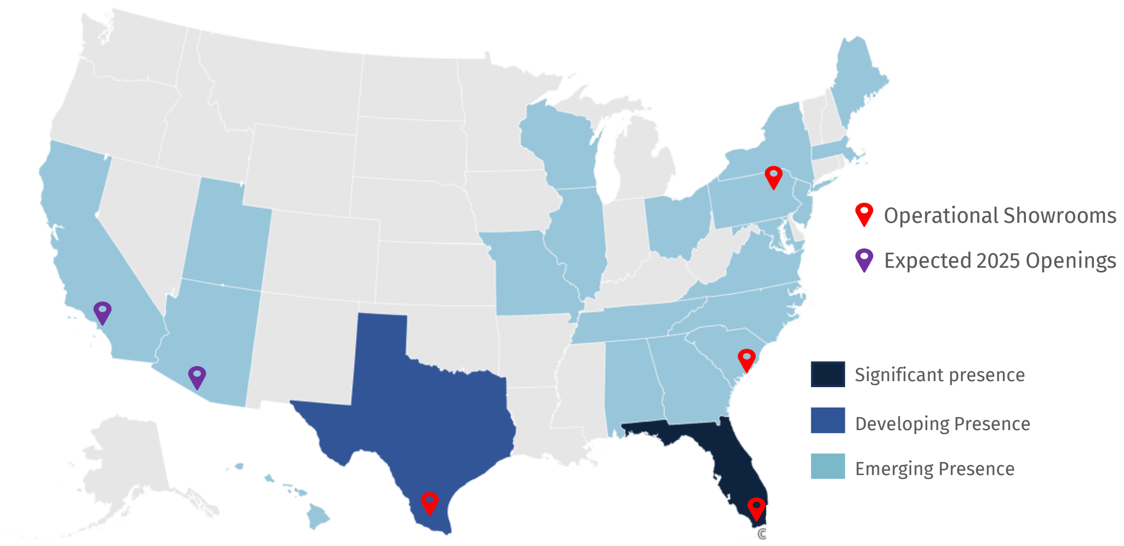
- Balanced end market exposure with ~65% of single-family residential revenues tied to R&R demand

- Vinyl entry more than doubles addressable market, leveraging existing network for rapid U.S. expansion; strong early traction with robust quoting activity signals significant growth potential

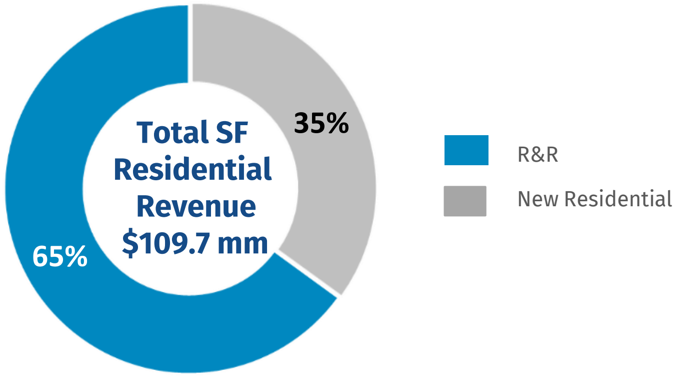
- The ES Windows Pivot Door won "Best Hardware Product or System" in the 2024 Glass Magazine Awards and received the Luxe RED (Residential Excellence in Design) Awards Readers' Choice recognition

- Currently launching various campaigns to maximize the visibility of the Pivot Door and leverage its award-winning status to drive sales growth

Geographic Exposure



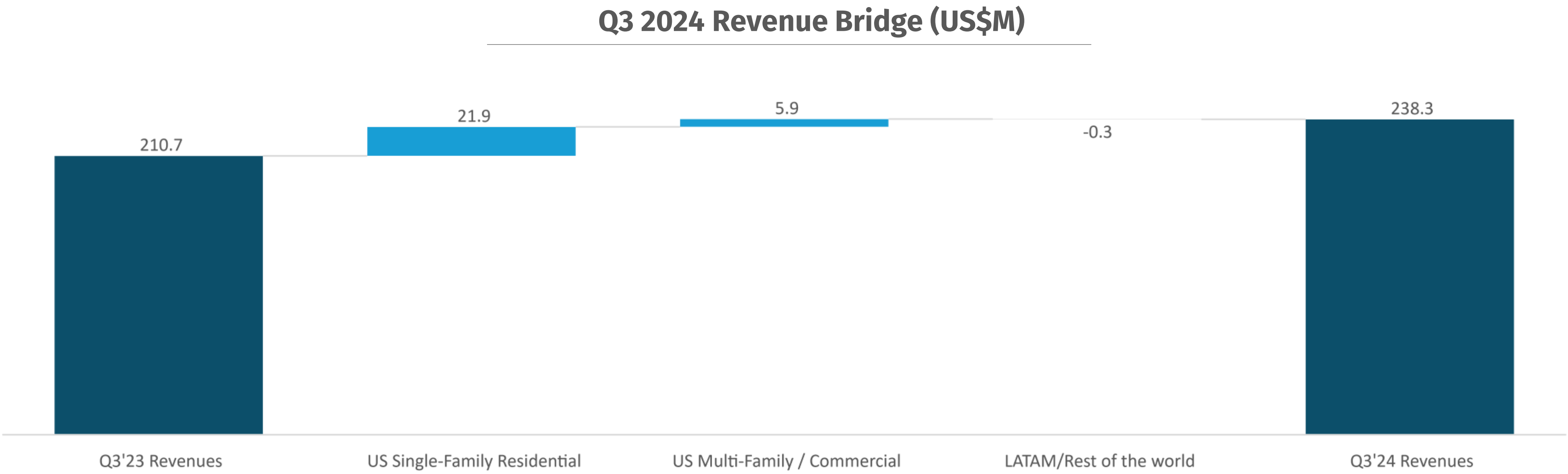
Q2'24 Single-Family Residential End Market Exposure



Financial Update

www.tecnoglass.com

Revenue Bridge 2024 vs. 2023



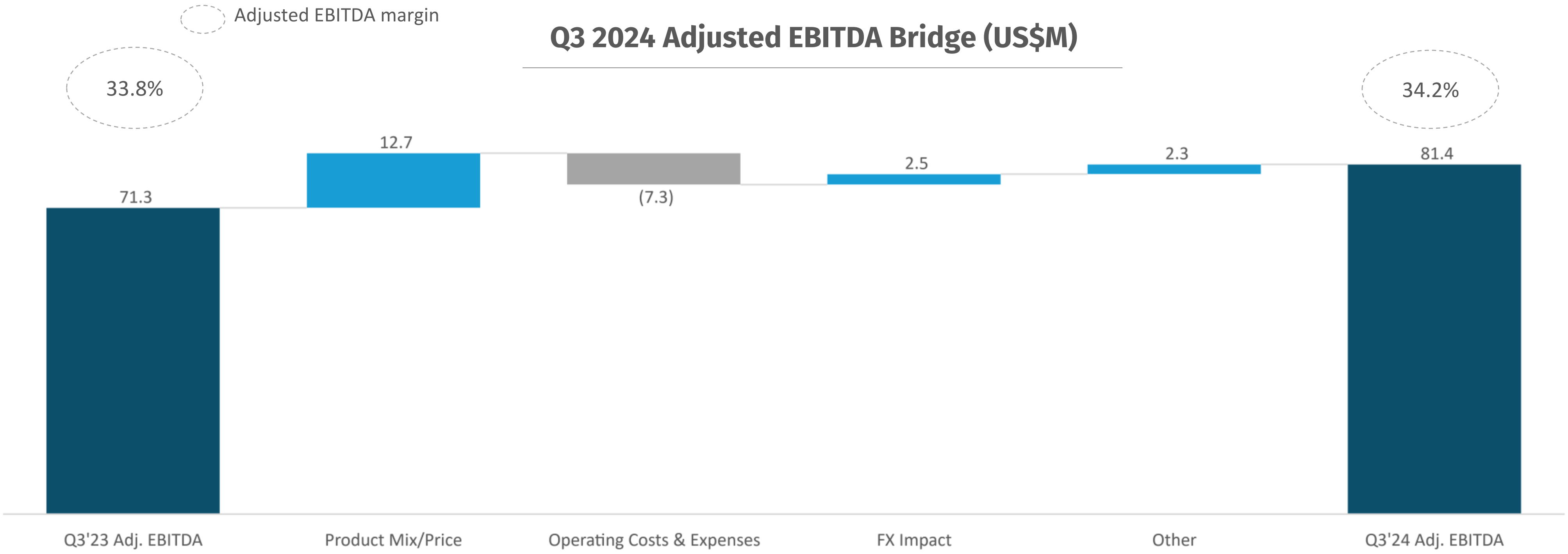
- Record revenue of $238.3 mm driven by market share gains in single-family residential and multi-family / commercial revenues, as a result of robust demand for our best-in-class product offerings, coupled with our ability to continue taking market share in geographies that are outperforming the broader U.S. market
- Single-family residential revenues increased $21.9 mm, or 25% YoY, to $109.7 mm in Q3’24, comprising approximately 46% of total sales, partially due to the pull forward effect related to the expiration of the Florida sales tax waiver
- Solid growth in the multi-family and commercial revenues, up 4.6% year-over-year to $128.6 mm through continued execution of expanding backlog. Pipeline of projects increasing with further ramp-up expected in 2024

TGLS LTM revenue mix from U.S. +95%, compared to average of 84% for U.S.-based building product peers[1]

Notes:

1. *Peer average includes AMWD, APOG, AWI, AYI, AZEK, DOOR, FBIN, JBI, JELD, MBC, NX, PGTI, ROCK, SSD, and TILE as of latest annual SEC filings; Sourced from FactSet*

Adjusted EBITDA[1] Bridge 2024 vs. 2023



- Strong gross profit margin of 45.8%, improved 290 bps YoY, attributable to favorable pricing and mix dynamics with higher single-family residential sales. FX remained relatively stable YoY
- Increased costs and expenses primarily attributable to higher personnel expenses given overall salary adjustments that took place at the beginning of the year, along with an increase in headcount to support growth initiatives with expected absorption as revenues continue to ramp up
- Adjusted EBITDA of $81.4 mm, or 34.2% of revenues, resulting from higher revenues and stronger gross margins

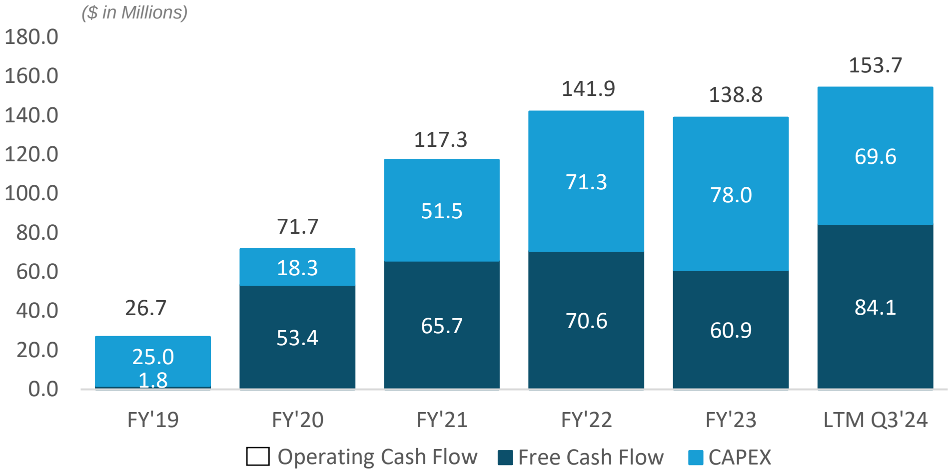
Notes:

1. *Adjusted EBITDA excludes non-recurring and non-cash expenses mainly associated with our bond issuance and respective extinguishment of former debt, withholding taxes associated with payments to bondholders, acquisition related costs and other non-recurring items*

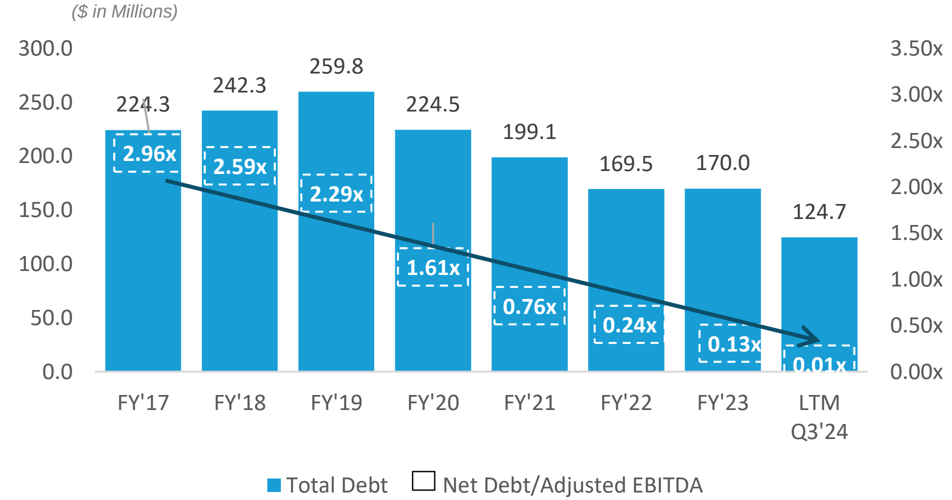
Strong Cash Flow & Balance Sheet

- Strong cash conversion of Adj. EBITDA[1] driving $41.5 mm of cash flow from operations in Q3 2024
- Robust free cash flow of $17.8 mm. Strong free cash flow expected to continue through year end
- Liquidity[2] of ~$290 mm, including cash of $122.1 mm and $170.0 mm of availability under revolving credit facility
- Continued deleveraging, with all time low net debt / LTM Adj. EBITDA[1] at 0.01x with no significant debt maturities until the end of 2026
- Interest rate at lowest tier under debt agreement at SOFR + 1.50% and hedged through maturity at low rates, mitigating interest rate fluctuations
- Significant financial flexibility to execute growth, invest in business and return cash to shareholders
- Paid down $48 mm of debt outstanding YTD

Strong Cash Flow Generation



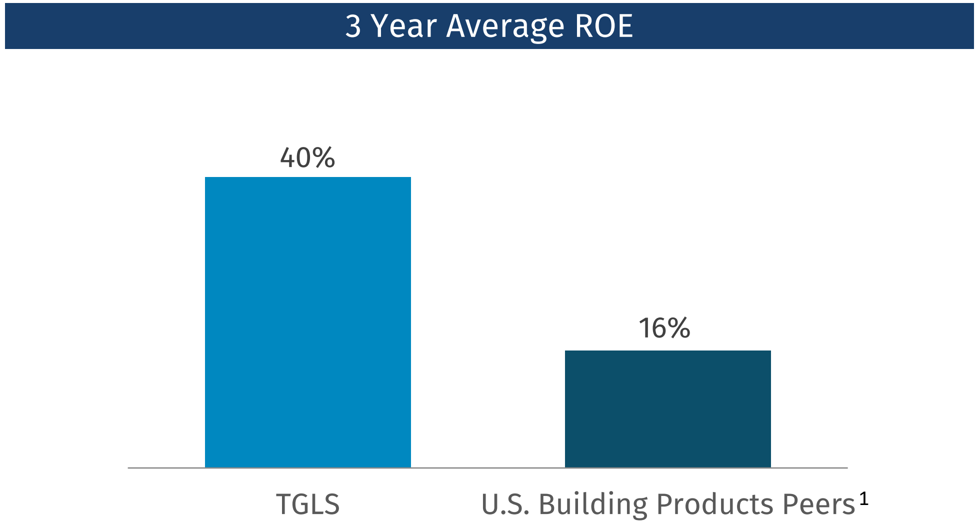
Solid Net Leverage and Balance Sheet

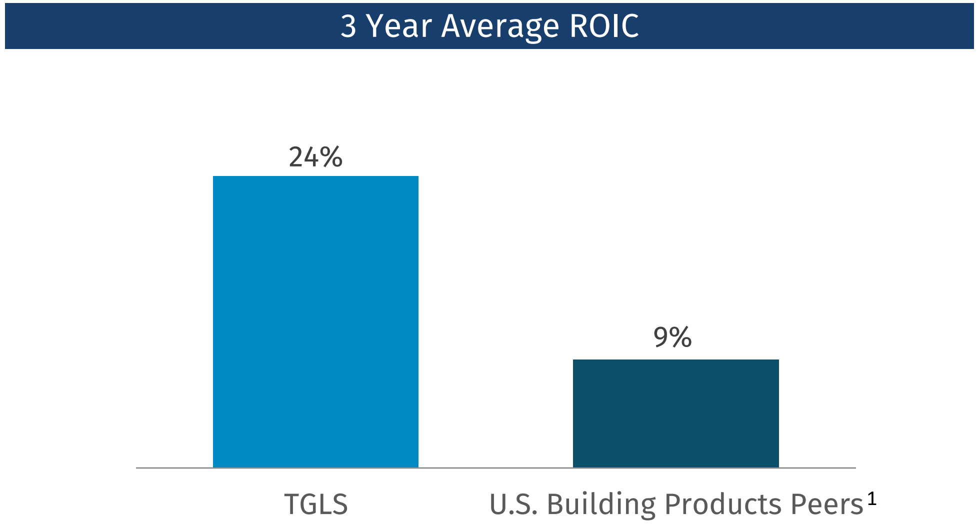


Notes:

1. Adjusted EBITDA excludes non-recurring and non-cash expenses mainly associated with our bond issuance and respective extinguishment of former debt, acquisition related costs and other non-recurring items
2. On a pro forma basis as of March 31, 2024 giving effect to the $350 mm senior secured facility

Track Record of Strong Returns Above Peers





Stronger profitability and significant improvement in working capital driving strong returns

Notes:

1. *U.S. Building Products Peers include AMWD, APOG, AWI, AYI, AZEK, DOOR, FBIN, JBI, JELD, MBC, NX, PGTI, ROCK, SSD, and TILE for the three year period from Q2 2021 to Q2 2024.*

205 Race Street
Philadelphia, Pennsylvania

TECNOGLASS

OUTLOOK UPDATE

www.tecnoglass.com

2024 Outlook

Full Year Outlook	2024 Assumptions

Revenue

$880 MM - $900 MM

Adj. EBITDA

$270 MM - $280 MM

- Takes into account timetable for commercial orders through year-end
- Accounts for a strong month of October and ongoing residential orders to be executed in November
- Stable activity in short-term/small commercial projects, fueled by strong orders during Q2
- COP remains stable within current range
- Gross Margin at low to mid 40% range for the year
- Healthy cash flow generation during the rest of the year given the completion of a majority of capex investments

Notes:

1. *Adjusted EBITDA excludes non-recurring and non-cash expenses mainly associated with our bond issuance and respective extinguishment of former debt, acquisition related costs and other non-recurring items*

3Eleven 601 Hudson Yards
New York City, New York

APPENDIX

Vertically-Integrated & Well-Situated Operations Create Structural Advantages

JV & Long Term Supply Relationships → Raw Materials → Production Process → Final Product → Sales, Distribution & Installation

Tecnoglass integration across the architectural glass and window value chain provides significant control over a substantial portion of costs and structural advantages relative to industry peers

Raw Materials
- ✓ Stable glass supply and costs resulting from JV with St. Gobain
- ✓ Majority of aluminum costs hedged through fixed price contracts

Labor
- ✓ Investments in automation initiatives and commitment to workforce providing production efficiency and low turnover
- ✓ While TGLS pays 15% above minimum wage, this is 7-10x below U.S. peers

Transportation
- ✓ U.S./Colombia trade imbalance mitigates marine transportation costs
- ✓ Connected supply chain keeps intercompany transport costs <5% of revenues

Energy
- ✓ 15% energy savings from prior investments in renewables (solar panels)
- ✓ Utilizing co-generation through on-site natural gas emissions

Structural advantages resulting in substantially shorter lead times than industry, unlocking opportunities for continued expansion and market share gains

ESG Strategy

Outstanding Achievements

Environmental

Leading Eco-Efficiency and Innovation

- National Carbon Neutrality Program
- +15,000 Solar Panels Installed Generating Over 32.443,19 MWh
- Waste Management and Utilization
- Container and Packaging Environmental Management Plan
- Automation and Innovation

Social

Enhancing Our Environment

- Employee Training and Education Programs
- Program for Prevention and Care of COVID-19
- Occupational Health and Safety
- Tecnoglass ESWindows Foundation
- Social Intervention Campaigns

Governance

Promoting Continuous, Ethical and Responsible Growth

- Ethics and Compliance Program
- Efficient Supply Chain Security Management
- Continuous Improvement of Our Products Through Our Quality Management System “QMS”
- Communication Strategies In-Line With the Company’s Objectives and Specially Designed for Each Audience

ESG Strategy

Our Sustainability Strategy contains the Company's guidelines and value propositions to meet the expectations of our stakeholders

Environmental

Leading Eco-Efficiency and Innovation

- Encourage the energy efficiency of the operation and the products
- Prevent, mitigate and compensate environmental impacts of the business
- Promote the efficient use of materials and technologies, respectful with the environment
- Responsible management of the value chain and the product cycle
- Position an innovation and quality approach within all of the Company`s processes

Social

Enhancing Our Environment

- Generate quality work opportunities
- Promote and adopt the best labor and Human Rights
- Build and develop a comprehensive teamwork with innovating mentality
- Achieve an accident-free labor environment, supported by culture of health and safety
- Generate value for the communities in the areas of influence

Governance

Promoting Continuous, Ethical and Responsible Growth

- Adapt our offer and operation to new markets
- Conduct our business with integrity, ethical and transparency
- Adopt best corporate governance practices that facilitate decision making and accountability
- Consolidate and protect our brand
- Strengthen risk management as strategic factor for the organization

Leading Eco-efficiency and Innovation

Over 85% of Tecnoglass' total revenues are considered Green Revenues, including low emissivity and impact-resistant glass and windows, contributing to reducing global emissions and mitigating climate change effects

68%

of our revenues are Impact Resistant (Hurricane), reflecting the increasing demand for resilient solutions in regions vulnerable to extreme weather events

65%

of our revenues are Energy Efficient, including IGUs and low emissivity glass, providing greener and more efficient cooling or heating energy usage

84%

of our Low-E products are equipped with double or more coatings, providing superior performance sought in sustainable building solutions

Non-GAAP Reconciliation[1]

Adjusted EBITDA and adjusted net (loss) income attributable to parent reconciliation

Figures in U.S. $k

	Three months ended Sep 30, 2024	Three months ended Sep 30, 2023	Nine months ended Sep 30, 2024	Nine months ended Sep 30, 2023
Net (loss) income	**49,535**	**46,095**	**114,293**	**147,032**
Less: Income (loss) attributable to non-controlling interest	-	(232)	-	(489)
(Loss) Income attributable to parent	**49,535**	**45,863**	**114,293**	**146,543**
Foreign currency transactions losses (gains)	(870)	(1,142)	4,858	(931)
Provision for bad debt	439	638	714	2,537
Non-Recurring expenses (non-recurring professional fees, capital market fees, other non-core items)	1,449	1,800	3,088	5,599
Joint Venture VA (Saint Gobain) adjustments	924	(234)	3,146	158
Tax impact of adjustments at statutory rate	(621)	(340)	(3,778)	(2,356)
Adjusted net (loss) income	**50,856**	**46,585**	**122,321**	**151,550**
Basic income (loss) per share	1.05	0.96	2.43	3.08
Diluted income (loss) per share	1.05	0.96	2.43	3.08
Diluted Adjusted net income (loss) per share	1.08	0.98	2.60	3.18
Diluted Weighted Average Common Shares Outstanding in thousands	**46,997**	**47,599**	**46,997**	**47,649**
Basic weighted average common shares outstanding in thousands	46,997	47,599	46,997	47,649
Diluted weighted average common shares outstanding in thousands	46,997	47,599	46,997	47,649

	Three months ended Sep 30, 2024	Three months ended Sep 30, 2023	Nine months ended Sep 30, 2024	Nine months ended Sep 30, 2023
Net (loss) income	**49,535**	**46,095**	**114,293**	**147,032**
Less: Income (loss) attributable to non-controlling interest	-	(232)	-	(489)
(Loss) Income attributable to parent	**49,535**	**45,863**	**114,293**	**146,543**
Interest expense and deferred cost of financing	1,742	2,325	5,854	6,919
Income tax (benefit) provision	19,978	15,447	43,630	63,366
Depreciation & amortization	6,951	5,927	19,730	15,841
Foreign currency transactions losses (gains)	(870)	(1,142)	4,858	(931)
Provision for bad debt	439	638	714	2,537
Non-Recurring expenses (non-recurring professional fees, capital market fees, other non-core items)	1,519	1,800	3,158	5,599
Joint Venture VA (Saint Gobain) EBITDA adjustments	2,145	436	4,367	2,264
Adjusted EBITDA	**81,438**	**71,294**	**196,603**	**242,138**

Notes:

1. Adjusted EBITDA, Adjusted EBIT and Adjusted Net Income are not measures of financial performance under generally accepted accounting principles ("GAAP"). Management believes Adjusted EBITDA, Adjusted EBIT and Adjusted Net Income, in addition to operating profit, net income and other GAAP measures, is useful to investors to evaluate the Company's results because it excludes certain items that are not directly related to the Company's core operating performance. Investors should recognize that Adjusted EBITDA, Adjusted EBIT and Adjusted Net Income might not be comparable to similarly-titled measures of other companies. These measures should be considered in addition to, and not as a substitute for or superior to, any measure of performance prepared in accordance with GAAP. Because GAAP financial measures on a forward-looking basis are not accessible, and reconciling information is not available without unreasonable effort, we have not provided reconciliations for forward-looking non-GAAP measures.

Non-GAAP Reconciliation[1]

Net Debt, Leverage and Total Investment Reconciliations

Figures in U.S. $k	As of Sep 30, 2023	As of Sep 30, 2024
Short Term Debt and Current Portion of Long Term Debt	3,127	1,819
Long Term Debt	170,171	122,837
Gross Debt	**169,826**	**124,656**
Cash at the end of the period	118,973	122,090
Net Debt	**50,853**	**2,566**
LTM Adjusted EBITDA	329,379	258,581
Net Debt / LTM Adjusted EBITDA	**0.15x**	**0.01x**

Notes:

1. *Total Investment and Free Cash Flow are not financial measures under generally accepted accounting principles ("GAAP"). Management believes this measurements are useful to investors to evaluate the Company's performance. Total Investment includes capex or cash acquisition of property and equipment, assets acquired under capital lease and assets acquired with debt. Free Cash Flow is calculated as cash (used in) provided by operating activities (-) capex or cash acquisition of property and equipment. Free Cash Flow do not include assets acquired under capital lease or debt. Investors should recognize Total Investment and Free Cash Flow might not be comparable to similarly-titled measures of other companies. These measures should be considered in addition to, and not as a substitute for or superior to, any measure prepared in accordance with GAAP. Because GAAP financial measures on a forward-looking basis are not accessible, and reconciling information is not available without unreasonable effort, we have not provided reconciliations for forward-looking non-GAAP measures.*