FOURTH QUARTER & FULL YEAR 2018 EARNINGS CONFERENCE CALL

March 7, 2019 – TECNOGLASS INC.
(NASDAQ: TGLS)

Royal Caribbean´s Terminal A
Florida, USA



Safe Harbor

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.

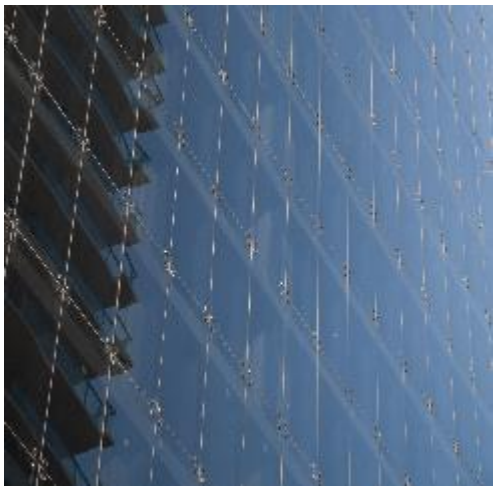
FINANCIAL PRESENTATION

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.







Muse
Florida, United States

SUMMARY & HIGHLIGHTS

TECNOGLASS

FY 2018 Key Take-Aways

- ✓ Revenues increased 18% to a record $371.0m
- ✓ Strong US revenue growth of 24% to record $296.5m, primarily driven by residential penetration and growth in key regions beyond Florida
- ✓ Generated 4x increase in single-family residential sales, surpassing original expectations, through share gains, new products and solid execution
- ✓ Record adjusted EBITDA of $80.8m, up 30%, with margins up 210bps
- ✓ Adjusted net income of $32.3m, increasing by almost 3x
- ✓ Record backlog at $515 million, more than fully replacing four consecutive record quarters of invoicing; reflecting healthy quoting activity and robust project pipeline
- ✓ Stronger year-end balance sheet with 2.6x net debt / Adjusted EBITDA
- ✓ Entered partnership with Schüco products; Recently awarded first project
- ✓ In January 2019, entered JV with Saint-Gobain, strengthening vertical integration and securing float glass supply to improve margins over time



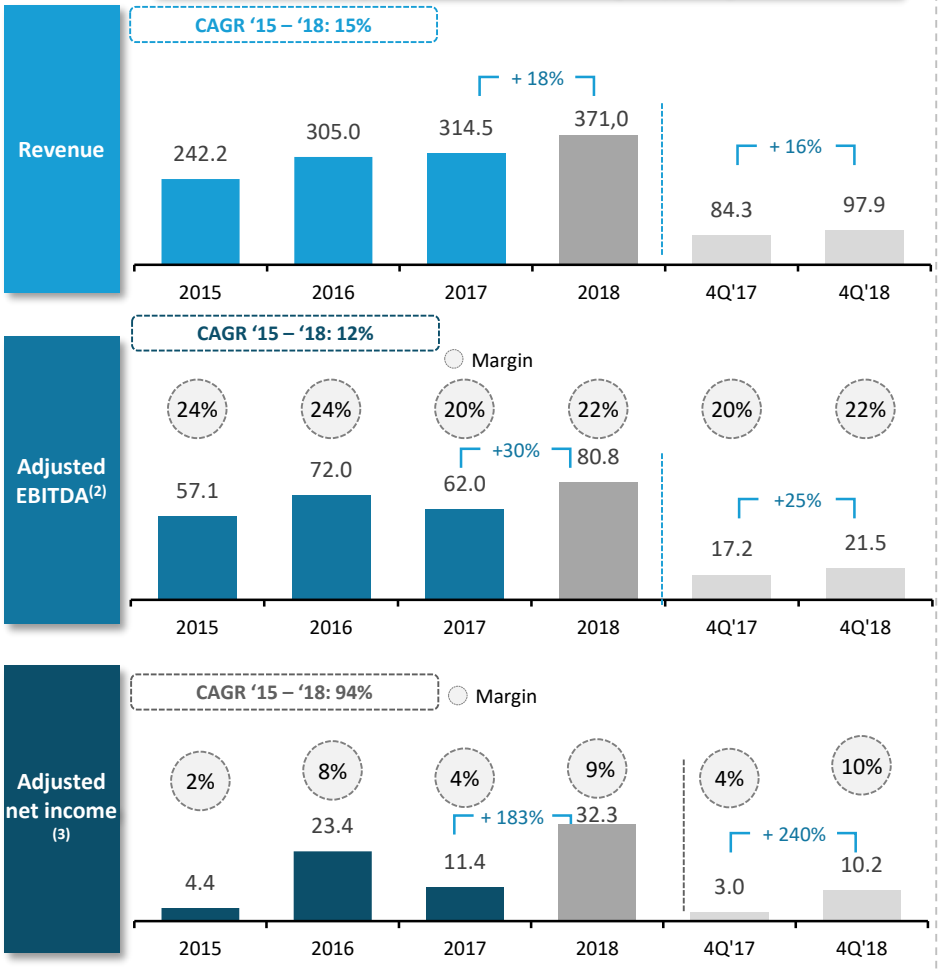
500 Walnut
Pennsylvania, US

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*

Q4 & Full Year 2018 Summary[1]

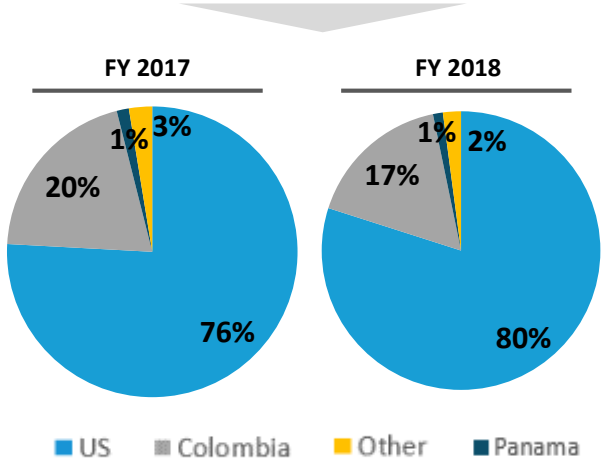
Key Financial Metrics (US$mm)



Sales Performance By Geography

	Q4		´18 vs ´17		FY		´18 vs ´17	
Revenues US$mm	2017	2018	$Δ	%Δ	2017	2018	$Δ	%Δ
United States	63,8	81,5	18	28%	238,5	296,5	58	24%
Colombia	18,2	12,9	(5)	-29%	63,5	62,4	(1)	-2%
Other Countries	2,3	3,5	1	53%	12,4	12,0	(0)	-3%
Total	84,3	97,9	14	16%	314,5	371,0	57	18%

- Sales in the US ex-Florida increased 34%, strengthening our presence in the Northeast, Midwest and Texas

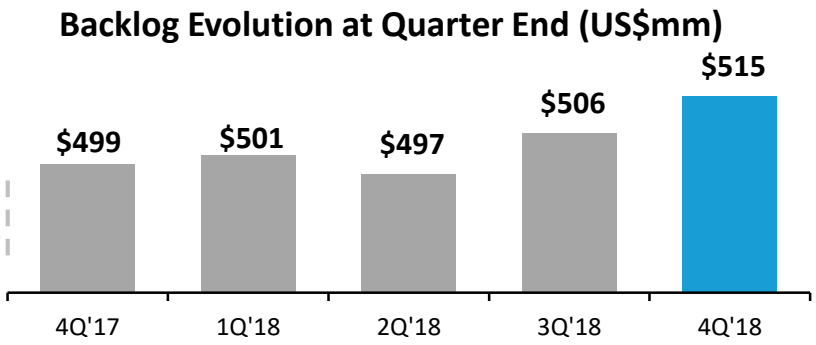


Notes:

1. *Prior-period financial information 2015-2016 has been retroactively adjusted for ES Windows, acquired under common control. 2017 Financials includes GM&P since March 1, 2017.*
2. *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*
3. *Adjusted net income is estimated as net income (loss) attributable to parent (+) income gain/loss on change in fair value of warrants and earnouts, FX exchange gain/loss, non-core items and tax impact of adjustments at statutory rate.*

Continued Expansion of Record Backlog

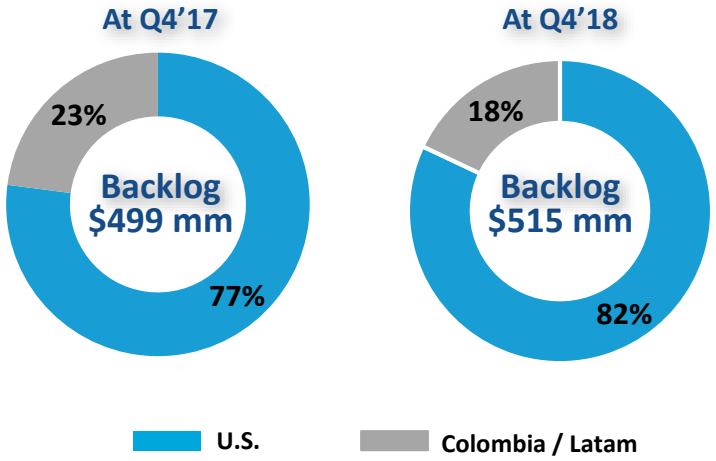
Business conditions stronger YoY with visibility beyond first half 2020



Backlog Overview

- Continued growth in backlog, replacing four consecutive record revenue quarters and demonstrating strong quoting activity
- Continued expansion into the U.S. comprising approximately $412 million of backlog
- U.S. backlog continues to be further diversified into different regions within the country and a mix of new end clients
- Single-family residential not fully captured in backlog given shorter term “spot” duration of projects

Geographic Mix









Brandeis University
Massachusetts, USA

FINANCIAL UPDATE

Financial Highlights 2018 vs 2017[(1)]

	Q4		2018 vs 2017		Year to Date 2018 vs 2017			
Key financial results (US$mm)	2017	2018	$Δ	%Δ	2017	2018	$Δ	%Δ
Revenues	84,3	97,9	13,6	16%	314,5	371,0	56,5	18%
Adjusted EBITDA (2)	17,2	21,5	4,3	25%	62,0	80,8	18,8	30%
Adjusted net income	2,9	10,2	7,2	246%	11,4	32,3	20,9	184%
Cash at end of period	40,9	33,0	(7,9)	-19%	40,9	33,0	(7,9)	-19%
Net debt (3)	183,3	209,3	25,9	14%	183,3	209,3	25,9	14%
Capex (4)	0,3	5,9	5,6	1717%	7,0	13,1	6,1	87%
Paid cash dividends	0,6	0,7	0,1	10%	2,5	2,7	0,2	10%
Operating Cash Flow	14,2	(5,0)	(19,2)	135%	14,2	(5,0)	(19,2)	135%
Leverage (5)	3,0	2,6	(0,4)	12%	3,0	2,6	(0,4)	12%

Fourth quarter results

- 7th consecutive record revenue quarter at $98m as a result of higher sales in the US and successful penetration into single-family residential market
- Q4 Adjusted EBITDA of $21.5m, up 25% YoY, supporting our increase in sales along with our effective vertical integration model
- Adjusted EBITDA margins of 22% up 200bps vs Q4'17 on increased revenues and operating leverage
- Adjusted net income of $10.2m, up almost 3x vs Q4'17

Full Year 2018 results

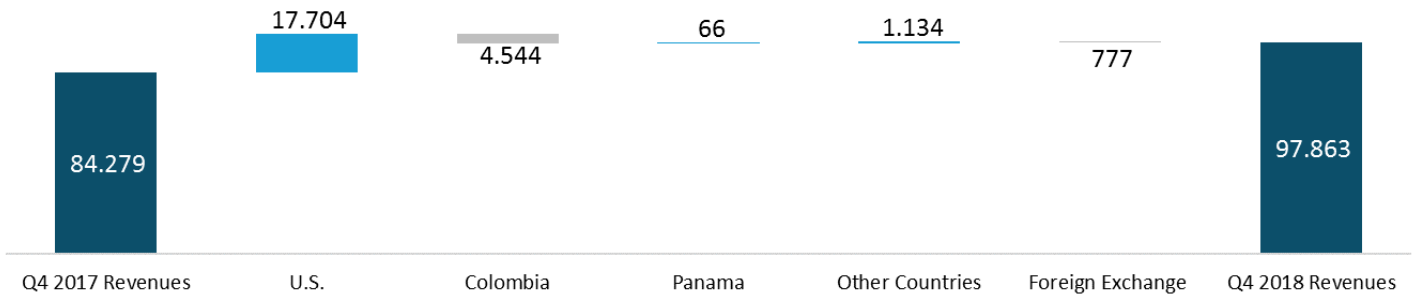
- Total revenues up 18% driven by a 24% increase in US sales partly attributable to residential projects/products
- Delivered adjusted EBITDA of $80.8m while delivering another year of industry-leading margins
- Operating cashflow use mainly to support continued robust growth and inventory purchases ahead of stronger Q1 2019
- Capex of $13.1m, including high-return investments to support expected growth and efficiencies
- Improved year-end net leverage of 2.6x, marking continued sequential and year-over-year improvement

Notes:

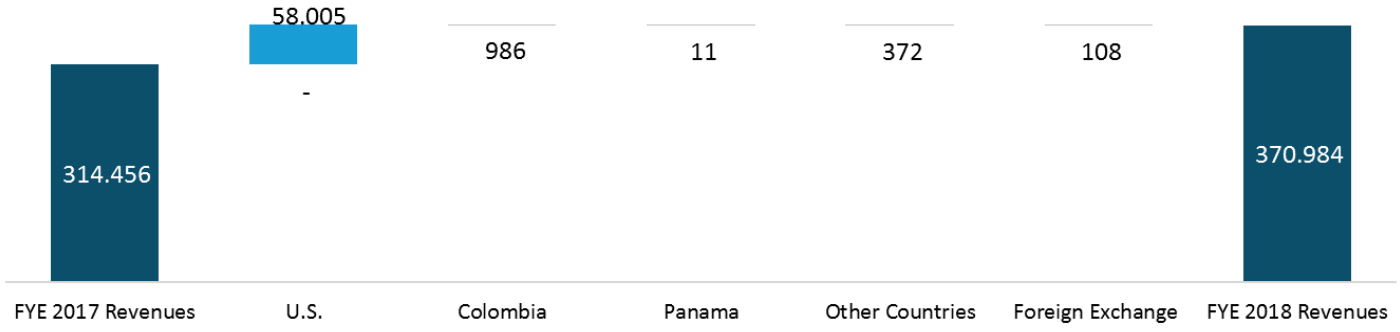
1. *2017 Financial statements includes GM&P since March 1, 2017.*
2. *Q4´18 adjusted EBITDA excludes $5.6 mm in non-recurring costs*
3. *Net debt is calculated as gross debt (-) cash & equivalents.*
4. *Capex refers to acquisition of property and equipment with cash. Do not include assets acquired under capital lease and debt.*
5. *Leverage is calculated as Net Debt to Adjusted EBITDA*

Revenue Bridge 2018 vs 2017[1]

Q4 2018 Revenue Bridge (US$K)



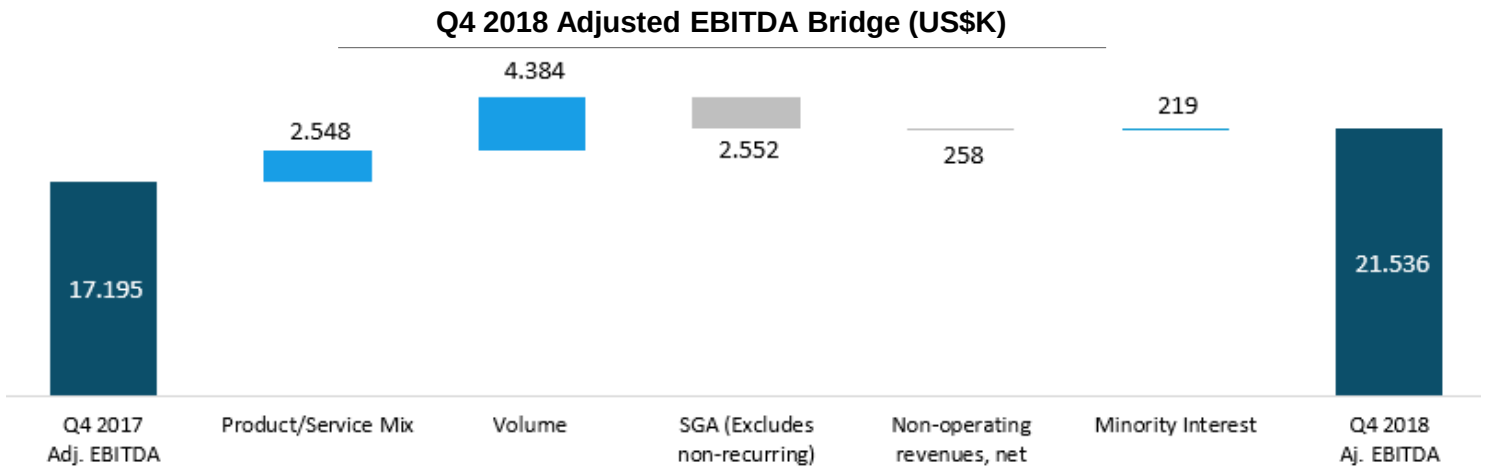
FY 2018 Revenue Bridge (US$K)

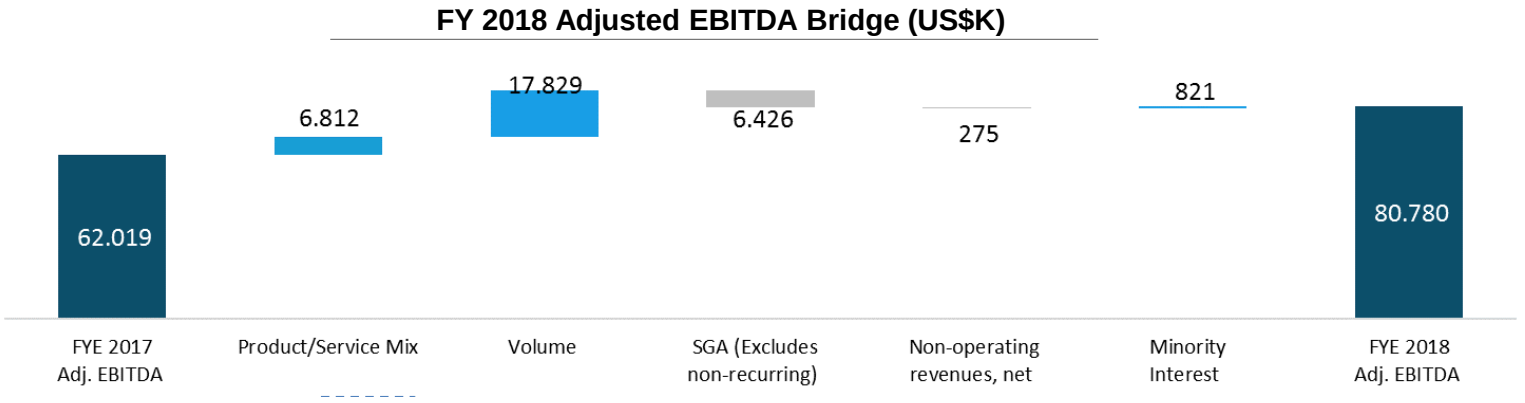


Notes:

1. 2017 Financial statements Includes GM&P since March 1, 2017.

Adjusted EBITDA Bridge 2018 vs 2017[(1)]





Notes:

1. *2017 Financial statements Includes GM&P since March 1, 2017.*
2. *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.*



UM Thomas P. Murphy Design Studio
Florida, United States.

2018 Building of the Year by
World-Architects

BUSINESS & MARKET UPDATE

Strategic Joint Venture Agreement with Saint-Gobain

TGLS purchased a minority ownership interest in Saint-Gobain subsidiary Vidrio Andino

Phase I, Investment in Existing Bogota Plant with Annualized Revenues of ~$100m

Advantages to Tecnoglass

- ✓ Further vertical integration
- ✓ Control of nearly entire production process
- ✓ Secures long-term access to float glass supply
- ✓ Reduces downtime
- ✓ Significant purchasing, transportation and waste costs savings over time

Tecnoglass´s investment of ~$45m:

- ✓ ~$34m in cash supported by cash on balance and available lines of credit
- ✓ Land contributed at an aggregated value of ~$11m.



Phase II, Investment in New Galapa Plant

Highlights

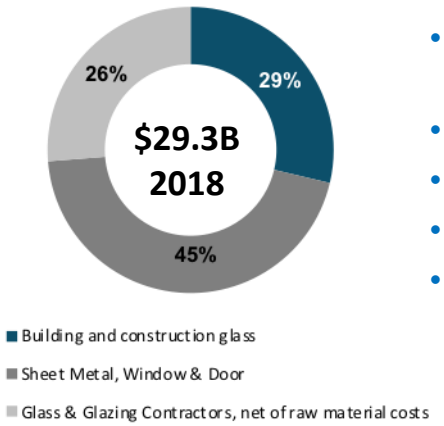
- ✓ New state of the art float glass production facility to be built in Galapa, near TGLS production facilities
  - Planned investment of ~$160m
- ✓ Expect 85% of Tecnoglass´s float glass will be sourced from the Galapa plant, once operational in 2022
- ✓ Alliance with St. Gobain to jointly penetrate markets
- ✓ Expect strong cash flow generation and high ROI



US Construction Demand Growth in Key Markets

U.S. Construction Glass + Aluminum Markets in Positive Territory as Long as The Economic Recovery Continues

Market size[2,3,4]



- Glass and Glazing Industry is expected to grow at 10-year CAGR of ~5% through 2023
- Growing demand for high performance glass: energy efficiency, impact-resistant windows and innovative designs
- Demand for sheet metal products expected to continue rising
- Historically low Interest rates facilitating construction activity
- Architectural Billing Index[1] LTM average of 52.1 supports positive growth outlook
- Stable to positive multi-year housing construction outlook

TGLS Commercial Growth Strategy

- ✓ Leverage structural cost advantage created by strategic manufacturing location and vertical integration
- ✓ Grow presence in underpenetrated geographies through strong reputation in established markets
- ✓ Enhance sales force in underrepresented channels or geographies
- ✓ ~23% of 2018 U.S. backlog in geographies identified for expansion

TGLS Single-Family Residential Growth Strategy

- ✓ Innovate new product lines such as Elite and Prestige
- ✓ Gain rapid share in this new end market for TGLS
- ✓ Promote impact-resistant windows in storm-prone coastal regions
- ✓ Use alliance with Schüco to expand product offerings
- ✓ Partner with builders and distributors nationally to efficiently penetrate residential markets
- ✓ Generated residential sales growth of approximately 400% in 2018

Source:

1. *The American Institute of Architects (AIA) reported the Architecture Billing Index December, 2018. Figures represents trailing 12 month average from January 2018 to December 2018 across U.S. census regions*
2. *IBIS World. IBISWorld Industry Report 32721. Glass Product Manufacturing in the U.S., November 2018*

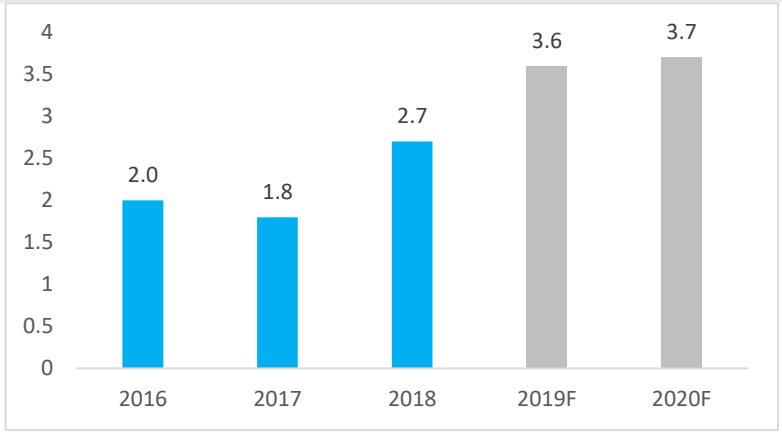
Colombia Macro Data Points to Long term Construction Recovery

Key Statistics [1]

1.8%	2.7%	~3,6	3.18%	~3%	4.25%
2017 GDP Growth	2018 GDP Growth	2019 Expected GDP Growth	Inflation Rate 2018	Expected Inflation Rate 2019	2018 Interest Rate

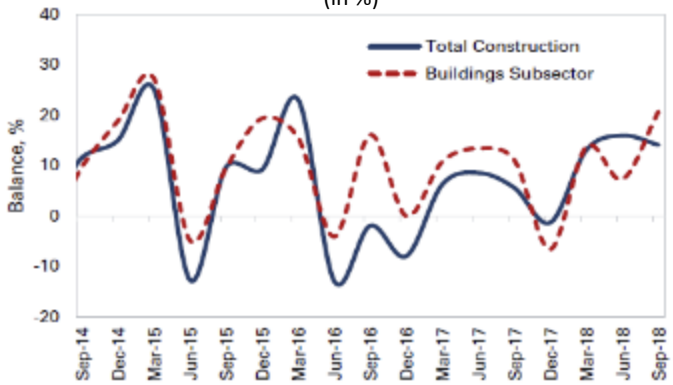
- ✓ Following muted first-half 2018, Colombia continues to show improving macroeconomic trends with controlled inflation, low interest rates, political stability and a fairly steady FX rate, supporting promising macro conditions for economic growth [2]
- ✓ 2019 outlook linked to new proposal for fiscal reform presented by the government, which encourages investment and economic growth through tax relief for companies [3]
- ✓ S&P´s outlook on long-term ratings for Colombia remain stable, highlighting economic stability along with gradual and ongoing recovery on growth in coming years [4]
- ✓ Positive outlook for Latin America´s economy, projected to recover over the next two years, from 1.1% in 2018 to 2-2.5% in 2019 and 2020

Colombia GDP Performance and Forecast [5]



Business Tendency Survey [6]

Construction expectations for the next quarter
(in %)



Source:

1. *Colombia. Dane*
2. *Colombian Corporate Credit Indicators. Fitch Ratings. December, 2018*
3. *Fitch Ratings perspective for 2019. Fitch Ratings. December, 2018*
4. *BBB-/A-3´Foreign currency Sovereign Ratings Affirmed After Congressional Elections; Outlook Remains Stable. S&P Global Ratings. As of March, 2018.*
5. *The Statistics Portal. Statista. 2019*
6. Fedesarrollo. Economic and Social Development Center. Business Tendency Survey. As of August 31, 2018.







Washington University Mid Campus Center

Missouri, United States

OUTLOOK UPDATE

2019 Outlook

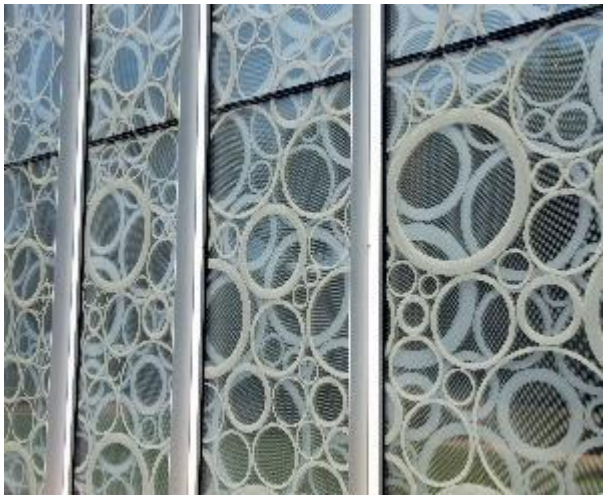
Revenues
$395 to $415 Million
Midpoint +9.2% YoY

Adjusted EBITDA
$86 to $94 Million
Midpoint +11.3% YoY

Highlights

- Outlook formed through “bottoms up” approach, analyzing backlog timing on a project-by-project basis, as similarly performed in 2018
- Growth expected primarily from U.S., fueled by increasing sales in retail/residential markets through penetration of newer products and continued share gains in commercial end markets
- Muted outlook on Colombia/Latam until positive macro-economic indicators start translating into invoicing
- Continue to expect favorable operating leverage on higher revenues and improved mix of sales from manufacturing operations
- Incorporates our share of Adjusted EBITDA from the Vidrio Andino joint venture expected to close in the second quarter of 2019
- Lower expected SG&A as a percent of sales based on incremental revenues and leverage attained with ongoing cost control efforts





USFSP Kate Tiedemann College of Business
Florida, United States

APPENDIX

Profit & Loss 2018 vs 2017[1,2]

Figures in US $k

	Three months ended December 31,				2018 vs 2017		Twelve months ended December 31,				2018 vs 2017	
	2.018	% Sales	2.017	% Sales	$ Δ	% Δ	2.018	% Sales	2.017	% Sales	$ Δ	% Δ
External Customers	96.329	98,4%	82.930	98,4%	13.399	16,2%	365.646	98,6%	309.375	98,4%	56.271	18,2%
Related parties	1.534	1,6%	1.349	1,6%	185	13,7%	5.338	1,4%	5.081	1,6%	257	5,1%
Operating revenues	**97.863**	**100,0%**	**84.279**	**100,0%**	**13.584**	**16,1%**	**370.984**	**100,0%**	**314.456**	**100,0%**	**56.528**	**18,0%**
Raw materials	29.503	30,1%	24.871	29,5%	4.632	18,6%	111.097	29,9%	93.262	29,7%	17.835	19,1%
Direct labor	5.080	5,2%	5.104	6,1%	(24)	-0,5%	21.613	5,8%	18.711	6,0%	2.902	15,5%
Indirect costs	29.146	29,8%	27.102	32,2%	2.044	7,5%	118.057	31,8%	103.301	32,9%	14.756	14,3%
Cost of sales	**63.729**	**65,1%**	**57.077**	**67,7%**	**6.652**	**11,7%**	**250.767**	**67,6%**	**215.274**	**68,5%**	**35.493**	**16,5%**
Gross profit	**34.134**	**34,9%**	**27.202**	**32,3%**	**6.932**	**25,5%**	**120.217**	**32,4%**	**99.182**	**31,5%**	**21.035**	**21,2%**
Administrative & Other expenses	9.054	9,3%	8.082	9,6%	972	12,0%	33.632	9,1%	31.034	9,9%	2.598	8,4%
Selling expenses	10.764	11,0%	8.435	10,0%	2.329	27,6%	39.390	10,6%	33.784	10,7%	5.606	16,6%
SG&A & other operating expenses	**19.818**	**20,3%**	**16.517**	**19,6%**	**3.301**	**20,0%**	**73.022**	**19,7%**	**64.818**	**20,6%**	**8.204**	**12,7%**
Operating income	**14.316**	**14,6%**	**10.685**	**12,7%**	**3.631**	**34,0%**	**47.195**	**12,7%**	**34.364**	**10,9%**	**12.831**	**37,3%**
Adjusted EBITDA	**21.485**	**22,0%**	**17.195**	**20,4%**	**4.290**	**24,9%**	**80.780**	**21,8%**	**62.019**	**19,7%**	**18.761**	**30,3%**
Non-operating income, net	327	0,3%	585	0,7%	(258)	-44,1%	2.915	0,8%	3.190	1,0%	(275)	-8,6%
Foreign currency transaction (gains) losses	(13.633)	-13,9%	(2.134)	-2,5%	(11.499)	538,8%	(14.461)	-3,9%	(3.028)	-1,0%	(11.433)	377,6%
Loss on extinguishment of debt	0	0,0%	(12)	0,0%	12	-100,0%	0	0,0%	3.136	1,0%	(3.136)	-100,0%
Interest expense and deferred cost of financing	5.636	5,8%	4.982	5,9%	654	13,1%	21.187	5,7%	19.872	6,3%	1.315	6,6%
(Loss) income before taxes	**(4.626)**	**-4,7%**	**4.166**	**4,9%**	**(8.792)**	**-211,0%**	**14.462**	**3,9%**	**11.518**	**3,7%**	**2.944**	**25,6%**
Income tax provision	(211)	-0,2%	2.997	3,6%	(3.208)	-107,0%	5.976	1,6%	5.793	1,8%	183	3,2%
Net (loss) income	**(4.415)**	**-4,5%**	**1.169**	**1,4%**	**(5.584)**	**-477,7%**	**8.486**	**2,3%**	**5.725**	**1,8%**	**2.761**	**48,2%**
Less: Net income attributable to non-controlling interest	116	0,1%	(103)	-0,1%	219	-212,6%	545	0,1%	(276)	-0,1%	821	-297,5%
Net income (loss) attributable to parent	**(4.299)**	**-4,4%**	**1.066**	**1,3%**	**(5.365)**	**-503,3%**	**9.031**	**2,4%**	**5.449**	**1,7%**	**3.582**	**65,7%**
Basic income (loss) per share	(0,12)		0,03				0,23		0,16			
Diluted income (loss) per share	(0,12)		0,03				0,22		0,15			
Basic weighted average common shares outstanding	38.092.996		36.848.415				37.511.851		36.836.075			
Diluted weighted average common shares outstanding	38.643.780		37.399.199				38.062.635		37.386.858			

Notes:

1. *Financial statements in 2017 includes GM&P since March 1, 2017*
2. *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*

Non-GAAP Reconciliation[(1)]

Adjusted EBITDA and adjusted net (loss) income attributable to parent reconciliation
Figures in US $k

	Three months ended December 31,		Twelve months ended December 31,	
	2018	2017	2018	2017
Net (loss) income	**(4.415)**	**1.169**	**8.486**	**5.725**
Less: Income (loss) attributable to non-controlling interest	116	(103)	545	(276)
(Loss) Income attributable to parent	**(4.299)**	**1.066**	**9.031**	**5.449**
Interest expense and deferred cost of financing	5.636	4.982	21.187	19.872
Income tax (benefit) provision	(211)	2.997	5.976	5.793
Depreciation & amortization	5.674	5.277	23.157	20.969
Foreign currency transactions losses (gains)	13.633	2.134	14.461	3.028
Non Recurring expenses (extinguishment of debt, bond issuance costs, provision for bad debt, acquisition related costs and other)	983	668	6.686	6.544
Director Stock compensation and provision for obsolete inventory	69	71	282	364
Adjusted EBITDA	**21.485**	**17.195**	**80.780**	**62.019**
Net (loss) income	**(4.415)**	**1.169**	**8.486**	**5.725**
Less: Income (loss) attributable to non-controlling interest	116	(103)	545	(276)
(Loss) Income attributable to parent	**(4.299)**	**1.066**	**9.031**	**5.449**
Foreign currency transactions losses (gains)	13.633	2.134	14.461	3.028
Deferred cost of financing	390	338	1.468	338
Non Recurring expenses (extinguishment of debt, bond issuance costs, provision for bad debt, acquisition related costs and other)	983	668	6.686	6.544
Tax impact of adjustments at statutory rate	(508)	(1.256)	673	(3.964)
Adjusted net (loss) income	**10.199**	**2.950**	**32.319**	**11.395**
Basic income (loss) per share	(0,12)	0,03	0,23	0,16
Diluted income (loss) per share	(0,12)	0,03	0,22	0,15
Diluted Adjusted net income (loss) per share	0,27	0,08	0,85	0,30
Diluted Weighted Average Common Shares Outstanding in thousands	**38.093**	**37.399**	**38.063**	**37.387**
Basic weighted average common shares outstanding in thousands	38.093	36.848	37.512	36.836
Diluted weighted average common shares outstanding in thousands	38.644	37.399	38.063	37.387

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 US $k

Leverage Reconciliation

	As of December 31,	
	2017	**2018**
Short Term Debt and Current Portion of Long Term Debt	3,260	21,607
Long Term Debt	17,916	15,724
Corporate Bond	203,082	204,984
Gross Debt	**224,258**	**242,315**
Cash at the end of the period	40,923	32,865
Net Debt	**183,335**	**209,450**
Adjusted EBITDA	62,019	80,780
Net Debt / Adjusted EBITDA	**2.96x**	**2.59x**

	As of December 31,	
Total Investment Reconciliation	**2017**	**2018**
Capex or Cash acquisition of property and equipment	7.027	13.117
Assets acquired under capital lease and debt	-	447
Total Investment	**7.027**	**13.564**

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.*