SECOND QUARTER 2020 EARNINGS CONFERENCE CALL

August 6, 2020 – TECNOGLASS INC.
(NASDAQ: TGLS)

CitizenM Hotel
Massachusets, US



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.

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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.







Park Grove

Florida, United States

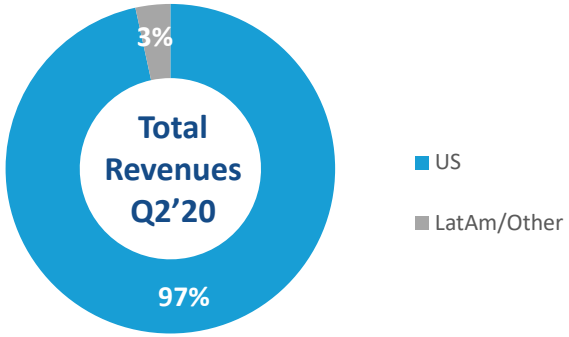
SUMMARY & HIGHLIGHTS

TECNOGLASS

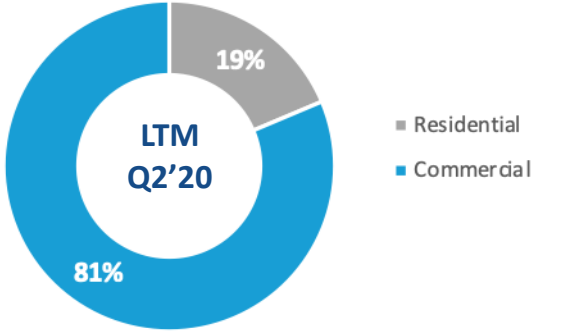
Q2 2020 Key Takeaways

- ✓ Record second quarter gross profit, operating income, Adjusted EBITDA, cash flow and backlog
- ✓ Revenue of $82 mm had two fewer weeks of invoicing in early April during nationwide shelter-in-place order by the Colombian government; Significant demand recovery since April drove sequential revenue growth as the quarter progressed
- ✓ Gross profit margins improved 470 bps to 38.8%, reflecting lower raw material costs, efficiencies from prior automation initiatives along with favorable revenue mix
- ✓ Operating margins improved by 260 bps to 18.6%
- ✓ Net income of $16 mm, or $0.35 per diluted share
- ✓ Adjusted EBITDA of $23.3 mm, with margin up 580 bps to a record 28.4%
- ✓ Q2'20 cash flow from operations and free cash flow of $24 and $23 mm respectively, mainly related to tight working capital management and the prior completion of growth capex initiatives
- ✓ Solid liquidity position of ~$136 mm, including cash of $63 mm
- ✓ Backlog expanded 4.8% YoY to a record $550 mm, driven by continued healthy quoting and bidding activity in the U.S.

Sales By Geography



U.S. End Market Mix

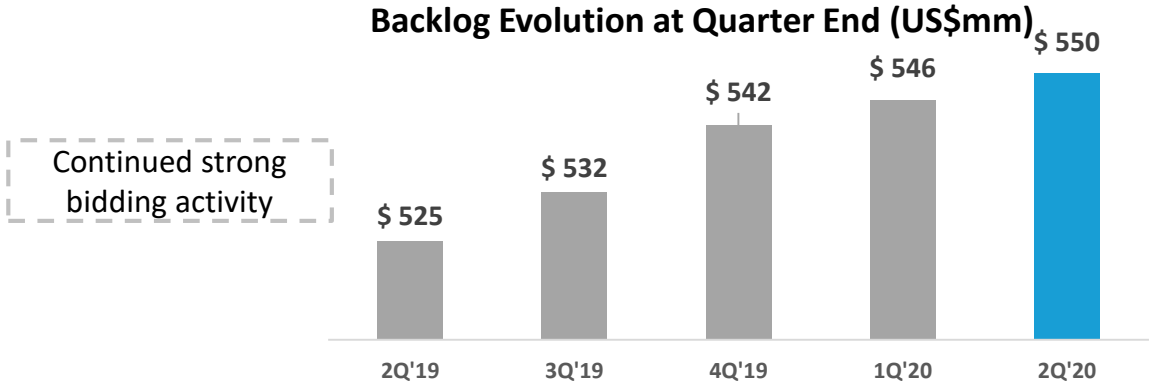


Gross Margin	**38.8%**
Adjusted EBITDA[1] Margin	**28.4%**

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*

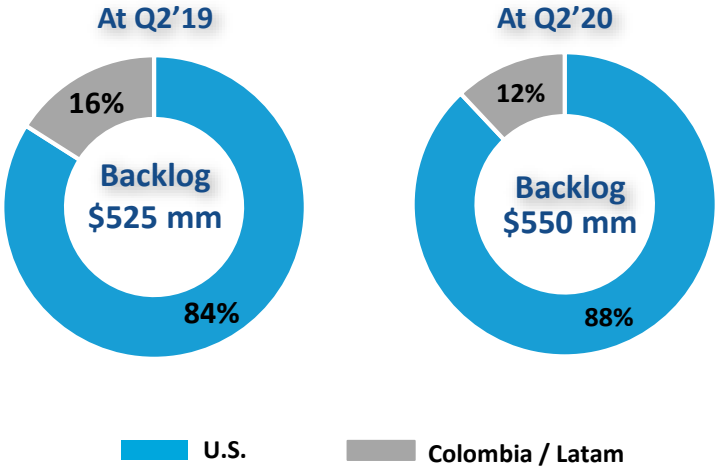
U.S. Growth Driving Record Backlog Levels



Backlog Overview

- Backlog expanded to a record $550 mm; up 4.8% YoY driven by attractive project wins in the U.S.
- US backlog up 10% YoY to $486 mm, representing 88% of total backlog supported by successful geographical expansion in the U.S. coupled with our growing recognition
- U.S. quoting and bidding activity in line with pre-COVID levels
- Some projects in backlog likely to get delayed or stretched due to COVID-19 disruptions uncertainty
- Single-family residential not captured in backlog given shorter term "spot" duration of projects

Geographic Mix









LVL 29 Legacy West

Texas, United States

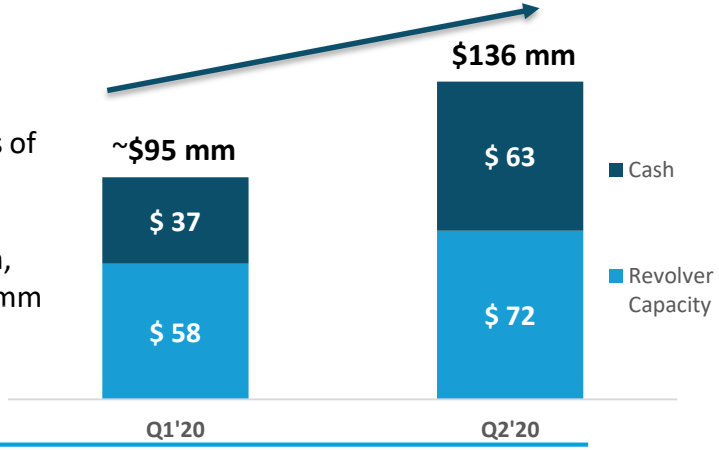
FINANCIAL UPDATE

TECNOGLASS

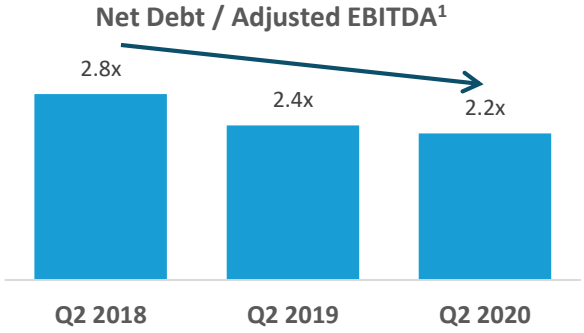
Strong Liquidity And Balance Sheet Profile

Strong Liquidity

- Generated record cash flow from operations of $24.2 mm
- Strong Q2 liquidity position up to ~$136 mm, from ~$95 mm in Q2, including cash of $63 mm plus an additional ~$72 mm of availability under existing lines of credit



Improved Leverage



- Balance sheet remains prudently levered
- Continued deleveraging, now at 2.2x on an LTM basis
- Completion of growth capex phase should allow further deleveraging in the short term

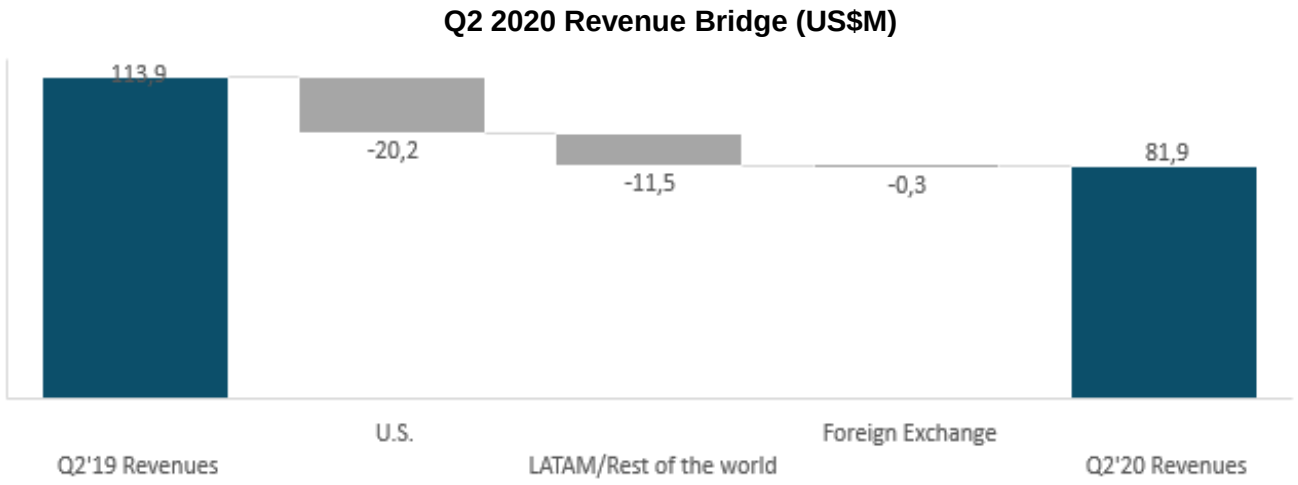
Long-Term Maturities

- Senior notes outstanding of $210 mm won't mature until 2022
- Term debt credit facility with balance of $15 mm matures in 2024
- Lines of credit of $25 mm with an average weighted maturity of 4.7 years
- Small amount of short-term maturities can be refinanced or repaid with own cash

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*

Revenue Bridge Q2 2020 vs Q2 2019



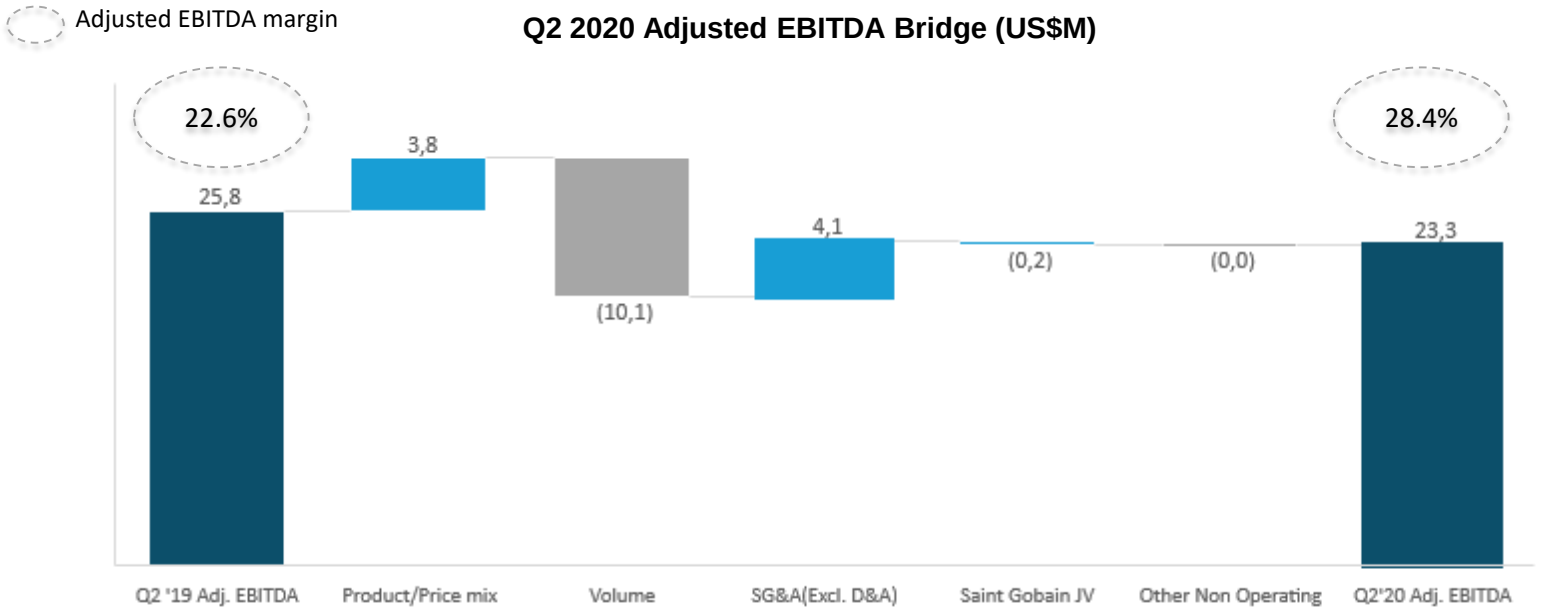
- ✓ Total revenues of $81.9 mm, (97% from the U.S.) included two fewer weeks of invoicing in the first half of April during temporary suspension of plant operations in parallel with shelter-in-place guidelines by Colombian government
- ✓ Since the April trough, U.S. revenues improved sequentially month-over-month throughout the quarter and into July
- ✓ Sales in Latin America have been delayed by extensive preparations by customers at job sites to ensure safe working conditions

TGLS LTM revenue mix from U.S. at 90%, higher than average of 75% for U.S.-based building product peers(1)

Notes:

1. *Peer median includes AFI, APOG, AWI, DOOR, FBHS, FRTA, JELD, MAS, MHK, OC, PGTI, ROCK, SSD, TILE, WMS, as of 2019; Sourced from FactSet*

Adjusted EBITDA Bridge Q2 2020 vs Q2 2019[1]



- ✓Adjusted EBITDA of $23.3 mm, with adjusted EBITDA margin climbing 580 bps to a record 28.4%
- ✓Gross margin rose 470 bps to 38.8% driven by lower input costs, automation-related efficiencies and revenue mix
- ✓SG&A decreased $4 mm YoY, mainly due to lower variables costs related to transportation, commissions and other selling expenses. Higher SG&A as percent of revenue more than offset by stronger gross margin

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*

Royal Caribbean Terminal A
Florida, United States

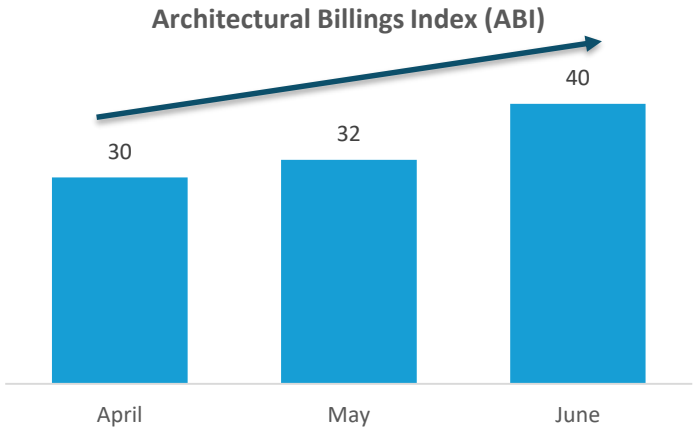


BUSINESS & MARKET UPDATE

Construction Landscape in Served Markets

- ✓U.S activity normalizing with re-opening of different regional economies despite volatile COVID-19 situation
- ✓Construction is now an essential activity in all U.S. states
- ✓U.S. housing starts and building permits each at 1.2 mm in June showed continued sequential improvement in residential activity since April, according to the U.S. Census Bureau
- ✓Low interest rates and consumer spending have led to increased demand in the residential sector
- ✓Positive macro trends combined with a lean cost structure, position TGLS to maintain industry leading margins and further diversify its presence into the U.S.
- ✓LatAm continues to experience slower recovery





- ✓ABI increased each month since April's all-time low
- ✓The June ABI was 40, increasing from 32 in May
- ✓The multi-family residential index increased to 45 in June, its highest reading in four months



Universal Aventura Hotel

Florida, United States

OUTLOOK UPDATE

2020 Outlook

- Strong liquidity position and structural competitive advantages to capture additional share as demand recovers
- Sequential revenue improvement since April and strong invoicing trends in July support continued U.S. recovery
- Backlog growth, coupled with resilient quoting activity encouraging for long-term construction demand
- Single family residential revenues expected to be higher in H2'20 based on market momentum and ongoing geographic expansion
- U.S. to represent significant majority of revenues through year end









APPENDIX

Brickell Flatiron
Florida, United States

TECNOGLASS

Non-GAAP Reconciliation[(1)]

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

Figures in US $k	Three months ended June 30,		Six months ended June 30,	
	2020	2019	2020	2019
Net (loss) income	**16.054**	**7.660**	**(2.614)**	**14.991**
Less: Income (loss) attributable to non-controlling interest	143	(181)	45	(174)
(Loss) Income attributable to parent	**16.197**	**7.479**	**(2.569)**	**14.817**
Interest expense and deferred cost of financing	5.446	5.757	11.089	11.344
Income tax (benefit) provision	6.875	3.977	742	8.856
Depreciation & amortization	4.964	5.717	10.205	11.558
Foreign currency transactions losses (gains)	(11.951)	1.201	20.515	(2.085)
Non Recurring expenses (extinguishment of debt, bond issuance costs, provision for bad debt, acquisition related costs and other)	911	681	1.806	1.425
Director Stock compensation and provision for obsolete inventory	-	-	-	-
Joint Venture VA (Saint Gobain) EBITDA adjustements	869	973	1.868	973
Adjusted EBITDA	**23.311**	**25.785**	**43.656**	**46.888**

	Three months ended June 30,		Six months ended June 30,	
	2020	2019	2020	2019
Net (loss) income	**16.054**	**7.660**	**(2.614)**	**14.991**
Less: Income (loss) attributable to non-controlling interest	143	(181)	**45**	(174)
(Loss) Income attributable to parent	**16.197**	**7.479**	**(2.569)**	**14.817**
Foreign currency transactions losses (gains)	(11.951)	1.201	20.515	(2.085)
Deferred cost of financing	508	415	948	808
Non Recurring expenses (extinguishment of debt, bond issuance costs, provision for bad debt, acquisition related costs and other)	910	681	1.805	1.425
Joint Venture VA (Saint Gobain) adjustements	567	273	939	273
Tax impact of adjustments at statutory rate	3.189	(822)	(7.746)	(135)
Adjusted net (loss) income	**9.420**	**9.227**	**13.892**	**15.103**
Basic income (loss) per share	0,35	0,17	(0,06)	0,35
Diluted income (loss) per share	0,35	0,17	(0,06)	0,34
Diluted Adjusted net income (loss) per share	0,20	0,20	0,30	0,35
Diluted Weighted Average Common Shares Outstanding in thousands	**46.118**	**46.114**	**46.118**	**43.480**
Basic weighted average common shares outstanding in thousands	46.118	45.654	46.118	42.990
Diluted weighted average common shares outstanding in thousands	46.118	46.114	46.118	43.480

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

	As of June 30,	
	2019	**2020**
Short Term Debt and Current Portion of Long Term Debt	12.224	18.744
Long Term Debt	44.526	35.955
Corporate Bond	205.707	207.853
Gross Debt	**262.457**	**262.552**
Cash at the end of the period	47.638	63.424
Net Debt	**214.819**	**199.128**
LTM Adjusted EBITDA	91.156	89.143
Net Debt / LTM Adjusted EBITDA	**2,36x**	**2,23x**

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.*