Tecnoglass Inc.
Form 424B4
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Registration No. 333-227898

PRELIMINARY PROSPECTUS SUPPLEMENT

(To Prospectus dated November 8, 2018)

5,000,000 Ordinary Shares

Tecnoglass Inc.

This is a public offering of 5,000,000 ordinary shares of Tecnoglass Inc.

Our ordinary shares are listed on the NASDAQ Capital Market under the symbol "TGLS." On March 20, 2019, the last reported sales price of our ordinary shares, as reported by the NASDAQ Capital Market, was $7.30 per share.

Investing in the ordinary shares involves risks that are described in the "Risk Factors" section beginning on page S-22 of this prospectus supplement and on page 4 of the accompanying prospectus.

	Per Share	Total

Public Offering Price	$7.00	$35,000,000
Underwriting Discounts(1)	$0.42	$2,100,000
Proceeds to us, before expenses	$6.58	$32,900,000

(1) We refer you to "Underwriting" beginning on page S-89 for additional information regarding underwriting compensation.

Our ordinary shares have also traded on the Colombia Stock Exchange, the Bolsa de Valores de Colombia, since January 6, 2016 under the symbol "TGLSC." The Colombia listing is secondary to Tecnoglass' primary listing on the NASDAQ Capital Market. No new shares were issued in connection with the admission to trading on the Bolsa de Valores de Colombia.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus supplement or the prospectus to which it relates. Any representation to the contrary is a criminal offense.

The underwriters may also exercise an option to purchase up to an additional 750,000 ordinary shares from us at the public offering price less the underwriting discount for 30 days after the date of this prospectus supplement.

The ordinary shares will be ready for delivery on or about March 25, 2019.

Joint Book-Running Managers

Baird **Raymond James**

B. Riley FBR

Co-Managers

D.A. Davidson & Co. **Dougherty & Company LLC**

The date of this prospectus supplement is March 21, 2019

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ACCOMPANYING PROSPECTUS

ABOUT THIS PROSPECTUS SUPPLEMENT

This prospectus supplement and the accompanying prospectus are a part of a registration statement that we filed with the Securities and Exchange Commission, or SEC, using a “shelf” registration process. Under this “shelf” registration process, we may, from time to time, sell or issue any of the combination of securities described in the accompanying prospectus in one or more offerings with a maximum aggregate offering price of up to $200 million. The accompanying prospectus provides you with a general description of us and the securities we may offer, some of which do not apply to this offering. Each time we sell securities, we provide a prospectus supplement that contains specific information about the terms of that offering. A prospectus supplement may also add, update, or change information contained in the accompanying prospectus.

This prospectus supplement provides specific details regarding this offering of ordinary shares by us, including the public offering price per share. To the extent there is a conflict between the information contained in this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement. You should read this prospectus supplement together with the more detailed information regarding our company, our securities and our financial statements and the notes to those statements that appear elsewhere in this prospectus supplement, the prospectus, and the documents that we incorporate herein and therein by reference.

Neither we nor the underwriters have authorized anyone to provide you with information that is different from that contained in this prospectus supplement, the accompanying prospectus or in any free writing prospectus we may authorize to be delivered or made available to you. We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. We and the underwriters are offering to ordinary shares and seeking offers to buy ordinary shares only in jurisdictions where offers and sales are permitted. The information contained in this prospectus supplement and the accompanying prospectus is accurate only as of the date on the front of this prospectus supplement, regardless of the time of delivery of this prospectus supplement or any sale of our ordinary shares. Our business, financial condition, results of operations and prospects may have changed since that date.

We have proprietary rights to trademarks and trade names used in this prospectus supplement, including, among others, “TecnoAir,” “TecnoBend” and “Eli.” Solely for our convenience, trademarks and trade names referred to in this prospectus supplement may appear without the ®” or “™” symbols, but such references are not intended to indicate, in any way, that we will not assert, to the fullest extent possible under applicable law, our rights or the rights to these trademarks and trade names. We do not intend our use or display of other companies’ trade names, trademarks or service marks to imply a relationship with, or endorsement or sponsorship of us by, any other companies. Each trademark, trade name, or service mark of any other company appearing in this prospectus supplement is the property of its respective holder.

NON-GAAP FINANCIAL MEASURES

We prepare our audited financial statements on a yearly basis and quarterly unaudited financial statements, each in accordance with accounting principles generally accepted in the United States (“GAAP”). In accordance with Regulation G, we also disclose and discuss certain non-GAAP financial measures. Currently, the non-GAAP financial measures that we disclose are Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income and Adjusted Net Income Margin.

Adjusted EBITDA is calculated by adding net income (loss), income (loss) attributable to non-controlling interest, income taxes, interest expense, depreciation and amortization, loss (gain) from change in fair value of warrant liability and earnout shares, extinguishment of debt, certain non-recurring / non-cash expenses and foreign currency transaction losses (gains), as further adjusted for the other line items reflected in the reconciliation table set forth in footnote 2 of “Prospectus Supplement Summary—Summary Historical Consolidated Financial Data”. Adjusted EBITDA Margin is calculated by dividing Adjusted EBITDA by our net revenues.

Adjusted Net Income is calculated by adding net income (loss), income (loss) attributable to non-controlling interest, foreign currency transaction losses (gains), cashless deferred cost of financing, loss (gain) from change in fair value of warrant liability (as applicable), extinguishment of debt, certain non-recurring expenses and the tax impact of adjustments at statutory rates, as further adjusted for the other line items reflected in the reconciliation table set forth in footnote 3 of “Prospectus Supplement Summary—Summary Historical Consolidated Financial Data”. Adjusted Net Income Margin is calculated by dividing Adjusted Net Income by our net revenues.

Our use of Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income, and Adjusted Net Income Margin may not be comparable to similarly titled measures reported by other companies because not all companies and analysts calculate these metrics in the same manner. Also, in the future, we may disclose different non-GAAP financial measures in order to help our investors more meaningfully evaluate and compare our future results of operations to our previously reported results of operations.

We believe that the GAAP financial measure most directly comparable to Adjusted EBITDA and Adjusted Net Income is net income. In calculating Adjusted EBITDA and Adjusted Net Income, we exclude from net income the financial items that we believe should be separately identified to provide additional analysis of the financial components of the day-to-day operation of our business. We have outlined below the type and scope of these exclusions and the material limitations on the use of these non-GAAP financial measures as a result of these exclusions. Adjusted EBITDA and Adjusted Net Income are not measurements of financial performance under GAAP and should not be considered as a measure of liquidity, as an alternative to net income (loss), operating income, or as an indicator of any other measure of performance derived in accordance with GAAP. In addition, we urge investors and potential investors in our securities to carefully review the reconciliation of each of Adjusted EBITDA and Adjusted Net Income to net income set forth in footnotes 2 and 3 of "Prospectus Supplement Summary—Summary Historical Consolidated Financial Data".

Adjusted EBITDA and Adjusted Net Income are used by management to internally measure our operating and management performance and by investors as a supplemental financial measure to evaluate the performance of our business that, when viewed with our GAAP results and the accompanying reconciliation, we believe provides additional information that is useful to gain an understanding of the factors and trends affecting our business. We believe the disclosure of Adjusted EBITDA and Adjusted Net Income helps investors meaningfully evaluate and compare our performance from quarter to quarter and from year to year. We also believe Adjusted EBITDA and Adjusted Net Income are measures of our ongoing operating performance because the isolation of non-cash charges, such as depreciation and amortization, and non-operating items, such as interest and income taxes, provides additional information about our cost structure, and, over time, helps track our operating progress. However, we believe these adjustments are appropriate because the amounts recognized can vary significantly from period to period, do not directly relate to the ongoing operations of our business and complicate comparisons of our internal operating results and operating results of other peer companies over time. In evaluating Adjusted EBITDA and Adjusted Net Income, you should be aware that in the future we may incur expenses such as those used in calculating Adjusted EBITDA and Adjusted Net Income in the future. In addition, investors, securities analysts and others have regularly relied on Adjusted EBITDA and Adjusted Net Income to provide a financial measure by which to compare our operating performance against that of other companies in our industry.

Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income and Adjusted Net Income Margin have limitations as analytical tools, and you should not consider them in isolation or as a substitute for analysis of our results as reported under U.S. GAAP. Some of these limitations include:

- they do not reflect our cash expenditures or future requirements for capital expenditures or contractual commitments or foreign exchange gain/loss;
- they do not reflect changes in, or cash requirements for, working capital;
- they do not reflect significant interest expense or the cash requirements necessary to service interest or principal payments on our outstanding debt;

- they do not reflect payments made or future requirements for income taxes; and

- although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced or paid in the future and Adjusted EBITDA and Adjusted EBITDA Margin do not reflect cash requirements for such replacements or payments.

Investors are encouraged to evaluate each adjustment and the reasons we consider it appropriate for supplemental analysis.

Management compensates for the above-described limitations of using non-GAAP measures by using non-GAAP measures only to supplement our GAAP results and to provide additional information that is useful to gain an understanding of the factors and trends affecting our business. See our historical consolidated financial statements included and incorporated elsewhere in this prospectus supplement for our GAAP results.

MARKET AND INDUSTRY DATA

In this prospectus supplement, we refer to information and statistics regarding our industry, the size of certain markets and our position within the sectors in which we compete. Some of the market and industry data contained in this prospectus supplement is based on independent industry and trade publications or other publicly available information, or information published by our customers, that we believe to be reliable sources, while other information is based on our good-faith estimates, which are derived from our review of internal surveys, as well as independent sources listed in this prospectus supplement, the knowledge and experience of our management in the markets in which we operate. The estimates contained in this prospectus supplement have also been based on information obtained from our customers, suppliers and other contacts in the markets in which we operate. Although we believe that these independent sources and internal data are reliable as of their respective dates, the information contained in them has not been independently verified from the data obtained from our external sources, nor sought consent to refer to their reports, and we cannot assure you as to the accuracy or completeness of this information. As a result, you should be aware that the market and industry data and the market share estimates set forth in this prospectus supplement, and beliefs and estimates based thereon, may not be reliable. We have made rounding adjustments to reach some of the figures included in this prospectus supplement, for ease of presentation. As a result, amounts shown as totals in some tables may not be arithmetic aggregations of the amounts that precede them.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus supplement contains statements that are forward-looking statements within the meaning of the federal securities laws, including statements about our expectations, beliefs, intentions and strategies for the future. We have identified some of these forward-looking statements with words such as "anticipates," "believes," "expects," "project," "plan," "estimates," "may," "will," "should" and "intends" and the negative of these words or other comparable terminology.

These forward-looking statements are primarily based on current expectations and projections about future events and financial trends that affect, or may affect, our business, financial condition, results of operations, liquidity and prospects, and include, without limitation, statements regarding our expectations and estimates concerning our future financial performance. These forward-looking statements are not guarantees of future performance and involve known and unknown risks and uncertainties that could cause our actual results to differ materially from results anticipated in these forward-looking statements. Although we believe that these forward-looking statements are based upon reasonable assumptions, because of these uncertainties, prospective investors should not rely on these forward-looking statements. Most of these factors are outside of our control and are difficult to predict or anticipate. Important factors, further discussed under "Risk Factors", that could cause actual results to differ materially from the forward-looking statements include but are not limited to:

inability to realize the expected benefits of the joint venture with Saint-Gobain or the planned construction of a new plant as part of the joint venture;
inability to realize the expected benefits of our growth and efficiency capital expenditure plan;
downward pricing pressures;
possible expenses from any product performance, reliability or quality problems;
limited availability and costs of raw materials;
changes in governmental regulation and taxation;
changes in accounting practices or policies;
impact of equipment failures or loss at sole production facility
complex manufacturing processes may cause personal injury or property damage resulting in losses or other disruptions of operations which may not be covered by insurance;
results may not match our provided guidance or expectations of securities analysts or investors;
general economic conditions or cyclical factors affecting the construction industry or our business such as a downturn in the real estate industry that results in lower construction activity;
changes in weather and seasonality;
the impact of natural phenomena on our ability to fulfill customer orders and requirements;
international hostilities and terrorism;
dependence of certain of our businesses on certain key customers or the effects of customers canceling or modifying orders;
failure to maintain adequate internal controls and remediate the material weakness previously identified;
our and our subsidiaries' ability to attract and retain qualified professionals;
product liabilities in excess of insurance;

possible future inability to comply with an environmental regulation or future liability due to remediation of contamination on certain properties or environmental liabilities arising out of past or present operations;
our ability to continue to successfully integrate acquired businesses and realize the anticipated benefits of such acquisitions;
actions taken or conditions imposed by the Colombian, United States and foreign governments including tariffs and other government imposed sanctions;
ability to enforce rights outside of the United States;
dependence on key personnel or limited availability of new skilled personnel;
foreign exchange fluctuations relative to the U.S. dollar or the Colombian peso and potential currency exchange control risks;
possibility that transactions we have entered into could give rise to conflicts of interest;
effects of any differences in the interests of our controlling shareholder from the interests of our other shareholders;
the impact of work stoppages or labor disruptions at our company, our subsidiaries, or at our subsidiaries respective customers or suppliers or their ability to make payments to us;
technological developments and technological issues;

- reliance on third party transportation;
- availability of required capital;
- our level of indebtedness and ability to generate sufficient cash flow to meet our debt service requirements; and
- costs, expenses, and any liabilities associated with pending or threatened litigation.

We cannot assure you that these forward-looking statements, estimates, assumptions or intentions will prove to be correct or that the information, interpretations and understandings on which they are based will prove to be valid. Our actual results may depend on factors beyond our control.

We base our forward-looking statements on information currently available to us, and, except as required by law, we undertake no obligation to update these statements, whether as a result of changes in underlying factors, new information, future events or other developments except as required by law. We do not, nor does any other person, assume responsibility for the accuracy and completeness of those statements. All of the forward-looking statements are qualified in their entirety by reference to the factors discussed above as well as those discussed under "Risk Factors."

We undertake no obligation to release publicly any revisions to such forward-looking statements after completion of this offering to reflect later events or circumstances or to reflect the occurrence of unanticipated events even if new information, future events or other circumstances have made them incorrect or misleading. In light of the risks and uncertainties underlying these forward-looking statements, there can be no assurance that the events described or implied in the forward-looking statements contained in this prospectus supplement will in fact transpire. Accordingly, investors are cautioned not to place undue reliance on these forward-looking statements.

DISCLOSURE REGARDING FOREIGN Exchange CONTROLS AND EXCHANGE RATES IN COLOMBIA

Since September 1999, the Central Bank of Colombia has allowed the Colombian peso to float freely, intervening only when there are steep variations in the Colombian peso's value relative to the U.S. dollar. This intervention mechanism is only used to prevent undesirable fluctuations both in the exchange rate and accumulate or reduce the amount of the international reserves, in accordance with guidelines set forth by the Central Bank's board of directors. The Colombian Superintendence of Finance, or SFC, calculates the representative market rate based on the weighted averages of the buy/sell foreign exchange rates quoted daily by certain financial institutions for the purchase and sale of foreign currency. Although the Colombian peso is allowed to float freely, the Central Bank of Colombia or the Colombian government may intervene in the exchange market through the following mechanisms: buying and selling foreign currencies in the spot market or through call or put options at market rates through an auction process, and selling foreign currencies through swap agreements through an auction process at the rates determined by the Central Bank.

The general principles of Colombia's foreign exchange and international investment regulations are contained in Law 9 of 1991, Decree 1068 of 2015 and Decree 119 of 2007, External Resolution 1 of 2018 from the Board of Directors of the Central Bank and External Circular DCIN – 83 of 2018. Law 9 of 1991 and Resolution 1 of 2018 established two types of markets for foreign currency exchange: (1) the free market, which consists of (a) all foreign currencies originated in sales of services, donations, remittances and all other inflows or outflows that do not need to be mandatorily channeled through the FX market (as defined below) and (2) the controlled market, or the FX market, which consists of (a) all foreign currencies originated in operations considered to be operations of the FX market, which may only be transacted through FX intermediaries or registered compensation accounts, or (b) foreign currencies voluntarily channeled through the FX market. Compensation accounts are accounts opened abroad by Colombian residents (individuals and legal entities), which are registered with the Central Bank in order to channel foreign currency originated in controlled operations of the FX market or to receive and/or pay in foreign currencies transactions between Colombian residents (individuals and legal entities).

Under Colombian foreign exchange regulations, FX intermediaries are authorized to enter into foreign exchange transactions, to convert Colombian pesos into foreign currencies or foreign currencies into Colombian pesos. In addition, there are certain requirements and obligations established by Colombian law and by the board of directors of the Central Bank in order to transfer currency into or out of Colombia.

The Colombian government and the Central Bank of Colombia may also limit the remittance of dividends and/or investments of foreign currency received by Colombian residents whenever the international reserves fall below an amount equal to three months of imports or may impose certain mandatory deposit requirements in connection with foreign-currency denominated loans obtained by Colombian residents.

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PROSPECTUS SUPPLEMENT SUMMARY

The following summary highlights selected information contained elsewhere in this prospectus supplement. Because this is only a summary, it does not contain all of the information you should consider before investing in our ordinary shares. You should carefully read the entire prospectus supplement and the accompanying prospectus, including the sections entitled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations," as well as our consolidated financial statements and related notes included and incorporated elsewhere in this prospectus supplement, and the documents incorporated by reference herein, before making an investment decision.

Some of the statements in this prospectus supplement constitute forward-looking statements that involve risks and uncertainties. See "Cautionary Note Regarding Forward-Looking Statements." Our actual results could differ materially from those anticipated in such forward-looking statements as a result of certain factors, including those discussed in "Risk Factors" and other sections of this prospectus supplement.

Unless otherwise stated in this prospectus supplement, references to "Tecnoglass", "our company," "we," "us," "our," and similar references to refer to Tecnoglass Inc., formerly named Andina Acquisition Corporation, and its subsidiaries. References to "Tecnoglass Holding" are to our wholly owned subsidiary, Tecno Corporation. References to "TG" are to Tecnoglass Holding's indirect subsidiary, Tecnoglass S.A.S. References to "ES" are to Tecnoglass Holding's indirect subsidiary C.I. Energía Solar S.A.S E.S. Windows. References to "ESW" are to ES Windows LLC. References to "GM&P" are to Giovanni Monti and Partners Consulting and Glazing Contractors, Inc.

Our Company

We are a vertically integrated manufacturer, supplier and installer of architectural glass, windows and associated aluminum products for the global commercial and residential construction markets. With a focus on innovation, combined with providing highly specified products with the highest quality standards at competitive prices, we have developed a leadership position in each of our core markets. In the United States, which is our largest market, we were ranked as the second largest glass and metal fabricator in 2018 by Glass Magazine. In addition, we believe we are the leading glass transformation company in Colombia. Based on our analysis of third party industry sources, we had an estimated market share of over 45% of the Colombian market in 2017. Our customers, which include developers, general contractors or installers for hotels, office buildings, shopping centers, airports, universities, hospitals and multi-family and residential buildings, look to us as a value-added partner based on our product development capabilities, our high quality products and our unwavering commitment to exceptional service.

We have more than 30 years of experience in architectural glass and aluminum profile structure assembly and transform a variety of glass products, including tempered safety, double thermo-acoustic, and laminated glass. Our finished glass products are installed in a wide variety of buildings across a number of different applications, including floating facades, curtain walls, windows, doors, handrails, interior and bathroom spatial dividers. We also produce aluminum products such as profiles, rods, bars, plates and other hardware used in the manufacturing of windows.

Our products are manufactured in a 2.7 million square foot, state-of-the-art manufacturing complex in Barranquilla, Colombia that provides easy access to North, Central and South America, the Caribbean and the Pacific. Our products can be found on some of the most distinctive buildings in these regions, including El Dorado Airport (Bogota), 50 United Nations Plaza (New York), Trump Plaza (Panama), Icon Bay (Miami), and Salesforce Tower (San Francisco). Our track record of successfully delivering high profile projects has earned us an increasing number of opportunities across the United States, evidenced by our expanding backlog and overall revenue growth.

Our structural competitive advantage is underpinned by our low-cost manufacturing footprint, vertically integrated business model and geographic location. Our integrated facilities in Colombia and distribution and services operations in Florida provide us with a significant cost advantage in both manufacturing and distribution, and we continue to invest in these operations to expand our operational capabilities. Our lower cost manufacturing footprint allows us to offer competitive prices for our customers, while also providing innovative, high quality and high value-added products, together with consistent and reliable service. We have historically generated high margin organic growth based on our position as a value-added solutions provider for our customers.

We have a strong presence in the Florida market, which represents a substantial portion of our revenue stream and backlog. Our success in Florida has primarily been achieved through sustained organic growth, with further penetration now taking place into other highly populated areas of the United States. As part of our strategy to become a fully vertically integrated company, we have supplemented our organic growth with some recent acquisitions that have allowed us added control over our supply chain. In March 2017, we completed the acquisition of GM&P, a consulting and glazing installation business that was previously our largest installation customer. In 2016, we completed the acquisition of ESW, which gave us control over the distribution of products into the United States from our manufacturing facilities in Colombia. These acquisitions allowed for further vertical integration of our business and will act as a platform for our future expansion in the United States.

The continued diversification of the group's presence and product portfolio is a core component of our strategy. In particular, we are actively seeking to expand our presence in the United States outside of Florida. We also recently launched a residential windows offering which, we believe, will help us expand our presence in the United States and generate additional organic growth. We believe that the quality of our products, coupled with our ability to price competitively given our structural advantages on cost, will allow us to generate further growth in the future.

Our Competitive Strengths

Our success has been grounded in our ability to offer high quality products at the most competitive prices. We are able to competitively price our products, while still achieving strong margins, due to a number of unique cost advantages. In addition to our vertically integrated business model, we benefit from structural cost advantages in manufacturing and distribution due to our geographic location. Alongside these structural advantages, we are committed to quality, product innovation and customer service. We believe these competitive strengths create a significant barrier to entry, which is underpinned and sustained by the experience of our senior management team and the loyalty of our highly motivated employees.

Vertical Integration

We believe we are unique within the industry in vertically integrating the purchasing of raw materials and the manufacturing, distribution and installation of our products. By vertically integrating each of these functions, we are able to eliminate inefficiencies throughout the supply chain and generate strong margins. These efficiencies are only enhanced as our business grows and we benefit from operating leverage and economies of scale.

This business model also allows us to maintain strict quality control, from the sourcing of input materials to the installation of our finished products. Our vertically integrated business model therefore enables us to provide consistent high quality products to our end-customers. Ownership of the entire production process also reduces our dependence on third parties, allowing us to respond more quickly to our customers' needs and reducing lead-times for new or customized products.

Cost of Production Advantages

We enjoy significant cost advantages because of our location in Colombia that we would not be able to realize if our production facility was located in the United States. We believe we are able to offer competitive prices, in part, as a result of our low labor and energy costs relative to those in the United States while maintaining efficient transportation costs into the markets we serve. Employees at our manufacturing facilities in Colombia earn above the local minimum wage, yet these wages are typically less than one quarter of the cost of a comparable employee located within the United States. In 2018, we completed a solar panel project with the capacity to generate approximately five megawatts of eco-friendly energy on-site at our manufacturing facilities. This investment has allowed us to reduce energy costs, while also having a positive tax effect due to our ability to deduct the investment from our taxable income in compliance with applicable Colombian tax regulations.

Low-Cost Distribution

Our principal manufacturing facility is located in Barranquilla, Colombia, which is strategically located near three of the country's major ports: Barranquilla, Cartagena and Santa Marta. These ports provide us with maritime access to all major global markets. The Barranquilla port is just 16 kilometers away from our production facility. From there, our products can be shipped to Miami in three days and New York in four days. In addition, for short lead-time projects, our products can be transported by air from Barranquilla to Houston or Miami within a few hours.

As a result of the significant trade imbalance between Colombia and the United States for goods transported in container ships, we are able to transport our products to the United States in containers that would otherwise return empty to the United States. We are therefore able to distribute our products to the eastern, southern and western regions of the United States at very attractive rates, which are often lower than a comparable domestic land shipment within the United States. Demand for high-specification architectural glass is typically highest in large coastal cities, which we are able to ship to directly, while most of our competitors must utilize relatively expensive land transportation services to deliver finished goods to these sites by land.

Commitment to Quality and Innovation

Our commitment to quality is evidenced by our significant recent investments in machinery and equipment. Since 2012 we have invested over $270 million in the latest technologies to enhance the efficiency and accuracy of our production lines, and ultimately to improve the quality of the products that we deliver to our customers. We believe these significant investments position us to meet our growth objectives over the next several years. We operate state-of-the-art glass making equipment, glass laminating lines, aluminum presses and high-volume insulating equipment which facilitate more precise manufacturing, enabling us to offer a broader selection of and higher quality products and remain agile in responding to customer demands, while generating less raw material waste.

We believe our investments in technology in recent years have positioned us well for continued growth, improved profitability and enhanced cash generation in the years ahead. Recent examples of our investments include:

- our acquisition of three aluminum extrusion presses that together added more than 1,000 tons of production capacity per month, alongside associated investments in new aluminum paint lines and foundries;
- our purchase of equipment used to produce soft-coated, low emissivity glass;
- our completion of our solar panel project that generates approximately five megawatts of eco-friendly energy at our manufacturing facilities. We estimate these investments will continue to reduce our energy costs, with a total cost reduction target of approximately 6%-8%;
- our purchase of glass-laminating and tempering furnaces that use state-of the-art technology to produce curved glass in a broad range of easily modifiable curvatures (“TecnoBend”). TecnoBend uses a flexible mold to produce customized shapes for architectural structures; and
- our investment in a jumbo tempering oven capable of producing extra-large slabs of laminated glass. These products are sought after in high-specification designs, allowing us to supply these high profile projects. For example, our extra-large glass slabs were recently installed in the El Dorado Airport, located in Bogotá, Colombia.

Our quality assurance department maintains rigorous oversight over the production process to ensure the consistent production of high quality products. In addition, we adhere to quality standards that meet all guidelines and requirements for the Insulating Glass Certification Council (IGCC) and Safety Glazing Certification Council (SGCC) certification programs.

Finally, our commitment to quality also extends to our partnerships and alliances. Most notably for certain products, we offer Kuraray Sentryglass®. These laminated glass interlayers are five times stronger than conventional laminating materials.

On September 20, 2018, we entered into an agreement with Schüco USA LLLP ("Schüco") a division of the Schüco International KG, a worldwide leader of architectural systems headquartered in Germany, with more than 60 years of experience and a presence in over 80 countries. Schüco is known for its expertise in the innovative design of building envelopes, windows, doors and facade systems, for the construction industry. This agreement enables Tecnoglass to manufacture and sell Schüco's architectural systems to customers in North, Central and South America, alongside our existing ESWindows products. Additionally, Tecnoglass will extrude and paint aluminum profile designs as part of Schüco's global supply chain primarily for products sold in the United States. This agreement also allows Tecnoglass to expand its portfolio and offer more solutions to its clients with high-end, renowned designs.

Superior Customer Service

In addition to manufacturing high quality products at competitive prices, our customer value proposition is supplemented by short lead-times, on-time delivery and after-sale support. Through the coordinated efforts of our sales teams, product specialists and field service teams, we deliver high quality service to our customers, from the initial order to the delivery and installation of our products. We believe our ability to accompany our clients throughout every phase of their projects' engineering, consulting, manufacturing and installation services along with our ability to coordinate these efforts as a one-stop-shop is a key differentiator from our competition.

High Barriers to Entry

The ability of new competitors to enter the markets that we serve is limited due to the technical certifications required on high specification building projects, such as IGCC, IqNet Icontec 14001 and ISO9001. We attribute our success, in large part, to our ability to produce a broad range of sophisticated products, as well as our reputation for delivering high quality, made-to-order architectural glass on time. Our employees have extensive training, knowledge and experience at manufacturing high specification products. We believe the vertically integrated nature of our operations means that there are high barriers to successfully entering our markets and competing with us on price, quality and agility. In addition, the equipment needed to operate in the glass and window industry is expensive, therefore requiring significant upfront capital investment.

Loyal and Highly Motivated Employees

Capitalizing on our various competitive advantages also requires a skilled and dedicated workforce. We actively encourage and facilitate the development of our employees through rolling training programs, with multiple training sessions held every week. These programs increase the skills of our employees and are designed to allow our employees to keep pace with the new technologies being installed at our manufacturing facilities. We are committed to developing our employees and remaining at the forefront of technology in our industry. These investments have also helped us manage workplace injuries, with our rate of one accident per 24 workers per year, being substantially lower than the average of one accident per 12 workers per year for manufacturing companies in Colombia. We believe our robust training programs and low turnover rate provide us with an advantage in not having to retrain new employees to produce our specialized products.

We value our employees and invest in them and their communities. For several decades, we have committed resources to improving the quality of life of our employees and local communities. Our local foundation, “Fundación Tecnoglass”, provides local communities with assistance purchasing or improving homes and facilitating higher education scholarships. During 2018, over 160 families benefited from these initiatives. Fundación Tecnoglass also provides funding for different local schools looking to improve social transformation and community development. Vive Bailando, a program recently developed in the Las Flores neighborhood (a local community near Tecnoglass’ headquarters) has positively impacted more than 100 families in less than a year. Additionally, we donate our recyclable glass to the foundation, which sells it to local recycling cooperatives and uses the proceeds to fund scholarships for Company employees. We believe these initiatives have allowed us to maintain a strong relationship with our employees, which in turn has ensured a skilled, motivated and loyal workforce with low levels of turnover. We have remained union-free since our incorporation in 1984.

Our Business Strategy

We have identified the following strategic priorities that we believe are important in advancing our business:

Further Geographic Penetration in the United States

We have successfully established a leading reputation in the Florida construction market by providing high value, impact-resistant architectural glass products. Our products have become widely regarded in Florida for their quality and are certified to be in compliance with all U.S. regulations. Since 2016, the United States has grown from 67% to 80% of our backlog as of December 31, 2018. Of our total backlog in the United States, approximately 23% is in locations identified for expansion.

Backlog by geographic presence

In recent years, we have begun to successfully grow our geographic presence in the United States outside of Florida, particularly into markets along the east coast. Sales from Florida comprised 82% of our cumulative 2016, 2017, and 2018 United States revenue. Coastal markets are particularly attractive to us as they can be directly accessed by ship, resulting in transportation costs from our manufacturing facilities that are similar to our transportation costs to Florida. These regions are also affected by hurricanes, significant temperature fluctuations and other extreme forms of weather that foster demand for our products. We are actively expanding our sales presence in these markets and have already successfully completed several projects in large U.S. markets such as New York, Boston, Washington D.C. and Baltimore as well as cities along the U.S. Gulf Coast, such as Houston.

We intend to continue growing the business organically outside of Florida. As we explore growth opportunities in new U.S. markets, we intend to leverage the strong reputation we have developed with national commercial construction contractors, architects and designers for providing high quality products at the most competitive prices.

Our relative financial performance for the three months ended December 31, 2018 compared to the three months ended December 31, 2017 is not materially different from the comparison of full year 2018 and 2017 financial results.

Penetrate the U.S. Residential Market

In April 2017 we launched “ES Windows: Elite Collection” and “ES Windows: Prestige Collection” to target the U.S. residential new and replacement sectors. We have received positive interest for the new products to date and positive reactions from our customers. Our recent focus on the U.S. residential housing market has produced a 400% year over year growth in residential sales for the year ended December 31, 2018. Although residential sales represent a relatively small portion of our sales today, we believe it will be a significant source of growth for us in the future. Our U.S. residential market sales represent 10% of our total sales for the year ended December 31, 2018. The U.S. residential housing construction market exceeded $544 billion in spending during the twelve months ended November 30, 2018 according to the United States Census Bureau. Deutsche Bank published a research report estimating that new residential housing starts in the United States will grow at an annual rate of 5% in each of 2019 and 2020. We believe that our core strengths that have facilitated our success to date, namely the quality of our products and the structural cost advantages that allows us to price our products competitively, will similarly contribute to our success in residential window sales.

Continued Investment in Technology to Meet Evolving Demands

We have a track record of developing innovative new products, and we intend to continue our focus on new product opportunities in the future. We are constantly identifying shifts in global trends and customer needs, and designing new products to meet those changes in demand. In order to continue this success, it is critical that we invest in the latest technologies available in our industry. For example, with the installation of our soft-coating facility, we are now able to manufacture low emissivity glass that is energy efficient and will allow us to meet growing demand for “green” products.

Our recent investment in new tempering equipment, which uses air cushion technology to offer greater transparency and less distortion, further boosts the quality of our products. Further investments are planned to expand our offering of value-added glass products, such as soft-coated, low-emissivity window panes that minimize the effects of solar heat. We are committed to investing in technology and remaining at the forefront of the industry.

We operate state-of-the-art architectural glass making equipment, glass laminating lines, aluminum presses and high-volume insulating equipment, which facilitate more precise manufacturing and generate less raw material waste. We will seek to leverage this platform of cutting-edge equipment to adapt our products to evolving demands in both current and new markets. We expect that our focus on innovation, which is founded upon our investments in technology, will position us well to take advantage of new opportunities.

Rigorous Adherence to Quality Standards

Maintaining the high quality standards for which we have become known is essential to the execution of our strategy. All of our internal processes are continually and independently supervised by Tecnoglass' Quality Assurance department. The Quality Assurance department maintains rigorous oversight of optimization indicators covering energy, water, recyclable waste and other facets of the production process. Constant monitoring of these indicators is integral to ensuring that we consistently produce high quality products. Between 5% and 10% of our production is randomly selected to verify compliance with a variety of quality standards, such as water leaks, functionality, manufacturing and accessories, according to ASTM International (ASTM) and American Architectural Manufacturers Association (AAMA) rules.

These measures allow us to effectively detect issues and take specific actions to mitigate their reoccurrence. As we grow and our use of technology evolves, our Quality Assurance team must also evolve its tests, controls and remedies. We believe this rigorous adherence to quality control will ensure that we will continue to provide the highest quality products and, ultimately, promote customer satisfaction.

Our Industry

The glass construction market in North, Central and South America was estimated to be approximately $17.9 billion in 2018, according to the Technavio Global Construction Glass Market Report. The glass construction market is expected to grow at a CAGR of 5.46% and reach $21.5 billion by 2021, fueled by the expansion of the commercial and residential end-markets. Our primary end-markets are the commercial construction market and residential construction sectors in the United States and Colombia (80% and 17% of revenue for the year ended December 31, 2018, respectively). We estimate that, for the twelve months ended December 31, 2018, approximately 90% of our revenue was derived from commercial construction projects and approximately 10% of our revenue was derived from residential construction projects. Between 2013 and 2018, our revenue growth was approximately 2.3x the growth rate of the construction market generally as reported by the FMI Overview Report.

United States

The U.S. market for architectural glass in both commercial and residential construction has been robust, supported by positive macroeconomic tailwinds including strong consumer confidence, record levels of employment, widespread availability of credit, corporate tax cuts, increased disposable incomes and a positive overall economic outlook. Our core end-market, commercial construction, has expanded at a 7% CAGR since 2010, reaching over $450 billion in spending during the twelve months ended November 30, 2018 according to U.S. Census Bureau data. Deutsche Bank published a research report that forecast that new U.S. commercial construction will grow at an annual rate of 8% and 7% in 2019 and 2020, respectively. Based on IBIS World Industry Reports, we believe our addressable market within the U.S. construction glass and aluminum market was approximately $29.3 billion in 2018 and will grow at a CAGR of 3% till 2023. The U.S. commercial window and door market was an estimated $8.4 billion according to Freedonia's United States Commercial Windows & Doors Report. The U.S. residential market for windows and doors is expected to reach $24.0 billion by 2021, based on an expected CAGR of 7% according to Freedonia's United States Residential Windows and Doors Report. The U.S. residential flat glass market is expected to reach $2.2 billion in 2021 based on based on an expected CAGR of 6% according to Freedonia's United States Flat Glass Report.

Additional research and macroeconomic indicators suggest continued commercial construction expansion in the United States. The Architectural Billing Index indicates a positive non-residential construction outlook. The index has a lead time of 9 to 12 months and has consistently held above 50, the threshold indicating a positive construction outlook, since late 2012.

Source: American Institute of Architects.

Note: An index score over 50 indicates an increase in billings from the previous month.

We also serve the U.S. residential housing construction market, which exceeded $544 billion in spending during the twelve months ended November 30, 2018 according to the U.S. Census Bureau. Deutsche Bank published a research report estimating that new residential housing starts in the United States will grow at an annual rate of approximately 5% in each of 2019 and 2020.

Colombia

We believe we are the market leader in the Colombian glass market. Based on our analysis of third party industry sources, we had an estimated market share of over 45% of the Colombian market in 2017. According to BMI research, Colombia's construction industry is expected to grow at a CAGR of 4.6% to 2027, driven by supportive economic tailwinds such as interest rate cuts, increases in real income, government subsidies and stimulus.

Recent Developments

Joint Venture and Cost Savings Initiative: On January 11, 2019, we entered into a joint venture agreement with Saint-Gobain, a world leader in the production of float glass, a key component of our manufacturing process, whereby we will acquire an approximately 25% minority ownership interest in Vidrio Andino Holdings S.A.S, or Vidrio Andino, a Colombia-based subsidiary of Saint-Gobain. The purchase price for our interest in this entity is $34.1 million in cash and land worth $10.9 million near our facility in Barranquilla, which will be contributed on our behalf by our Chief Executive Officer and Chief Operating Officer, José M. Daes and Christian T. Daes. Vidrio Andino's float glass plant located in the outskirts of Bogota, Colombia, had been one of our main suppliers of raw glass. We believe this transaction will solidify our vertical integration strategy by acquiring an interest in the first stage of our production chain, while securing ample glass supply for our expected production needs.

Additionally, the joint venture agreement includes plans to build a new plant in Galapa, Colombia that will be located approximately 20 miles from our primary manufacturing facility in which we will also have a 25% interest. The new plant will be funded with the original cash contribution made by the Company, operating cashflows from the Bogota plant, debt incurred at the joint venture level that will not consolidate into the Company and an additional contribution by us of approximately $12.5 million to be paid between 2020 and 2021. Under the joint venture agreement, Saint-Gobain will retain a majority ownership position and will have control over the operations of both plants and therefore, the transaction will be accounted for under the equity participation method, and recorded under the minority interest line. The acquisition will be consummated on or before May 3, 2019 once the original cash and land contributions have been completed and the shares of Vidrio Andino have been contributed.

We believe that the joint venture transaction with Saint-Gobain will allow us to realize cost synergies and take advantage of certain cost saving opportunities. The new plant is expected to bring significant efficiencies in terms of procurement, transportation and glass waste costs. We estimate that once the Galapa plant becomes operational we will realize approximately $5 million of cost synergies per year, based primarily on expected manufacturing benefits through optimizing certain manufacturing processes associated with the reduction of raw material waste, and supply chain synergies, including purchasing raw materials at more advantageous prices.

There can be no assurance that the anticipated joint venture cost synergies, or increases in capacity or production will be achieved, or that they might not be significantly and materially less, or that the completion of the joint venture with Saint-Gobain will be timely or effectively accomplished. In addition, our ability to realize the anticipated cost synergies and production capacity increases are subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond our control, such as changes to government regulation governing or otherwise impacting our industry, operating difficulties, client preferences, changes in competition and general economic or industry condition.

Cost Savings Initiative**:** We have a $20.2 million growth and efficiency capital expenditure plan meant to enhance operations, which is currently anticipated to start in the second quarter of 2019. We currently plan to invest $9.9 million in an automated glass sorting and processing system, which will increase the capacity of two of our ten production lines by over 160% (or 10% of our total production capacity) while reducing employee headcount, and reduce process lead time. In addition, we currently plan to invest $5.1 million in a vertical paint line and in an additional extrusion press, which we expect to expand our aluminum production capacity in tons by roughly 29%. We also currently intend to invest $5.2 million to create a new automated aluminum warehouse, which we expect will further reduce process lead times in the assembly of our curtain wall systems.

There can be no assurance that the anticipated cost saving initiatives will be achieved, or that they will not be significantly and materially less than anticipated, or that the completion of such cost savings initiatives will be effectively accomplished. In addition, our ability to realize the anticipated cost savings are subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond our control, such as changes to government regulation governing or otherwise impacting our industry, operating difficulties, client preferences, changes in competition and general economic or industry condition.

History

We are an exempted company incorporated under the laws of the Cayman Islands. We were founded in 2013 in connection with a business combination between Tecnoglass subsidiaries TG and ES, and Andina Acquisition Corporation. TG and ES are corporations formed under the laws of Colombia and founded in 1994 and 1984, respectively, by José M. Daes, our Chief Executive Officer, and Christian T. Daes, our Chief Operating Officer.

Although TG and ES have been in operation since 1994 and 1983, respectively, we were originally formed on September 21, 2011, under the name “Andina Acquisition Corporation” as an exempted company incorporated in the Cayman Islands in order to effect a merger, share exchange, asset acquisition, share purchase, recapitalization, reorganization or other similar business combination with one or more businesses or entities. Tecnoglass changed its name to Tecnoglass Inc. on December 20, 2013 and registered under incorporation number 262514.

From the consummation of our initial public offering until August 17, 2013, we sought out suitable target businesses to acquire. On August 17, 2013, we entered into an agreement and plan of reorganization, which agreement, as amended, we sometimes refer to as the “business combination agreement,” with Tecnoglass Holding, TG and ES, pursuant to which we acquired TG and ES as wholly-owned indirect subsidiaries, or the Business Combination. Pursuant to the Business Combination, our wholly-owned subsidiary was merged with and into Tecnoglass Holding, with Tecnoglass Holding surviving as our wholly-owned subsidiary. In connection with the Business Combination, our business became the business of Tecnoglass Holding, TG and ES, and we changed our name to Tecnoglass Inc.

Corporate Structure

The following is a chart setting forth our organizational structure:

(1) Represents shares held by all holders other than Energy Holding Corporation, including our officers and directors.

Company Information

Our principal executive office is located at Avenida Circunvalar a 100 metros de la Via 40, Barrio Las Flores Barranquilla, Colombia and our telephone number is +57 (5) 373-4000. We maintain a website on the internet at www.tecnoglass.com. The information contained on, or that can be accessed through, our website is not a part of, and should not be considered as being incorporated by reference into, this prospectus supplement.

The Offering

Ordinary Shares Offered:	5,000,000 ordinary shares.
Option to Purchase Additional Ordinary Shares from Us	750,000 ordinary shares.
Number of Ordinary Shares to be Outstanding After this Offering:	43,631,356 ordinary shares (44,381,356 ordinary shares if the underwriters exercise in full their option to purchase additional ordinary shares from us).
	We estimate that the net proceeds to us from this offering will be approximately $32.5 million, or approximately $37.5 million if the underwriters' option to purchase additional ordinary shares is exercised in full, in each case after deducting the estimated underwriting discounts and estimated offering expenses payable by us.
Use of Proceeds:	We intend to use a portion of the net proceeds from this offering to consummate the joint venture transaction with Vidrio Andino. Additionally, we intend to use a portion of the net proceeds to purchase new equipment to increase efficiency and capacity in the production process. See "Prospectus Supplement Summary – Recent Developments" above for more information regarding the joint venture transaction and the planned equipment investments. To the extent we do not use the proceeds from this offering to consummate the joint venture transaction and purchase the equipment as described above, or have excess proceeds after completing such transactions, we intend to use the proceeds from this offering for working capital and for general corporate purposes. For a more complete description of our anticipated use of the net proceeds from this offering, see "Use of Proceeds."
NASDAQ Capital Market Symbol:	"TGLS."
Dividend Policy	Prior to August 2016, we had not paid any cash dividends on our ordinary shares. On August 4, 2016, our Board of Directors authorized the payment of regular quarterly dividends through the second quarter of 2017 to holders of our ordinary shares at a quarterly rate of $0.125 per share (or

$0.50 per share on an annual basis). Our Board of Directors subsequently authorized an increase in the dividends to $0.14 per share (or $0.56 per share on an annual basis) commencing with the quarterly dividend for the third quarter of 2017 through the dividend for the fourth quarter of 2018. The dividends are paid in cash or ordinary shares, at the option of holders of ordinary shares during an election period. The value of the ordinary shares used to calculate the number of shares to be issued with respect to that portion of the dividend payable in ordinary shares was the average of the closing price of our ordinary shares on the NASDAQ Capital Market during a set period. If no choice was made during the election periods, the dividend was paid in ordinary shares.

We currently intend to continue to pay dividends on our ordinary shares for at least the short term, subject to our compliance with applicable law, and depending on, among other things, our results of operations, financial condition, level of indebtedness, capital requirements, contractual restrictions, restrictions in our debt agreements and in any preferred stock, business prospects and other factors that our Board of Directors may deem relevant. Our bond indenture currently restricts the type of dividend we can make while the bonds are outstanding. However, the payment of any dividends is solely at the discretion of our Board of Directors and there can be no assurance that we will continue to pay dividends in the future. The payment of dividends in the future, if any, will be contingent upon our revenues and earnings, if any, capital requirements and our general financial condition and limitations imposed by our outstanding indebtedness. See “Dividend Policy”.

Controlled Company Exemption:	We are considered a "controlled company" for the purposes of the NASDAQ Capital Market listing requirements. Status as a controlled company generally exempts a listed company from certain corporate governance requirements. Because of Energy Holding Corp.'s ownership of a portion of our ordinary shares described above, we meet the requirements to be deemed a controlled company. However, we have determined not to take advantage of this designation and comply with all the corporate governance rules applicable to listed companies that are not controlled companies.
Smaller Reporting Company	We are considered a "smaller reporting company" as defined under Rule 405 of the Securities Act. Status as a smaller reporting company generally allows for scaled disclosure under Regulation S-K. We intend to take advantage of this determination with scaled disclosure with respect to Item 402 of Regulation S-K.
Risk Factors:	An investment in our ordinary shares involves risks. You should consider carefully all of the information set forth in this prospectus supplement with respect to this offering filed by us with the SEC. In particular, you should evaluate the specific risks set forth in the section entitled "Risk Factors" beginning on page S-22 and the other information included in this prospectus supplement for a discussion of risk factors you should carefully consider before deciding to invest in our ordinary shares.

Unless otherwise noted, all information in this prospectus supplement:

- assumes the underwriters do not exercise their option to purchase additional ordinary shares; and
- is based on the number of ordinary shares outstanding as of December 31, 2018.
- excludes, as of December 31, 2018, 1,593,917 ordinary shares reserved for future issuance under our equity compensation plans.

Summary Historical Consolidated Financial Data

The following table sets forth certain summary financial information as of the dates and for each of the periods indicated. The consolidated historical financial information as of and for each of the fiscal years ended December 31, 2018, 2017 and 2016 is derived from our audited consolidated financial statements for such periods and the notes thereto included and incorporated elsewhere in this prospectus supplement. Our historical results are not necessarily indicative of our future results. This information is only a summary and should be read in conjunction with the "Risk Factors," "Capitalization," and "Management Discussion and Analysis of Financial Condition and Results of Operations" sections of this prospectus supplement and our financial statements and the notes thereto.

($ in thousands, other than per share data)	Years ended December 31,		
	2018	2017	2016
Operating revenue:			
Customers	$365,646	$309,375	$295,274
Related Parties	5,338	5,081	9,742
Total Operating Revenue	370,984	314,456	305,016
Cost of sales	250,767	215,274	192,369
Gross profit	120,217	99,182	112,647
Operating expenses:			
Selling	(39,390)	(33,784)	(36,953)
General and administration	(33,632)	(31,034)	(27,846)
Operating expenses	(73,022)	(64,818)	(64,799)
Operating income	47,195	34,364	47,848
Change in fair value of warrant liability and earnout shares	-	-	5,450
Non-operating income, net	2,915	3,190	4,155
Foreign currency transaction gains (losses)	(14,461)	(3,028)	(1,387)
Loss on extinguishment of debt	-	(3,136)	-
Interest expense	(21,187)	(19,872)	(16,814)
Income before taxes	14,462	11,518	39,252
Income tax provision	5,976	5,793	16,072
Net income (loss)	$8,486	$5,725	$23,180
Less: Net income attributable to non-controlling interest	545	(276)	-
Net income (loss) attributable to parent			