

Tecnoglass Inc.
Form 424B3
September 29, 2016

Filed Pursuant to Rule 424(b)(3)

Registration No. 333-213735

PROSPECTUS

Tecnoglass Inc.

21,391,270 Ordinary Shares

This prospectus relates to up to 21,391,270 ordinary shares of Tecnoglass Inc., a Cayman Islands exempted company, that may be sold or otherwise disposed of from time to time by the Selling Securityholder set forth in this prospectus under the heading “Selling Securityholder” beginning on page 20. This represents 21,075,638 ordinary shares acquired or to be acquired by the Selling Securityholder in connection with our initial business combination described in more detail in this prospectus (the “initial business combination”) and 315,632 ordinary shares issued to the Selling Securityholder in connection with our recently completed warrant exchange described in more detail in this prospectus (the “warrant exchange”).

We will not receive any proceeds from the sale of the securities under this prospectus.

Information regarding the Selling Securityholder, the amount of ordinary shares that may be sold by it and the times and manner in which it may offer and sell the ordinary shares under this prospectus is provided under the sections titled “Selling Securityholder” and “Plan of Distribution,” respectively, in this prospectus. We have not been informed by the Selling Securityholder that it intends to sell its ordinary shares covered by this prospectus and do not know when or in what amount the Selling Securityholder may offer the ordinary shares for sale. The Selling Securityholder may sell any, all, or none of the ordinary shares offered by this prospectus.

Our ordinary shares are listed on the NASDAQ Capital Market under the symbol “TGLS” and our warrants are quoted on the OTC Pink marketplace under the symbol “TGLSW.” On September 23, 2016, the last reported sales price of our ordinary shares and warrants were \$12.37 and 4.00, respectively.

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.

Investing in our securities involves risks. See “Risk Factors” beginning on page 6 , to read about factors you should consider before buying our securities.

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. Any representation to the contrary is a criminal offense.

The date of this prospectus is September 29, 2016

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ABOUT THIS PROSPECTUS

This prospectus is a part of a registration statement that we filed with the Securities and Exchange Commission, or SEC. You should read this prospectus 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 and any applicable prospectus supplement.

You should not assume that the information in this prospectus or any prospectus supplement is accurate as of any date other than its respective date. Our business, financial condition, results of operations and prospects may have changed since those dates.

Unless the context requires otherwise, in this prospectus, we use the terms “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 “Tecnoglass” are to Tecnoglass Holding’s indirect subsidiary, Tecnoglass S.A. References to “ES” are to Tecnoglass Holding’s indirect subsidiary C.I. Energía Solar S.A. E.S. Windows.

PROSPECTUS SUMMARY

You should read the following summary together with the more detailed information regarding our company, our securities and our financial statements and the notes to those statements appearing elsewhere in this prospectus.

Overview

We were originally formed for the purpose of effecting a business combination with one or more businesses or entities. On December 20, 2013, we consummated our initial business combination, whereby we acquired Tecnoglass Holding and its indirect, wholly owned subsidiaries, Tecnoglass and ES. As a result of the initial business combination, the business of Tecnoglass Holding and its subsidiaries became our business. Accordingly, we are now a holding company operating through our direct and indirect subsidiaries.

Company History

We were formed under the name “Andina Acquisition Corporation” as an exempted company incorporated in the Cayman Islands on September 21, 2011 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.

On March 22, 2012, we closed our initial public offering of 4,000,000 units, with each unit consisting of one ordinary share and one warrant to purchase one ordinary share at an exercise price of \$8.00 per share. On March 30, 2012, we consummated the closing of the sale of an additional 200,000 units, which were sold subject to the underwriters’ over-allotment option. The 4,200,000 units sold in the initial public offering, including the units sold subject to the over-allotment option, were sold at an offering price of \$10.00 per unit, generating total gross proceeds of \$42,000,000. Simultaneously with the consummation of the initial public offering, we consummated a private placement of 4,800,000 warrants at a price of \$0.50 per warrant and options to purchase an aggregate of 900,000 units at a price of \$500,100, generating total proceeds of \$2,900,100. After deducting the underwriting discounts and commissions and the offering expenses, the total net proceeds to us were \$43,163,000 (which included the \$2,900,100 we received from the sale of warrants and the underwriters’ unit purchase options), of which \$42,740,000 was deposited into a trust account. The remaining proceeds of \$423,000 became available to be used as working capital to provide for business, legal and accounting due diligence on prospective business combinations and continuing general and administrative expenses. The initial public offering was conducted pursuant to a registration statement on Form S-1 (Reg. No. 333-178061), that became effective on March 16, 2012.

From the consummation of our initial public offering until August 17, 2013, we were searching for a suitable target business to complete our initial business combination with. On August 17, 2013, we entered into an agreement and plan of reorganization, which agreement, as amended, we sometimes refer to as the “merger agreement,” with Tecnoglass Holding, Tecnoglass and ES, pursuant to which we were to acquire Tecnoglass and ES as indirect subsidiaries. Pursuant to the merger agreement, our wholly owned subsidiary was to merge with and into Tecnoglass Holding, with Tecnoglass Holding surviving as our wholly owned subsidiary. On December 20, 2013, we held an extraordinary general meeting of our shareholders, at which our shareholders approved the initial business combination contemplated by the merger agreement and other related proposals. On the same date, we closed the initial business combination. In connection with the initial business combination, our business became the business of Tecnoglass Holding, Tecnoglass and ES, and we changed our name to Tecnoglass Inc.

Tecnoglass Holding is a corporation formed under the laws of the Cayman Islands that was founded in 2014 in connection with the merger. Tecnoglass is a corporation formed under the laws of Colombia that was founded in 1994 by Jose M. Daes, our Chief Executive Officer, and Christian T. Daes, our Chief Operating Officer. ES is a corporation formed under the laws of Colombia that was founded in 1984 by Jose M. Daes and Christian T. Daes.

Our Business

We are a leading manufacturer of hi-specification, architectural glass and windows for the western hemisphere residential and commercial construction industries, operating through our direct and indirect subsidiaries. Headquartered in Barranquilla, Colombia, we operate out of a 2.8 million square foot vertically-integrated, state-of-the-art manufacturing complex that provides easy access to the Americas, the Caribbean, and the Pacific.

We sell our products to more than 900 customers in North, Central and South America. The United States accounted for approximately 60% and 59% of our combined revenues for the six-month period ending June 30, 2016 and 2015, respectively, while Colombia accounted for approximately 34% and 36%, and Panama for approximately 3% and 3% of our combined revenues in those periods. Our tailored, high-end products are found on some of the world's most distinctive properties, including the El Dorado Airport (Bogota), 50 UN Plaza (New York), Fordham University Law School (New York), Trump Tower (Panama), Brickell City Centre (Miami), and The Woodlands (Houston).

Tecnoglass. Tecnoglass is a leading manufacturer of a variety of glass products installed primarily in commercial and residential buildings, including tempered safety, double thermo-acoustic and laminated glass. Tecnoglass products are installed in hotels, residential buildings, commercial and corporate centers, universities, airports and hospitals in a variety of applications such as floating facades, curtain walls, windows, doors, handrails, interior and bathroom spatial dividers. Approximately 57% of Tecnoglass products are supplied to ES for installation in various products that ES manufactures, with the balance of Tecnoglass products being sold to customers throughout North, Central and South America.

Tecnoglass also produces aluminum products such as profiles, rods, bars, plates and other hardware used in the manufacture of windows. In 2007, Tecnoglass established its Alutions plant in Barranquilla, Colombia for extrusion, smelting, painting and anodizing processes, and for exporting, importing and marketing aluminum products. The Alutions plant contributes more than 90% of the raw materials needed for production of Tecnoglass aluminum products

ES. ES is a leader in the production of high-end windows, with more than 29 years of experience in the glass and aluminum structure assembly market in Colombia. ES designs, manufactures, markets and installs architectural systems for high, medium and low rise construction, glass and aluminum windows and doors, office dividers and interiors, floating facades and commercial display windows.

ES has expanded its U.S. sales outside of the Florida market for windows, into the high-tech market for curtain walls, a product that is in high demand and represents a new trend in architecture, and floating facades. Due to the sophistication of these new products, ES believes that sales of curtain walls will generate higher margins as compared

to traditional window frames from walls or floor to ceiling windows. Curtain walls produced by ES are composed of “high performance” materials that are produced by Alutions, the aluminum smelting plant, and Tecnoglass with state of the art technology.

Since 2004, we have a strategic commercial relationship with ES Windows LLC (“ESW LLC”), a Florida-based company partially owned by Christian T. Daes and José M. Daes, who are also our executive officers and directors. ESW LLC is a member of the American Architectural Manufacturers Association, a technical information center for the architecture industry with highest standards. ESW LLC sends project specifications and orders from its clients to ES, and in turn, receives pricing quotes from ES which are conveyed to the client.

In 2014, we established two entities in South Florida, Tecno LLC and Tecno RE, to acquire manufacturing and warehousing facilities, customer lists and exclusive design permits in order to support sales growth in the United States. We will continue to manufacture our products at our facilities in Barranquilla, Colombia while performing select manufacturing and light assembly in the U.S. to enhance client service and create certain cost efficiencies.

In Panama, ES sells products primarily to companies participating in large construction projects in the higher income areas of the city. ES products were supplied in the Soho Plaza, a complex of a shopping mall and two skyscrapers that brought in approximately \$18 million in revenues to the Company since the inception of the contract in 2012.

See the section entitled “Business” beginning on page 32 of this prospectus for further information on our business.

Company Information

Our principal executive office is located at Avenida Circunvalar a 100 mts de la Via 40, Barrio Las Flores Barranquilla, Colombia and our telephone number is (57)(5) 3734000. Tecnoglass and ES, each maintain websites at www.tecnoglass.com and www.energiasolarsa.com, respectively that contain information about their operations, but that information is not part of this prospectus.

Background of this Prospectus

The ordinary shares offered hereby, and being registered on the registration statement, of which this prospectus forms a part, were acquired in different transactions since our inception described below.

Merger Consideration

As consideration for our initial business combination, we issued Energy Holding Corp., a holding company of which the former shareholders of Tecnoglass and ES were the sole shareholders, an aggregate of 20,567,141 ordinary shares. Energy Holding Corp. also had the contractual right to receive 3,000,000 ordinary shares, the “earnout shares” to be released upon the attainment of specified share price targets or targets based on our EBITDA in the fiscal years ended December 31, 2014 and 2015 or ending December 31, 2016.

An aggregate of 1,500,000 ordinary shares were earned by Energy Holding Corp. as a result of our achievement of the EBITDA targets in the fiscal years ended December 31, 2014 and 2015.

In September 2016, Energy Holding Corp. declared a dividend to its shareholders as a pro rata distribution of an aggregate of 2,491,503 ordinary shares.

The earnout shares for 2016 are currently unissued as a matter of Cayman Islands law and have been placed in escrow, to be issued and released to Energy Holding Corp. upon the achievement of specified share price targets or targets based on our EBITDA in the fiscal year ending December 31, 2016. The following table sets forth the targets and the number of earnout shares issuable to Energy Holding Corp. upon the achievement of such targets:

	Ordinary Share	EBITDA Target		Number of Earnout Shares	
	Price Target	Minimum	Maximum	Minimum	Maximum
Fiscal year ending 12/31/16	\$15.00 per share	\$40,000,000	\$45,000,000	1,333,333	1,500,000

If either the ordinary share target or the maximum EBITDA target is met, Energy Holding Corp. will receive the maximum number of earnout shares indicated.

In the event the ordinary share target is not met but our EBITDA falls within the minimum and maximum EBITDA target, the number of earnout shares to be issued will be interpolated between such targets.

We granted certain registration rights to Energy Holding Corp. with respect to the above-securities, including the earnout shares. Accordingly, we are registering the resale of such shares, including the earnout shares to the extent the above-stated targets are met and such shares are released to Energy Holding Corp., on the registration statement of which this prospectus forms a part.

Warrant Exchange

In September 2016, we completed our previously announced warrant exchange whereby each warrant holder was given the opportunity to exchange 2.5 outstanding warrants for one ordinary share. As a result of the warrant exchange, 5,479,049 outstanding warrants, or approximately 82% of the warrants, were validly tendered, including an aggregate of 789,082 warrants held by Energy Holding Corp. We issued an aggregate of 315,632 ordinary shares to Energy Holding Corp. upon exchange of such warrants. We are registering the resale of such shares on the registration statement of which this prospectus forms a part.

Risks Affecting Our Company

In evaluating an investment in our securities, you should carefully read this prospectus and especially consider the factors discussed in the section titled “*Risk Factors*” commencing on page 6.

The Offering

Shares Offered by Selling
Securityholder:

21,391,270 ⁽¹⁾

Number of Ordinary Shares
Outstanding:

31,607,679 ⁽²⁾

Use of Proceeds:

We will not receive any proceeds from the sale of the ordinary shares under this prospectus.

Risk Factors:

You should carefully consider all of the information contained in this prospectus, and in particular, you should evaluate the specific risks set forth under “Risk Factors,” beginning on page 6.

NASDAQ Capital Market
Symbol for Ordinary Shares:

TGLS

OTC Pink Marketplace
Symbol for Warrants

TGLSW

(1) Includes an aggregate of 1,500,000 ordinary shares that may be issued to the Selling Securityholder upon achievement of the earnout targets as described herein.

Does not include 1,237,112 ordinary shares issuable upon the exercise of our remaining outstanding warrants. For (2) purposes of presentation, includes the 1,500,000 ordinary shares that may be issued to Energy Holding Corp. upon the attainment of certain financial and stock performance goals in accordance with the merger agreement.

RISK FACTORS

An investment in our ordinary shares involves significant risks. Before purchasing any ordinary shares, you should carefully consider and evaluate all of the information included in this prospectus or the applicable prospectus supplement, including the risk factors set forth below. Our business, financial position, results of operations or liquidity could be adversely affected by any of these risks. The risks and uncertainties we describe are not the only ones facing us. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our business or operations. Any adverse effect on our business, financial condition or operating results could result in a decline in the value of our ordinary shares and other securities and the loss of all or part of your investment.

Risks Related to Our Business Operations

We operate in competitive markets, and our business could suffer if we are unable to adequately address potential downward pricing pressures and other factors that may reduce operating margins.

The principal markets that our subsidiaries, Tecnoglass and ES, serve are highly competitive. Competition is based primarily on the precision and range of achievable tolerances, quality, price and the ability to meet delivery schedules dictated by customers. Our competition comes from companies of various sizes, some of which have greater financial and other resources than we do and some of which have more established brand names in the markets that we serve. Any of these competitors may foresee the course of market development more accurately than we will, develop products that are superior to ours, have the ability to produce similar products at a lower cost than us or adapt more quickly than we can to new technologies or evolving customer requirements. Increased competition could force us to lower our prices or to offer additional services at a higher cost to us, which could reduce gross profit and net income. Accordingly, we may not be able to adequately address potential downward pricing pressures and other factors, which consequently may adversely affect our financial condition and results of operations.

Failure to maintain the performance, reliability and quality standards required by our customers could have a materially negative impact on our financial condition and results of operation.

We manufacture a significant portion of our products based on the specific requirements of our customers. If our products or services have performance, reliability or quality problems, or products are installed with incompatible glazing materials, we may experience additional warranty and service expenses, reduced or canceled orders, diminished pricing power, higher manufacturing or installation costs or delays in the collection of accounts receivable. Additionally, performance, reliability or quality claims from our customers, with or without merit, could result in costly and time-consuming litigation that could require significant time and attention of management and involve

significant monetary damages that could negatively affect our financial results.

The volatility of the cost of raw materials used to produce our products could materially adversely affect our results of operations in the future.

The cost of raw materials included in our products, including aluminum extrusion and polyvinyl butyral, are subject to significant fluctuations. A variety of factors over which we have no control, including global demand for aluminum, fluctuations in oil prices, speculation in commodities futures and the creation of new laminates or other products based on new technologies, impact the cost of raw materials which we purchase for the manufacture of our products. While we may attempt to minimize the risk from severe price fluctuations by entering into aluminum forward contracts to hedge these fluctuations in the purchase price of aluminum extrusion we use in production, substantial, prolonged upward trends in aluminum prices could significantly increase the cost of our aluminum needs and have an adverse impact on our results of operations. If we are not able to pass on significant cost increases to our customers, our results in the future may be negatively affected by a delay between the cost increases and price increases in our products. Accordingly, the price volatility of raw materials could adversely affect our financial condition and results of operations in the future.

We depend on third-party suppliers for our raw materials and any failure of such third-party suppliers in providing raw materials could negatively affect our ability to manufacture our products.

Our ability to offer a wide variety of products to our customers depends on receipt of adequate material supplies from manufacturers and other suppliers. It is possible in the future that our competitors or other suppliers may create products based on new technologies that are not available to us or are more effective than our products at surviving hurricane-force winds and wind-borne debris or that they may have access to products of a similar quality at lower prices. We do not have long-term contracts with the suppliers of our raw materials. Failures of third-party suppliers to provide raw materials to us in the future could have an adverse impact on our operating results or our ability to manufacture our products.

The home building industry and the home repair and remodeling sector are regulated and any increased regulatory restrictions could negatively affect our sales and results of operations.

The home building industry and the home repair and remodeling sector are subject to various local, state and federal statutes, ordinances, rules and regulations concerning zoning, building design and safety, construction, and similar matters, including regulations that impose restrictive zoning and density requirements in order to limit the number of homes that can be built within the boundaries of a particular area. Increased regulatory restrictions could limit demand for new homes and home repair and remodeling products, which could negatively affect our sales and results of operations. We may not be able to satisfy any future regulations, which consequently could have a negative effect on our sales and results of operations.

Changes in building codes could lower the demand for our impact-resistant windows and doors.

The market for our impact-resistant windows and doors depends in large part on our ability to satisfy state and local building codes that require protection from wind-borne debris. If the standards in such building codes are raised, we may not be able to meet such requirements, and demand for our products could decline. Conversely, if the standards in such building codes are lowered or are not enforced in certain areas, demand for impact-resistant products may decrease. If we are unable to satisfy future regulations, including building code standards, it could negatively affect our sales and results of operations. Further, if states and regions that are affected by hurricanes but do not currently have such building codes fail to adopt and enforce hurricane protection building codes, our ability to expand our business in such markets may be limited.

Equipment failures, delays in deliveries and catastrophic loss at any of our manufacturing facilities could lead to production curtailments or shutdowns that prevent us from producing our products.

An interruption in production capabilities at any of our facilities because of equipment failure or other reasons could result in our inability to produce our products, which would reduce our sales and earnings for the affected period. In addition, we generally manufacture our products only after receiving the order from the customer and thus do not hold large inventories. If there is a stoppage in production at our manufacturing facilities, even if only temporarily, or if they experience delays because of events that are beyond our control, delivery times could be severely affected. Any significant delay in deliveries to our customers could lead to increased returns or cancellations and cause us to lose future sales. Our manufacturing facilities are also subject to the risk of catastrophic loss due to unanticipated events such as fires, explosions or violent weather conditions. If we experience plant shutdowns or periods of reduced production because of equipment failure, delays in deliveries or catastrophic loss, it could have a material adverse effect on our results of operations or financial condition. Further, we may not have adequate insurance to compensate for all losses that result from any of these events.

Our business involves complex manufacturing processes that may result in costly accidents or other disruptions of our operations in the future.

Our business involves complex manufacturing processes. Some of these processes involve high pressures, temperatures, hot metal and other hazards that present certain safety risks to workers employed at our manufacturing facilities. The potential exists for accidents involving death or serious injury. The potential liability resulting from any such accident, to the extent not covered by insurance, could cause us to incur unexpected cash expenditures, thereby reducing the cash available to operate our business. Such an accident could disrupt operations at any of our facilities, which could adversely affect our ability to deliver products to our customers on a timely basis and to retain our current business.

Our operations are located in Colombia, which may make it more difficult for U.S. investors to understand and predict how changing market conditions will affect our financial results.

Our operations are located in Colombia and, consequently, are subject to the economic, political and tax conditions prevalent in that country. The economic conditions in Colombia are subject to different growth expectations, market weaknesses and business practices than seen in the U.S. market. We may not be able to predict how changing market conditions in Colombia will affect our financial results.

Our net sales and operating profits may be difficult to predict and could fall below our expectations and those of securities analysts and investors, which likely would have an adverse effect on the market price of our securities.

Our net operating revenues and operating results may fall below provided guidance and the expectations of securities analysts or investors in future periods. Our annual net sales and operating results may vary depending on a number of factors, including, but not limited to, fluctuating customer demand, delay or timing of shipments, construction delays or cancellations due to lack of financing for construction projects or market acceptance of new products. Manufacturing or operational difficulties that may arise due to quality control, capacity utilization of our production equipment or staffing requirements may also adversely affect annual net sales and operating results. In addition, competition, including new entrants into Tecnoglass and ES's markets, the introduction of new products by competitors, adoption of improved technologies by competitors and competitive pressures on prices of products and services, could adversely affect our annual net sales and operating results. Finally, our annual net sales and operating results may vary depending on raw material pricing, the potential for disruption of supply and changes in legislation that could have an adverse impact on labor or other costs. Our failure to meet net sales and operating result expectations would likely adversely affect the market price of our securities.

New construction remains below average levels, and repair and remodeling markets are still flat and such market pressures could negatively affect our results of operations.

The glass industry is subject to the cyclical market pressures of the larger new construction and repair and remodeling markets. In turn, these larger markets may be affected by adverse changes in economic conditions such as demographic trends, employment levels and consumer confidence. Any future downturn or any other negative market pressures could negatively affect our results of operations in the future.

We may be adversely affected by disruptions to our manufacturing facilities or disruptions to our customer, supplier or employee base.

Any disruption to our facilities resulting from weather-related events, fire, an act of terrorism or any other cause could damage a significant portion of our inventory, affect our distribution of products and materially impair our ability to distribute products to customers. We could incur significantly higher costs and longer lead times associated with distributing our products to customers during the time that it takes for us to reopen or replace a damaged facility. In addition, if there are disruptions to our customer and supplier base or to our employees caused by weather-related events, acts of terrorism or any other cause, our business could be temporarily adversely affected by higher costs for materials, increased shipping and storage costs, increased labor costs, increased absentee rates and scheduling issues. Any interruption in the production or delivery of our supplies could reduce sales of our products and increase costs.

The nature of our business exposes each of our subsidiaries to product liability and warranty claims that, if adversely determined, could negatively affect our financial condition and results of operations and the confidence of customers in our products.

Tecnoglass and ES are, from time to time, involved in product liability and product warranty claims relating to the products they manufacture and distribute that, if adversely determined, could adversely affect our financial condition, results of operations and cash flows. In addition, they may be exposed to potential claims arising from the conduct of homebuilders and home remodelers and their sub-contractors. We may not be able to maintain insurance on acceptable terms or insurance may not provide adequate protection against potential liabilities in the future. Product liability claims can be expensive to defend and can divert the attention of management and other personnel for significant periods, regardless of the ultimate outcome. Claims of this nature could also have a negative impact on customer confidence in our products and us.

We are subject to potential exposure to environmental liabilities and are subject to environmental regulation and any such liabilities or regulation may negatively affect our costs and results of operations in the future.

Tecnoglass and ES are subject to various federal, state and local environmental laws, ordinances and regulations. Although we believe that our facilities are in material compliance with such laws, ordinances and regulations, as owners of real property, Tecnoglass and ES can be held liable for the investigation or remediation of contamination on such properties, in some circumstances, without regard to whether we knew of or were responsible for such contamination. Remediation may be required in the future because of spills or releases of petroleum products or hazardous substances, the discovery of unknown environmental conditions, or more stringent standards regarding existing residual contamination. Environmental regulatory requirements may become more burdensome, increase our general and administrative costs, and increase the risk that Tecnoglass and ES incur fines or penalties or be held liable for violations of such regulatory requirements.

Our success depends upon our ability to develop new products and services, integrate acquired products and services and enhance existing products and services through product development initiatives and technological advances; any failure to make such improvements could harm our future business and prospects.

We have continuing programs designed to develop new products and to enhance and improve our existing products. We are expending resources for the development of new products in all aspects of our business, including products that can reach a broader customer base. Some of these new products must be developed due to changes in legislative, regulatory or industry requirements or in competitive technologies that render certain of our existing products obsolete or less competitive. The successful development of our products and product enhancements are subject to numerous risks, both known and unknown, including unanticipated delays, access to significant capital, budget overruns, technical problems and other difficulties that could result in the abandonment or substantial change in the design, development and commercialization of these new products. The events could have a materially adverse impact on our results of operations.

Given the uncertainties inherent with product development and introduction, including lack of market acceptance, we cannot provide assurance that any of our product development efforts will be successful on a timely basis or within budget, if at all. Failure to develop new products and product enhancements on a timely basis or within budget could harm our business and prospects. In addition, we may not be able to achieve the technological advances necessary for us to remain competitive, which could have a materially negative impact on our financial condition.

We are dependent on sales to customers outside Colombia and any failure to make these sales may adversely affect our operating results in the future.

A significant portion of our sales is to customers outside Colombia, including to Panama and the U.S., and we expect sales in foreign markets to continue to represent a significant portion of our net sales. Foreign sales and operations are subject to changes in local government regulations and policies, including those related to tariffs and trade barriers, investments, property ownership rights, taxation, exchange controls and repatriation of earnings. Changes in the relative values of currencies occur from time to time and could affect our operating results. This risk and the other risks inherent in foreign sales and operations could adversely affect our operating results in the future.

We are dependent on certain key personnel, the loss of whom could materially affect our financial performance and prospects in the future.

Our continued success depends largely upon the continued services of our senior management and certain key employees. Each member of our senior management teams has substantial experience and expertise in his or her industry and has made significant contributions to our growth and success. We face the risk, however, that members of our senior management may not continue in their current positions and the loss of the services of any of these individuals could cause us to lose customers and reduce our net sales, lead to employee morale problems and the loss of other key employees or cause disruptions to production. In addition, we may be unable to find qualified individuals to replace any senior executive officers who leave the company.

Our results of operations could be significantly affected by foreign currency fluctuations and currency regulations.

For the year ended December 31, 2015, and the six-month period ended June 30, 2016, approximately 34% of our revenues were priced and realized in the Colombian peso. Accordingly, we are subject to risks relating to fluctuations in currency exchange rates. In the future, and especially as we further expand our sales in other markets, our customers may increasingly make payments in non-U.S. currencies. Fluctuations in foreign currency exchange rates could affect our sales, cost of sales and operating margins. In addition, currency devaluation can result in a loss to us if we hold monetary assets in that currency. Hedging foreign currencies can be difficult and costly, especially if the currency is not actively traded. We cannot predict the effect of future exchange rate fluctuations on our operating results.

In addition, we are subject to risks relating to governmental regulation of foreign currency, which may limit our ability to:

transfer funds from or convert currencies in certain countries;

repatriate foreign currency received in excess of local currency requirements; and

repatriate funds held by foreign subsidiaries to the United States at favorable tax rates.

As we continue to increase our operations in foreign countries, there is an increased risk that foreign currency controls may create difficulty in repatriating profits from foreign countries in the form of taxes or other restrictions, which could restrict our cash flow.

We conduct all of our operations through our subsidiaries, and will rely on payments from our subsidiaries to meet all of our obligations and may fail to meet our obligations if our subsidiaries are unable to make payments to us.

We are a holding company and derive substantially all of our operating income from our subsidiaries, ES and TG. All of our assets are held by our subsidiaries, and we rely on the earnings and cash flows of our subsidiaries to meet our debt service obligations or dividend payments. The ability of our subsidiaries to make payments to us will depend on their respective operating results and may be restricted by, among other things, the laws of their jurisdiction of organization (which may limit the amount of funds available for distributions to us), the terms of existing and future indebtedness and other agreements of our subsidiaries, including their credit facilities, and the covenants of any future outstanding indebtedness we or our subsidiaries incur. If our subsidiaries ES and TG are unable to declare dividends, our ability to meet debt service or dividend payments may be impacted. The ability of our subsidiaries in Colombia to declare dividends up to the total amount of their capital is not restricted by current laws, covenants in debt agreements or other agreements.

Risks Related to Operations in Colombia

Economic and political conditions in Colombia may have an adverse effect on our financial condition and results of operations.

Our financial condition and results of operations depend significantly on macroeconomic and political conditions prevailing in Colombia. Decreases in the growth rate, periods of negative growth, increases in inflation, changes in law, regulation, policy, or future judicial rulings and interpretations of policies involving exchange controls and other matters such as (but not limited to) currency depreciation, inflation, interest rates, taxation, banking laws and regulations and other political or economic developments in or affecting Colombia may affect the overall business environment and may, in turn, adversely impact our financial condition and results of operations in the future. Colombia's fiscal deficit and growing public debt could adversely affect the Colombian economy. The Colombian fiscal deficits as a percentage of GDP in the years 2011 through 2015 were 2.2%, 2.4%, 2.3%, 2.4% and 3.4%, respectively.

The Colombian government frequently intervenes in Colombia's economy and from time to time makes significant changes in monetary, fiscal and regulatory policy. Our business and results of operations or financial condition may be adversely affected by changes in government or fiscal policies, and other political, diplomatic, social and economic developments that may affect Colombia. We cannot predict what policies the Colombian government will adopt and whether those policies would have a negative impact on the Colombian economy or on our business and financial performance in the future.

We cannot assure you as to whether current stability in the Colombian economy will be sustained. If the condition of the Colombian economy were to deteriorate, we would likely be adversely affected.

The Colombian government and the Central Bank may seek to implement new policies aimed at controlling further fluctuation of the Colombian peso against the U.S. Dollar and fostering domestic price stability. The Central Bank may impose certain mandatory deposit requirements in connection with foreign-currency denominated loans obtained by Colombian residents, including Tecnoglass and ES. Although no mandatory deposit requirement is currently in effect, a mandatory deposit requirement was set at 40% in 2008 after the Colombian peso appreciated against foreign currencies. We cannot predict or control future actions by the Central Bank in respect of such deposit requirements, which may involve the establishment of a different mandatory deposit percentage. The U.S. dollar/Colombian peso exchange rate has shown some instability in recent years. We cannot assure you that measures adopted by the Colombian government and the Central Bank will suffice to control this instability. We cannot predict the effects that such policies will have on the Colombian economy. In addition, we cannot assure you that the Colombian peso will not depreciate relative to other currencies in the future, which could have a materially adverse effect on our financial condition.

Economic instability in Colombia could negatively affect our ability to sell its products.

A significant decline in economic growth of any of Colombia's major trading partners — in particular, the United States, China, Brazil and Venezuela — could have a material adverse effect on each country's balance of trade and economic growth. In addition, a "contagion" effect, where an entire region or class of investments becomes less attractive to, or subject to outflows of funds by, international investors could negatively affect the Colombian economy.

The 2008 global economic and financial crisis, which began in the U.S. financial system and spread to different economic sectors and countries around the world, had negative effects on the Colombian economy. During 2009, the economies of the United States and most major European countries contracted, which, in turn, affected the Colombian economy. The economic recovery in the U.S. since 2013 has been fragile and at lower rates than in the past recoveries. Several European Union countries have been obliged to severely reduce their public expenditures due to their high indebtedness, which has severely affected the Eurozone's economic growth. The ability of governments and companies in certain countries, such as Greece, Italy, Portugal, and Spain to repay their debt obligations or remain in the euro currency system remains uncertain. In addition, certain events, such as the outbreak of civil and political unrest in several countries in Africa and the Middle East, including, Libya, Syria, Iraq, and Yemen, might further strain and adversely affect the global economy and the global financial system.

Even though exports from Colombia, principally petroleum and petroleum products, coffee and gold, have grown in recent years, fluctuations in commodity prices pose a significant challenges to their contribution to the country's balance of payments and fiscal revenues. Unemployment continues to be high in Colombia compared to other economies in Latin America. Furthermore, recent political and economic actions in the Latin American region,

including actions taken by the Argentine and Venezuelan governments, may negatively affect international investor perception of the region. We cannot assure you that growth achieved over the past decade by the Colombian economy will continue in future periods. The long-term effects of the global economic and financial crisis on the international financial system remain uncertain. In addition, the effect on consumer confidence of any actual or perceived deterioration of household incomes in the Colombian economy may have a material adverse effect on our results of operations and financial condition.

Colombia has experienced and continues to experience internal security issues that have had or could have a negative effect on the Colombian economy and our financial condition.

Colombia has experienced and continues to experience internal security issues, primarily due to the activities of guerrilla groups such as the Revolutionary Armed Forces of Colombia (*Fuerzas Armadas Revolucionarias de Colombia*), or “FARC,” paramilitary groups and drug cartels. In remote regions of the country with minimal governmental presence, these groups have exerted influence over the local population and funded their activities by protecting, and rendering services to, drug traffickers. Even though the Colombian government’s “democratic security” program has reduced guerilla and criminal activity, particularly in the form of terrorism attacks, homicides, kidnappings and extortion, such activity persists in Colombia, and possible escalation of such activity and the effects associated with them have had and may have in the future a negative effect on the Colombian economy and on us, including our customers, employees, results of operations and financial condition. Our business or financial condition could be adversely affected by rapidly changing economic or social conditions, including the Colombian government’s response to current peace negotiations, which may result in legislation that increases our tax burdens or that of other Colombian companies.

Tensions with Venezuela, Ecuador and Nicaragua may affect the Colombian economy and, consequently, our results of operations and financial condition in the future.

Diplomatic relations with Venezuela and Ecuador, two of Colombia's main trading partners, have from time to time been tense and affected by events surrounding the Colombian armed forces combat of the FARC throughout Colombia, particularly on Colombia's borders with Venezuela or Ecuador. In November 2012, the International Court of Justice placed a sizeable area of the Caribbean Sea within Nicaragua's exclusive economic zone. Until then, Colombia had deemed this area as part of its own exclusive economic zone. A worsening of diplomatic relations between Colombia and Nicaragua involving the disputed waters could result in the Nicaraguan government taking measures, or a reaction among the Nicaraguan public, which is detrimental to Colombian-owned interests in that country. Any future deterioration in relations with Venezuela, Ecuador and Nicaragua may result in the closing of borders, the imposition of trade barriers or a breakdown of diplomatic ties, any of which could have a negative effect on Colombia's trade balance, economy and general security situation, which may adversely affect our results of operations and financial condition.

Government policies and actions, and judicial decisions, in Colombia could significantly affect the local economy and, as a result, our results of operations and financial condition in the future.

Our results of operations and financial condition may be adversely affected by changes in Colombian governmental policies and actions, and judicial decisions, involving a broad range of matters, including interest rates, exchange rates, exchange controls, inflation rates, taxation, banking and pension fund regulations and other political or economic developments affecting Colombia. The Colombian government has historically exercised substantial influence over the economy, and its policies are likely to continue to have a significant effect on Colombian companies, including our subsidiaries. The president of Colombia has considerable power to determine governmental policies and actions relating to the economy, and may adopt policies that negatively affect our subsidiaries. Future governmental policies and actions, or judicial decisions, could adversely affect our results of operations or financial condition.

New or higher taxes resulting from changes in tax regulations or the interpretation thereof in Colombia could adversely affect our results of operations and financial condition in the future.

New tax laws and regulations, and uncertainties with respect to future tax policies, pose risks to us. In recent years, Colombian tax authorities have imposed additional taxes in a variety of areas, such as taxes on financial transactions and taxes. Changes in tax-related laws and regulations, and interpretations thereof, can affect tax burdens by increasing tax rates and fees, creating new taxes, limiting tax deductions, and eliminating tax-based incentives and non-taxed income. In addition, tax authorities or courts may interpret tax regulations differently than we do, which could result in tax litigation and associated costs and penalties. On December 26, 2012, the Colombian Congress approved a number of tax reforms that took effect on January 1, 2013. These changes include, among others, VAT

rate consolidation, a reduction in corporate income tax, changes to transfer pricing rules, the creation of a new corporate income tax to pay for health, education and family care issues, modifications to the individual income tax rules, new “thin capitalization” rules and a reduction of social contributions paid by certain employees. In December 2014, the Colombian Congress approved a number of significant tax reforms that took effect on January 1, 2015. These changes include among others, the creation of a net wealth tax for tax years 2015 through 2017 for both domestic entities and foreign entities that hold any wealth in Colombia, certain modifications of the CREE tax created in 2012 reform to finance health, education and family care programs, the creation of a CREE surcharge at varying rates for tax years through 2019, and the extension of the financial transactions tax through 2019. Additional details about the 2014 tax reform and its potential effects on our financial statements are further disclosed in the notes to our financial statements for the fiscal year ended December 31, 2015 included herein.

In addition, the Government recently announced its intention to pass, by the end of 2016, a structural tax reform that would take effect in 2017, which could include substantial changes to the corporate income tax, capital gains tax, value added tax and dividends tax, among others. We cannot assure that the proposed reform takes place, or what its potential effects on our results and operations could be.

Natural disasters in Colombia could disrupt our business and affect our results of operations and financial condition in the future.

Our operations are exposed to natural disasters in Colombia, such as earthquakes, volcanic eruptions, tornadoes, tropical storms and hurricanes. Heavy rains in Colombia, attributable in part to the La Niña weather pattern, have resulted in severe flooding and mudslides. La Niña is a recurring weather phenomenon, and it may contribute to flooding, mudslides or other natural disasters on an equal or greater scale in the future. In the event of a natural disaster, our disaster recovery plans may prove to be ineffective, which could have a material adverse effect on its ability to conduct our businesses. In addition, if a significant number of our employees and senior managers were unavailable because of a natural disaster, our ability to conduct our businesses could be compromised. Natural disasters or similar events could also result in substantial volatility in our results of operations for any fiscal quarter or year.

Risks Related to Us and Our Ordinary Shares

Because we are incorporated under the laws of the Cayman Islands, you may face difficulties in protecting your interests, and your ability to protect your rights through the U.S. Federal courts may be limited.

We are a company incorporated under the laws of the Cayman Islands, and substantially all of our assets are located outside the United States. In addition, a majority of our directors and officers are nationals or residents of jurisdictions other than the United States and all or substantial portions of their assets are located outside the United States. As a result, it may be difficult for investors to effect service of process within the United States upon our directors or executive officers, or enforce judgments obtained in the United States courts against our directors or officers.

Our corporate affairs are governed by our third amended and restated memorandum and articles of association, the Companies Law (2013 Revision) of the Cayman Islands (as the same may be supplemented or amended from time to time) and the common law of the Cayman Islands. The rights of shareholders to take action against the directors, actions by minority shareholders and the fiduciary responsibilities of our directors to us under Cayman Islands law are largely governed by the common law of the Cayman Islands. The common law of the Cayman Islands is derived in part from comparatively limited judicial precedent in the Cayman Islands as well as from English common law, the decisions of whose courts are of persuasive authority, but are not binding on a court in the Cayman Islands. The rights

of our shareholders and the fiduciary responsibilities of our directors under Cayman Islands law are different from what they would be under statutes or judicial precedent in some jurisdictions in the United States. In particular, the Cayman Islands has a different body of securities laws as compared to the United States, and certain states, such as Delaware, may have more fully developed and judicially interpreted bodies of corporate law. In addition, Cayman Islands companies may not have standing to initiate a shareholders derivative action in a Federal court of the United States.

We have been advised by our Cayman Islands legal counsel that the courts of the Cayman Islands are unlikely (i) to recognize or enforce against us judgments of courts of the United States predicated upon the civil liability provisions of the federal securities laws of the United States or any state; and (ii) in original actions brought in the Cayman Islands, to impose liabilities against us predicated upon the civil liability provisions of the federal securities laws of the United States or any state, so far as the liabilities imposed by those provisions are penal in nature. In those circumstances, although there is no statutory enforcement in the Cayman Islands of judgments obtained in the United States, the courts of the Cayman Islands will recognize and enforce a foreign money judgment of a foreign court of competent jurisdiction without retrial on the merits based on the principle that a judgment of a competent foreign court imposes upon the judgment debtor an obligation to pay the sum for which judgment has been given provided certain conditions are met. For such a foreign judgment to be enforced in the Cayman Islands, such judgment must be final and conclusive and for a liquidated sum, and must not be in respect of taxes or a fine or penalty, inconsistent with a Cayman Islands judgment in respect of the same matter, impeachable on the grounds of fraud or obtained in a manner, and or be of a kind the enforcement of which is, contrary to natural justice or the public policy of the Cayman Islands (awards of punitive or multiple damages may well be held to be contrary to public policy). A Cayman Islands Court may stay enforcement proceedings if concurrent proceedings are being brought elsewhere.

Our remaining outstanding warrants may be exercised, which would increase the number of shares eligible for future resale in the public market and result in dilution to our shareholders.

Our warrants are currently exercisable. As of the date of this prospectus, there were warrants outstanding to purchase 1,237,112 ordinary shares. To the extent our outstanding warrants are exercised, additional ordinary shares of ours will be issued, which will result in dilution to the holders of our ordinary shares and increase the number of shares eligible for resale in the public market. Sales of substantial numbers of such shares in the public market could adversely affect the market price of our ordinary shares.

If we fail to maintain an effective system of internal controls, we may be unable to accurately report our financial results or prevent fraud, and investor confidence and the market price of our ordinary shares may be adversely affected.

Our financial reporting obligations as a public company have and will continue to place a significant strain on our management, operational and financial resources, and systems for the future. The standards required for a public company under Section 404 of the Sarbanes-Oxley Act of 2002 are significantly more stringent than required of our subsidiaries as privately held companies in Colombia prior to the business combination in December 2013 and the registration of the securities in this prospectus. We may not be able to implement effective internal controls and procedures to detect and prevent errors in our financial reports, file our financial reports on a timely basis in compliance with SEC requirements, or prevent and detect fraud. Our management may not be able to respond adequately to changing regulatory compliance and reporting requirements. If we become an “accelerated filer” or a “large accelerated filer” as those terms are defined under Rule 12b-2 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) and no longer qualify as an “emerging growth company”, our auditors will be required to attest to our evaluation of internal controls over financial reporting. If we not able to adequately implement the requirements of Section 404 in a timely manner, we may not be able to assess whether internal controls over financial reporting are effective, which may subject us to adverse regulatory consequences and could harm investor confidence, the market price of our ordinary shares and our ability to raise additional capital.

We carried out an evaluation required by Rules 13a-15 and 15d-15 of the Securities Exchange Act of 1934, as amended, under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, of the effectiveness of the design and operation of our “disclosure controls and procedures” as of December 31, 2015. Based on this evaluation, our principal executive officer and principal financial officer concluded that, because of the material weaknesses in our internal control over financial reporting described below, our disclosure controls and procedures as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended, were not effective as of December 31, 2015. Notwithstanding the material weaknesses in our internal control over financial reporting as of December 31, 2015 described below, we believe the consolidated financial statements included in this prospectus are fairly stated in all material respects in accordance with generally accepted accounting principles in the United States of America for each of the periods presented herein. To address the material weaknesses in our internal control over financial reporting described below, we performed additional manual procedures and analysis and other post-closing procedures in order to prepare the consolidated

financial statements included herein.

We have identified, as of December 31, 2015, the following material weaknesses in our internal control over financial reporting:

Entity-Level Controls — The Company has not finished the process of establishing the proper design of the Entity Level Controls which support the effectiveness of the internal control over financial reporting, therefore, certain deficiencies in these controls may not assure the proper control environment for risk and fraud management. Regarding the Information Technology General Controls (ITGC's), we determined the designed controls did not operate effectively in order to prevent, detect and correct errors or prevent frauds within the Information Technology environment.

Financial Closing and Reporting Process — We have not implemented controls over the identification, accounting treatment classification and nature of non-routine, unusual transactions, inclusive of significant related party transactions and for policies related to management evaluation of certain accounting estimates. Specifically we determined several controls deficiencies that resulted in audit adjustments to the company's consolidated financial statements regarding warrant liabilities, earnout shares, shipping costs, netting of deferred taxes, revenue from related parties, earnings per share calculations, cash flow statement preparation, sale leaseback transactions and the classification of debt instruments. The aforementioned transactions' accounting treatment affected financial statements assertions such as completeness, accuracy, rights and obligations, cutoff and presentation and disclosure related to assets, liabilities, equity, revenues, operating and non-operating income and expense accounts. Regarding the basis for calculating diluted earnings per share, we did not adequately take into account the effect of dilutive earnout shares.

This registration statement does not include an attestation report of our independent registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by our independent registered public accounting firm pursuant to rules of the Securities and Exchange Commission.

Remediation regarding the Revenue Recognition Material Weakness identified for the Fiscal Year Ended December 31, 2014

As of the fiscal year ended December 31, 2014, management identified some material weakness in our processes regarding Revenue Recognition.

In September of 2015, the Company implemented the required controls and additional procedures in order to improve the processes related to the Percentage of Completion Method, which allowed for a more accurate and reliable information. The Company's remediation actions included:

Assurance of the Percentage of Completion Method completeness by validating the information source (i.e. contract price, initial estimated cost, period actual invoicing, accumulated invoicing, actual cost) contained in our Enterprise Resource Planning (“ERP”). In addition, validation of changes in contract prices and costs.

Review of the projects advance with Project Managers and reconciling the costs recorded in our ERP.

Monthly comparison between actual costs and amounts recorded in our ERP and information oversight (i.e. accounts receivable, engineering, invoicing and finance) for performing the projects closing process in our ERP.

Once the Percentage of Completion Method is automatically calculated in our ERP, several manual controls were established for validating accuracy, completeness and cutoff.

Disclosures regarding revenue recognition are documented in a checklist approved by the Disclosure Committee.

The controls implemented through the remediation plan were validated by our Internal Control staff, as follows:

Comparison between the SAP Percentage of Completion calculation and the spreadsheet results.

Review of project advancement with Project Managers.

Validation of the journal entries approval by our CFO.

New projects' accounting treatment review related to the Percentage of Completion Method.

Project closing review in our ERP.

Monitoring significant changes regarding the Percentage of Completion Method.

Remediation regarding the Entity Level Controls and ITGC's Material Weakness identified for the Fiscal Year Ended December 31, 2015 and 2014

Created an internal control department with five experienced members who are now leading the SOX Compliance project and the internal audit procedures. Developed the internal audit plan for strengthening our control activities and therefore our Entity Level Controls.

Contracted a co-sourcing with Deloitte for identifying risks and implementing internal controls over financial reporting in order to become SOX compliant. As of December 31, 2015, a total of 256 SOX controls were designed. Began performing quarterly SOX controls in May 2016 in order to ensure that such controls are appropriately designed and operating effectively.

Created a Financial Reporting unit in the United States responsible for the SEC reporting process and implementing SOX controls related to financial reporting.

Trained our international finance and accounting personnel considering relevant topics under USGAAP based on the company's transactions (i.e. revenue recognition, inventories, long-lived assets, financial instruments, deferred taxes, etc.).

Increased management oversight by creating a Disclosure Committee comprised of senior managers with responsibility for responding to issues raised during the financial reporting process and assessing disclosure completeness.

Performed the ERP users' roles analysis, segregation of duties and the internal audit of the IT issues. In addition, key account processes such as Percentage of Completion (POC), Financial Instruments Management, depreciation and amortization and foreign exchange calculations were automated. Regarding the Information Technology General Controls (ITGC's), the testing of operating effectiveness started in May 2016 and is going to be performed quarterly in order to prevent, detect and correct errors or prevent frauds within the Information Technology environment.

Implemented a reporting channel (i.e. Web Case Management and Hotline) with NAVEX Global for reporting violations to our Code of Ethics. Established an ethics training for our personnel that began in March 2016 ; furthermore, we will create a public reporting channel in case of ethical dilemmas so that our Corporate Governance may strengthen.

Financial Closing and Reporting : We performed additional manual procedures and analysis such as validation of sources of information that impact our financial statements, the translation process into US GAAP and other post-closing procedures in order to prepare the consolidated financial statements and disclosures included in this registration statement. In addition, during the fourth quarter of 2015, implemented 34 SOX controls in order to comply with the aforementioned procedures, as follows:

Established formal procedures for appropriately performing the closing related activities, journal entries and accruals.

Implemented reconciliation processes for validating intercompany and related party transactions and key balance sheet accounts such as accounts receivable, inventories, property, plant and equipment, payroll, payables and debt.

Designed a formal review process for unusual transactions in order to determine the proper accounting treatment and developed procedures that improved the interim and annual financial statements review. Review and update the accounting policies that address the appropriate procedures for significant, non-routine, unusual, or complex events or transactions. Strengthen the process for reconciling and determining the appropriate recording for related party transactions.

The restatement of our historical financial statements consumed a significant amount of our time and resources and may have a material adverse effect on our business and stock price.

As described above, we have identified certain weaknesses in our internal controls over financial reporting. These weaknesses contributed to our having to restate certain of our financial statements. The restatement process was highly time and resource-intensive and involved substantial attention from management and significant legal and accounting costs. Although we have now completed the restatements, we cannot guarantee that we will have no inquiries from the SEC or NASDAQ regarding our restated financial statements or matters relating thereto. Any future inquiries from the SEC as a result of the restatement of our historical financial statements will, regardless of the outcome, likely consume a significant amount of our resources in addition to those resources already consumed in connection with the restatement itself. Further, many companies that have been required to restate their historical financial statements have experienced a decline in stock price related thereto. Furthermore, there is no assurance that we won't be required to restate our historical financial statements again in the future. Any such future restatement could have a material adverse effect on our operations and resources.

Our financial results may vary due to fluctuations in our earnout share and warrant liabilities.

Our financial results may vary due to fluctuations in our earnout share and warrant liabilities. Because our ordinary shares are publicly traded, these fluctuations are expected to increase or decrease significantly based on changes in the price of our ordinary shares. Accordingly, our financial results for any period should not be relied upon as indications of future operating performance.

NASDAQ may delist our ordinary shares from quotation on its exchange. Failure to maintain NASDAQ listing could limit investors' ability to make transactions in our ordinary shares and subject us to additional trading restrictions.

Our ordinary shares are currently listed on NASDAQ. We may not be able to meet the continued listing requirements for our ordinary shares in the future. For instance, due to the financial restatement process described above, we were unable to timely file certain periodic reports with the SEC that resulted in NASDAQ issuing certain notices to us indicating we failed to meet NASDAQ's continued listing requirements and were subject to possible delisting. Although we have since filed all required periodic reports, there is no assurance that we won't fail to meet NASDAQ's continued listing requirements in the future. Failure to meet the continued listing requirements could result in NASDAQ delisting our ordinary shares from trading on its exchange. If this should happen, we could face significant material adverse consequences, including:

a limited availability of market quotations for our securities;

a limited amount of news and analyst coverage for us; and

a decreased ability to issue additional securities or obtain additional financing in the future.

Our warrants were previously listed on NASDAQ but we were unable to meet certain continued listing requirements and NASDAQ delisted the warrants from trading on its exchange.

Risks Relating to the Offering

The market price for our shares may be volatile.

The market price for our shares is likely to be highly volatile and subject to wide fluctuations in response to factors including the following:

actual or anticipated fluctuations in our quarterly operating results and changes or revisions of our expected results;
changes in financial estimates by securities research analysts;

conditions in the markets for our products;

announcements by us and our affiliates or our competitors of new products, acquisitions, strategic relationships, joint ventures or capital commitments;

addition or departure of our senior management and key personnel; and

fluctuations of exchange rates between the Colombian Peso and the U.S. dollar.

Volatility in the price of our shares may result in shareholder litigation that could in turn result in substantial costs and a diversion of our management's attention and resources.

The financial markets in the United States and other countries have experienced significant price and volume fluctuations, and market prices have been and continue to be extremely volatile. Volatility in the price of our shares may be caused by factors outside of our control and may be unrelated or disproportionate to our results of operations. In the past, following periods of volatility in the market price of a public company's securities, shareholders have frequently instituted securities class action litigation against such company. Litigation of this kind could result in substantial costs and a diversion of our management's attention and resources.

The substantial number of shares that are eligible for sale pursuant to this prospectus could cause the market price for our ordinary shares to decline or make it difficult for us to sell equity securities in the future.

The selling securityholder is offering up to 21,391,270 ordinary shares for resale pursuant to this prospectus. Expectations that our ordinary shares may be sold by the selling securityholder may adversely affect the market price for our ordinary shares.

We cannot predict the effect on the market price of our ordinary shares from time to time as a result of (i) sales by the selling securityholder of some or all of the shares offered under this prospectus, (ii) the availability of such shares for sale by the selling securityholder, or (iii) the perception that such shares may be offered for sale by the selling securityholder. Sales of substantial amounts of our ordinary shares in the public market, or the perception that those sales will occur, could cause the market price of our ordinary shares to decline or make future offerings of our equity securities more difficult. Any sale, or perceived impending sale, of a substantial number of ordinary shares could cause our share price to fluctuate or decline.

If we do not pay dividends on our shares, shareholders may be forced to benefit from an investment in our shares only if those shares appreciate in value.

To date, we have not paid any dividends. In September 2016, we announced that we would be initiating quarterly dividends to our shareholders in an amount of \$0.125 per quarter starting with a first dividend payable to shareholders of record as of September 23, 2016. The payment of dividends in the future will be entirely within the sole discretion of our board of directors at such times. Accordingly, we may not declare or pay any dividend in the future. Even if the board of directors decides to pay dividends, the form, frequency and amount will depend upon our future operations and earnings, capital requirements and surplus, general financial condition, contractual restrictions and other factors that the board may deem relevant. If we determine not to pay any dividends, realization of a gain on shareholders' investments will depend on the appreciation of the price of our shares, and there is no guarantee that our shares will appreciate in value.

We may need additional capital, and the sale of additional shares or equity or debt securities could result in additional dilution to our shareholders.

We believe that our current cash and cash equivalents and anticipated cash flow from operations will be sufficient to meet our anticipated cash needs for the foreseeable future. We may, however, require additional cash resources due to changed business conditions or other future developments, including any investments or acquisitions we may decide to pursue. If these resources are insufficient to satisfy our cash requirements, we may seek to sell additional equity or debt securities or obtain one or more additional credit facilities. The sale of additional equity securities could result in additional dilution to our shareholders. The incurrence of indebtedness would result in increased debt service obligations and could result in operating and financing covenants that would restrict our operations. It is uncertain whether financing will be available in amounts or on terms acceptable to us, if at all.

FORWARD-LOOKING STATEMENTS

When used in this prospectus, the words or phrases “will likely result,” “management expects” or “we expect,” “will continue,” “is anticipated,” “estimated,” “believes,” “could,” “possibly,” “probably,” “anticipates,” “projects,” “may,” or “should” or other or similar words are intended to identify “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Readers are cautioned not to place undue reliance on any such forward-looking statements. No assurances can be given that the future results anticipated by the forward-looking statements will be achieved.

Such statements are subject to certain risks and uncertainties that could cause actual results to differ materially from historical earnings and those presently anticipated or projected. In assessing forward-looking statements contained herein, readers are urged to carefully read those statements. Among the factors that could cause actual results to differ materially are: competition; business conditions and industry growth; rapidly changing consumer preferences and trends; general economic conditions; large variations in sales volume with significant customers; addition or loss of significant customers; continued compliance with government regulations; loss of key personnel; labor practices; product development; management of growth; increases of costs of operations or inability to meet efficiency or cost reduction objectives; timing of orders and deliveries of products; and foreign government regulations and risks of doing business abroad.

A description of key factors that have a direct bearing on our results of operations is provided above under “*Risk Factors*” beginning on page 6 of this prospectus.

USE OF PROCEEDS

We will not receive any proceeds from the sale of the ordinary shares under this prospectus.

SELLING SECURITYHOLDER

The Selling Securityholder may from time to time offer and sell any or all of our ordinary shares set forth below pursuant to this prospectus. When we refer to “Selling Securityholder” in this prospectus, we mean the entity listed in the table below, and the pledgees, donees, permitted transferees, assignees, successors and others who later come to hold any of the Selling Securityholder’s interests in our ordinary shares other than through a public sale.

The following table sets forth, as of the date of this prospectus:

the name of the Selling Securityholder for whom we are registering shares for resale to the public,

the number of ordinary shares (including shares issuable upon achievement of the earnout targets described herein) that the Selling Securityholder beneficially owned prior to the offering for resale of the ordinary shares under this prospectus,

the number of ordinary shares that may be offered for resale for the account of the Selling Securityholder pursuant to this prospectus, and

the number and percentage of ordinary shares to be beneficially owned by the Selling Securityholder after the offering of the resale ordinary shares (assuming all of the offered shares are sold by the Selling Securityholder).

This table is prepared solely based on information supplied to us by the listed Selling Securityholder, any Schedules 13D or 13G and other public documents filed with the SEC and assumes the sale of all of the ordinary shares offered hereby.

Selling Securityholder	Ordinary Shares Beneficially Owned Prior to Offering		Shares Being Offered	Ordinary Shares Beneficially Owned After Offering		
	Number of Shares Beneficially Owned	Percentage of Shares Beneficially Owned		Number of Shares Beneficially Owned	Percent of Shares	
Energy Holding Corporation ⁽¹⁾	21,391,270 ⁽²⁾	67.7 %	21,391,270 ⁽²⁾	0	0 %	

⁽¹⁾ The business address of Energy Holding Corporation is c/o Tecnoglass Inc., Avenida Circunvalar a 100 mts de la Via 40, Barrio Las Flores Barranquilla, Colombia.

(2) Includes 1,500,000 ordinary shares that may be issued upon our achievement of certain earnout targets as described herein.

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Acquisition of Resale Securities

The ordinary shares offered for resale by the Selling Securityholder were acquired in different transactions since our inception described below.

Merger Consideration

As consideration for our initial business combination, we issued Energy Holding Corp., a holding company of which the former shareholders of Tecnoglass and ES were the sole shareholders, an aggregate of 20,567,141 ordinary shares. Energy Holding Corp. also had the contractual right to receive 3,000,000 ordinary shares, the “earnout shares” to be released upon the attainment of specified share price targets or targets based on our EBITDA in the fiscal years ended December 31, 2014 and 2015 or ending December 31, 2016.

An aggregate of 1,500,000 ordinary shares were earned by Energy Holding Corp. as a result of our achievement of the EBITDA targets in the fiscal years ended December 31, 2014 and 2015.

In September 2016, Energy Holding Corp. declared a dividend to its shareholders as a pro rata distribution of an aggregate of 2,491,503 ordinary shares.

The earnout shares for 2016 are currently unissued as a matter of Cayman Islands law and have been placed in escrow, to be issued and released to Energy Holding Corp. upon the achievement of specified share price targets or targets based on our EBITDA in the fiscal year ending December 31, 2016. The following table sets forth the targets and the number of earnout shares issuable to Energy Holding Corp. upon the achievement of such targets:

	Ordinary Share Price Target	EBITDA Target		Number of Earnout Shares	
		Minimum	Maximum	Minimum	Maximum
Fiscal year ending 12/31/16	\$ 15.00 per share	\$40,000,000	\$45,000,000	1,333,333	1,500,000

If either the ordinary share target or the maximum EBITDA target is met, Energy Holding Corp. will receive the maximum number of earnout shares indicated.

In the event the ordinary share target is not met but our EBITDA falls within the minimum and maximum EBITDA target, the number of earnout shares to be issued will be interpolated between such targets.

Warrant Exchange

In September 2016, we completed the warrant exchange whereby each warrant holder was given the opportunity to exchange 2.5 outstanding warrants for one ordinary share. As a result of the warrant exchange, 5,479,049 outstanding warrants, or approximately 82% of the warrants, were validly tendered, including an aggregate of 789,082 warrants held by Energy Holding Corp. We issued an aggregate of 315,632 ordinary shares to Energy Holding Corp. upon exchange of such warrants. We expect a substantial reduction of the warrant liability and an increase in shareholders' equity that is commensurate with the warrant exchange conversion which provides a better representation of our leverage position and credit metrics.

PLAN OF DISTRIBUTION

We are registering the ordinary shares covered by this prospectus to permit the resale of these shares by the holder thereof from time to time after the date of this prospectus.

The Selling Securityholder may sell all or a portion of the ordinary shares beneficially owned by it and offered hereby from time to time directly or through one or more underwriters, broker-dealers or agents. If the securities are sold through underwriters or broker-dealers, the Selling Securityholder will be responsible for underwriting discounts or commissions or agent's commissions. The ordinary shares may be sold in one or more transactions at fixed prices, at prevailing market prices at the time of the sale, at varying prices determined at the time of sale, or at negotiated prices. These sales may be effected in transactions, which may involve crosses or block transactions,

on any national securities exchange or quotation service on which the securities may be listed or quoted at the time of sale;

in transactions otherwise than on these exchanges or systems or in the over-the-counter market;

through the writing of options, whether such options are listed on an options exchange or otherwise;

in ordinary brokerage transactions and transactions in which the broker-dealer solicits purchasers;

through block trades in which the broker-dealer will attempt to sell the shares as agent but may position and resell a portion of the block as principal to facilitate the transaction;

in purchases by a broker-dealer as principal and resale by the broker-dealer for its account;

on an exchange distribution in accordance with the rules of the applicable exchange;

in privately negotiated transactions;

through short sales;

in sales pursuant to Rule 144;

by broker-dealers that may agree with the Selling Securityholders to sell a specified number of such shares at a stipulated price per share;

through pledges of ordinary shares to a third party and upon default, the third party may sell the pledged shares in any type of transaction described above;

in a combination of any such methods of sale; and

by any other method permitted pursuant to applicable law.

If the Selling Securityholder effects such transactions by selling ordinary shares to or through underwriters, broker-dealers or agents, such underwriters, broker-dealers or agents may receive commissions in the form of discounts, concessions or commissions from the Selling Securityholder or commissions from purchasers of the securities for whom they may act as agent or to whom they may sell as principal (which discounts, concessions or commissions as to particular underwriters, broker-dealers or agents may be in excess of those customary in the types of transactions involved). In connection with sales of the securities or otherwise, the Selling Securityholder may enter into hedging transactions with broker-dealers, which may in turn engage in short sales of the securities in the course of hedging in positions they assume. The Selling Securityholder may also sell the securities short and deliver securities covered by this prospectus to close out short positions and to return borrowed shares in connection with such short sales. The Selling Securityholder may also loan or pledge ordinary shares that in turn may sell such shares.

The Selling Securityholder may pledge or grant a security interest in some or all of the securities owned by it and, if it defaults in the performance of its secured obligations, the pledgees or secured parties may offer and sell the securities from time to time pursuant to this prospectus or any supplement or amendment to this prospectus under Rule 424(b) or other applicable provision of the Securities Act, amending, if necessary, the list of Selling Securityholder to include the pledgee, transferee or other successors in interest as Selling Securityholder under this prospectus. The Selling Securityholder also may transfer and donate the securities in other circumstances in which case the transferees, donees, pledgees or other successors in interest will be Selling Securityholders for purposes of this prospectus.

The Selling Securityholder and any broker-dealer participating in the distribution of the securities may be deemed to be “underwriters” within the meaning of the Securities Act, and any commission paid, or any discounts or concessions allowed to, any such broker-dealer may be deemed to be underwriting commissions or discounts under the Securities Act. At the time a particular offering of the securities is made, a prospectus supplement, if required, will be distributed which will set forth the aggregate amount of ordinary shares being offered and the terms of the offering, including the name or names of any broker-dealers or agents, any discounts, commissions and other terms constituting compensation from the Selling Securityholder and any discounts, commissions or concessions allowed or reallocated or paid to broker-dealers.

Under the securities laws of some states, the securities may be sold in such states only through registered or licensed brokers or dealers. In addition, in some states the securities may not be sold unless such securities have been registered or qualified for sale in such state or an exemption from registration or qualification is available and is complied with.

The Selling Securityholder and any other person participating in such distribution will be subject to applicable provisions of the Exchange Act, and the rules and regulations thereunder, including, without limitation, Regulation M of the Exchange Act, which may limit the timing of purchases and sales of any of the securities by the Selling Securityholder and any other participating person. Regulation M may also restrict the ability of any person engaged in the distribution of the securities to engage in market-making activities with respect to the securities. All of the foregoing may affect the marketability of the securities and the ability of any person or entity to engage in market-making activities with respect to the securities.

We will pay all expenses of the registration of the securities, including, without limitation, Securities and Exchange Commission filing fees and expenses of compliance with state securities or “blue sky” laws; provided, however, that the Selling Securityholder will pay all underwriting discounts and selling commissions, if any. We have agreed to indemnify the Selling Securityholder against liabilities, including some liabilities under the Securities Act. We may be indemnified by certain of the Selling Securityholder against civil liabilities, including liabilities under the Securities Act, that may arise from any written information furnished to us by the Selling Securityholder specifically for use in this prospectus or we may be entitled to contribution.

DESCRIPTION OF SECURITIES

Ordinary Shares

As of September 16, 2016, 30,107,679 ordinary shares are outstanding. Our shareholders of record are entitled to one vote for each share held on all matters to be voted on by shareholders.

Our board of directors is divided into three classes, each of which will generally serve for a term of three years with only one class of directors being elected in each year. There is no cumulative voting with respect to the election of directors, with the result that the holders of more than 50% of the shares eligible to vote for the election of directors can elect all of the directors.

Our shareholders have no conversion, preemptive or other subscription rights and there are no sinking fund or redemption provisions applicable to the ordinary shares.

The ordinary shares are listed on the NASDAQ Capital Market under the symbol TGLS and traded on the Bolsa de Valores de Colombia under the symbol TGLSC. We cannot assure you that our ordinary shares will continue to be listed or traded on such exchanges as we might not in the future meet certain continued listing standards.

Warrants

Each public warrant entitles the registered holder to purchase one ordinary share at a price of \$8.00 per share, subject to adjustment as discussed below. The warrants became exercisable on December 20, 2013 (the date of the consummation of our initial business combination). Warrants may be exercised for cash or, at the option of the holder, on a “cashless basis” pursuant to the exemption provided by Section 3(a)(9) of the Securities Act by surrendering the warrants for that number of ordinary shares equal to the quotient obtained by dividing (x) the product of the number of ordinary shares underlying the warrants, multiplied by the difference between the exercise price of the warrants and the “fair market value” (defined below) by (y) the fair market value. The “fair market value” shall mean the average reported last sale price of the ordinary shares for the 10 trading days ending on the day prior to the date of exercise; provided, however, that in the event the warrants are being called for redemption, the “fair market value” shall mean the average reported last sale price of the ordinary shares for the 10 trading days ending on the third trading day prior to the date on which the notice of redemption is sent to the holders of warrants. Notwithstanding the foregoing, no public warrants will be exercisable for cash unless we have an effective and current registration statement covering the ordinary shares issuable upon exercise of the warrants and a current prospectus, relating to such ordinary shares. The

warrants expire December 20, 2016 (three years following the date of consummation of our initial business combination) at 5:00 p.m., New York City time.

We may generally call the warrants for redemption, in whole and not in part, at a price of \$0.01 per warrant,

at any time while the warrants are exercisable,

upon not less than 30 days' prior written notice of redemption to each warrant holder,

if, and only if, the reported last sale price of the ordinary shares (or the closing bid price of our ordinary shares in the event the ordinary shares are not traded on any specific trading day) equals or exceeds \$14.00 per share, for any 20 trading days within a 30-day trading period ending on the third business day prior to the notice of redemption to warrant holders, and

if, and only if, there is a current registration statement in effect with respect to the ordinary shares underlying such warrants commencing five business days prior to the 30-day trading period and continuing each day thereafter until the date of redemption.

The right to exercise will be forfeited unless the warrants are exercised prior to the date specified in the notice of redemption. On and after the redemption date, a record holder of a warrant will have no further rights except to receive the redemption price for such holder's warrant upon surrender of such warrant.

The redemption criteria for our warrants have been established at a price which is intended to provide warrant holders a reasonable premium to the initial exercise price and provide a sufficient differential between the then-prevailing share price and the warrant exercise price so that if the share price declines as a result of our redemption call, the redemption will not cause the share price to drop below the exercise price of the warrants.

The warrants have been issued in registered form under a warrant agreement between Continental Stock Transfer & Trust Company, as warrant agent, and us. The warrant agreement provides that the terms of the warrants may be amended without the consent of any holder to cure any ambiguity or correct any defective provision, but requires the approval, by written consent or vote, of the holders of a majority of the then outstanding public warrants in order to make any change that adversely affects the interests of the registered holders.

If the number of outstanding ordinary shares is increased by a share dividend payable in ordinary shares, or by a split-up of ordinary shares or other similar event, then, on the effective date of such share dividend, split-up or similar event, the number of ordinary shares issuable on exercise of each warrant will be increased in proportion to such increase in the outstanding ordinary shares. A rights offering to holders of ordinary shares entitling holders to purchase ordinary shares at a price less than the fair market value will be deemed a share dividend of a number of ordinary shares equal to the product of (i) the number of ordinary shares actually sold in such rights offering (or issuable under any other equity securities sold in such rights offering that are convertible into or exercisable for ordinary shares) multiplied by (ii) one (1) minus the quotient of (x) the price per ordinary share paid in such rights offering divided by (y) the fair market value. For these purposes (i) if the rights offering is for securities convertible into or exercisable for ordinary shares, in determining the price payable for ordinary shares, there will be taken into account any consideration received for such rights, as well as any additional amount payable upon exercise or conversion and (ii) fair market value means the volume weighted average price of ordinary shares as reported during the ten (10) trading day period ending on the trading day prior to the first date on which the ordinary shares trade on the applicable exchange or in the applicable market, regular way, without the right to receive such rights. In addition, if we, at any time while the warrants are outstanding, pay a dividend or make a distribution in cash, securities or other assets to the holders of ordinary shares on account of such ordinary shares (or other shares into which the warrants are convertible), other than (a) as described above or (b) certain ordinary cash dividends, then the warrant exercise price will be decreased, effective immediately after the effective date of such event, by the amount of cash and/or the fair market value of any securities or other assets paid on each ordinary share in respect of such event.

If the number of outstanding ordinary shares is decreased by a consolidation, combination, reverse shares split or reclassification of ordinary shares or other similar event, then, on the effective date of such consolidation, combination, reverse shares split, reclassification or similar event, the number of ordinary shares issuable on exercise of each warrant will be decreased in proportion to such decrease in outstanding ordinary shares. Whenever the number of ordinary shares purchasable upon the exercise of the warrants is adjusted, as described above, the warrant exercise

price will be adjusted by multiplying the warrant exercise price immediately prior to such adjustment by a fraction (x) the numerator of which will be the number of ordinary shares purchasable upon the exercise of the warrants immediately prior to such adjustment, and (y) the denominator of which will be the number of ordinary shares so purchasable immediately thereafter.

In case of any reclassification or reorganization of the outstanding ordinary shares (other than those described above or that solely affects the par value of such ordinary shares), or in the case of any merger or consolidation of us with or into another corporation (other than a consolidation or merger in which we are the continuing corporation and that does not result in any reclassification or reorganization of its outstanding ordinary shares), or in the case of any sale or conveyance to another corporation or entity of our assets or other property as an entirety or substantially as an entirety in connection with which we are dissolved, the holders of the warrants will thereafter have the right to purchase and receive, upon the basis and upon the terms and conditions specified in the warrants and in lieu of ordinary shares immediately theretofore purchasable and receivable upon the exercise of the rights represented thereby, the kind and amount of shares or other securities or property (including cash) receivable upon such reclassification, reorganization, merger or consolidation, or upon a dissolution following any such sale or transfer, that the holder of the warrants would have received if such holder had exercised their warrants immediately prior to such event. The warrant agreement provides for certain modifications to what holders of warrants will have the right to purchase and receive upon the occurrence of certain events, and that if more than 30% of the consideration receivable by the holders of ordinary shares in the applicable event is payable in the form of ordinary shares in the successor entity that is not listed for trading on a national securities exchange or on the OTC Bulletin Board, or is not to be so listed for trading immediately following such event, then the warrant exercise price will be reduced in accordance with a formula specified in the warrant agreement.

The warrants may be exercised upon surrender of the warrant certificate on or prior to the expiration date at the offices of the warrant agent, with the exercise form on the reverse side of the warrant certificate completed and executed as indicated, accompanied by full payment of the exercise price, by certified or official bank check payable to us, for the number of warrants being exercised. The warrant holders do not have the rights or privileges of holders of ordinary shares and any voting rights until they exercise their warrants and receive ordinary shares. After the issuance of ordinary shares upon exercise of the warrants, each holder will be entitled to one vote for each share held of record on all matters to be voted on by shareholders.

Except as described above, no public warrants will be exercisable and we will not be obligated to issue ordinary shares unless at the time a holder seeks to exercise such warrant, a prospectus relating to the ordinary shares issuable upon exercise of the warrants is current and the ordinary shares have been registered or qualified or deemed to be exempt under the securities laws of the state of residence of the holder of the warrants. Under the terms of the warrant agreement, we have agreed to use our best efforts to meet these conditions and to maintain a current prospectus relating to the ordinary shares issuable upon exercise of the warrants until the expiration of the warrants.

Warrant holders may elect to be subject to a restriction on the exercise of their warrants such that an electing warrant holder would not be able to exercise their warrants to the extent that, after giving effect to such exercise, such holder would beneficially own in excess of 9.8% of the ordinary shares outstanding.

No fractional shares will be issued upon exercise of the warrants. If, upon exercise of the warrants, a holder would be entitled to receive a fractional interest in a share, we will, upon exercise, round up or down to the nearest whole number the number of ordinary shares to be issued to the warrant holder.

The warrants are quoted on the OTC Pink marketplace under the symbol TGLSW.

Transfer Agent and Warrant Agent

The transfer agent for our ordinary shares and warrant agent for our warrants is Continental Stock Transfer & Trust Company, 17 Battery Place, New York, New York 10004.

BUSINESS

General

We are a leading manufacturer of hi-specification, architectural glass and windows for the western hemisphere residential and commercial construction industries, operating through our direct and indirect subsidiaries. Headquartered in Barranquilla, Colombia, we operate out of a 2.8 million square foot vertically integrated, state-of-the-art manufacturing complex that provides easy access to the Americas, the Caribbean, and the Pacific.

We sell our products to more than 900 customers in North, Central and South America. The United States accounted for approximately 60% and 59% of our combined revenues for the six-month period ending June 30, 2016 and 2015, respectively, while Colombia accounted for approximately 34% and 36%, and Panama for approximately 3% and 3% of our combined revenues in those periods. Our tailored, high-end products are found on some of the world's most distinctive properties, including the El Dorado Airport (Bogota), 50 UN Plaza (New York), Fordham University Law School (New York), Trump Tower (Panama), Brickell City Centre (Miami), and The Woodlands (Houston).

Tecnoglass. Tecnoglass is a leading manufacturer of a variety of glass products installed primarily in commercial and residential buildings, including tempered safety, double thermo-acoustic and laminated glass. Tecnoglass products are installed in hotels, residential buildings, commercial and corporate centers, universities, airports and hospitals in a variety of applications such as floating facades, curtain walls, windows, doors, handrails, interior and bathroom spatial dividers. Approximately 57% of Tecnoglass products are supplied to ES for installation in various products that ES manufactures, with the balance of Tecnoglass products being sold to customers throughout North, Central and South America. In 2015 Tecnoglass established its Solartec plant, to produce low emissivity glass with high thermal insulation specifications using soft coat technology.

Tecnoglass also produces aluminum products such as profiles, rods, bars, plates and other hardware used in the manufacture of windows. In 2007, Tecnoglass established its Alutions plant in Barranquilla, Colombia for extrusion, smelting, painting and anodizing processes, and for exporting, importing and marketing aluminum products. The Alutions plant contributes more than 90% of the raw materials needed for production of Tecnoglass aluminum products.

ES. ES is a leader in the production of high-end windows, with more than 29 years of experience in the glass and aluminum structure assembly market in Colombia. ES designs, manufactures, markets and installs architectural systems for high, medium and low rise construction, glass and aluminum windows and doors, office dividers and interiors, floating facades and commercial display windows.

ES has expanded its U.S. sales outside of the Florida market for windows, into the high-tech market for curtain walls, a product that is in high demand and represents a new trend in architecture, and floating facades. Due to the sophistication of these new products, ES believes that sales of curtain walls will generate higher margins as compared to traditional window frames from walls or floor to ceiling windows. Curtain walls produced by ES are composed of “high performance” materials that are produced by Alutions, the aluminum smelting plant, and Tecnoglass with state of the art technology.

Since 2004, we have a strategic commercial relationship with ES Windows LLC (“ESW LLC”), a Florida-based company partially owned by Christian T. Daes and José M. Daes, who are also our executive officers and directors. ESW LLC is a member of the American Architectural Manufacturers Association, a technical information center for the architecture industry with highest standards. ESW LLC sends project specifications and orders from its clients to ES, and in turn, receives pricing quotes from ES which are conveyed to the client.

In 2014, we established two entities in South Florida, Tecno LLC and Tecno RE, to acquire manufacturing and warehousing facilities, customer lists and exclusive design permits in order to support sales growth in the United States. We will continue to manufacture our products at our facilities in Barranquilla, Colombia while performing select manufacturing and light assembly in the U.S. to enhance client service and create certain cost efficiencies.

In Panama, ES sells products primarily to companies participating in large construction projects in the higher income areas of the city. ES products were supplied in the Soho Plaza, a complex of a shopping mall and two skyscrapers that brought in approximately \$18 million in revenues to the Company since the inception of the contract in 2012.

Competitive Strengths

Vertical Integration

We believe we are unique in vertically integrating the purchase of raw materials, the manufacture of glass and aluminum products and the subsequent production of customized glass and windows for architectural and industrial settings. By vertically integrating these functions, we are able to price our products competitively while maintaining strict quality control measures to guarantee the high quality of our products. Additionally, we benefit from significant advantages in efficiency and time-to-market for new or customized products. This vertically integrated model provides attractive margins with significant operating leverage.

Innovation

We have made significant investments in machinery and equipment in order to utilize the latest technology on our production lines, including a recently completed approximately \$80.2 million capital investment in land, warehouses and state-of-the-art glass making equipment thereby expanding our manufacturing capacity. In August 2014, we entered into a contract to purchase equipment from Magnetron Sputter Vacuum Deposition to produce soft coated low emissivity glass as part of our improvements plan, which started production in the last quarter of 2015. The investment for this project is estimated at \$45 million for the equipment and facilities.

Additionally, we purchased two glass laminating and tempering furnaces that use new technologies to produce tempered glass with no distortion using air cushion technology and to produce curved glass in a broad range of easily modifiable curvatures.

For certain of our products, we offer DuPont Sentryglass® laminated glass interlayers which are recognized as industry-leading laminated glass solutions with five times the resistance strength of other materials available on the market. We also use a laminator and jumbo tempering oven capable of producing extra-large slabs of laminated glass which are sought after in the high-end window market. These investments in machinery and equipment, together with our highly trained labor force, allow us to offer state-of-the-art custom designed products quickly modified to meet customer demands. We also have a staff of specialists dedicated to product design in order to meet customer specifications.

Superior Customer Service

In addition to manufacturing high quality products, our value proposition to our customers is based on industry-leading lead times, on-time delivery and superior 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 time the initial order is placed through the delivery and installation of our products. By providing an efficient flow of product from order through delivery, our manufacturing processes allow us to deliver made-to-order products consistently on time, which we believe is an important competitive strength.

Management Experience

José Daes, our chief executive officer, and Christian Daes, our chief operating officer, have more than 30 and 20 years of industry experience, respectively. In addition, our executive management teams have worked together for many years at our operating subsidiaries. This long tenure in the industry, and as a team, has enabled our management to build significant relationships with both clients and field level management. We believe that these relationships, coupled with management's strong technical expertise, create a significant competitive advantage.

Location

Our headquarters and principal manufacturing facilities are located in Barranquilla, Colombia, which is strategically located near three major ports in Barranquilla, Cartagena and Santa Marta. These ports, which are only two hours' drive from each other, provide us with sea access to all major markets globally.

High Barriers to Entry

Entry into many of the markets that we serve is limited due to the technical certifications required on high specification building projects. Our success is due in large part to the breadth of our product offering and our reputation for delivering high quality, made-to-order architectural glass on time. These factors are required to compete successfully for multimillion dollar projects typical of our business. Given the vertically-integrated nature of our operations, including the aluminum extrusion products provided by Tecnoglass, there is a more limited set of competitors and entry into these markets. In addition, the equipment needed to operate in the glass and window industry is expensive, requiring a significant upfront capital investment.

Competitive pricing

We offer our customers highly competitive prices due to efficiencies realized from vertical integration and low labor costs. These competitive advantages allow us great flexibility in pricing their components to be competitive in a variety of markets.

Strategy

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

Continued investments in machinery and equipment with state-of-the-art technology

We have made investments of approximately \$153.4 million since 2014 , including \$80.2 million in 2015 and \$16.5 million in the six-month period ending June 30, 2016, in state-of-the-art glass making equipment, the installation of new laminating lines, high-volume insulating equipment, a new aluminum extrusion press with the capacity for an additional one thousand tons per month, a new paint line with the capacity to treat one million pounds of aluminum per month, and a new aluminum foundry.

Development of additional high value products

We have a demonstrated track record of developing new products and will continue to focus on capitalizing on new product opportunities in the future. We constantly identify shifting global trends and growing marketplace needs, and design proposals to meet those needs. A feasibility and tuning program, including testing at specialized laboratories in the U.S., is carried out before marketing a new product. In 2014, we started producing architectural systems that integrate LED lighting allowing the façade of the building to display different colors and patterns.

Additionally, we are in the process of implementing new technologies to produce tempered glass that offers notably more transparency with significantly less distortion than industry standard using air cushion technology, as well as new technology used to produce curved glass in a broad range of easily modifiable curvatures.

Manufacture the highest quality products in the market through a rigorous quality assurance program

Our plants are organized internally by processes, each of which is independently and continually supervised by the Quality Assurance department. The Quality Assurance department maintains rigorous oversight over energy, water, recyclable waste and process optimization indicators, in order to produce high quality sustainable products. Approximately 30% of all our waste is recycled.

Continued vertical integration provides margin enhancement

We benefit from operating together under a combined facility, providing advantages in meeting customer and market needs and managing costs. By continuing to expand our degree of vertical integration, we can further enhance productivity, create cost efficiencies and increase operating margins.

Leverage strength in Colombia market to further penetrate Latin America

With a strong base in Colombia, we have already successfully expanded into nearby geographies. Our glass products are featured in major construction projects in Argentina, Aruba, Costa Rica, Panama and Puerto Rico. As the construction market throughout Latin America grows, we are positioned to capture new growth in the markets we have currently penetrated, as well as in new high growth countries.

Leverage strength in Florida market to further penetrate U.S.

We believe we have an established and leading presence in the Florida construction market as providers of high value, impact-resistant glass products. ES's hurricane-proof products are certified in compliance with the stringent requirements of hurricane-proof windows in accordance with applicable U.S. regulations. With a quality of product proven by our success and compliance in the impact-resistant market, we have successfully entered the U.S. remodeling and replacement parts market. In addition, we have the opportunity to grow geographically in the U.S., particularly into other coastal markets on the East Coast which are affected by hurricanes, significant temperature fluctuations and other extreme weather.

Maintain fast and reliable delivery to customers due to strategic location

From the Port of Barranquilla, products can be transported to Panama by air in one hour and to Houston and Miami within two hours, within two days by sea to Panama and within four days by sea to Houston and Miami.

Penetrate additional markets

With a strong base in Colombia and Florida, we will seek to expand into further geographies, such as Asia and Europe. We believe the centralized location of the Port of Barranquilla will aid in our expanding into such new markets.

Products

TG manufactures and sells the following products:

Soft Coat Glass — manufactured by depositing metal particles on the surface of the glass inside a vacuum chamber. This product offers excellent thermal insulation designed to improve energy efficiency of buildings.

Laminated/Thermo-Laminated Glass — produced by bonding two glass sheets with an intermediate film in-between. As a safety feature, this product fractures into small pieces if it breaks.

Thermo-Acoustic Glass — manufactured with two or more glass sheets separated by an aluminum or micro-perforated steel profile. This product has a double-seal system that ensures the unit's tightness, buffering noise and improving thermal control. This product serves as an excellent noise barrier, which is used especially in zones close to airports, traffic or wherever there are unpleasant sounds.

Tempered Glass — glass subject to a tempering process through elevated temperatures resulting in greater superficial elasticity and resistance than conventional glass.

Silk-Screened Glass — special paint is applied to glass using automatic machinery and numerical control which ensures paint homogeneity and an excellent finish.

Curved Glass — produced by bending a flat glass sheet over a mold, using an automated heat process, which maintains the glass' physical properties.

Digital Print Glass — digital printing allows any kind of appearance required by the client, offering versatility to projects.

TG's aluminum products sold through its Alutions brand include bars, plates, profiles, rods and tubes used primarily in the manufacture of architectural glass settings including windows, doors, spatial separators and similar products.

ES manufactures and sells the following products:

Floating facades — act as a window screen hanging outside a building and are available in many technical specifications and profiles to define colors, thickness, glass types and finishes, and types of ventilation and design complements.

Windows and Doors — line of window and door products defined by the different types of glass finish, such as normal, impact resistant, hurricane-proof, safety, soundproof and thermal. Additionally, they are available in numerous structures, including fixed body, sliding windows, projecting windows, guillotine windows, sliding doors and swinging doors.

Commercial display windows — commercial and interior display windows with a broad range of profiles, colors and crystal finishes. Products combine functionality, aesthetics and elegance and are available in a broad range of structures and materials.

Hurricane-proof windows — combine heavy-duty aluminum or vinyl frames with special laminated glass to provide protection from hurricane-force winds up to 180 mph and wind-borne debris by maintaining their structural integrity and preventing penetration by impacting objects.

Automatic doors — exclusive representative in Colombia of Horton Automatics, a manufacturer of automatic doors including glass window systems.

Bathroom dividers — bathroom cubicle division systems, formed by combining glass panels, frames and doors.

Other — photovoltaic structures and other components of architectural systems.

Brands and Trademarks

Our brands include Tecnoglass, ES Windows and Alutions. Our registered trademarks include “Alutions by Tecnoglass” with the accompanying logo and “Alutions”. Tecnoglass and ES Windows are not registered as trademarks by us.

Sales, Marketing and Customer Service

Sales and marketing

Our sales strategy primarily focuses on attracting and retaining customers by consistently providing exceptional customer service, leading product quality, and competitive pricing. Our customers also value their shorter lead times, knowledge of building code requirements and technical expertise, which collectively generate significant customer loyalty. Our products are marketed using a combination of their internal sales representatives and independent sales representatives and directly to distributors. Our internal sales representatives receive performance-based compensation based on sales and profitability metrics. We primarily market our products based on product quality, outstanding service, shorter lead times and on-time delivery.

Customer Service

We believe that our ability to provide customers outstanding service quality serves as a strong competitive differentiator. Our customer relationships are established and maintained through the coordinated efforts of our sales and production teams. We employ a team of highly seasoned professionals devoted to addressing customer support with the goal of resolving any issue in a timely manner. In order to promote customer loyalty and employee development, we developed ES Windows University with the primary objectives of training employees to be aware of client and supplier needs and familiarizing them with our strategic goals in order to improve the competitiveness, productivity and quality of all products offered.

Working Capital Requirements

Trade accounts receivable is the largest component of working capital, including receivables relating to contractual retention amounts that can be outstanding throughout the project duration for large-scale architectural projects. Our inventory requirements are not significant since our products are made-to order rather than build-to-stock. As a result, inventory levels follow customer demand for products produced.

Customers

Our customers include architects, building owners, general contractors and glazing subcontractors in the commercial construction market. We have over 800 customers. Of our 100 most representative customers, which represent over 91% of our sales, about 36% are located in North America, 10% in Central America and the Caribbean, and 54% in South America. Excluding revenue from related parties, only one customer accounted for more than 10% or more of our net sales with 23% of total sales during the six months ended June 30, 2016 and 14% of sales during both 2015 and 2014.

Backlog

We had combined outstanding orders of \$398 million as of June 30, 2016, compared to \$375 million as of December 31, 2015. We do not believe that backlog is indicative of our future results of operations or prospects. Although we seek commitments from customers well in advance of shipment dates, actual confirmed orders are typically not received until close to the required shipment dates.

Materials and Suppliers

Our primary manufacturing materials include glass, ionoplast, polyvinyl butyral, and aluminum and vinyl extrusions. Although in some instances we have agreements with our suppliers, these agreements are generally terminable by us or the supplier counterparties on limited notice. Typically, all of our materials are readily available from a number of sources, and no supplier delays or shortages are anticipated.

We source raw materials and glass necessary to manufacture our products from a variety of domestic and foreign suppliers. For the six-month period ending June 30, 2016 and the year ended December 31, 2015, no single supplier

accounted for more than 10% of total raw material purchases.

Warranties

We offer product warranties which we believe are competitive for the markets in which our products are sold. The nature and extent of these warranties depend upon the product. Our standard warranties are generally from five to ten years for architectural glass, curtain wall, laminated and tempered glass, window and door products. Warranties are not priced or sold separately and do not provide the customer with services or coverages in addition to the assurance that the product complies with original agreed-upon specifications. In the event of a claim against a product for which we have received a warranty from the supplier, we transfer the claim back to the supplier. The Company evaluated historical information regarding claims for replacements under warranties and concluded that the costs that the Company have incurred in relation to these warranties have not been material.

Certifications

Among our many designations and certifications, Tecnoglass has earned the Miami-Dade County Notice of Acceptance (“NOA”), one of the most demanding certificates in the industry and a requirement to market hurricane-resistant glass in Florida. Tecnoglass’ products comply with Miami-Dade county’s safety code standards as its laminated anti-hurricane glass resists impact, pressure, water and wind. Tecnoglass is also the only company in Latin America authorized by PPG Industries and Guardian Industries to manufacture floating glass facades.

Our subsidiaries have received a number of other certifications from other national and international standard-setting bodies.

Tecnoglass Certifications include:

NTC-1578

ASTM E774 1997

ISO 9001: 2008 Certificate of Quality Assurance

ISO 14001: 2004 Certificate of Environmental Management

Safety Glazing Certification Council (SGCC) for tempered and laminated glass: ANZI

Z97 1-2004

International Glass Certification Council (IGCC) for insulated glass: ASTM E774 — 97

Pittsburgh Plate Glass (PPG) certified supplier

Member of ACOLVISE (Colombia Association of Safety Glass Transformers)

ES Certifications include:

NTC-ISO 9001: 2008 Certificate of Quality Assurance

NTC-ISO 14001: 2004 Certificate of Environmental Management

Member of the American Architectural Manufacturers Association (AAMA)

Complies with Miami-Dade County's stringent safety code regulations for hurricane-proof windows

Competitors

We have local competitors in Colombia as well as competitors in the markets internationally, in each of the glass, aluminum and finished products sectors. Glass Tecnologia en Vidrios y Ventanas S.A., Arquicentro S.A., Aluminum Estructural S.A. and Ventanar Ltda, compete with us in the finished products market in Colombia. Apogee

Enterprises, Inc., PGT, Inc. and WinDoor Inc. compete with us in the U.S. finished products market. Golden Glass Security, Vid-plex Universal S.A., Aluace Ltda and Laminados y Blindados compete with us locally in the glass and aluminum markets. Oldcastle, Inc., Trulite Inc., and PRL Glass Systems are among others that compete with us in the U.S. glass and aluminum products markets.

The key factors on which we and our competitors compete for business include: quality, price and reputation, breadth of products and service offerings, and production speed. We face intense competition from both smaller and larger market players who compete against us in our various markets including glass, window and aluminum manufacturing.

The principal methods of competition in the window and door industry are the development of long-term relationships with window and door distributors and dealers, and the retention of customers by delivering a full range of high-quality customized products on demand with short turnaround times while offering competitive pricing. The vertical integration of our operations, our geographic scope, low labor costs and economies of scale have helped our subsidiaries consolidate their leading position in Colombia and bolstered their expansion in the U.S. and other foreign markets.

Sales and Marketing

We employ a limited number of in-house sales employees. Most of our sales and marketing efforts are handled by area sales representatives who work on a commission basis.

We do not rely on significant traditional advertising expenditures to drive net sales. We have established and maintain credibility primarily through the strength of our products, our customer service and quality assurance, the speed at which we deliver finished products and the attractiveness of our pricing. Our advertising expenditures consist primarily of maintaining our subsidiaries' websites.

Government Regulations

We are subject to extensive and varied federal, state and local government regulation in the jurisdictions in which we operate, including laws and regulations relating to our relationships with our employees, public health and safety and fire codes. Additionally, certain of the jurisdictions in which we operate require that installation of doors and windows be approved by competent authorities that grant distribution licenses.

Although our business and facilities are subject to federal, state and local environmental regulation, environmental regulation does not have a material impact on our operations.

Research and Development

During the years ended December 31, 2015 and December 31, 2014, we spent approximately \$2.0 and \$1.3 million, respectively, in research and development.

Our commercial ally and related party in the United States, ES Windows LLC, bears significant costs related to the development of new products, since they pay for the external tests that need to be performed on our products in order to comply with strict building codes. ES Windows LLC is fully permitted to commercialize hurricane windows in the Miami-Dade County, Florida, which has one of the most demanding certifications in the world of window frames.

Employees

As of December 31, 2015, we had a total of 5,380 employees, with 3,251 employed by ES and 2,129 employed by Tecnoglass, none of whom is represented by a union. Most of our employees are hired through seven temporary staffing companies and are employed under one-year fixed-term employment contracts. Management believes it has good relations with our employees. We provide ongoing training programs to our employees through the self-established E.S. Windows University.

Additional Information About the Company

We maintain websites for our subsidiaries, TG and ES, which can be found at www.tecnoglass.com and www.energiasolarsa.com, respectively. Although we do not have a website dedicated to Tecnoglass Inc., the corporate filings of Tecnoglass Inc., including our Annual Reports on Form 10-K, our Quarterly Reports on Form 10-Q, our Current Reports on Form 8-K, our proxy statements and reports filed by our executive officers and directors under Section 16(a) of the Securities Exchange Act, and any amendments to those filings, are available free of charge on the Investor Relations page of each of the subsidiary websites, which are updated as soon as reasonably practicable after we electronically file (or furnish in certain cases) such material with the Securities and Exchange Commission, and can also be found at the SEC's website at <http://www.sec.gov>. We do not intend for information contained in either subsidiary website, including the Investor Relations pages, to be a part of this prospectus and registration statement. Also, the public may read and copy any materials the Company files with the SEC at the SEC's public reference room at 100 F St NE, Washington D.C, 20549 or by calling 1-800-SEC-0330.

We are an "emerging growth company," as defined in the Jumpstart Our Business Startups Act (or JOBS Act), and are eligible to take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies. However, we have irrevocably opted not to take advantage of one such exemption which would have allowed us an extended transition period for complying with new or revised accounting standards. We are, and will continue to be, subject to the same new or revised accounting standards as other public companies that are not emerging growth companies.

We could remain an emerging growth company until the last day of our fiscal year following March 22, 2017 (the fifth anniversary of the consummation of our initial public offering). However, if our non-convertible debt issued within a three-year period or our total revenues exceed \$1 billion or the market value of our ordinary shares that are held by non-affiliates exceeds \$700 million on the last day of the second fiscal quarter of any given fiscal year, we would cease to be an emerging growth company as of the following fiscal year.

PROPERTIES

We own and operate a 2.8 million square foot manufacturing complex located in Barranquilla, Colombia. This manufacturing campus houses a glass production plant, aluminum plant and window and facade assembly plant. The glass plant has four lamination machines with independent assembly rooms, six specialized tempering furnaces and glass molding furnaces, a computer numerical-controlled profile bending machine, as well as five silk-screening machines. The Alutions plant has an effective installed capacity of 1,000 tons per month and can create a variety of shapes and forms for windows, doors and related products. We also own three natural gas power generation plants with a capacity of 1,750 kilowatts each which supply the electricity requirements of the entire manufacturing complex and are supported by three emergency generators.

In December 2014, we acquired a 160,000 square foot manufacturing and warehousing facility in Miami-Dade County, Florida, United States. The facility houses manufacturing and assembly equipment, warehouse space, and administrative and sales offices.

In the first week of July 2016, the Company paid \$10.5 million to acquire a lot adjacent to the Company's facilities to expand the Company's manufacturing facilities.

We believe that our existing properties are adequate for the current operating requirements of our business and that additional space will be available as needed.

LEGAL PROCEEDINGS

TG is a named defendant in the matter of Diplomat Properties, Limited Partnership as assignee of Shower Concepts, Inc. versus Tecnoglass Colombia, S.A. et al., Case No. CACE 11-02811(09), 17th Judicial Circuit in and for Broward County, Florida. Plaintiff Diplomat Properties, Limited ("Diplomat") has asserted a claim for indemnification against TG and Tecnoglass USA, a related party. The claim arises from the supplying of glass shower doors to a hotel/spa in Broward County, Florida. Specifically, in 2006, Diplomat commenced arbitration against Shower Concepts, Inc. seeking damages for breach of contract due to fractures in the installed glass shower doors. The claim was based upon a contract between Diplomat and Shower Concepts for the sale and installation of glass shower and bath doors to be used by Diplomat in hotel that it owned. Shower Concepts chose not to defend against the breach of contract claim and in 2007, the arbitrator rendered an award in the amount of approximately \$2 million in favor of Diplomat and against Shower Concepts. The award was confirmed by the Circuit Court and, on July 23, 2008, a final judgment for breach of contract was entered against Shower Concepts. No appeal of the decision was made. On August 11, 2009, Shower Concepts assigned its rights under the contract to Diplomat. On November 9, 2011, Diplomat initiated the underlying action against the Tecnoglass entities and co-defendant, Guardian Industries Corp. The complaint asserted

various claims which were dismissed with prejudice. The only remaining claim against the Tecnoglass entities is common law indemnification. TG denies liability and asserts that Shower Concepts was at fault and that as a joint tortfeasor, it cannot sue for indemnity. The claim was settled in December 2015 at no cost to the Company.

MARKET PRICE FOR OUR SECURITIES

Currently, our ordinary shares are listed on the NASDAQ Capital Market under the symbol TGLS, and our warrants are quoted on the OTC Pink marketplace under the symbol TGLSW. Effective January 6, 2016, the Company's shares also commenced trading on the Bolsa de Valores de Colombia ("BVC"), the principal stock exchange of Colombia, under the symbol TGLSC. The listing of the Company's shares on the BVC is secondary to the primary listing on the NASDAQ Market. No new shares were issued in connection with the admission to trading on the BVC.

Until January 2014, our warrants were listed on the NASDAQ Capital Market. Prior to our initial business combination, the trading symbols of our ordinary shares and warrants were ANDA and ANDAW, respectively. From March 2012 through November 2013, our units, sold in our IPO and described elsewhere in this prospectus, were traded on the NASDAQ Capital Market under the symbol ANDAU. However, as a condition to the Merger, we separated the units into their component securities (one ordinary share and one warrant) on a mandatory basis and the units ceased public trading.

The following table sets forth the high and low sales prices for our ordinary shares for the periods indicated since our ordinary shares and warrants commenced trading on May 10, 2012.

Period	Ordinary Shares		Warrants	
	High	Low	High	Low
Fiscal 2016:				
Third Quarter*	\$12.68	\$10.75	\$5.04	\$3.84
Second Quarter	\$12.49	\$10.25	\$4.58	\$3.30
First Quarter	\$14.30	\$9.82	\$5.95	\$3.01
Fiscal 2015:				
Fourth Quarter	\$15.59	\$13.05	\$9.00	\$5.02
Third Quarter	\$15.95	\$12.39	\$5.96	\$4.27
Second Quarter	\$13.74	\$8.50	\$5.00	\$2.05
First Quarter	\$10.73	\$9.16	\$2.75	\$2.20
Fiscal 2014:				
Fourth Quarter	\$12.00	\$9.80	\$3.44	\$2.10
Third Quarter	\$12.29	\$10.70	\$4.15	\$3.06
Second Quarter	\$15.00	\$10.20	\$4.85	\$2.20
First Quarter	\$11.15	\$8.50	\$2.95	\$1.08

*Through September 23, 2016.

Holders

As of September 26, 2016, there were 36 holders of record of our ordinary shares and 6 holders of record of our warrants.

DIVIDEND POLICY

On April 14, 2015, our Board of Directors authorized the payment of regular quarterly dividends to holders of our ordinary shares at a quarterly rate of \$0.125 per share (or \$0.50 per share on an annual basis). The first quarterly dividend will be payable on November 1, 2016, to shareholders of record at the close of business on September 23, 2016. The dividend will be paid in cash or ordinary shares, to be chosen at the option of holders of ordinary shares during an election period beginning September 23, 2016 and lasting until October 14, 2016. The value of the ordinary shares to be used to calculate the number of shares to be issued with respect to that portion of the dividend payable in ordinary shares shall be the average of the closing price of the Company's ordinary shares on NASDAQ during the three day period from October 12, 2016 through October 14, 2016. If no choice is made during this election period, the dividend for this first election period will be paid in cash.

The payment of any dividends is ultimately within the discretion of our Board of Directors. 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.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion of the Company's financial condition and results of operations should be read in conjunction with the Company's consolidated financial statements and notes to those statements included in this prospectus. This discussion contains forward-looking statements that involve risks and uncertainties. Please see the section entitled "Forward-Looking Statements and Introduction" in this prospectus.

Overview

We are a holding company operating through our wholly-owned subsidiaries: TG, which manufactures, transforms, markets and exports a variety of glass products since 1994 and established the Alutions plant in 2007 for aluminum products, and ES, a leader in the production of high-end windows and architectural glass systems. We have more than 30 years' experience in the glass and aluminum structure assembly market in Colombia.

We manufacture hi-specification architectural glass and windows for the global residential and commercial construction industries. Currently we offer design, production, marketing, and installation of architectural systems for buildings of high, medium and low elevation size. Products include windows and doors in glass and aluminum, floating façades, office partitions and interior divisions, and commercial window showcases.

In recent years, we have expanded our US sales outside of the Florida market, entering into high-tech markets for curtain walls, obtaining a niche market access since this product is in high demand and marks a new trend in architecture. This product is a very sophisticated product and therefore garners high margins for us. These products involve high performance materials that are produced by Alutions and TG with state of the art technology.

In Panama, ES sells products primarily to companies participating in large construction projects in the higher income areas of the city. ES products were supplied in the Soho Plaza, a complex of a shopping mall and two skyscrapers that brought in approximately \$18 million in revenues to the Company since the inception of the contract in 2012.

How We Generate Revenue

TG manufactures both glass and aluminum products. Its glass products include tempered glass, laminated glass, thermo-acoustic glass, curved glass, silk-screened glass, and digital print glass as well as mill finished, anodized, painted aluminum profiles and produces rods, tubes, bars and plates.

Window production lines are defined depending on the different types of windows: normal, impact resistant, hurricane-proof, safety, soundproof and thermal. ES produces fixed body, sliding windows, projecting windows, guillotine windows, sliding doors and swinging doors. ES produces façade products which include: floating facades, automatic doors, bathroom dividers and commercial display windows.

TG sells to over 400 customers using several sales teams based out of Colombia to specifically target regional markets in South, Central and North America. TG has sales representatives in the United States to address that market specifically. In addition, TG has approximately 10 free-lance sales representatives in North America.

ES sells its products through four main offices/sales teams based out of Colombia, Panama and the US. The Colombia sales team is our largest sales group, which has deep contacts throughout the construction industry. The Colombia sales team markets both ES's products as well as installation services. The Peruvian office is responsible for South American sales, excluding Colombia. Sales forces in Panama and in the US are not via subsidiaries but under agreements with sales representatives. ES has two types of sales operations: Contract sales, which are the high-dollar, specifically-tailored customer projects; and Standard Form Sales.

Liquidity

As of June 30, 2016 and December 31, 2015, we had cash and cash equivalents of approximately \$29.5 million and \$18.5 million, respectively. We expect that cash flow from operations, proceeds from borrowings under our lines of credit and the proceeds from the merger will be our primary sources of liquidity and will be sufficient to fund our cash requirements for the next twelve months.

On January 7, 2016, we entered into a \$109.5 million, seven-year senior secured credit facility. Proceeds from the new facility were used to refinance \$83.5 million of existing debt, with the remaining \$26.0 million available to us for capital expenditures and working capital needs. Approximately \$51.6 million of the new facility was used to refinance current borrowings into long term debt. Our consolidated balance sheet as of December 31, 2015 reflects the effect of this refinance of our current portion of long term debt and other current borrowings into long term debt based on our intent as of that date. The new facility features two tranches, including one tranche denominated in USD representing 71% of the facility and another tranche denominated in Colombian Pesos (COP) representing the remaining 29%. Borrowings under the facility bear interest at a weighted average interest rate of 7% for the first year, and thereafter at a rate of LIBOR plus 5.25% and DTF (Colombian index) plus 5.00% for the respective USD and COP denominated tranches. The Senior Secured Facility includes financial covenants that are tested twice each year as of June 30 and December 31. As of June 30, 2016, the Company was in full compliance with its financial covenants.

During the last week of July 2016, the Company obtained a short term \$10 million working capital facility to address seasonal income tax payment and growth related working needs. This facility has an original term of six months and carries a 6.5% fixed annual interest rate.

Capital Resources

We transform glass and aluminum into high specification architectural glass which requires significant investments in state of the art technology. During the years ended December 31, 2015 and 2014, we made investments primarily in building and construction, and machinery and equipment in the amount of \$80.2 million and \$56.6 million, respectively.

In August 2014, we entered into a contract to purchase equipment from Magnetron Sputter Vacuum Deposition to produce soft coated low emissivity glass as part of our improvements plan that entered production in the last quarter of 2015. The investment for this project is estimated at \$45 million for the equipment and facilities, financed primarily with a credit facility with an export credit guarantee by the German Federal Government.

During the six months ended in June 30, 2016, we made significant capital expenditures of approximately \$16.5 million, of which \$5.1 million were paid for in cash and \$11.4 million were acquired with capital lease and debt. This includes approximately \$3.3 million in the construction of a new warehouse, improvements to the plant and office buildings and approximately \$11.8 million in several pieces of machinery and equipment.

Results of Operations

	Three Months		Six Months	
	Ended June 30,		Ended June 30,	
	2016	2015	2016	2015
Operating revenues	\$77,513	\$58,053	\$138,416	\$110,096
Cost of sales	51,048	37,179	88,742	70,612
Gross profit	26,465	20,874	49,674	39,484
Operating expenses	(13,996)	(11,566)	(25,713)	(22,174)
Operating income	12,469	9,308	23,961	17,310
Non-operating income (loss), net	(56)	1,417	(732)	5,142
Interest expense	(4,242)	(2,050)	(7,366)	(4,202)
Change in fair value of earnout shares liability	3,330	(9,653)	7,034	(7,672)
Change in fair value of warrant liability	6,687	(16,391)	12,598	(11,313)
Income tax provision	(3,815)	(3,631)	(7,458)	(8,403)
Net income (loss)	\$14,373	\$(21,000)	\$28,037	\$(9,138)

Comparison of the quarterly periods ended June 30, 2016 and June 30, 2015**Revenue**

The Company's net operating revenues increased \$19.4 million or 34% from \$58.1 million to \$77.5 million for the quarterly period ended June 30, 2016 compared the quarterly period ended June 30, 2015.

Sales in the U.S. market for the quarterly period ended June 30, 2016 increased \$12.1 million or 36% compared to the quarterly period ended June 30, 2015. The Company's sales in the American market continue to grow primarily in the South Florida region, where the Company has historically had a stronger presence as a supplier of windows and doors for high-rise buildings. Sales in the Colombian market increased \$6.4 million, or 29%. Sales to Panama increased \$0.2 million or 12% in the three months ended June 30, 2015 compared to the three months ended June 30, 2016.

Margin

Sales margins, calculated by dividing the gross profit by operating revenues, decreased from 36% to 34% in the quarterly periods ended June 30, 2016 and 2015. The margin compression in the second quarter of the year is associated with carrying inventory purchased in US Dollars and taken into our functional currency (Peso) at historical

FX rates at a time where the Peso was devaluated versus the US Dollar. At the time that the inventory was used, and coupled with a Peso revaluation at that subsequent time, a higher Cost of Goods Sold was accounted for when translated into US Dollars (thus creating a margin compression when expressed in US Dollars).

Expenses

Operating expenses increased 21% from \$11.6 million to \$14.0 million, for the quarterly period ended June, 2016 when compared to the quarterly period ended June 30, 2015. The increase was primarily the result of a \$1.1 million increases in shipping expenses as associated with incremental business in more distant markets. The Company's personnel charged to operating expenses have increased by \$0.6 million as the Company's operations increase and in preparation for expected continued growth. During the quarter ended June 30, 2016, the Company had a higher expense in professional fees of \$0.5 million principally related to financial reporting during the second quarter of 2016.

Earnout Share Liability

A non-cash, non-operating gain of \$3.3 million arose from the increase in the fair value of the earnout shares liability in the three-month period ended June 30, 2016 amounting to \$15.4 million which represents 4% of total assets, relative to its fair value at December 31, 2015, which amounted to \$34.2 million, or 11% of total assets. The fair value of the earnout shares liability changes in response to market factors not directly controlled by the Company such as the market price of the Company's shares and the volatility index of comparable companies. There are no income tax effects as the Company is registered in the Cayman Islands.

Warrant Liability

A non-cash gain of \$6.7 million arose from the decrease in the fair value of the warrant liability for the three-month period ended June 30, 2016 amounting to \$18.4 million which represents 4% of total assets, relative to its fair value at December 31, 2015, which amounted to \$31.2 million, or 10% of total assets. The fair value of the warrants liability changes in response to market factors not directly controlled by the Company such as the market price of the Company's shares and the volatility index of comparable companies. There are no income tax effects as the Company is registered in the Cayman Islands.

Non-Operating (Loss) Income, Net

During the three months ended June 30, 2016 the Company reported net non-operating loss of \$0.1 million comprised of income from rental properties, gain on sale of scrap materials and interest income offset by a net loss of \$1.0 million in foreign currency transactions, compared with net non-operating income of \$1.4 million during the same period of 2015, which included a loss of \$0.2 million due to foreign currency exchange.

As a result of the foregoing, the Company recorded a net income for the three month period ended June 30, 2016 of \$14.4 million compared to net loss of \$21.0 million in the three month period ended June 30, 2015.

Results of operations for the six months ended June 30, 2016 and 2015

Revenue

The Company's net operating revenues increased \$28.3 million or 26% from \$110.1 million to \$138.4 million for the six month period ended June 30, 2016 compared to six month period ended June 30, 2015.

Sales in the U.S. market for the six months ended June 30, 2016 increased \$17.6 million or 27% compared to six months ended June 30, 2015. The Company's sales in the American market continue to grow primarily in the South Florida region, where the Company has historically had a stronger presence as a supplier of windows and doors for high-rise buildings. Sales in the Colombian market increased \$7.6 million, or 19%, from \$39.3 million to \$46.9 million. Sales to Panama increased \$17.6 million, or 57% for the six months ended June 30, 2016 compared to the same period of 2015.

Gross Profit Margin

Sales margins, calculated by dividing the gross profit by operating revenues, remained stable at 35.9% for the six month periods ended June 30, 2016 and 2015. We believe this is the result of a combination of improvements in raw material efficiencies partially offset by increases in cost of labor of \$1.5 million, or 13% as well as a \$3.5 million or 48% increase in maintenance and depreciation of recently acquired assets primarily related to the soft coating plant that are not yet operating at full capacity.

Expenses

Operating expenses increased 16% from \$22.2 million to \$25.7 million, for the six month period ended June 30, 2016 when compared to the six month period ended June 30, 2015. The increase was primarily associated with a \$1.9 million increase in shipping expenses as sales to distant markets increase and to other smaller increases related to personnel expenses, a Colombian tax on financial transactions and other financing expenses that were partially offset by a decrease in amortization expense and receivable write-offs, such as amortization expense, which decreased \$0.5 million due to some of the Company's NOAs being fully amortized.

Earnout Share Liability

An non-cash, non-operating gain of \$7.0 million arose from the increase in the fair value of the earnout shares liability in the six-month period ended June 30, 2016 amounting to \$15.4 million which represents 4% of total assets, relative to its fair value at December 31, 2015, which amounted to \$34.2 million, or 11% of total assets. The fair value of the warrants liability changes in response to market factors not directly controlled by the Company such as the market price of the Company's shares and the volatility index of comparable companies. There are no income tax effects as the Company is registered in the Cayman Islands.

Warrant Liability

A non-cash gain of \$12.6 million arose from the decrease in the fair value of the warrants liability in the first half of 2016 amounting to \$18.4 million which represents 4% of total assets, relative to its fair value at December 31, 2015, which amounted to \$31.2 million, or 10% of total assets. The fair value of the warrants liability changes in response to market factors not directly controlled by the Company such as the market price of the Company's shares and the volatility index of comparable companies. There are no income tax effects as the Company is registered in the Cayman Islands.

Non-operating Income (Loss)

During the six months ended June 30, 2016 the Company reported net non-operating loss of \$0.7 million comprised of \$1.5 million in income from rental properties, gain on sale of scrap materials and interest income offset by a net loss of \$2.3 million in foreign currency transactions, compared with net non-operating income of \$5.1 million during the same period of 2015, primarily comprised of net foreign currency transaction gains of \$3.4 million.

As a result of the foregoing, the Company recorded a net income for the six month period ended June 30, 2016 of \$28.0 million compared to a net loss of \$9.1 million net in the six month period ended June 30, 2015.

Comparison of years ended December 31, 2015 and December 31, 2014**Restatement**

The accompanying Management's Discussion and Analysis of Financial Condition and Results of Operations gives effect to the restatement adjustments made to the previously reported Consolidated Financial Statements for the year ended December 31, 2014. For additional information and a detailed discussion of the restatement, see Note 2, "Restatement" to the Notes to our consolidated financial statements included in this prospectus.

	(in thousands)	
	Year Ended December	
	31,	
	2015	2014
		(Restated)*
Net operating revenue	\$238,833	\$ 197,452
Cost of sales	153,252	131,156
Gross profit	85,581	66,296
Operating expenses	46,499	39,064
Operating income	39,082	27,232
Change of fair value of warrant liability	(24,901)	(1,711)
Change in fair value of earnout share liability	(10,858)	(10,807)
Non-operating income, net	13,877	12,235
Interest expense	(9,274)	(8,900)
Income tax provision	(20,691)	(8,538)
Net (loss) income	\$ (12,765)	\$ 9,511

^(*) The data presented represents financial data on a restated basis. For more information on the restatement, see Note 2, "Restatement" to the Notes to our consolidated financial statements included in this prospectus.

Revenue

Our operating revenue increased from \$197.5 million in 2014 to \$238.8 million in 2015, or 21%. The increase mostly was driven by planning strategies designed to increase participation in the U.S. market.

The increase is partially due to high quality, reliability, and competitive prices which allowed us to further penetrate our existing markets and sell a larger volume of Company products. Sales in the U.S. market accounted for a \$40.2 million increase, which represents 39.6% as compared to 2014. The increase is also partially due to a diversification of markets within the country since our sales in the U.S. have historically been in the South Florida region where sales continue to increase significantly, but have also expanded to other regions of the United States. Sales to the US markets include, in average, more sophisticated products than the other markets in which the Company participates which also makes them higher priced products. Sales in Colombia, priced in Colombian pesos, increased by \$1.2 million, or approximately 2%, however, in terms of local currency represented a 39% increase, offset by unfavorable exchange rates. Sales in Panama decreased by \$4.0 million, or 35%, and sales to other territories increased by \$4.0 million, which represents a 90% increase.

Cost of Sales and Gross Profit Margins

Cost of sales increased \$22.1 million or 17% from \$131.2 million during the year ended December 31, 2014 to \$153.3 million during the year ended December 31, 2015, below the growth in the Company's operating revenue. Sales margins calculated by dividing the gross profit by operating revenue increased from 34% to 36% between the years ended December 31, 2014 and 2015, respectively. We believe this is the result of a combination of favorable exchange rates for fixed costs in Colombian pesos, as well as a higher degree of vertical integration in which more Company products are used as raw materials to manufacture other finished goods. The amount of Company products used to manufacture other products increased from 27% of total consolidated sales during the year ended December 31, 2014 to 29% during the year ended December 31, 2015.

Operating Expenses

Selling, general and administrative expenses increased 19%, or \$7.4 million, from the year ended December 31, 2014 to December 31, 2015. The principal factors of this increase were an increase of \$2.1 million in shipping expense as sales to more distant markets increase, \$1.4 million in sales commissions as part of our efforts to increase sales in the United States, \$1.3 million bad debt write-offs and a Capital Tax levied on the Colombian subsidiaries in the Colombian tax reform of December 2014 that amounted to \$0.9 million in 2015. Additionally, there were smaller increases of \$0.8 million in higher depreciation and amortization, primarily for assets acquired during 2014 from RC Aluminum and Glasswall LLC, an increase in consulting fees of approximately \$0.6 million as well as \$0.5 million

higher publicity related expenses and other small increases partially offset with decreases of Colombian Peso denominated expenses, such as personnel which decreased approximately \$0.3 million due to favorable exchange rates, in spite of there being 255 more employees hired.

Change in Fair Value of Warrant Liability

We incurred a non-cash, non-operating loss of \$24.9 million in the year ended December 31, 2015 due to the increase in the fair value of warrants relative to their last reported fair value at December 31, 2014. The fair value of the warrants changes in response to market factors not controlled by us such as the market price of our shares and the volatility index of comparable companies. There are no income tax effects of this warrant liability due to our company being registered in the Cayman Islands. Management does not consider the effects of the change in the fair value of the warrants to be indicative of our ongoing operating performance.

Change in Fair Value of Earnout Share Liability

We incurred a non-cash, non-operating loss of \$10.9 million in the year ended December 31, 2015 due to the increase in the fair value of earnout share liability relative to their last reported fair value at December 31, 2014. The fair value of the earnout shares changes in response to market factors such as the market price of our shares and the volatility index of comparable companies and the Company's forecasted EBITDA. There are no income tax effects of this earnout liability due to our company being registered in the Cayman Islands. Management does not consider the effects of the change in the fair value of the earnout shares to be indicative of our ongoing operating performance.

Interest Expense

Between the years ended December 31, 2015 and 2014, interest expense increased by \$0.4 million, or approximately 4%, from \$8.9 million to \$9.3 million as our debt increased from \$94.2 million as of December 31, 2014 to \$138.4 million in December 31, 2015.

Non-Operating Income

Non-operating income increased \$1.7 million, from \$12.2 million in the year ended December 31, 2014 to \$13.9 million in the year ended December 31, 2015, primarily as a result of an increase in financial revenues of \$1.1 million comprised of interest income on receivable, as well as recoveries of scrap materials of \$0.5 million. Non-Operating Income is comprised mostly of foreign currency transaction gains which amounted to \$10.1 million and \$10.8 million during the year ended December 31, 2015 and 2014, respectively, related to the Company's Colombian subsidiaries ES and TG which have the Colombian Peso as functional currency, yet have important US Dollar denominated transactions.

Cash Flow from Operations, Investing and Financing Activities

During the years ended December 31, 2015 and 2014, \$0.8 million and \$4.8 million, respectively, were generated and used in operations, respectively. Principal uses of cash were accounts receivable and inventories. While the trade accounts receivable cycle improved from 82 days in 2014 to 80 days in 2015, due to the increase in revenues, trade accounts receivable resulted in a use of \$22.9 million. \$27.8 million were used in inventories as the Company's inventory levels have risen due to strategic purchases of aluminum in order to protect prices and secure the raw materials necessary to fulfill the Company's backlog.

During the years ended December 31, 2015 and 2014, \$10.4 million and \$9.2 million were generated from debt, respectively (excluding other financing activities). Principal use of debt proceeds has been used in the acquisition of property and equipment. However, most of the company's acquisitions of property and equipment have been financed with capital leases and debt.

During the six month period ended June 30, 2016 and 2015, \$7.4 million and \$7.2 million were used and provided by operating activities, respectively. The principal use of cash was an increase in trade accounts receivable which totaled \$15.1 million in the six months ended June 30, 2016 period compared with a use of \$12.9 million during the same period of 2015 as a result of higher sales and as the Company extends incremental credit terms to some of its main

customers, in order to seek added flexibility to better compete for large, long-lead projects as part of the Company's strategy to increase sales, as well as purchase of inventories which amounted to \$8.9 million during the six months ended June 30, 2016 and \$13.7 million during the same period of 2015 as the Company builds up inventories of raw materials, commensurate with current and expected future sales. This was offset by an increase in cash generated by trade accounts payables which increased to \$16.0 million during the six months ended June 30, 2016, compared with \$12.7 million during the same period of 2015. Trade accounts receivable and related party receivables continue to increase commensurate with the increase in sales but also as related to the type of more sophisticated, long-lead projects in which the Company is currently bidding. These projects typically have a longer cash cycle as distributors also have to collect from end-users, and for that, certain performance conditions must always be met. That being said, and despite its nominal increase in receivables, the Company doesn't foresee a deterioration in its ability to collect from its direct or indirect clients.

During the six months ended June 30, 2016, cash from investing activities increased to \$27.5 million compared with \$15.9 million during the same period of 2015 because the Company purchased a US Dollar denominated deposit for \$25 million with a Colombian Peso denominated obligation to hedge foreign currency exposure of its monetary assets and liabilities. Cash provided by financing activities increased from \$8.4 million during the six months ended June 30, 2015 to \$46.2 million during the six months ended June 30, 2016, primarily due to increases in proceeds from debt. As of June 30, 2016 the Company held approximately \$10.5 million in cash proceeds from debt for the purchase of a piece of land adjacent to the Company's facilities which was paid and acquired in July of 2016. As can be seen in the statement of cash flows, the Company has used the proceeds of the debt increase to support its rapid expansion and the related Capital Expenditures and working capital needs.

During the six months ended in June 30, 2016, and in addition to the cash capital expenditures of \$5.1 million during the period the Company made capital expenditures for \$11.4 million that were primarily financed with bank loans and capital leases.

	(in thousands)			
	Six months ended		Year ended	
	June 30,		December 31,	
	2016	2015	2015	2014
Cash Flow from Operating Activities	\$ (7,373)	\$ 7,247	\$ 792	\$ (4,810)
Cash Flow from Investing Activities	(27,461)	(15,867)	(9,395)	(16,381)
Cash Flow from Financing Activities	46,207	8,369	10,449	33,525
Effect of exchange rates on cash and cash equivalents	(334)	339	720	730
Cash Balance – Beginning of Period	18,496	15,930	15,930	2,866
Cash Balance – End of Period	\$ 29,535	\$ 16,018	\$ 18,496	\$ 15,930

Off-Balance Sheet Arrangements

We did not have any material off-balance sheet arrangements as of December 31, 2015.

Contractual Obligations

Future contractual obligations represent an impact to future cash flows as shown in the table for the period ended December 31, 2015:

Contractual Obligations	Payments Due by Period (In thousands)				
	TOTAL	Less than 1 year	1 – 3 years	3 – 5 years	More than 5 years
Long Term Debt Obligations	\$ 112,332	\$ 20,961	\$ 15,736	\$ 25,740	\$ 49,895
Interest Obligations	32,972	6,370	12,209	9,860	4,533
Capital Lease Obligations	26,082	2,851	4,985	7,887	10,359
Total	\$ 171,386	\$ 30,182	\$ 32,930	\$ 43,487	\$ 64,787

Future interest obligations are estimated assuming constant reference rates for obligations with variable interest rates. The average interest rate is approximately 7.3% and 10.4% per annum for long term debt and capital lease obligations respectively, and can vary up or down in accordance with money market rates in Colombia.

Critical Accounting Policies

The preparation of financial statements in conformity with U.S. GAAP requires that management make significant estimates and assumptions that affect the assets, liabilities, revenues and expenses, and other related amounts during the periods covered by the financial statements. Management routinely makes judgments and estimates about the effect of matters that are inherently uncertain. As the number of variables and assumptions affecting the future resolution of the uncertainties increases, these judgments become more subjective and complex. We have identified the following accounting policies as the most important to the portrayal of our current financial condition and results of operations.

Revenue Recognition

Our principal sources of revenue are derived from product sales of manufactured glass and aluminum products. Delivery to the customer is deemed to have occurred when the title is passed to the customer. Generally, the title passes to the customer upon shipment, but could occur when the customer receives the product based on the terms of the agreement with the customer. The selling prices of all goods that the Company sells are fixed, and agreed to with the customer, prior to shipment. Selling prices are generally based on established list prices.

The Company recognizes revenue for standard form sales. Standard form sales are customer sales comprising low value installations that are of short duration. A standard form agreement is executed between the Company and its customer. Services are performed by the Company during the installation process. The price quote is determined by the Company, based on the requested installation, and approved by the customer before the Company proceeds with the installation. The customer's credit worthiness and payment capacity is evaluated before the Company will proceed with the initial order process.

Revenues from fixed price contracts, which represent approximately 22% of the Company's sales for the year ended December 31, 2015 are recognized using the percentage-of-completion method, measured by the percentage of costs incurred to date to total estimated costs for each contract. These contracts typically have a duration ranging between one and three years. Revenues recognized in advance of amounts billable pursuant to contracts terms are recorded as unbilled receivables on uncompleted contracts based on work performed and costs to date. Unbilled receivables on uncompleted contracts are billable upon various events, including the attainment of performance milestones, delivery and installation of product, or completion of the contract. Revisions to cost estimates as contracts progress have the effect of increasing or decreasing expected profits each period. Changes in contract estimates occur for a variety of reasons, including changes in contract scope, estimated revenue and cost estimates. Change in contract estimates have not had a material effect on our financial statements.

Related party transactions

The Company has related party transactions such as sales, purchases, leases, guarantees, and other payments. We perform a related party analysis to identify transactions to disclose quarterly. Depending on the transactions, we aggregate some related party information by type. When necessary we also disclose the name of a related party, if doing so is required to understand the relationship.

Estimation of Fair Value of warrant liability

The best evidence of fair value is current prices in an active market for similar financial instruments. We determine the fair value of warrant liability by the Company using the Binomial Lattice pricing model. This model is dependent upon several variables such as the instrument's expected term, expected strike price, expected risk-free interest rate over the expected instrument term, the expected dividend yield rate over the expected instrument term and the expected volatility of the Company's stock price over the expected term. The expected term represents the period of time that the instruments granted are expected to be outstanding. The expected strike price is based upon a weighted average probability analysis of the strike price changes expected during the term as a result of the down round protection. The risk-free rates are based on U.S. Treasury securities with similar maturities as the expected terms of the options at the date of valuation. Expected dividend yield is based on historical trends. The Company measures volatility using a blended weighted average of the volatility rates for a number of similar publicly-traded companies. The inputs to the model were stock price, dividend yield, risk-free rate, expected term and volatility.

In general, the inputs used are unobservable; therefore unless indicated otherwise, warrant liability is classified as level 3 under guidance for fair value measurements hierarchy.

Estimation of Fair Value of Earnout share liability

The best evidence of fair value is current prices in an active market for similar financial instruments. We determine the fair value of earnout share liability by the Company using Monte Carlo simulation, which models future EBITDA and stock prices during the earn-out period using the Geometric Brownian Motion. This model is dependent upon several variables such as the instrument's expected term, expected risk-free interest rate over the expected instrument term, the equity volatility of the Company's stock price over the expected term, the asset volatility, and the Company's forecasted EBITDA. The expected term represents the period of time that the instruments granted are expected to be outstanding. The risk-free rates are based on U.S. Treasury securities with similar maturities as the expected terms of the options at the date of valuation. The Company measures volatility using a blended weighted average of the volatility rates for a number of similar publicly-traded companies. The inputs to the model were stock price, risk-free rate, expected term and volatility.

In general, the inputs used are unobservable; therefore unless indicated otherwise, earnout share liability is classified as level 3 under guidance for fair value measurements hierarchy.

Derivative Financial Instruments

We conduct interest rate swap (IRS) transaction with key non-related financial entities to reduce the effect of interest rate fluctuations as economic hedges against interest rate risk. We have designated these derivatives at fair value and the accounting for changes is recorded in the statement of operations. The inputs used are similar to the prices for similar assets and liabilities in active markets directly or indirectly through market corroboration; therefore unless indicated otherwise, derivatives are classified as level 2 under guidance for fair value measurements hierarchy.

Foreign currency transactions

The functional currency of most of the Company's foreign subsidiaries and branches is the applicable local currency. Assets and liabilities are translated into U.S. dollars using the current exchange rates in effect at the balance sheet date, while revenues and expenses are translated at the average exchange rates during the period. The resulting translation adjustments are recorded as a component of accumulated other comprehensive earnings within stockholders' equity. The Company also recognizes gains and losses associated with transactions that are denominated in foreign currencies within non-operating income in the Company's consolidated statement of operations.

Income taxes

The Company is subject to income taxes in some jurisdictions. Significant judgment is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

Business combinations

We allocate the total purchase price of the acquired tangible and intangible assets acquired and liabilities assumed based on their estimated fair values as of the business combination date, with the excess purchase price recorded as goodwill. The purchase price allocation process required us to use significant estimates and assumptions, including fair value estimates, as of the business combination date. Although we believe the assumptions and estimates we have made are reasonable and appropriate, they are based in part on historical experience and information obtained from management of the acquired company, in part based on valuation models that incorporate projections of expected future cash flows and operating plans and are inherently uncertain. Valuations are performed by management or third party valuation specialists under management's supervision. In determining the fair value of assets acquired and liabilities assumed in business combinations, as appropriate, we may use one of the following recognized valuation methods: the income approach (including the cost saving method and the discounted cash flows from relief from royalty), the market approach and/or the replacement cost approach.

Examples of significant estimates used to value certain intangible assets acquired include but are not limited to:

sales volume, pricing and future cash flows of the business overall

future expected cash flows from customer relationships, and other identifiable intangible assets, including future price levels, rates of increase in revenue and appropriate attrition rate

the acquired company's brand and competitive position, royalty rate, as well as assumptions about the period of time the acquired brand will continue to benefit to the combined company's product portfolio

cost of capital, risk-adjusted discount rates and income tax rates

However, different assumptions regarding projected performance and other factors associated with the acquired assets may affect the amount recorded under each type of assets and liabilities, mainly between property plant and

equipment, intangibles assets, goodwill and deferred income tax liabilities and subsequent assessment could result in future impairment charges. The purchase price allocation process also entails us to refine these estimates over a measurement period not to exceed one year to reflect new information obtained surrounding facts and circumstances existing at acquisition date.

MANAGEMENT OF THE COMPANY

Directors and Executive Officers

Our current directors and executive officers are as follows:

Name	Age	Position
José M. Daes	55	Chief Executive Officer and Director
Christian T. Daes	51	Chief Operating Officer and Director
Joaquin Fernandez	55	Chief Financial Officer
A. Lorne Weil	65	Non-Executive Chairman of the Board
Samuel R. Azout	56	Independent Director
Juan Carlos Vilariño	49	Independent Director
Martha (Stormy) L. Byorum	61	Independent Director
Julio A. Torres	49	Independent Director

José M. Daes has served as our chief executive officer and a director since December 2013. Mr. Daes has over 30 years' experience starting and operating various businesses in Colombia and the U.S. Mr. Daes has served as chief executive officer of ES since its inception in 1984, responsible for all aspects of ES's operations. Mr. Daes began his career in textiles, importing textiles from Japan to Colombia and later owned and operated an upscale clothing store with multiple locations in Miami. Mr. Daes is the older brother of Christian T. Daes, our chief operating officer and director.

We believe Mr. Daes is well-qualified to serve as a member of our board of directors due to his operational experience with ES and TG and his knowledge of the industry within which they operate.

Christian T. Daes has served as our chief operating officer and a director since December 2013. Mr. Daes has served as the chief executive officer of Tecnoglass since its inception in 1994, responsible for all aspects of Tecnoglass's operations. Mr. Daes's philanthropic activities include founding the Tecnoglass-ES Windows Foundation, which promotes local development, health and social programs in Barranquilla, Colombia. Mr. Daes is the younger brother of José M. Daes, our chief executive officer and director.

We believe Mr. Daes is well-qualified to serve as a member of our board of directors due to his operational experience with ES and TG and his knowledge of the industry within which they operate.

Joaquín F. Fernández has served as our chief financial officer since December 2013 and the chief financial officer for TG and ES since 2007. He has also served as a director of ES since January 2002. Mr. Fernández oversees the gathering, reporting, presentation and interpretation of the historical financial information for us and our subsidiaries, as well as implementation of financial strategy for us. Prior to joining TG and ES, Mr. Fernández worked at fuel distribution, outsourcing, and public utility companies.

A. Lorne Weil has served as a member of our board of directors and non-executive chairman of the board since our inception. Mr. Weil has served as chairman and chief executive officer of Hydra Industries Acquisition Corp., a blank check company seeking to acquire a target business, since May 2014. He has also served as a principal of Hydra Management, an investment vehicle formed by Mr. Weil, since September 2014. Mr. Weil has also served as a director of Sportech Plc, one of the largest suppliers and operators of pools/tote (often also referred to as pari-mutuel) betting in the world, since October 2010. From October 1991 to November 2013, Mr. Weil served as chairman of the board of Scientific Games Corporation, a supplier of technology-based products, systems and services to gaming markets worldwide, and served as its chief executive officer from April 1992 until November 2013. Mr. Weil also served as president of Scientific Games from August 1997 to June 2005. From 1979 to November 1992, Mr. Weil was president of Lorne Weil, Inc., a firm providing strategic planning and corporate development services to high technology industries. Previously, Mr. Weil was vice president of corporate development at General Instrument Corporation, working with wagering and cable systems.

We believe Mr. Weil is well-qualified to serve as a member of our board of directors due to his extensive business experience in strategic planning and corporate development, his contacts he has fostered throughout his career, as well as his operational experience.

Samuel R. Azout has served on our board of directors since December 2013 and on the board of TG since February 2009. Since March 2013, Mr. Azout has served as an investment manager for Abacus Real Estate. From January 2012 to March 2013, Mr. Azout served as the chief executive officer of the National Agency for Overcoming Extreme Poverty in Colombia, an organization formed by the government of Colombia to assist families in poverty. From September 2008 to January 2012, Mr. Azout was the senior presidential advisor for Social Prosperity, employed by the administration of the President of Colombia. Prior to this, Mr. Azout served as chief executive officer of Carulla Vivero S.A., the second largest retailer in Colombia, for 10 years, until he led its sale to Grupo Exito in 2006.

We believe Mr. Azout is well-qualified to serve as a member of our board of directors due to his contacts and business relationships in Colombia.

Juan Carlos Vilariño has served on our board of directors since December 2013, on the board of TG since November 1995 and on the board of ES since March 1997. Mr. Vilariño has worked as the general manager of various business highway concession consortiums in Colombia including the Malla Vial del Atlántico Highway Concession Consortium since 1993 and the Barranquilla-Ciénaga Highway Concession consortium since 1999. Mr. Vilariño began his career as the assistant vice president in the general consulting department of Finance Corporation of the North, S.A. We believe Mr. Vilariño is well-qualified to serve as a member of our board of directors due to his contacts and business relationships in Colombia.

Martha (Stormy) L. Byorum has served as a member of our board of directors since November 2011. Ms. Byorum is founder and chief executive officer of Cori Investment Advisors, LLC (Cori Capital), a financial services entity that was most recently (January 2005 through August 2013) a division of Stephens Inc., a private investment banking firm founded in 1933. Ms. Byorum was also an executive vice president of Stephens Inc. from January 2005 until August 2013. From March 2003 to December 2004, Ms. Byorum served as chief executive officer of Cori Investment Advisors, LLC, which was spun off from VB&P in 2003. Ms. Byorum co-founded VB&P in 1996 and served as a Partner until February 2003. Prior to co-founding VB&P in 1996, Ms. Byorum had a 24-year career at Citibank, where, among other things, she served as chief of staff and chief financial officer for Citibank's Latin American Banking Group from 1986 to 1990, overseeing \$15 billion of loans and coordinating activities in 22 countries. She was later appointed the head of Citibank's U.S. Corporate Banking Business and a member of the bank's Operating Committee and a Customer Group Executive with global responsibilities.

Ms. Byorum is a Life Trustee of Amherst College and a chairman of the finance committee of the board of directors of Northwest Natural Gas, a large distributor of natural gas services in the Pacific Northwest. She is also a member of the board of directors of Jeld-Wen, a leading global manufacturer of windows, doors, and treated composite trim and panels.

We believe Ms. Byorum is well-qualified to serve as a member of the board of directors due to her operational experience with Cori Capital Advisors, VB&P and Citibank and her financial background, which includes having

served on the audit committees of four publicly-traded companies.

Julio A. Torres has served on our board of directors since October 2011. He previously served as our co-chief executive officer from October 2011 through January 2013. Since March 2008, Mr. Torres has served as managing director of Nexus Capital Partners, a private equity firm. From April 2006 to February 2008, Mr. Torres served with the Colombian Ministry of Finance acting as general director of public credit and the treasury. From June 2002 to April 2006, Mr. Torres served as managing director of Diligo Advisory Group, an investment banking firm. From September 1994 to June 2002, Mr. Torres served as vice president with JPMorgan Chase Bank.

We believe Mr. Torres is well-qualified to serve as a member of our board of directors due to his operational experience with Nexus Capital Partners, his work with the Colombian government and his extensive contacts he has fostered while working at Nexus Capital Partners, JPMorgan Chase Bank and in the Colombian government.

Corporate Governance

Audit Committee

We have a standing audit committee of the board of directors, which consists of Martha L. Byorum, Samuel R. Azout and Julio Torres, with Martha L. Byorum serving as chairman. Each of the members of the audit committee is independent under the applicable NASDAQ listing standards.

The audit committee has a written charter, a copy of which was filed with our Definitive Proxy Statement on Schedule 14A filed with the SEC on December 4, 2013. The purpose of the audit committee is to appoint, retain, set compensation of, and supervise our independent accountants, review the results and scope of the audit and other accounting related services and review our accounting practices and systems of internal accounting and disclosure controls. The audit committee's duties, which are specified in the audit committee charter, include, but are not limited to:

reviewing and discussing with management and the independent auditor the annual audited financial statements, and recommending to the board whether the audited financial statements should be included in our Form 10-K;

discussing with management and the independent auditor significant financial reporting issues and judgments made in connection with the preparation of our financial statements;

discussing with management major risk assessment and risk management policies;

monitoring the independence of the independent auditor;

verifying the rotation of the lead (or coordinating) audit partner having primary responsibility for the audit and the audit partner responsible for reviewing the audit as required by law;

reviewing and approving all related-party transactions;

inquiring and discussing with management our compliance with applicable laws and regulations;

pre-approving all audit services and permitted non-audit services to be performed by our independent auditor, including the fees and terms of the services to be performed;

appointing or replacing the independent auditor;

determining the compensation and oversight of the work of the independent auditor (including resolution of disagreements between management and the independent auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or related work; and

establishing procedures for the receipt, retention and treatment of complaints received by us regarding accounting, internal accounting controls or reports which raise material issues regarding its financial statements or accounting policies

The audit committee has discussed with the independent auditors the matters required by the Public Company Accounting Oversight Board ("PCAOB") auditing standard No. 16 — Communication with Audit Committees, including independent accountant's independence.

Financial Experts on Audit Committee

The audit committee will at all times be composed exclusively of “independent directors,” as defined for audit committee members under the NASDAQ listing standards and the rules and regulations of the Securities and Exchange Commission, who are “financially literate,” as defined under NASDAQ’s listing standards. NASDAQ’s listing standards define “financially literate” as being able to read and understand fundamental financial statements, including a company’s balance sheet, statement of operations and cash flow statement. The board of directors has determined that Martha Byorum satisfies NASDAQ’s definition of financial sophistication and also qualifies as an “audit committee financial expert” as defined under rules and regulations of the Securities and Exchange Commission.

Nominating Committee

We have a standing nominating committee, which consists of A. Lorne Weil, Martha L. Byorum, Samuel R. Azout and Juan Carlos Vilariño, with A. Lorne Weil serving