

TECNOGLASS INC.

FORM 8-K (Current report filing)

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Telephone	57 1 281 1811
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Symbol	TGLS
SIC Code	3211 - Flat Glass
Industry	Construction Supplies & Fixtures
Sector	Consumer Cyclical
Fiscal Year	12/31

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

**FORM 8-K
CURRENT REPORT**

**PURSUANT TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): May 4, 2018

TECNOGLASS INC.

(Exact Name of Registrant as Specified in Charter)

Cayman Islands
(State or Other Jurisdiction
of Incorporation)

001-35436
(Commission
File Number)

98-1271120
(IRS Employer
Identification No.)

Avenida Circunvalar a 100 mts de la Via 40, Barrio Las Flores, Barranquilla, Colombia
(Address of Principal Executive Offices) (Zip Code)

(57)(5) 3734000
(Registrant's Telephone Number, Including Area Code)

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01 Entry into a Material Definitive Agreement.

As previously reported, on March 1, 2017 (the “Effective Date”), Tecnoglass Inc. (the “Company”) entered into and consummated a purchase agreement, as amended (the “Purchase Agreement”), with Giovanni Monti (the “Seller”), the owner of 100% of the outstanding shares of Giovanni Monti and Partners Consulting and Glazing Contractors (“GM&P”). Pursuant to the Purchase Agreement, the Company acquired all of the shares of GM&P from the Seller for a purchase price of US\$35 million. An initial US\$6 million of the purchase price was payable and paid in cash within 60 days from the Effective Date. The remaining US\$29 million of the purchase price was payable on or before May 15, 2018.

On May 4, 2018, the Company paid the Seller an additional US\$6 million of cash on hand and entered into an agreement with the Seller to settle the remaining balance of the purchase price (the “Settlement Agreement”). Pursuant to the Settlement Agreement, the remaining US\$23 million of the purchase price was satisfied through the issuance of a US\$10 million junior subordinated note (the “Note”) and the issuance of an aggregate of US\$13 million of ordinary shares of the Company valued at \$10.50 per share (or an aggregate of 1,238,095 ordinary shares of the Company). The Note will have semi-annual interest-only payments at a fixed rate of 6% per annum and matures in March 2022.

On May 7, 2018, the Company issued a press release announcing the foregoing.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information provided in Item 1.01 of this Form 8-K is incorporated by reference into this Item 2.03.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
99.1	Press release dated May 7, 2018

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: May 7, 2018

TECNOGLASS INC.

By: /s/ Jose M. Daes

Name: Jose M. Daes

Title: Chief Executive Officer



TECNOGLASS COMPLETES PAYMENT OBLIGATIONS FOR PURCHASE OF GM&P

BARRANQUILLA, Colombia – May 7, 2018 - Tecnoglass, Inc. (NASDAQ: TGLS) (“Tecnoglass” or the “Company”), a leading manufacturer of architectural glass, windows, and associated aluminum products for the global commercial and residential construction industries, today announced that it has completed its payment obligations pursuant to the previously-announced acquisition of Giovanni Monti and Partners Consulting and Glazing Contractors, Inc. (“GM&P”).

As reported on March 1, 2017, Tecnoglass entered into and consummated a purchase agreement to acquire GM&P for a total purchase price of \$35 million, of which \$6 million was paid within 60 days of the agreement. On May 4, 2018, the Company completed the payment of the remaining \$29 million purchase price for GM&P through the payment of \$6 million of cash on hand, the execution of a \$10 million junior subordinated note and the issuance of TGLS ordinary shares. The note will have semi-annual interest-only payments at a fixed rate of 6% per annum and matures in March 2022. The 1,238,095 TGLS ordinary shares had an aggregate value of \$13 million. This represented a price of \$10.50 per share, or a 23% premium over the last sale price of the TGLS ordinary shares on the date of payment.

José M. Daes, the Company’s Chief Executive Officer, commented, “We are pleased to complete this transaction through a highly accretive payment structure, which also preserves significant financial flexibility to support our growth objectives. GM&P has already exceeded our initial expectations and contributed meaningfully to our U.S. revenue and backlog growth trajectory during the past 14 months. We look forward to additional success through the enhanced vertical integration and market penetration provided by our GM&P operations.”

About Tecnoglass

Tecnoglass Inc. is a leading manufacturer of architectural glass, windows, and associated aluminum products for the global commercial and residential construction industries. Tecnoglass is the #1 architectural glass transformation company in Latin America and the second largest glass fabricator serving the United States. Headquartered in Barranquilla, Colombia, the Company operates out of a 2.7 million square foot vertically-integrated, state-of-the-art manufacturing complex that provides easy access to the Americas, the Caribbean, and the Pacific. Tecnoglass supplies over 900 customers in North, Central and South America, with the United States accounting for more than 70% of revenues. Tecnoglass’ tailored, high-end products are found on some of the world’s most distinctive properties, including the El Dorado Airport (Bogota), 50 United Nations Plaza (New York), Trump Plaza (Panama), Icon Bay (Miami), and Salesforce Tower (San Francisco). For more information, please visit www.tecnoglass.com or view our corporate video at <https://vimeo.com/134429998>.

Forward Looking Statements

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

Investor Relations:

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