GLOBANT S.A.
Société Anonyme
Registered Office: 37A, avenue J.F. Kennedy,
L-1855 Luxembourg
R.C.S. Luxembourg B 173727

(the "**Company**")

Management report to the general meeting of shareholders on the annual accounts dated 31st December 2016.

Dear Shareholders,

We hereby wish to submit to you the annual accounts of the Company for the financial year ending on 31 December 2016.

I- RELEVANT ACTIVITY

The most relevant activity of the Company during this financial year has been the following:

During 2016 we introduced a new model called 50 Squared, which is intended to reshape our go-to-market strategy in order to scale our company in the coming years. The main goal of this new approach is to focus our team on the top 50 high-potential accounts with the capacity to grow exponentially over time. To do so, we have appointed our most senior people from Sales, Technology and Operations to lead these teams. 50 Squared has become the most important pillar of our go-to-market strategy and we aim to eventually include every account within Globant in this program.

In May 2016, we have acquired, through our wholly owned Spanish subsidiary, WAE (comprised of We are London Limited and We are Experience, Inc.), an innovative service design company. The purpose of this acquisition was to facilitate expected synergies, revenue growth, future market development and the capacity of the assembled workforce of the acquired companies.

In August 2016, we applied to the Luxembourg Stock Exchange for listing on the Official List of the Luxembourg Stock Exchange ("Lux SE") and for admission to trade on its regulated market of our common shares. Our shares were admitted to trading on the Lux SE on August 11, 2016.

In November 2016, we entered into a stock purchase agreement with 3Cinteractive Corp. ("3C") to purchase 100% of the capital stock of Difier, a Uruguayan company. At the same time, we signed a consulting services agreement to provide software development services to 3C for a term of four years.

Also in November 2016, we, through our US subsidiary Globant LLC, acquired 100% of L4 Mobile, LLC, ("L4) a leading digital services company based in Seattle, Washington. By leveraging L4's presence in Seattle, the Company expanded its United States footprint. L4's main differentiator is to ideate, design and develop robust digital products and complex software, with a strong focus on innovation and quality assurance. The purpose of this acquisition was to strengthen our leading position in the digital services space and expand our groups capabilities in the United States.

II- ALLOCATION OF RESULTS

Notwithstanding the gain of USD $ 35,862,000 made by the Company in its consolidated financial statements for the financial year ended on December 31, 2016, during the same period the Company has made a loss of USD $3,531,244.41 in its stand-alone individual financial statements. This loss is primarily a strategic business reorganization process being implemented by the Company´s management to allow the Company to achieve a more efficient corporate structure. As a result of this reorganization, the Company's management decided to record an adjustment on the value of its subsidiary, Huddle Investment LLP ("Huddle"), given that Huddle used to be the holding of certain other subsidiaries which, as a result of this business reorganization, are being dissolved and their business absorbed by other subsidiaries. In addition, the Company also incurred in certain costs and expenses related to the application it made during the month of August to list its common shares for trading in the regulated market of the Luxembourg Stock Exchange.

We recommend the following allocation of the result:

Result of the financial year	**USD**	**- 3,531,244.41**
Allocation to the legal reserve	**/**	**/**
Distribution of dividends	**/**	**/**
Result to be carried forward to the following year	**USD**	**- 3,531,244.41**

III- CORPORATE GOVERNANCE

Our corporate governance practices are governed by Luxembourg law (particularly the law of August 10th, 1915 on commercial companies as amended) and our articles of association.

The Ten Principles of Corporate Governance of the Luxembourg Stock Exchange (the "Ten Principles") include: (1) mandatory principles, (2) "comply or explain" recommendations and (3) non-binding guidelines. As of the date of this Annual Report, we comply with the mandatory principles in all respects. In certain instances, we have elected to not comply with certain of the recommendations because we comply with similar corporate governance rules of the NYSE as further set out in the following paragraphs, or, other procedures which we have determined to be sufficient.

As a Luxembourg company listed on the NYSE, we are not required to comply with all of the corporate governance listing standards of the NYSE for U.S. listed companies. We, however, believe that our corporate governance practices meet or exceed, in all material respects, the corporate governance standards that are generally required by the NYSE for U.S. listed companies. Below is a summary of the significant ways that our corporate governance practices differ from the corporate governance standards required for listed U.S. companies by the NYSE (provided that our corporate governance practices may differ in non-material ways from the standards required by the NYSE that are not detailed here)

- *Majority of Independent Directors*

Under NYSE standards, U.S. listed companies must have a majority of independent directors. There is no legal obligation under Luxembourg law to have a majority of independent directors on the board of directors; however, the Ten Principles recommend that the board of directors includes an appropriate number of independent directors.

- *Non-management Directors' Meetings*

Under NYSE standards, non-management directors must meet at regularly scheduled executive sessions without management present and, if such group includes directors who are not independent, a meeting should be scheduled once per year including only independent directors. Luxembourg law does not require holding of such meetings.For additional information, see "Directors, Senior Management and Employees—Directors and Senior Management."

- *Audit Committee*

Under NYSE standards, listed U.S. companies are required to have an audit committee composed of independent directors that satisfies the requirements of Rule 10A-3 promulgated under the Exchange Act of 1934. Luxembourg law also provides for an audit committee and related rules. Our articles of association provide that the board of directors may set up an audit committee. The board of directors has set up an Audit Committee and has appointed Messrs. Mott, Odeen and Vázquez, with Mr. Vázquez serving as the chairman of our audit committee. Each of Messrs. Mott, Odeen and Vázquez satisfies the "independence" requirements within the meaning of Section 303A of the corporate governance rules of the NYSE as well as under Rule 10A-3 under the Exchange Act. For additional information, see "Directors, Senior Management and Employees—Board Practices".

Under NYSE standards, all audit committee members of listed U.S. companies are required to be financially literate or must acquire such financial knowledge within a reasonable period and at least one of its members shall have experience in accounting or financial administration. In addition, if a member of the audit committee is simultaneously a member of the audit committee of more than three public companies, and the listed company does not limit the number of audit committees on which its members may serve, then in each case the board must determine whether the simultaneous service would prevent such member from effectively serving on the listed company's audit committee and shall publicly disclose its decision. Under Luxembourg law, at least one member of the audit committee must be financially literate.

- *Standards for Evaluating Director Independence*

Under NYSE standards, the board is required, on a case by case basis, to express an opinion with regard to the independence or lack of independence of each individual director. Neither Luxembourg law nor our articles of association require the board to express such an opinion; however, to be considered independent under the Ten Principles, a director must not have any significant business relationship with the company, close family relationship with any executive manager or any other relationship with the company, its controlling shareholders or executive managers which is liable to impair the independence of the director's judgment.

- *Audit Committee Responsibilities*

The NYSE requires certain matters to be set forth in the audit committee charter of U.S. listed companies. Our audit committee charter provides for many of the responsibilities that are expected from such bodies under the NYSE standard; however, the charter does not contain all such responsibilities, including provisions related to setting hiring policies for employees or former employees of independent auditors.

- *Corporate Governance and Nominating Committee*

The NYSE requires that a listed U.S. company has a corporate governance and nominating committee of independent directors and a committee charter specifying the purpose, duties and evaluation procedures of the committee.

The board of directors has set up corporate governance and nominating committee and has appointed Mssrs. Galperin, Odeen and Vázquez, with Mr. Vázquez serving as chairman of our corporate governance and nominating committee. Each of Messrs. Galperin, Vázquez and Odeen satisfies the “independence” requirements within the meaning of Section 303A of the corporate governance rules of the NYSE. For additional information, see “Directors, Senior Management and Employees— Board Practices”.

- *Compensation Committee*

The NYSE requires that a listed U.S. company have a compensation committee of independent directors and a committee charter specifying the purpose, duties and evaluation procedures of the committee.

The current members of our compensation committee are Messrs. Vázquez, Odeen and Galperin, with Mr. Vázquez serving as chairman. Each of Messrs. Vázquez, Odeen and Galperin satisfies the “independence” requirements within the meaning of Section 303A of the corporate governance rules of the NYSE. For additional information, see “Directors, Senior Management and Employees—Board Practices”.

- *Shareholder Voting on Equity Compensation Plans*

Under NYSE standards, shareholders of U.S. listed companies must be given the opportunity to vote on equity compensation plans and material revisions thereto, except for employment inducement awards, certain grants, plans and amendments in the context of mergers and acquisitions, and certain specific types of plans. Neither Luxembourg corporate law nor our articles of incorporation require shareholder approval of equity based compensation plans. Luxembourg law only requires approval of the board of directors for the adoption of equity based compensation plans.

The Ten Principles recommend that the criteria for compensation of the executive management in whichever form be subject to the approval of the shareholders. However, as permitted by the Ten Principles, we have decided that the approval of our compensation committee, which is comprised of independent members, is sufficient to set the compensation criteria for our executive management team and that it is not necessary to seek approval from our shareholders for such matters. We believe that the members of our compensation committee have a strong understanding of the achievements and failures of each executive because the compensation committee monitors the performance of executive management as part of the responsibilities delegated to it by our board of directors and shareholders.

- *Code of Business Conduct and Ethics*

Under NYSE standards, listed companies must adopt and disclose a code of business conduct and ethics for directors, officers and employees, and promptly disclose any waivers of the code for directors or executive officers. Effective as of July 23, 2014 we adopted a code of business conduct and ethics applicable to our principal executive, financial and accounting officers and all persons performing similar functions. A copy of that code is available on our website at www.globant.com.

- *Chief Executive Officer Certification*

A chief executive officer of a U.S. company listed on NYSE must annually certify that he or she is not aware of any violation by the company of NYSE corporate governance standards. In accordance with NYSE rules applicable to foreign private issuers, our chief executive officer is not required to provide NYSE with this annual compliance certification. However, in accordance with NYSE rules applicable to all listed companies, our chief executive officer must promptly notify NYSE in writing after any of our executive officers becomes aware of any noncompliance with any applicable provision of NYSE's corporate governance standards. In addition, we must submit an executed written affirmation annually and an interim written affirmation each time a change occurs to the board or the audit committee.

IV- CAUTIONARY STATEMENTS.

The management considers that the Company´s primary challenges to be the following:

- If the Company, directly and/or indirectly through its subsidiaries, is unable to maintain current resource utilization rates and productivity levels, our revenues, profit margins and results of operations may be adversely affected;

- If the Company, directly and/or indirectly through its subsidiaries, is unable to manage attrition and attract and retain highly-skilled IT professionals, we may not have the necessary resources to maintain client relationships, and competition for such IT professionals could materially adversely affect our business, financial condition and results of operations;

- If the pricing structures that the Company or its subsidiaries use for client´s contracts are based on inaccurate expectations and assumptions regarding the cost and complexity of performing the corresponding work, such contracts could be unprofitable;

- We may not be able to achieve our anticipated growth at a consolidated level, which could materially adversely affect our revenues, results of operations, business and prospects;

- We may be unable to effectively manage our rapid growth at a consolidated level, which could place significant strain on our management personnel, systems and resources;

- If we were to lose the services of our senior management team or other key employees of the Company or our subsidiaries, our business operations, competitive position, client relationships, revenues and results of operation may be adversely affected;
- If we do not continue to innovate and remain at the forefront of emerging technologies and related market trends, we may lose clients and not remain competitive, which could cause our results of operations to suffer;

- If any of our largest clients at a consolidated level terminates, decreases the scope of, or fails to renew its business relationship or short-term contract with the Company or its applicable subsidiary, our revenues, business and results of operations may be adversely affected;

- We derive a significant portion of our revenues at a consolidated level from clients located in the United States and, to a lesser extent, Europe. Worsening general economic conditions in the United States, Europe or globally could materially adversely affect our revenues, margins, results of operations and financial condition;

- Considering our Argentinean subsidiary, uncertainty concerning the instability in the current economic, political and social environment in Argentina may have an adverse impact on capital flows and could adversely affect our business, financial condition and results of operations;

- Considering our Argentinean subsidiary, Argentina's regulations on proceeds from the export of services may increase our exposure to fluctuations in the value of the Argentine peso, which, in turn, could have an adverse effect on our operations at a consolidated level and the market price of our common shares. The imposition or re-imposition in the future of regulations on proceeds collected outside Argentina for services rendered to non-Argentine residents or of export duties and controls could have an adverse effect on the Company at a consolidated level;

- The effects of wage inflation in Argentina, which have increased significantly in recent years, as well as other changes to marketplace factors may have an adverse impact on our operating subsidiaries in Argentina. Considering the group conducts a substantial part of operations through such subsidiaries, these factors may indirectly impact the Company through affecting the value of the Company's underlying investment in such subsidiaries.

- As of March 20, 2017, our greater than 5% shareholders, directors and executive officers and entities affiliated with them beneficially own approximately 58.98% of our outstanding common shares (this calculation includes common shares subject to options currently exercisable and options exercisable within 60 days of March 20, 2017), of which approximately 19.17% of our outstanding common shares are owned by affiliates of WPP. These shareholders therefore continue to have substantial control over the Company and could prevent new investors from influencing significant corporate decisions, such as approval of key transactions, including a change of control.

V- SHARE CAPITAL

As of the date of this management report the issued share capital of the Company is composed of 34,791,236 common shares of which 143,593 common shares are treasury shares held by us.

VI- ADDITIONAL STATEMENTS

Pursuant to Article 68 of the law governing the trade and companies' register as well as accountancy and the annual accounts of companies and modifying other legal provisions dated 19 December 2002, as amended, the board of directors of the Company hereby declares:

1. To best of its knowledge, we are not aware of any events which would have a material bearing on the annual accounts since the end of the financial year ended 31 December 2016.

2. The Company's likely foreseeable future development is stable.

3. The Company will continue to develop its activities for the foreseeable future.

VII- APPROVAL OF MANDATE AND DISCHARGE

We kindly ask you to grant discharge to the directors who were members of the Board during the financial year ended December 31, 2016 for the exercise of their mandates during the financial year ended 31 December 2016.

So done on April 6 2017.

For the board of directors of the Company:

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Name : Martin Migoya
Title: Chairman of the Board of Directors

Globant S.A.

Société Anonyme

Audited annual accounts for the financial year ended December 31, 2016 and report of the réviseur d'entreprises agréé

37A, Avenue J.F. Kennedy
L-1885 Luxembourg
RCS Luxembourg: B 173727
Subscribed capital: USD 41,749,483.20

Table of contents

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To the Shareholders of
Globant S.A.
37A, Avenue J.F. Kennedy
L-1885 Luxembourg

REPORT OF THE REVISEUR D'ENTREPRISES AGREE

Report on the annual accounts

We have audited the accompanying annual accounts of Globant S.A., which comprise the balance sheet as at December 31, 2016 and the profit and loss account for the year then ended and a summary of significant accounting policies and other explanatory information.

Responsibility of the Board of Directors' for the annual accounts

The Board of Directors is responsible for the preparation and fair presentation of these annual accounts in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the annual accounts, and for such internal control as the Board of Directors determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

Responsibility of the Réviseur d'Entreprises Agréé

Our responsibility is to express an opinion on these annual accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the *Commission de Surveillance du Secteur Financier*. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the annual accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend on the *Réviseur d'Entreprises Agréé's* judgement, including the assessment of the risks of material misstatement of the annual accounts, whether due to fraud or error. In making those risk assessments, the *Réviseur d'Entreprises Agréé* considers internal control relevant to the entity's preparation and fair presentation of the annual accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors, as well as evaluating the overall presentation of the annual accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the annual accounts give a true and fair view of the financial position of Globant S.A. as at December 31, 2016, and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the annual accounts.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the management report which includes the Corporate Governance Statement but does not include the annual accounts and our report of the *Réviseur d'Entreprises Agréé* thereon.

Our opinion on the annual accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the annual accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Other matter

The Corporate Governance Statement includes the information required by Article 68bis paragraph (1) of the law of December 19, 2002 on the commercial and companies register and on the accounting records and annual accounts of undertakings, as amended.

Deloitte.

Report on other legal and regulatory requirements

The management report is consistent with the annual accounts and has been prepared in accordance with the applicable legal requirements.

The information required by Article 68bis paragraph (1) letters c) and d) of the law of 19 December 2002 on the commercial and companies register and on the accounting records and annual accounts of undertakings, as amended and included in the corporate governance statement is consistent with the annual accounts and has been prepared in accordance with applicable legal requirements.

For Deloitte Audit, Cabinet de révision agréé

Eddy R. Termaten, Réviseur d'Entreprises Agréé
Partner

April 06, 2017

Annual Accounts Helpdesk :

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RCSL Nr. : B173727	Matricule : 20122223796

BALANCE SHEET

Financial year from 01 01/01/2016 **to** 02 31/12/2016 *(in* 03 USD*)*

Globant S.A.
37A, Avenue J.F. Kennedy
L-1855 Luxembourg

ASSETS

	Reference(s)		Current year		Previous year
A. Subscribed capital unpaid	1101	101		102	
I. Subscribed capital not called	1103	103		104	
II. Subscribed capital called but unpaid	1105	105		106	
B. Formation expenses	1107	107		108	
C. Fixed assets	1109	109	68,748,898.00	110	71,064,079.27
I. Intangible assets	1111	111		112	
1. Costs of development	1113	113		114	
2. Concessions, patents, licences, trade marks and similar rights and assets, if they were	1115	115		116	
a) acquired for valuable consideration and need not be shown under C.I.3	1117	117		118	
b) created by the undertaking itself	1119	119		120	
3. Goodwill, to the extent that it was acquired for valuable consideration	1121	121		122	
4. Payments on account and intangible assets under development	1123	123		124	
II. Tangible assets	1125	125		126	
1. Land and buildings	1127	127		128	
2. Plant and machinery	1129	129		130	

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RCSL Nr. : B173727	Matricule : 20122223796

		Reference(s)		Current year		Previous year
3. Other fixtures and fittings, tools and equipment	1131		131		132	
4. Payments on account and tangible assets in the course of construction	1133		133		134	
III. Financial assets	1135	2.2.2,3	135	68,748,898.00	136	71,064,079.27
1. Shares in affiliated undertakings	1137	3.1	137	68,748,898.00	138	71,064,079.27
2. Loans to affiliated undertakings	1139		139		140	
3. Participating interests	1141		141		142	
4. Loans to undertakings with which the undertaking is linked by virtue of participating interests	1143		143		144	
5. Investments held as fixed assets	1145		145		146	
6. Other loans	1147		147		148	
D. Current assets	1151		151	6,718,694.24	152	7,226,952.76
I. Stocks	1153		153		154	
1. Raw materials and consumables	1155		155		156	
2. Work in progress	1157		157		158	
3. Finished goods and goods for resale	1159		159		160	
4. Payments on account	1161		161		162	
II. Debtors	1163	2.2.3,4	163	902,061.72	164	2,413,045.33
1. Trade debtors	1165		165		166	
a) becoming due and payable within one year	1167		167		168	
b) becoming due and payable after more than one year	1169		169		170	
2. Amounts owed by affiliated undertakings	1171	4.1	171	895,229.07	172	2,398,145.54
a) becoming due and payable within one year	1173	4.1.1	173	895,229.07	174	123,224.71
b) becoming due and payable after more than one year	1175	4.1.2	175	0.00	176	2,274,920.83
3. Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	1177		177		178	
a) becoming due and payable within one year	1179		179		180	
b) becoming due and payable after more than one year	1181		181		182	
4. Other debtors	1183	4.2	183	6,832.65	184	14,899.79
a) becoming due and payable within one year	1185	4.2.1	185	6,832.65	186	14,899.79
b) becoming due and payable after more than one year	1187		187		188	

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		Reference(s)		Current year		0Previous year
III. Investments	1189	5	189	1,745,863.52	190	2,075,209.01
1. Shares in affiliated undertakings	1191		191		192	
2. Own shares	1209	2.2.6, 5.1	209	1,745,863.52	210	2,075,209.01
3. Other investments	1195		195		196	
IV. Cash at bank and in hand	1197		197	4,070,769.00	198	2,738,698.42
E. Prepayments	1199		199		200	
TOTAL (ASSETS)			201	75,467,592.24	202	78,291,032.03

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RCSL Nr. : B173727	Matricule : 20122223796

CAPITAL, RESERVES AND LIABILITIES

		Reference(s)		Current year		Previous year
A. Capital and reserves	1301	6	301	74,840,886.78	302	70,096,064.89
I. Subscribed capital	1303	6.1	303	41,749,483.20	304	41,253,854.40
II. Share premium account	1305	6.2	305	54,220,777.72	306	46,110,994.73
III. Revaluation reserve	1307		307		308	
IV. Reserves	1309		309	1,745,863.52	310	2,075,209.01
1. Legal reserve	1311	6.3	311		312	
2. Reserve for own shares	1313	6.4	313	1,745,863.52	314	2,075,209.01
3. Reserves provided for by the articles of association	1315		315		316	
4. Other reserves, including the fair value reserve	1429		429		430	
a) other available reserves	1431		431		432	
b) other non available reserves	1433		433		434	
V. Profit or loss brought forward	1319		319	-19,343,993.25	320	-10,971,714.13
VI. Profit or loss for the financial year	1321		321	-3,531,244.41	322	-8,372,279.12
VII. Interim dividends	1323		323		324	
VIII. Capital investment subsidies	1325		325		326	
B. Provisions	1331		331		332	
1. Provisions for pensions and similar obligations	1333		333		334	
2. Provisions for taxation	1335		335		336	
3. Other provisions	1337		337		338	
C. Creditors	1435	2.2.5,7	435	626,705.46	436	8,194,967.14
1. Debenture loans	1437		437		438	
a) Convertible loans	1439		439		440	
i) becoming due and payable within one year	1441		441		442	
ii) becoming due and payable after more than one year	1443		443		444	
b) Non convertible loans	1445		445		446	
i) becoming due and payable within one year	1447		447		448	
ii) becoming due and payable after more than one year	1449		449		450	
2. Amounts owed to credit institutions	1355		355		356	
a) becoming due and payable within one year	1357		357		358	
b) becoming due and payable after more than one year	1359		359		360	

RCSL Nr. : B173727			Matricule : 20122223796		

		Reference(s)		Current year		Previous year
3. Payments received on account of orders in so far as they are not shown separately as deductions from stocks	1361		361		362	
a) becoming due and payable within one year	1363		363		364	
b) becoming due and payable after more than one year	1365		365		366	
4. Trade creditors	1367	7.1	367	147,040.56	368	269,379.60
a) becoming due and payable within one year	1369	7.1.1	369	147,040.56	370	269,379.60
b) becoming due and payable after more than one year	1371		371		372	
5. Bills of exchange payable	1373		373		374	
a) becoming due and payable within one year	1375		375		376	
b) becoming due and payable after more than one year	1377		377		378	
6. Amounts owed to affiliated undertakings	1379	7.2	379	274,003.45	380	7,141,447.54
a) becoming due and payable within one year	1381	7.2.1	381	274,003.45	382	1,258,987.54
b) becoming due and payable after more than one year	1383	7.2.2	383	0.00	384	5,882,460.00
7. Amounts owed to undertakings with which the undertaking is linked by virtue of participating interests	1385		385		386	
a) becoming due and payable within one year	1387		387		388	
b) becoming due and payable after more than one year	1389		389		390	
8. Other creditors	1451		451	205,661.45	452	784,140.00
a) Tax authorities	1393	2.2.5.1	393	22,451.05	394	107,277.69
b) Social security authorities	1395		395		396	
c) Other creditors	1397	7.3	397	183,210.40	398	676,862.31
i) becoming due and payable within one year	1399	7.3.1	399	65,710.40	400	561,862.31
ii) becoming due and payable after more than one year	1401	7.3.2	401	117,500.00	402	115,000.00
D. Deferred income	1403		403		404	
TOTAL (CAPITAL, RESERVES AND LIABILITIES)			405	75,467,592.24	406	78,291,032.03

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Annual Accounts Helpdesk :

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RCSL Nr. : B173727	Matricule : 20122223796

PROFIT AND LOSS ACCOUNT

Financial year from 01 01/01/2016 **to** 02 31/12/2016 *(in* 03 USD*)*

Globant S.A.
37A, Avenue J.F. Kennedy
L-1855 Luxembourg

PROFIT AND LOSS ACCOUNT

		Reference(s)		Current year		Previous year
1. Net turnover	1701		701		702	
2. Variation in stocks of finished goods and in work in progress	1703		703		704	
3. Work performed by the undertaking for its own purposes and capitalised	1705		705		706	
4. Other operating income	1713		713		714	
5. Raw materials and consumables and other external expenses	1671	8	671	-990,731.47	672	-1,573,164.47
a) Raw materials and consumables	1601		601		602	
b) Other external expenses	1603	8.1	603	-990,731.47	604	-1,573,164.47
6. Staff costs	1605		605		606	
a) Wages and salaries	1607		607		608	
b) Social security costs	1609		609		610	
i) relating to pensions	1653		653		654	
ii) other social security costs	1655		655		656	
c) Other staff costs	1613		613		614	
7. Value adjustments	1657		657		658	
a) in respect of formation expenses and of tangible and intangible fixed assets	1659		659		660	
b) in respect of current assets	1661		661		662	
8. Other operating expenses	1621	9	621	-229,557.74	622	-169,815.31

For Identification Purposes Only

RCSL Nr. : B173727	Matricule : 20122223796

		Reference(s)		Current year		Previous year
9. Income from participating interests	1715		715		716	
a) derived from affiliated undertakings	1717		717		718	
b) other income from participating interests	1719		719		720	
10. Income from other investments and loans forming part of the fixed assets	1721		721	178,970.36	722	0,00
a) derived from affiliated undertakings	1723		723		724	
b) other income not included under a)	1725	5.1	725	178,970.36	726	0,00
11. Other interest receivable and similar income	1727	10	727	56,592.82	728	48,264.76
a) derived from affiliated undertakings	1729	4.1.2,10.1	729	40,848.34	730	43,653.98
b) other interest and similar income	1731	10.2	731	15,744.48	732	4,610.78
12. Share of profit or loss of undertakings accounted for under the equity method	1663		663		664	
13. Value adjustments in respect of financial assets and of investments held as current assets	1665	3.1	665	-2,315,181.27	666	-6,405,393.22
14. Interest payable and similar expenses	1627	11	627	-170,327.94	628	-146,788.60
a) concerning affiliated undertakings	1629	11.1	629	-67,367.00	630	-126,774.33
b) other interest and similar expenses	1631	11.2	631	-102,960.94	632	-20,014.27
15. Tax on profit or loss	1635		635	-57,503.34	636	-56,403.16
16. Profit or loss after taxation	1667		667	-3,527,738.58	668	-8,303,300.00
17. Other taxes not shown under items 1 to 16	1637	2.2.5.1,11	637	-3,505.83	638	-68,979.12
18. Profit or loss for the financial year	1669		669	-3,531,244.41	670	-8,372,279.12

For Identification Purposes Only

1. General information

Globant S.A. (hereafter the "Company") was incorporated on December 10, 2012 and is organised under the laws of Luxembourg as a Société Anonyme for an unlimited period.

The registered office of the Company is established at 37A Avenue J.F. Kennedy, L-1855 Luxembourg.

The Company’s financial year starts on January 1st and ends on December 31st of each year.

The Company's primary purpose is the creation, holding, development and realization of a portfolio, consisting of interests and rights of any kind and of any other form of investment in entities in the Grand Duchy of Luxembourg and in foreign entities, whether such entities exist or are to be created, especially by way of subscription, acquisition by purchase, sale or exchange of securities or rights of any kind whatsoever, such as equity instruments, debt instruments, patents and licenses, as well as the administration and control of such portfolio.

An additional purpose of the Company is (i) the acquisition by purchase, registration or in any other manner, as well as the transfer by sale, exchange or otherwise of intellectual and industrial property rights, (ii) the granting or transfer of licenses on such intellectual and industrial property rights, and (iii) the holding and management of its intellectual and industrial property rights.

The Company may further grant any form of security for the performance of any obligations of the Company or of any entity in which it holds a direct or indirect interest or right of any kind or in which the Company has invested in any other manner or which forms part of the same group of entities as the Company and lend funds or otherwise assist any entity in which it holds a direct or indirect interest or right of any kind or in which the Company has invested in any other manner or which forms part of the same group of companies as the Company.

The Company may borrow in any form and may issue any kind of notes, bonds and debentures and generally issue any debt, equity and/or hybrid or other securities of any kind in accordance with Luxembourg law.

The Company may carry out any commercial, industrial, financial, real estate, technical, intellectual property or other activities which it may deem useful in accomplishment of these purposes.

The Company also prepares consolidated accounts in accordance with International Financial Reporting Standards as adopted by the European Union (“IFRS”), which are subject to publication as prescribed by the Luxembourg law. The consolidated accounts can be obtained at the registered office of the Company.

As a result of the application of the new Luxembourg Accounting Law to the financial years starting on 1 January 2016, the figures for the year ended December 31, 2015 relating to the own shares and profit & loss accounts have been reclassified to ensure comparability with the figures for the period ended December 31, 2016.

2. Summary of significant accounting policies and valuation methods

2.1. General principles

The annual accounts are prepared in conformity with the Luxembourg legal and regulatory requirements and according to generally accepted accounting principles applicable in Luxembourg under the historical cost convention. The accounting policies and valuation principles are, apart from those enforced by the law, determined and implemented by the Board of Directors.

The preparation of annual accounts requires the use of certain critical accounting estimates. It also requires the Board of Directors to exercise its judgement in the process of applying the accounting policies. Changes in assumptions may have a significant impact on the annual accounts in the period in which the assumptions changed. The Board of Directors believes that the underlying assumptions are appropriate and that the annual accounts therefore present the financial position and results fairly.

2.2. Significant accounting and valuation policies

The significant accounting and valuation policies of the Company can be summarised as follows:

2.2.1. Formation expenses

The formation expenses are fully amortised during the year in which they are incurred.

2.2.2. Financial assets

Financial assets such as shares in affiliated undertakings, participating interests, loans to these undertakings, investments held as assets and other loans are valued at their historical acquisition cost. Amounts owed by affiliated undertakings or other companies and defined as financial assets are valued at their nominal value.

If the Board of Directors determines that a durable impairment has occurred in the value of a financial asset, a value adjustment is made in order to reflect that loss. These value adjustments are not continued if the reasons for which they were made have ceased to apply.

2.2.3. Debtors

Debtors are recorded at their nominal value. A value adjustment is made when their recovery is partly or completely in doubt. These value adjustments are not continued if the reasons for which they were made have ceased to apply.

2.2.4. Foreign currency translation

The Company maintains its books and records in USD.

All transactions expressed in currency other than USD are translated into USD at the exchange rate prevailing at the date of the transaction.

The formation expenses and the fixed assets other than the long-term loans classified as financial assets and expressed in another currency than USD are translated in USD at the exchange rate prevailing at the date of their acquisition. At the balance sheet date, these fixed assets are maintained at their historical exchange rate.

Cash is translated at the exchange rate prevailing at the balance sheet date. Exchange gains and losses resulting from this conversion are accounted for in the profit and loss account for the year.

Other assets and liabilities are translated separately respectively at the lower (assets) or at the higher (liabilities) of the value converted at the historical exchange rate or the value determined on the basis of the exchange rates effective at the balance sheet date. The unrealised exchange losses are recorded in the profit and loss account. The realised exchange gains and losses are recorded in the profit and loss account at the moment of their realisation.

In the case there is an economic link between an asset and a liability, they are translated in total and only the unrealised net exchange losses are accounted for in the profit and loss account.

2.2.5. Creditors

Creditors are recorded at their repayment value. When the amount repayable on account is greater than the amount received, the difference is shown as an asset and is written off over the period of the debt.

2.2.5.1. Other creditors - Tax

This item includes the tax liability estimated by the Company for the financial years for which the Company has not been assessed yet. The advance payments are disclosed in the assets of the balance sheet under “Other debtors”.

2.2.6. Own shares

Own shares are valued at their historical acquisition cost.

3. Financial assets

3.1. Shares in affiliated undertakings

The shares in affiliated undertakings or in which the Company is a general partner are as follows:

Name of the company	Registered office	Percentage of ownership	Closing date of last financial year	Shareholders' equity (USD)	Results of last financial year (USD)	Net Investment amount (USD)
GLOBANT S.A. Spain	Calle Velasquez 157, floor 5"C",28002 Madrid, Spain	100%	31.12.2016	129,185,401.05	88,900,090.93	68,748,897.00
Huddle Investment LLP	Winnington House, 2 Woodberry Grove North Finchley, London N12oDR England	93.125%	31.12.2016	654,030.55	587,230.55	0
Total						**68,748,898.00**

As an indication, the Shareholders' equity and the Results of the last financial year of the financial investments whose financial statements were expressed in a currency other than USD were translated into USD with the exchange rate prevailing at the balance sheet date.

The figures mentioned in the Shareholders' equity and the Results of the last financial year are based on the last unaudited standalone annual accounts available prepared under respective local GAAP.

The Board of Directors of the Company considered the valuation of the subsidiaries and therefore decided to record an additional impairment on the value of Huddle Investment LLP for an amount of USD 2,315,181.27, as this company and its subsidiaries are under a business reorganisation and as a consequence all the business is being transferred to other subsidiaries of Globant group and Huddle Investment LLP will be liquidated.

*On May 23, 2015, the Company increased the share capital of GLOBANT S.A. Spain for an amount of USD 10,000,000.00 increasing its net investment amount from USD 58,748,897.00 to USD 68,748,897.00.

**On October 11, 2013, the Company accepted an offer letter, executed and submitted by Gabriel Eduardo Spitz ("Mr. Spitz"), and entered into a Stock Purchase Agreement (the "SPA") to purchase an additional 13.75% of the capital interest of Huddle Investment LLP held by Mr Spitz (the "Spitz Interest").

On October 23, 2014, the Company and its subsidiary Globant S.A. (Spain), accepted an offer letter, executed and submitted by Mr. Spitz, and entered into an Amendment to the SPA and Partial Assignment under which the Company wishes to assign to Globant S.A. (Spain) and Globant S.A. (Spain) wishes to acquire half of the Spitz Interest. The purchase price for half of the Spitz Interest amounted to USD 325,000.00, which shall be paid by the Company no later than September 30, 2015 against the issuance of common shares of the Company valued at their market price as quoted on the in the New York Stock Exchange at the close of business on August 31, 2015 or based on the quotation at close of business on the immediate preceding business day if such date is not a business day.

In January 2016, the Company repaid the outstanding liabilities of USD 325,000.00 in relation to the Spitz interest by delivering to Mr. Spitz 11,949 treasury shares (see note 5.1).

4. Debtors

4.1. Amounts owed by affiliated undertakings

4.1.1. becoming due and payable within one year

The advances granted to Globant S.A. Spain for a total amount of USD 123,224.71 have been repaid on November 18, 2016.

As of December 31, 2016, this item is composed of receivables from the group companies for an amount of USD 895,229.07 detailed as follows:

- Receivables from Globant LLC: USD 472,955.00;
- Receivables from Sistemas Uk Ltda.: USD 38,301.00;
- Receivables from Sistemas Globales S.A.: USD 383,973.07.

4.1.2. becoming due and payable after more than one year

The interest bearing loans from Globant S.A. (Spain) as well as the accrued interests were repaid during the year for an aggregate amount of USD 2,315,769.17 (being USD 2,205,000.00 of principal and USD 110,769.17 of accrued interest).

4.2. Other debtors

4.2.1. becoming due and payable within one year

This item is composed of the 2015 corporate income tax advance for a total amount of USD 3,383.65 (equivalent to EUR 3,210.00) and the 2016 net wealth tax advance for a total amount of USD 3,449.00 (equivalent to EUR 3,272.00).

5. Investments

5.1. Own shares

As at December 31, 2015, the Company was the owner of 169,806 of its own shares for a book value of USD 2,075,209.01.

During 2016, the Company distributed 11,949 of its own shares to Mr. Spitz, representing a net profit of USD 178,970.36, in order to repay the outstanding liabilities of USD 325,000.00 in relation to the Spitz interest (see note 3.1).

In addition, the Company distributed 15,000 of its own shares to employees of the Company group during 2016, representing a book value of USD 183,315.85.

As at December 31, 2016, the Company holds 142,857 of its own shares for a book value of USD 1,745,863.52.

6. Capital and reserves

6.1. Subscribed capital

As at December 31, 2015, the subscribed capital of the Company amounted to USD 41,253,854.40, represented by 34,378,212 common shares with a nominal value of USD 1.20, fully paid, among which 22,045,136 common shares are listed on the NYSE.

As at December 31, 2016, further to the movements on the subscribed capital account during 2016, the subscribed capital amounts to USD 41,749,483.20, represented by 34,791,236 common shares with a nominal value of USD 1.20, fully paid, among which 24,409,182 common shares are listed on the NYSE.

The authorised capital excluding the share capital is set at USD 6,730,741.20 consisting in 5,608,951 common shares having a nominal value of USD 1.20 per common share.

6.2. Share premium account

As at December 31, 2015, there was a share premium for a total amount of USD 46,110,994.73.

As at December 31, 2016, further to the movements on the share premium account during 2016, there is a share premium for a total amount of USD 54,220,777.72.

6.3. Legal reserve

In accordance with Luxembourg company law, the Company is required to transfer a minimum of 5% of its net profit for each financial year to a legal reserve. This requirement ceases to be necessary once the balance on the legal reserve reaches 10% of the issued share capital. The legal reserve is not available for distribution to the shareholders.

6.4. Reserve for own shares

As at December 31, 2015, there was a "Reserve for own shares" for an amount of USD 2,075,209.01, with 169,806 shares held by the Company.

As at December 31, 2016, the Company holds 142,857 of its own shares for a book value of USD 1,745,863.52 (see note 5.1).

7. Creditors

7.1. trade creditors

7.1.1. becoming due and payable within one year

This item is composed of:

	2016 USD	2015 USD
- running expenses linked to the day to day activity	94.60	19.54
- accrual for audit fees	64,653.92	70,614.02
- accrual for tax fees	1,849.10	-
- accrual for legal fees	33,659.31	84,718.60
- accrual for other fees	36,000.00	114,027.44
- accrual for accounting fees	10,783.63	-
	147,040.56	**269,379.60**

7.2. Amounts owed to affiliated undertakings

7.2.1. becoming due and payable within one year

This item is composed of amounts granted by companies of the group for a total amount of USD 274,003.45.

7.2.2. becoming due and payable after more than one year

The interest bearing loans as well as the accrued interests have been repaid during the year.

7.3. Other creditors

7.3.1. becoming due and payable within one year

This item is composed of:

	2016 USD	2015 USD
- director fees	60,000.09	40,000.00
- payable in relation with the acquisition of Spitz interest	-	325,000.00
- payable in relation with the acquisition of Huddle Investment LLP	-	186,875.00
- payable in relation with the share-based compensation plan	4,643.72	-
- other payables	1,066.59	9,987.31
	65,710.40	**561,862.31**

7.3.2. becoming due and payable after more than one year

This item is composed of (i) a debt payable in relation with the acquisition of Huddle Investment LLP for an amount of USD 115,000.00 and (ii) a payable to the shareholders of the Company for an amount of USD 2,500.00.

8. Raw materials and consumables and other external expenses

8.1. other external expenses

This item is composed of:

	2016 USD	2015 USD
- bank fees	-8,096.38	-10,902.76
- legal fees	-246,410.05	-106,069.15
- recurrent accounting fees	-62,060.60	-29,506.68
- non recurrent accounting fees	-	-4,748.70
- auditor fees	-89,879.76	-46,300.00
- fiscal fees	-1,849.10	-
- rental offices	-38,041.25	-7,270.50
- management fees	-	-5,507.32
- subscription to “Chambre de Commerce”	-387.52	-388.36
- insurance fees	-315,403.05	-277,690.00
- other fees	-228,603.76	-
- legal and accounting fees related to the IPO	-	-1,084,781.00
	-990,731.47	**-1,573,164.47**

9. Other operating expenses

This item is mainly composed of the director fees paid to some directors of the Company for a total net amount of USD 230,000.09 (2015: USD 168,276.24).

10. Other interest receivable and similar income

10.1. derived from affiliated undertakings

This item is composed of interest income amounting to USD 40,848.34 (as described in note 4.1.2).

10.2. other interest and similar income

This item is composed of realised exchange gains for an amount of USD 15,744.48.

11. Interest payable and similar expenses

11.1. concerning affiliated undertakings

This item is composed of interest expenses related to the interest bearing loans for an amount of USD 67,367.00 (as described in note 7.2.2).

11.2. other interest and similar expenses

This item is composed of realised and unrealised exchange losses for an amount of USD 102,960.94.

12. Tax status

The Company is subject in Luxembourg to the applicable general tax regulations.

13. Share-based compensation plan

Share-based compensation expense for awards of equity instruments to employees and non-employee directors is determined based on the grant-date fair value of the awards. Fair value is calculated using Black & Scholes model.

The 2012 share-based compensation agreement was signed by the employees on June 30, 2012. Under this share-based compensation plan, during the year 2014, other share-based compensation agreements were signed for a total of 55,260 options granted.

Each employee share option converts into one ordinary share of the Company on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry (seven years after the effective date).

All options vested on the date of modification of the plan or all other non-vested options expire within seven years after the effective date or seven years after the period of vesting finalizes.

In July 2014, the Company adopted a new Equity Incentive Program, the 2014 Plan.

Pursuant to this plan, on July 18, 2014, the first trading day of the Company common shares on the NYSE, the Company made the annual grants for 2014 Plan to certain of the executive officers and other employees. The grants included 589,000 share options with a vesting period of 4 years, becoming exercisable a 25% of the options on each anniversary of the grant date through the fourth anniversary of the grant. Share-based compensation expense for awards of equity instruments is determined based on the fair value of the awards at the grant date.

Each employee share option converts into one ordinary share of the Company on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry (ten years after the effective date).

Under this share-based compensation plan, during the year 2016 and 2015, other share-based compensation agreements were signed for a total of 1,003,250 and 789,948 options granted, respectively.

The following reconciles the share options outstanding from the beginning of the years ended at December 31, 2016 and 2015:

	As of December 31, 2016		As of December 31, 2015	
	Number of options	**Weighted average exercise**	**Number of options**	**Weighted average exercise**
Balance at the beginning of year	1,933,239	15.40	1,724,614	5.92
Options granted during the year	1,003,250	31.89	789,948	28.29
Forfeited during the year	(33,979)	25.75	(35,674)	15.49
Exercised during the year	(243,915)	7.64	(545,649)	4.10
Balance at end of year	**2,658,595**	**22.21**	**1,933,239**	**15.40**

The following table summarizes the share-based compensation plan at the end of the year:

Grant date	Excercise price ($)	Number of stock options	Number of stock options vested as of December 31	Fair value at grant date ($)	Fair value vested ($)	Expense as of December 31, 2016 ($) (*) (**)
2006	0.95	15,603	15,603	85	85	—
2007	0.71	200,000	200,000	1,135	1,135	—
	1.40	1,416	1,416	7	7	61
2010	2.48	4,720	4,720	19	19	10
	2.93	—	—	—	—	—
	3.38	55,332	55,332	183	183	104
2011	2.71	32,225	32,225	125	125	393
2012	6.77	1,651	1,651	3	3	16
	7.04	3,991	3,991	6	6	101
2013	12.22	24,999	24,999	65	65	10
	14.40	2,395	2,395	4	4	1
2014	10.00	501,434	225,191	1,668	749	616
	13.20	6,569	1,423	13	3	25
2015	22.77	30,000	10,000	221	74	75
	28.31	636,035	136,163	4,408	944	1,211
	29.34	32,295	21,446	218	145	79
	34.20	18,000	4,500	155	39	39
2016	29.01	260,000	—	1,793	—	381
	32.36	646,250	—	5,235	—	14
	35.39	70,000	—	607	—	13
Subtotal		**2,542,915**	**741,055**	**15,950**	**3,586**	**3,149**
Non employees stock options						
2012	6.77	22,170	22,170	35	35	—
2013	12.22	22,170	22,170	52	52	—
2014	10.00	44,340	44,340	87	87	16
2016	39.37	27,000	—	248	—	21
Subtotal		**115,680**	**88,680**	**422**	**174**	**37**
Total		**2,658,595**	**829,735**	**16,372**	**3,760**	**3,186**

Share options exercised during the year:

	As of December 31, 2016		As of December 31, 2015	
	Number of options exercised	Exercise price	Number of options exercised	Exercise price
Granted in 2006	3,196	0.95	15,040	0.95
Granted in 2007	36,538	0.71	104,996	0.71
Granted in 2007	6,321	1.40	8,811	1.40
Granted in 2009	—	—	19,501	2.08
Granted in 2010			11,085	2.26
Granted in 2010	3,295	2.48	6,689	2.48
Granted in 2010	1,402	2.93	18,108	2.93
Granted in 2010	39,142	3.38	59,460	3.38
Granted in 2011	60,000	2.71	69,548	2.71
Granted in 2011	—	—	17,293	3.38
Granted in 2012	2,000	6.77	113,851	6.77
Granted in 2012	13,191	7.04	74,492	7.04
Granted in 2012	—	—	14,341	9.02
Granted in 2014	42,645	10.00	11,610	10.00
Granted in 2014	2,901	13.20	824	13.20
Granted in 2015	30,465	28.31	—	—
Granted in 2015	2,819	29.34	—	—
Balance at end of the year	**243,915**		**545,649**	

The average market price of the share amounted to 36.77 and 26.78 for year 2016 and 2015, respectively.

14. Second public offering

On July 8, 2015 the Company successfully completed a new secondary public offering. Registration statement relating to the offering became effective on July 8, 2015. On July 9, 2015, the underwriters announced a new secondary public offering of 3,500,000 common shares exercised in full their option to purchase additional 525,000 common shares from certain of the selling shareholders to cover over-allotments as provided in the underwriting agreement among the Company, the selling shareholders and the underwriters. Including the additional shares, a total of 4,025,000 common shares were sold in the offering. The common shares were sold to the public at a price of 28.31 per share. The Company did not receive any proceeds from the sale of common shares by the selling shareholders.

On August 2, 2016, the Company applied to the Luxembourg Stock Exchange for listing on the Official List of the Luxembourg Stock Exchange and for the admission to trading on its regulated market of 34,594,324 existing common shares, issued in registered form, with a nominal value of US$ 1.20 each, representing the entire share capital of the Company at that moment.

On August 11, 2016, the Company applied to the Luxembourg Financial Sector Supervisory Authority (Commission de Surveillance du Secteur Financier) (the “CSSF”) in its capacity as competent authority, for the approval of the Company's prospectus, which was approved by the CSSF on August 11, 2016.

Trading of the Shares on the regulated market of the Luxembourg Stock Exchange commenced on or about August 12, 2016.

15. Subsequent Events

On January 17, 2017, the Company subscribed to an increase of the share capital of Globant Spain for an amount of three million five hundred thousand US dollars (USD 3,500,000.00).