



GW PHARMACEUTICALS PLC
(the “Company”)

*(Incorporated and registered in England and Wales
under the Companies Acts 1985 and 2006 with registered number 04160917)*

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action to be taken, please seek your own financial advice from your stockbroker, solicitor, accountant or other appropriately authorised independent financial adviser.

If you have sold or transferred all of your holding of ordinary shares in GW Pharmaceuticals plc (the “Company”), you should hand this document and all accompanying documents to the purchaser or transferee of those shares, or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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29 April 2019

Dear Shareholder

2019 Annual General Meeting of GW Pharmaceuticals plc

This year, our AGM will be held at Chandos House, 2 Queen Anne Street, London W1G 9LQ on 13 June 2019 at 10.00am. The formal notice of AGM is set out in pages 8 to 10 of this document and contains the proposed resolutions ("Notice of AGM").

Action to be taken

If you are a holder of ordinary shares in the Company and are planning to attend the AGM in person (or by way of corporate representative), it would be helpful if you could inform Pam Land on +44 (0)19 8061 0624 or Laura Fougman on +44 (0)20 7291 0555.

If you are unable to attend the AGM, you can still vote on the Resolutions by appointing a proxy. A form of proxy for use at the AGM is enclosed. You are advised to complete and return the form of proxy in accordance with the instructions printed on it and so as to arrive at the Company's registrar, Link Asset Services, PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF, England as soon as possible but in any event by no later than 10:00 a.m. London time (5:00 a.m. New York City time) on Tuesday, June 11, 2019.

Recommendation

You will find on pages 2 to 7 of this document an explanatory note in relation to each of the various resolutions which are set out in the Notice of AGM. Your Directors consider that each Resolution is in the best interests of the Company and its shareholders as a whole and is likely to promote the success of the Company. Accordingly, your Directors unanimously recommend that you vote in favour of the Resolutions as each of the Directors with personal holdings of shares in the Company intends to do in respect of their own beneficial holdings of shares.

Thank you for your ongoing support of GW Pharmaceuticals and I look forward to seeing you at the Annual General Meeting.

Yours sincerely



Dr Geoffrey W Guy
Chairman

ORDINARY BUSINESS

Proposal 1–Re-election of James Noble to the Board of Directors

Mr. James Noble is currently a member of our Board of Directors and has been nominated for re-election as a director. If elected, he will hold office from the date of his election until the next occasion on which he must retire by rotation under the Articles and offer himself for re-election, or until his earlier death, resignation or removal. Mr. Noble has agreed to serve if elected, and we have no reason to believe that he will be unable to serve.

Mr. Noble, 60, has served as a non-executive Director since January 2007. Mr. Noble has extensive experience in the biotech industry. He has served as chief executive officer and a director of Adaptimmune Therapeutics plc, a Nasdaq-listed company (ADAP) involved in T-cell therapeutics, since 2008. Mr. Noble was previously chief executive officer of Avidex Limited, a private biotech company. Mr. Noble was chief executive officer of Immunocore Limited from July 2008 until March 2014, and served as a non-executive director of Immunocore Limited until July 2015. Mr. Noble qualified as a chartered accountant with PricewaterhouseCoopers in 1983 and then spent seven years at investment bank Kleinwort Benson Limited, where he became a director in 1990. He then joined British Biotech plc as chief financial officer and secured the company's initial public offering on Nasdaq and London Stock Exchange in 1992. From 1997 to 2001, he held numerous non-executive director positions, including at PowderJect Pharmaceuticals plc, Oxford GlycoSciences plc, MediGene AG, and Advanced Medical Solutions plc. Mr. Noble graduated from Oxford in 1980 and received a MA degree in Modern Languages from Oxford University.

Based on Mr. Noble's global business management and pharmaceutical expertise from his directorship experience in international public companies as well as his executive roles in various pharmaceutical companies, the Nominations and Governance Committee concluded that Mr. Noble is qualified to serve on our Board of Directors.

The Board of Directors recommends a vote for the re-election of James Noble to the Board of Directors.

Proposal 2–Re-election of Thomas Lynch to the Board of Directors

Mr. Thomas Lynch, 62, is currently a member of our Board of Directors and has been nominated for re-election as a director. If elected, he will hold office from the date of his election until the next occasion on which he must retire by rotation under the Articles and offer himself for re-election, or until his earlier death, resignation or removal. Mr. Lynch has agreed to serve if elected, and we have no reason to believe that he will be unable to serve.

Thomas Lynch has served as a non-executive Director since 2010. Mr. Lynch is currently a director of Profectus Biosciences Inc., Adherium Inc. and Aerogen Limited, and has, since November 2015, served as chairman of the board of Evofem Biosciences Inc., a Nasdaq-listed biopharmaceutical company (EVM). He is also chairman of the Ireland East Hospital Group and the Mater Misericordiae University Hospital. Mr. Lynch serves on the board of directors of a number of other privately held biotechnology companies. Mr. Lynch previously served as chairman of Icon plc and was a member of its board of directors for 22 years. Mr. Lynch has also worked in a variety of capacities in Amarin Corporation plc, Elan Corporation plc and Warner Chilcott plc. From 2001 to 2010, Mr. Lynch was a member of the board of directors of IDA Ireland, an Irish government investment agency. Mr. Lynch qualified as a chartered accountant with KPMG in 1983 and served as a partner in that firm from 1990 to 1993.

Based on Mr. Lynch's decades of pharmaceutical expertise from his directorship experience in international public companies as well as his executive and non-executive roles in various pharmaceutical companies, the Nominations and Governance Committee concluded that Mr. Lynch is qualified to serve on our Board of Directors.

The Board of Directors recommends a vote for the re-election of Thomas Lynch to the Board of Directors.

Proposal 3–Approval of our U.K. Statutory Directors' annual report on remuneration

The U.K. Companies Act 2006 (the "CA 2006") requires that the annual report on directors' remuneration, contained within the 2018 U.K. Annual Report, be subject to an annual advisory vote so that shareholders vote, by ordinary resolution, to approve directors' remuneration in the relevant financial year and how the remuneration policy will be implemented in the following financial year.

The full text of the Company's remuneration report is contained on pages 15 to 33 of the 2018 U.K. Annual Report. The remuneration report sets out the Company's policy towards, and gives details of, Directors' remuneration and other relevant information. Shareholder approval of the Directors' Remuneration Policy is the subject of Proposal No. 5.

The directors' remuneration report includes the annual report on remuneration. This document describes in detail our remuneration policies and procedures and explains how these policies and procedures help to achieve our compensation objectives with regard to our directors and the retention of high-quality directors. Our Board of Directors and the Remuneration Committee believe that the policies and procedures as articulated in the directors' remuneration report are effective and that as a result of these policies and procedures, we have and will continue to have high-quality directors. Our Board of Directors has approved and signed the report in accordance with English law.

At the Meeting, the shareholders will vote on the annual report on remuneration. This vote is advisory and non-binding. Although non-binding, our Board of Directors and Remuneration Committee will review and consider the voting results when making future decisions regarding our director remuneration programme.

Following the Meeting, and as required under English law, the directors' annual report on remuneration will be delivered to the U.K. Registrar of Companies.

The Board of Directors recommends you vote for approval of our U.K. Statutory Directors' annual report on remuneration set forth in pages 15 to 33 of the 2018 U.K. Annual Report.

Proposal 4—Advisory (non-binding) vote to approve the Company's executive compensation

The Dodd-Frank Wall Street Reform and Consumer Protection Act, as amended, and Section 14A of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), enable our shareholders to approve, on an advisory, non-binding basis, the compensation of our named executive officers as disclosed under the "Compensation Discussion and Analysis" section, the 2018 Summary Compensation Table and the related compensation tables, notes, and narrative.

This Proposal, known as a "Say-on-Pay" Proposal, gives our shareholders the opportunity to express their views on our named executive officers' compensation as a whole. This vote is not intended to address any specific item of compensation or any specific named executive officer, but rather the overall compensation of all of our named executive officers and the philosophy, policies and practice.

Our compensation programmes are designed to support our business goals and promote our long-term profitable growth. Our equity plans are intended to align compensation with the long-term interests of our shareholders. We urge shareholders to read the "Compensation Discussion and Analysis", which describes in more detail how our executive compensation policies and procedures operate and are designed to achieve our compensation objectives. We also encourage you to review the 2018 Summary Compensation Table and other related compensation tables and narratives, which provide detailed information on the compensation of our named executive officers. Our Board of Directors and the Remuneration Committee believe that the policies and procedures described and explained in the "Compensation Discussion and Analysis" are effective in achieving our goals.

The vote under this Proposal No. 4 is advisory, and therefore not binding on the Company, the Board of Directors or our Remuneration Committee. However, our Board of Directors and Remuneration Committee value the opinions of our shareholders and will review and consider the voting results when making future decisions regarding our executive compensation programme.

Shareholders will be asked at the Meeting to approve the following resolution pursuant to this Proposal No. 4: "RESOLVED, that the shareholders of the Company approve, on a non-binding, advisory basis, the compensation of the Company's "named executive officers," as disclosed under the "Compensation Discussion and Analysis" section, the compensation tables and the narrative disclosures that accompany the compensation tables, for the 15-month period ended December 31, 2018."

The Board of Directors recommends you vote for approval of the compensation of our named executive officers.

Proposal 5—Approve Directors' Remuneration Policy on pages 27 and 31 of the 2018 U.K. Annual Report

In accordance with the requirements of the CA 2006, as a U.K. resident company listed on a recognised stock exchange (Nasdaq), we are required to establish a Directors' Remuneration Policy, containing a framework of limits within which the Remuneration Committee are authorised by shareholders to operate. The approved pay policy has to be annually disclosed within the remuneration report contained within the 2018 U.K. Annual Report, and this policy is required to be approved by shareholders at least every three years by the passing of an ordinary resolution at the annual general meeting.

Our Directors' Remuneration Policy was originally established and approved by shareholders at the annual general meeting on March 14, 2015. Minor amendments to this policy were approved by shareholders at the annual general meeting on March 14, 2018. The Remuneration Committee has suggested minor amendments to the policy, and approval for the updated policy is now sought.

Highlights of our shareholder-approved remuneration policy include the following, all of which are explained in more detail in the Company's remuneration report contained on pages 15 to 33 of the 2018 U.K. Annual Report.

- A meaningful portion of our executive directors' compensation is linked to Company performance, consisting of annual short-term incentive awards and long-term equity incentive awards, which encourage achievement of strategy and align executive directors' interests with those of our shareholders.
- The Remuneration Committee engages an outside compensation consultant to provide independent and objective advice to the Remuneration Committee regarding compensation decisions for our directors, and reviews market and peer company practices when making compensation decisions.
- Our executive directors' short-term incentive awards are based on performance objectives linked to key milestones/metrics aimed at achieving our strategic plan and capped at a maximum of 150% of salary.
- Long-term incentive awards to executive directors generally vest over periods of three or more years and include awards that vest only upon pre-set milestone-based events directly linked to key business value drivers creating alignment with shareholders' interests.
- We impose a limit on the long-term incentive awards that may be granted to any individual executive director in any one calendar year at 600% of salary.
- Contracts with executive directors provide for a maximum of 12 months' notice in the event of termination of employment, and contracts with non-executive directors provide for a maximum of three months' notice. This notice period arises from legacy UK employment contracts and is consistent with common market practice in the United Kingdom.
- We maintain a "clawback" policy for the recovery of cash short-term incentive awards and equity-based long-term incentive awards that are awarded and/or vest based upon achievement of specific financial or operational goals.
- We have adopted an equity retention policy, under which executive directors are required to retain a proportion of each equity grant for five years from vesting of the award until an overall level of share ownership is achieved, which is four times the basic salary for our Chief Executive Officer and two times the basic salary for our other executive directors.

- We do not provide pension benefits or equity that vests based on achievement of financial or operational performance goals to our non-executive directors.

The changes to the policy which are being proposed by the Remuneration Committee are disclosed within the pay policy table set out on pages 28 to 29 of the 2018 U.K. Annual Report. All of the key limits, as summarised above, remain unchanged. The proposed change to the policy is to grant long-term incentive awards up to the 75th percentile of peer group data, in any one year. The Remuneration Committee believes that this level of limit provides an appropriate cap on future incentives while ensuring that the Committee has sufficient flexibility to grant future awards.

The Board of Directors recommends you vote for approval of our Directors' Remuneration Policy on pages 27 and 31 of the 2018 U.K. Annual Report.

Proposal 6–Advisory vote on the frequency of future votes on executive compensation

The Dodd-Frank Wall Street Reform and Consumer Protection Act, as amended, enables our shareholders to indicate, at least once every six years, how frequently we should seek a non-binding vote on the compensation of our named executive officers, as disclosed pursuant to the SEC's compensation disclosure rules. By voting on this Proposal No. 6, shareholders may indicate whether they would prefer a non-binding vote on named executive officer compensation once every one, two, or three years.

Our Board of Directors believes that it is appropriate to give our shareholders the opportunity to provide regular input on our executive compensation programme through an advisory vote. Accordingly, our Board of Directors recommends that you vote to hold an advisory vote on executive compensation every year.

We understand that our shareholders may have different views as to what is the best approach for the Company, and we look forward to hearing from our shareholders on this Proposal.

You may cast your vote on your preferred voting frequency by choosing the option of one year, two years, three years, or abstain from voting when you vote in response to the resolution set forth below:

"RESOLVED, that the shareholders determine, on a non-binding, advisory basis, that the preferred frequency of future shareholder advisory votes on the compensation of the Company's named executive officers as disclosed pursuant to the compensation disclosure rules of the Securities and Exchange Commission, including the Compensation Discussion and Analysis, the compensation tables, and the other related disclosure, is 'ONE YEAR'."

The option of one year, two years, or three years that receives the highest number of votes cast by shareholders will be the frequency for the advisory vote on executive compensation that has been selected by shareholders. However, because this vote is advisory and not binding on the Company, our Remuneration Committee, or our Board of Directors, in any way, we may decide that it is in the best interests of our shareholders and the Company to hold an advisory vote on executive compensation more or less frequently than the vote frequency approved by our shareholders.

The Board of Directors recommends you vote for the proposal that the advisory vote on compensation paid to our named executive officers occur annually.

Proposal 7–Ratification of the appointment of Deloitte & Touche LLP as our U.S. independent registered public accounting firm for the fiscal year ending December 31, 2019

Proposal No. 7 seeks ratification of the appointment of Deloitte & Touche LLP ("Deloitte U.S.") to serve as our U.S. independent registered public accounting firm for the fiscal year ending December 31, 2019.

BACKGROUND TO PROPOSAL NO. 7

Our Audit Committee has selected Deloitte U.S. as our U.S. independent registered public accounting firm for the fiscal year ending December 31, 2019, and has further directed that we submit the selection of Deloitte U.S. for approval by our shareholders at the Meeting.

The Audit Committee approves Deloitte U.S.'s and its affiliates' audit and non-audit services in advance as required under Sarbanes-Oxley and SEC rules. Before the commencement of each fiscal year, the Audit Committee appoints the independent auditor to perform audit services that we expect to be performed for the fiscal year and appoints the auditor to perform audit-related, tax and other permitted non-audit services. In addition, our Audit Committee approves the terms of the engagement letter to be entered into by us with the independent auditor. The Audit Committee has also delegated to its chairman the authority, from time to time, to pre-approve audit-related and non-audit services not prohibited by law to be performed by our independent auditors and associated fees, provided that the chairman shall report any decisions to pre-approve such audit-related and non-audit services and fees to our full Audit Committee at its next regular meeting.

Deloitte U.S. commenced auditing our annual financial statements with the fiscal year 2018. In prior periods, when the Company reported as a foreign private issuer, Deloitte LLP ("Deloitte U.K.") served as principal auditor for the Company's consolidated financial statements as reported on Form 20-F. Deloitte U.K. also served as the Company's principal auditor for the audits of the consolidated financial statements for the years ended September 30, 2017 and 2016, prepared under accounting principles generally accepted in the United States of America.

The Board of Directors recommends a vote for the ratification of the appointment of Deloitte & Touche LLP as our U.S. independent registered public accounting firm for the fiscal year ending December 31, 2019.

Proposal 8—Re-appointment of Deloitte LLP as our U.K. statutory auditors, to hold office until the conclusion of the next annual general meeting of shareholders

Proposal No. 8 seeks your approval of the re-appointment of Deloitte LLP (“Deloitte U.K.”) to serve as our U.K. statutory auditor, to hold office until the conclusion of the next annual general meeting of shareholders. In the event this Proposal does not receive the affirmative vote of the holders of a majority of the shares entitled to vote and who are present in person or represented by proxy at the Meeting, the Board of Directors may appoint an auditor to fill the vacancy.

The Board of Directors recommends a vote for the re-appointment of Deloitte LLP as our U.K. statutory auditors, to hold office until the conclusion of the next annual general meeting of shareholders.

Proposal 9—Authorisation for the Audit Committee to determine the auditors’ remuneration for the fiscal year ending December 31, 2019

Proposal No. 9 authorises the Audit Committee to determine our auditors’ remuneration for the fiscal year ending December 31, 2019. Fees for Deloitte U.S. and Deloitte U.K., our U.S. independent registered public accounting firm and U.K. statutory auditors, in respect of the Transition Period and the years ended September 30, 2018 and September 30, 2017, are set forth in Proposal No. 7 above.

The Board of Directors recommends a vote for the authorisation of our Audit Committee to determine our Auditors’ remuneration for the fiscal year ending December 31, 2019.

Proposal 10—Resolution to receive and adopt the Company’s 2018 U.K. Annual Report

The CA 2006 requires the directors of a public company to lay before the company in general meeting copies of the directors’ reports, the independent auditors’ report and the audited financial statements of the company in respect of each financial year.

At the Meeting, our Board of Directors will present our 2018 U.K. Annual Report, which includes the audited portion of the directors’ annual report on remuneration. We will provide our shareholders with an opportunity to receive our 2018 U.K. Annual Report and to raise questions in relation to them.

In accordance with best practice, the Company proposes an ordinary resolution to receive, consider and adopt the 2018 U.K. Annual Report.

The 2018 U.K. Annual Report may be found in the “Investor Relations” section of the Company website at ir.gwpharm.com.

The Board of Directors recommends a vote for the resolution to receive and adopt the Company’s 2018 U.K. Annual Report.

BACKGROUND TO PROPOSALS 11 AND 12

As a matter of U.K. company law, directors of a company incorporated in England must have authority from shareholders to allot or grant rights to subscribe for, or to convert any security into, the company’s shares.

In addition, when an allotment of shares is for cash, the company must first offer those shares on the same terms to existing shareholders of the company on a pro-rata basis (commonly referred to as statutory pre-emption rights) unless these statutory pre-emption rights are dis-applied, by approval of the shareholders.

Proposals No. 11 and 12, which we refer to as our Share Issuance Proposals, ask our shareholders for authority for the directors to allot shares or grant rights over shares up to an aggregate nominal amount of £123,000 and the power for the directors to allot shares or grant rights over shares for cash up to an aggregate nominal amount of £73,750 on a non-preemptive basis. This authority and power would last for a period of one year.

Many of the companies with which we compete strategically are listed and incorporated in the United States, and are not subject to similar share issuance restrictions. We are asking you to approve our Share Issuance Proposals to allow us to continue to execute on our business and growth strategy in a timely and competitive manner.

We have no immediate plans, arrangements or understandings with respect to any share issuances pursuant to our Share Issuance Proposals.

While we would still have the ability to seek shareholder approval in connection with a specific issuance of shares, should our shareholders not approve Proposals No. 11 and 12, we do not believe that our ability to convene a general meeting of shareholders to approve each specific share issuance that we might seek to undertake in furtherance of future strategic transactions is a workable alternative to obtaining approval of Proposals No. 11 and 12. The uncertainty as to whether we could obtain shareholder approval for a specific issuance, as well as the delays we would experience in seeking and obtaining such approval, could be harmful to the terms of such a share issuance. In addition, the case-by-case approval approach ignores market windows and other deal timing and competitive realities.

Specifically, the requirement to first offer shares that we propose to issue for cash to all of our existing shareholders in time-consuming pro-rata rights offerings would considerably reduce the speed at which we could complete capital-raising activities undertaken in furtherance of our growth strategy, would increase our costs, might otherwise make it difficult for us to complete such transactions, and could put us at a distinct competitive disadvantage.

We believe that we have been successful in executing on our long-term business plan and growth strategy, while also creating value for our shareholders. Access to capital and the ability to raise new equity shareholder funds at short notice have been an important factor that has contributed to this success. In practice, offering shares to existing shareholders in accordance with U.K. statutory pre-emption rights can be time-consuming, so U.K. market practice for companies whose share capital is listed on the London Stock Exchange is annually to seek a shareholder resolution waiving or dis-applying pre-emption rights over new share issuances for cash, up to an agreed limit. For U.K. companies, this annual limit is often up to 5% of issued share capital on an unrestricted basis and an additional 5% in connection with an acquisition or specified capital investment, irrespective of the cash flows and funding needs of the business. For this reason, this proposal may attract a negative voting recommendation from certain proxy advisory firms. However, we have established a track record over the last six years of having secured shareholder support for an annual resolution dis-applying pre-emption rights over the equivalent of approximately 20% of our issued share capital. This recognizes the fact that as a development stage business, we have needed access to equity capital to ensure that we can maintain the business appropriately capitalized to enable us to pursue our research and development strategy. This year, having initiated the process of commercializing Epidiolex, we anticipate that future revenues will generate cash inflows that will help to moderate our future new equity capital needs, but we need to ensure that we retain the ability to raise equity capital at reasonably short notice if the need to do so should arise. We propose to seek a one-year authority to allot shares or grant rights over shares over the equivalent of 33% of our current issued share capital and under this authority to seek the power to allot shares or grant rights over shares for cash on a non-preemptive basis over the equivalent of 20% of our current issued share capital. This power to allot or grant rights over shares for cash is intended to encompass both future fundraisings (whether for capital investments, acquisitions or otherwise) and grants of rights in connection with our share incentive schemes. In the event that we wish to exceed the 20% limit in the next year, we would need to revert to shareholders to seek their pre-approval.

The Share Issuance Proposals are fully compliant with U.K. company law, consistent with U.S. capital markets practice and governance standards, and, if approved, will keep us on an equal footing with our peer companies who are incorporated and listed in the United States; we believe that the Share Issuance Proposals are appropriate to the needs of the Company and in the interests of shareholders. We are therefore asking you to approve the Share Issuance Proposals to allow us to continue to execute on our business and growth strategy in a timely and competitive manner.

Shareholder Outreach

A priority for our Board of Directors is listening to the views of our shareholders on a variety of topics, including our business and growth strategy and corporate governance practices. This year, we have solicited the views of a number of our major institutional investors. These discussions have been informative, and have helped ensure that the proposals are designed with shareholder interests in mind. During these discussions, our shareholders have generally been very supportive of our business and growth strategy. In discussions about the share issuance authorities that we must obtain as a matter of U.K. company law, shareholders have generally understood that renewal of our share issuance authorities is necessary to enable us to continue to execute our business and growth strategy in a timely and competitive manner.

Summary

The Share Issuance Proposals, if approved, will allow our Board of Directors continued flexibility to issue shares subject to shareholder approval and other requirements of Nasdaq Stock Market and the Securities and Exchange Commission. The renewal of the share issuance authorities, as proposed:

- will not exempt us from any Nasdaq corporate governance or other requirements, including those limiting the issuance of shares;
- will keep us on an equal footing with our peer companies who are incorporated and listed in the United States, while also fully complying with U.K. law; and
- is fully consistent with U.S. capital markets practice and governance standards.

The full details of the Share Issuance Proposals are set forth below.

Proposal 11—Authorisation of allotment of shares

Under U.K. company law, the Directors cannot allot shares in the Company, or grant rights to subscribe for, or to convert any security into shares in the Company, unless they are authorised to do so by shareholders in general meeting.

The Directors currently have an existing authority to allot shares in the Company and to grant rights to subscribe for or convert any securities into shares in the Company. This authority was given to the Directors at the last annual general meeting held in March 2018 and was in respect of shares with a nominal value of up to £101,000, representing at that time approximately 33% of the then issued share capital of the Company. This authority is due to expire at the forthcoming AGM on June 13, 2019. Since this authority was granted, the Company has completed, in October 2018, a single equity fundraising resulting in the issuance of 26.2 million new ordinary shares and raising net new equity proceeds of \$324.6 million, and has issued 3.7 million new ordinary shares pursuant to the exercise of share options by Company employees. The Directors believe that it is vitally important that they retain the flexibility needed to fund the business for the foreseeable future, as we may need to raise new equity funds to ensure the financial health of the business, invest in commercialisation infrastructure for Epidiolex, initially in the United States and Europe, and retain the ability to invest in the research and development of additional product candidates to further grow the business and create further value for shareholders. We therefore propose the grant of a new one-year authority, over the equivalent of 33% of the current issued share capital, at the forthcoming AGM.

Proposal No. 11 proposes that the Directors be generally and unconditionally authorised, in accordance with Section 551 of CA 2006, to exercise all the powers of the Company to allot shares in the Company or grant rights to subscribe for, or convert any security into, shares in the Company, up to a maximum nominal amount of £123,000.

This authority shall expire (unless previously revoked or varied by the Company in general meeting) at the conclusion of the 2020 annual general meeting of the Company or, if earlier, on June 13, 2020.

The Company may, before this authority expires, make an offer or agreement which would or might require shares to be allotted or rights to be granted after it expires, and the directors may allot shares or grant rights in pursuance of such offer or agreement as if this authority had not expired.

The existing authority conferred on directors under Section 551 of the CA 2006 at the annual general meeting held on March 14, 2018 shall cease to have effect but without prejudice to any allotment of shares or grant of rights over shares already made or offered or agreed to be made pursuant to such authority.

The grant of this authority will not exempt the Company from applicable Nasdaq requirements to obtain shareholder approval prior to certain share issuances or to comply with applicable Securities and Exchange Commission disclosure and other regulations. Our Board of Directors will continue to focus on and satisfy its fiduciary duties to our shareholders with respect to share issuances.

The Directors have no present intention of exercising this authority, but believe it is in the interests of shareholders for the Directors to have this flexibility to allot shares should circumstances and their intentions change.

The Board of Directors recommends a vote for the approval of proposal No. 11.

Proposal 12–Disapplication of pre-emption rights

As a U.K.-incorporated company, the Company's ordinary shareholders are entitled, under Section 561 of the CA 2006 to pre-emption rights, whereby, in the event that the Company wishes to allot new equity securities for cash, those securities must first be offered to existing shareholders in proportion to the number of ordinary shares they each hold before they can be offered to new shareholders.

In practice, the operation of such pre-emption rights can be time-consuming and result in additional expense to the cost of an equity fundraising. It has therefore been customary each year for the Board of Directors to seek authority from our shareholders to dis-apply statutory pre-emption rights for cash issues of up to a certain proportion of the Company's issued share capital. For each of the past six years, GW's shareholders have approved an annual disapplication of pre-emption rights over the equivalent of approximately 20% of the Company's issued share capital.

With the Company solely listed on Nasdaq, and the Company's peers, key shareholders and primary target market being the United States, the Board of Directors is also mindful of the fact that pre-emption rights do not hinder equivalent U.S. companies from being able to execute equity fundraising. In the last few years, GW has successfully raised capital from investors in a rapid timeframe in order to develop Epidiolex and to continue to achieve significant value creation for shareholders. Prior to the commercial launch of Epidiolex, whilst we have no immediate plans to raise new equity, we need to maintain the ability to raise new equity funds to ensure the financial health of the business and to retain the ability to invest in further business growth.

Proposal No. 12 seeks the power for the Directors to allot equity securities or sell treasury shares in the capital of the Company pursuant to the authority conferred by Proposal No. 11 for cash without complying with the pre-emption rights in the CA 2006. The power will be limited to the allotment of equity securities and sales of treasury shares for cash up to a maximum aggregate nominal value of £73,750, being approximately 20% of the Company's issued ordinary share capital at April 15, 2019. The Board of Directors considers that, at this stage of the development of the Company, the ability to raise new equity funds at relatively short notice and at low cost is vital to the continuing financial health of the business. Access to capital has had a transformational effect on the business in the last five years enabling the Board of Directors to seize the opportunity to develop valuable medicines whilst retaining the full commercial rights to these products. We believe that it is in the best interests of the Company and our shareholders for the Board of Directors to seek to retain the ability to readily raise new equity funds at the appropriate time.

This Proposal will be required to be passed as a special resolution and, if passed, this power will expire at the same time as the authority conferred on the Directors under Proposal No. 11.

The Directors have no present intention of exercising this power, except in relation to the Company's share incentive schemes, but believe it is in the interests of shareholders for the Directors to have this flexibility to allot shares for cash otherwise than just in relation to the Company's share incentive schemes should circumstances and their intentions change.

If shareholders do not approve this Proposal No. 12, the Directors will generally not be able to issue any new shares for cash after June 13, 2019 on a non-preemptive basis, other than to employees pursuant to existing share option grants, without first seeking and obtaining shareholder approval for each such issuance by holding a general meeting. Case-by-case approval is considered to be an impractical approach which ignores market windows and other timing practicalities and could cause future uncertainty about our ability to obtain the shareholder approvals necessary to continue to maintain the financial health of the business and deploy capital appropriately to meet the strategic goals of the business that are in the best interests of shareholders.

The Board of Directors recommends a vote for the approval of proposal No. 12.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 2019 Annual General Meeting ("AGM") of the Company will be held at Chandos House, 2 Queen Anne Street, London W1G 9LQ on 13 June 2019 at 10.00am to transact the following business:

ORDINARY BUSINESS

- (1) To re-elect as a director, James Noble, who retires by rotation in accordance with the Articles of Association.
- (2) To re-elect as a director, Thomas Lynch, who retires by rotation in accordance with the Articles of Association.
- (3) To receive and approve the directors' remuneration report (excluding the directors' remuneration policy included on pages 27 to 31 of the directors' remuneration report) as set out on pages 15 to 33 of the Directors' and Auditors' Reports and the Statement of Accounts for the 15-month period ended December 31, 2018 (the "2018 U.K. Annual Report").
- (4) To approve, on a non-binding, advisory basis, the compensation of the Company's named executive officers, under the "Compensation Discussion and Analysis section, the compensation tables and the narrative disclosures that accompany the compensation tables, for the 15-month period ended December 31, 2018.
- (5) To approve the directors' remuneration policy on pages 27 to 31 of the 2018 U.K. Annual Report, which will take effect immediately after the AGM.
- (6) To determine, on a non-binding, advisory basis, that the preferred frequency of future shareholder advisory votes on the compensation of the Company's named executive officers as disclosed pursuant to the compensation disclosure rules of the Securities and Exchange Commission, including the Compensation Discussion and Analysis, the compensation tables, and the other related disclosure, is one year.
- (7) To ratify the Audit Committee's appointment of Deloitte & Touche LLP as the Company's U.S. independent registered public accounting firm for the fiscal year ending December 31, 2019.
- (8) To re-appoint Deloitte LLP as the Company's U.K. statutory auditors under the U.K. Companies Act 2006, to hold office until the conclusion of the next annual general meeting of shareholders.
- (9) To authorise the Audit Committee to determine remuneration of the Company's auditors for the fiscal year ending December 31, 2019.
- (10) To receive, consider and adopt the 2018 U.K. Annual Report and to note that the directors do not recommend the payment of any dividend for the 15-month period ended December 31, 2018.
- (11) To authorise the directors, generally and unconditionally for the purpose of s551 of the U.K. Companies Act 2006 to allot shares in the Company or to grant rights to subscribe for or to convert any security into shares in the Company ("Rights") up to a maximum aggregate nominal amount of £123,000, being approximately 33% of the Company's issued ordinary share capital at April 15, 2019, to such persons at such times and upon such conditions as the directors may determine (subject to the Company's articles of association). This authority shall expire on the earlier of June 13, 2020 and the conclusion of the annual general meeting of the Company to be held in 2020.

The Company may at any time before the expiration of this authority make an offer or agreement which would or might require shares to be allotted, or Rights to be granted, pursuant to this authority after its expiration, and the directors may allot shares or grant Rights in pursuance of that offer or agreement as if the authority conferred by this resolution had not expired.

The authority referred to in this resolution will replace the existing authority conferred on the directors under s551 of the U.K. Companies Act 2006 at the annual general meeting held on March 14, 2018, but without prejudice to any allotment of shares or grant of Rights already made or offered or agreed to be made pursuant to such authority.

The application of the authority in this resolution is to be interpreted in accordance with s549(2) and (3) and s559 of the U.K. Companies Act 2006.

SPECIAL BUSINESS

- (12) Subject to the passing of Resolution 11, to empower the directors generally pursuant to s570(1) of the U.K. Companies Act 2006 to allot equity securities (as defined in s560 of the U.K. Companies Act 2006) for cash pursuant to the general authority conferred on them by Resolution 11 as if s561(1) of the U.K. Companies Act 2006 did not apply to that allotment. This power:
 - (a) shall be limited to the allotment of equity securities for cash up to a maximum aggregate nominal value of £73,750, being approximately 20% of the Company's issued ordinary share capital at April 15, 2019;
 - (b) expires at the same time as the authority conferred by Resolution 11, but so that the Company may, before this power expires, make an offer or agreement which would or might require equity securities to be allotted or rights to be granted after it expires and the directors may allot equity securities in pursuance of such offer or agreement as if this power had not expired; and
 - (c) applies in relation to a sale of shares which is an allotment of equity securities by virtue of s560(3) of the U.K. Companies Act 2006 as if in the first paragraph of this resolution the words "pursuant to the general authority conferred on them by Resolution 11" were omitted.

For the purposes of this resolution, references to the allotment of equity securities shall be interpreted in accordance with s560 of the U.K. Companies Act 2006.

Proposals No. 1 through 11 will be proposed as ordinary resolutions and under English law, assuming that a quorum is present, an ordinary resolution is passed on a show of hands if it is approved by a simple majority (more than 50%) of the votes cast by shareholders present (in person or by proxy) at the meeting and entitled to vote. If a poll is demanded, an ordinary resolution is passed if it is approved by holders representing a simple majority of the total voting rights of shareholders present (in person or by proxy) who (being entitled to vote) vote on the resolution. Proposal 12 will be proposed as a special resolution. Special resolutions require the affirmative vote of not

less than 75% of the votes cast by shareholders present (in person or by proxy) at the meeting and entitled to vote. On a poll, a special resolution is passed if it is approved by holders representing at least 75% of the votes cast (in person or by proxy) at the meeting who (being entitled to vote) vote on the resolution.

The result of the shareholder votes on the ordinary resolutions in Proposals No. 3, 4, 6 and 10 regarding approval of our U.K. statutory directors' annual report on remuneration for the 15-month period ended December 31, 2018, approval of the compensation of our named executive officers for the 15-month period ended December 31, 2018, advisory votes on the preferred frequency of future votes on executive compensation and receipt of our 2018 U.K. Annual Report will not require our Board of Directors or any committee thereof to take any action. Our Board of Directors values the opinions of our shareholders as expressed through such votes and will carefully consider the outcome of the votes on Proposals No. 3, 4, 6 and 10.

The results of any polls taken on the resolutions at the AGM and any other information required by the U.K. Companies Act 2006 will be made available on our website (<http://www.gwpharm.com>) as soon as reasonably practicable following the AGM and for the required period thereafter.

BY ORDER OF THE BOARD



Adam George
Company Secretary

Registered Office

Sovereign House
Vision Park
Chivers Way
Histon
Cambridge CB24 9BZ
29 April 2019
Registered in England and
Wales Number: 04160917

Notes:-

- (1) Any member entitled to attend, speak and vote at the AGM may appoint one or more proxies to attend, speak and vote on his/her behalf. A proxy need not be a member of the Company but must attend the meeting. A member may appoint more than one proxy in relation to the AGM provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member. To appoint more than one proxy you should contact the Company's registrar, Link Asset Services, at the Address below.
- (2) Only those members registered in the register of members of the Company as at 6:30 p.m. London time (1:30 p.m. New York City time) on June 11, 2019 or, in the event that the meeting is adjourned, in such register not later than 48 hours before the time of the adjourned meeting, shall be entitled to attend, or vote (whether in person or by proxy) at the meeting in respect of the number of shares registered in their names at the relevant time.
- (3) A form of proxy has been provided for use by members. To be valid it should be completed, signed and delivered (together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority) to the Company's Registrars, Link Asset Services, PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF, not later than 48 hours (not including non-business days) before the time appointed for holding the AGM or any adjourned meeting or, in the case of a poll taken more than 48 hours after it is demanded, not less than 24 hours before the time appointed for the taking of the poll.
- (4) In the case of a corporation, the form of proxy must be executed under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation. A corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all its powers as a member provided that they do not do so in relation to the same shares.
- (5) In the case of joint holders, the vote of the senior who tenders a vote whether in person or by proxy will be accepted to the exclusion of the votes of any other joint holders. For these purposes, seniority shall be determined by the order in which the names stand in the Company's relevant register of members for the certificated or uncertificated shares of the Company (as the case may be) in respect of the joint holding.
- (6) CREST members who wish to appoint a proxy or proxies by using the CREST electronic proxy appointment service may do so for the AGM and any adjournments of it by utilizing the procedures described in the CREST Manual. The message (a CREST proxy instruction) must be properly authenticated in accordance with the specifications of Euroclear UK & Ireland Limited ("EUI") and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it relates to the appointment of a proxy or to an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the Company's registrar, Link Asset Services (ID RA10) not later than the time stated in Note (3) above. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Applications Host) from which the Company's registrar is able to retrieve the message by enquiry to CREST in the manner prescribed by EUI.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST proxy instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider, to procure that its CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a message is transmitted by any particular time. Reference should be made to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST proxy instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

- (7) The completion and return of a form of proxy will not preclude a member from attending in person at the meeting and voting should he/she wish to do so, but if a member appoints a proxy and attends the meeting in person, the proxy appointment will automatically be terminated. Further, the appointment under the form of proxy may be terminated by the member prior to the commencement of the meeting (or any adjournment of the meeting). To be valid, the notice of termination of the authority of the person appointed to act as proxy must be deposited at the offices of the Company's registrar, Link Asset Services, PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF, not less than 48 hours (not including non-business days) before the time fixed for the holding of the AGM or any adjournment thereof (as the case may be).
- (8) Under Section 527 of the U.K. Companies Act 2006 ("CA 2006"), members meeting the threshold requirement set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to: (a) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the AGM; or (b) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with Section 437 of the CA 2006.
- (9) The Company may not require the members requesting any such website publication to pay its expenses in complying with Sections 527 or 528 of the CA 2006. Where the Company is required to place a statement on a website under Section 527 of the CA 2006, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM includes any statement that the Company has been required, under Section 527 of the CA 2006, to publish on a website.
- (10) Copies of the Directors' service contracts and letters of appointment for non-executive directors will be available for inspection at the registered office of the Company at Sovereign House, Vision Park, Chivers Way, Histon, Cambridge, CB24 9BZ, United Kingdom during normal business hours on any week day (public holidays excepted) from the date of this Notice of AGM until the date of the AGM, and at the place of the AGM for one hour before the meeting and at the meeting itself.

(11) As of April 15, 2019 (being the last practicable date before circulation of this Notice), the Company's issued ordinary share capital consisted of 368,625,000 ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as of that date are 368,625,000 votes.

(12) Except as set out in the notes to this Notice, any communication with the Company in relation to the AGM, including in relation to proxies, should be sent to the Company's Registrar, Link Asset Services, PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF, England. No other means of communication will be accepted. In particular, you may not use any electronic address provided either in this notice or in any related documents to communicate with the Company for any purpose other than those expressly stated.