BeyondSpring Inc.

BEYONDSPRING INC.
INVESTMENT POLICY
Adopted January 2, 2018

I. Purpose & Scope

The purpose of this policy is to establish the guidelines for BeyondSpring Inc. (the "Company") and its subsidiaries to be followed for investing "excess cash." Excess cash is cash over and above the amount needed to meet the Company's daily and working capital needs, as forecasted from time to time.

The goals of the investment of excess cash, in order of priority, are as follows:

1. Preservation of capital
2. Meet the Company's liquidity requirements
3. Deliver optimum yields in relationship to the guidelines, market conditions and tax considerations while minimizing portfolio expenses
4. Provide fiduciary control and constant monitoring of all investments

II. Investment Parameters

Safekeeping: All securities will be either safe kept with the securities dealer from which the security was purchased or with a designated third-party custodian.

Liquidity: The portfolio will be invested so that it can provide the necessary liquidity to meet the Company's cash flow needs based upon current and forecasted cash requirements.

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Portfolio Structure:

- The maturity of individual investments shall not exceed 3 months prior to the time forecast that those monies will be required to meet planned corporate expenses. For refunded bonds or securities with a put feature, the refunded date or put date will be viewed as the effective maturity rather than the stated final maturity.

- The portfolio holdings will be diversified to minimize the adverse effects of the failure of any one issuer, credit provider, liquidity provider, or product type. Except for U.S. government and agency securities, all investment in any one issue must not exceed five percent of the portfolio value at the time of purchase.

Eligible Investments:

1. US Treasury or US Agency (GSE's) Obligations with the direct and implied guarantee, or the full faith and credit of the U.S.
2. Money Market Mutual Funds that offer daily purchase and redemption, maintain a constant NAV of $1.00, are 2a7 compliant, have a minimum of $5B in assets, and have no currently defaulted positions.
3. FDIC Backed Bank Debt issued by banks as Certificates of Deposits under the statutory minimum for FDIC guaranty (250K) or fully backed for principal and interest by FDIC.

4. Bank Sweep/Deposit Programs: Interest bearing programs from Banks with a minimum $10B market capitalization and whose debt ratings are consistent with this Policy's credit restrictions referenced within the "Credit Quality" parameters. The programs will be secured obligations of the Bank; or, if unsecured, senior in the Bank's capital structure ahead of all debt and equity obligations.

* All securities purchased in anticipation of corporate expenses in USD will be USD. Securities purchased in anticipation of corporate expenses in other currencies may be in that currency.

* In the event of market dislocation and illiquidity concerns and at the discretion of management, securities eligible for purchase may exclude some of the investments listed above. Existing holdings will also be assessed and liquidated prior to maturity if deemed to be materially exposed.

Credit Quality:

- Securities of issuers with a short-term rating must be rated at least either A-1/P-1 or SP-1/MIG1 (VMIG1) by Standard & Poor's Corporation ("S&P")/Moody's Investor Services ("Moody's") or the equivalent by a nationally recognized agency.

- Securities of issuers with a long-term credit rating must be rated at least 'A2/A' by Moody's/S&P, or the equivalent by a nationally recognized agency.

- Any security that is credit enhanced by virtue of bond insurance must have the appropriate minimum underlying rating.

- FDIC backed securities and Pre-Refunded Municipals described within Eligible Securities will assume the same credit rating as the US Government.

Concentration Limits:

- Securities of a single issuer shall not exceed 10% of the value of the portfolio with the exception of US Treasury or US Agency obligations including obligations with 100% US Treasury or US Agency collateral. Eligible Money Market Funds and Bank Sweep/Deposit programs are additionally exempt.

- No more than 25% exposure to any one credit enhancement provider or insurance provider.

Note: All Investment Parameters to be valued at cost at the time of purchase.

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III. Communications, Reporting & Performance Measurement

The Investment Manager will be the Chief Financial Officer. Monthly, the Investment Manager will provide statements including: transactions, market valuation, FAS157 valuations, cash accruals, and a review of the performance of the portfolio assets.

The Chief Executive Officer shall review the performance of the investment manager annually, or more frequently.

IV. Responsibility

The Chief Financial Officer or designee is responsible for this Investment Policy. Exceptions to this Investment Policy are prohibited without the prior approval of the Chief Financial Officer.

If a security (held in the managed portfolio) is downgraded below the minimum ratings specified, the Manager will notify the Chief Financial Officer or designee and recommend appropriate action.

V. Restricted Investments

No funds will be invested for speculative purposes. Independent of the issuer, the following are deemed to be unacceptable and prohibited for direct investment:

- Auction Rate Securities
- Repurchase Agreements
- Any derivative security including futures, forward contracts, options and swaps (except for transactions that are authorized or approved)
- Asset Backed Securities (including but not limited to CMO's, CDO's, CMBS, and RMBS)
- Bank loan participations or other forms of indebtedness for which there is no generally recognized, liquid and readily accessible secondary trading market
- Common stock or equity-linked securities, commodities or real estate related investments
- Investments on Margin

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VI. Investment Company Act of 1940 Consideration

Investments shall be managed such that the percentage allocation of the portfolio shall be maintained in a manner to avoid the registration and any of the substantive regulation requirements under the Investment Company Act of 1940, as amended (the "1940 Act"). Assets shall be managed such that its "Investment Securities" (as defined in the 1940 Act) are below the 40% of assets threshold as provided by section 3(a)(1)(C) of the 1940 Act.

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