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C. Organizational Structure

We are a holding company incorporated in the Cayman Islands. The chart below sets forth our significant subsidiaries including their jurisdictions and dates of incorporation or establishment, our ownership interest in each subsidiary or affiliate, and their principal activities:

<u>Name of company</u>	<u>Place and date of incorporation/establishment</u>	<u>Attributable equity interest held</u>	<u>Principal activities</u>
Spreadtrum Communications (Shanghai) Co., Ltd.	PRC July 18, 2001	100% (indirect)	Research and development, marketing, finance and administrative activities
Beijing Spreadtrum Hi-Tech Communications Technology Co., Ltd.(1)	PRC March 30, 2005	37.9% (indirect)	Research and development and administrative activities
Spreadtrum Communications Technology (Shanghai) Co., Ltd.	PRC November 16, 2005	100% (indirect)	Administrative and sales activities
Spreadtrum Hong Kong Limited	Hong Kong November 29, 2007	100% (direct)	Holding company
Spreadtrum International Limited	Hong Kong November 29, 2007	100% (direct)	Holding company
Tianjin Spreadtrum Communications Co., Ltd.(2)	PRC December 10, 2007	100% (indirect)	Research and development, marketing, finance and administrative activities
Spreadtrum Communications USA Inc., formerly Quorum Systems, Inc.	Delaware, USA March 4, 2003; became a subsidiary of the Company on January 15, 2008	100% (direct)	Research and development, sales and administrative activities
Shanghai Han & Qin Investment Co. Ltd.	PRC September 5, 2008	100% (indirect)	Investment activities
Han & Qin International (BVI) Limited	British Virgin Islands September 24, 2008	100% (direct)	Investment activities
Quorum Technology (H.K.) Limited	Hong Kong December 12, 2008	100% (direct)	Investment activities
SPRD LLC (successor to Spreadtrum Communications Corp.)	Delaware December 22, 2008	100% (indirect)	Administrative activities

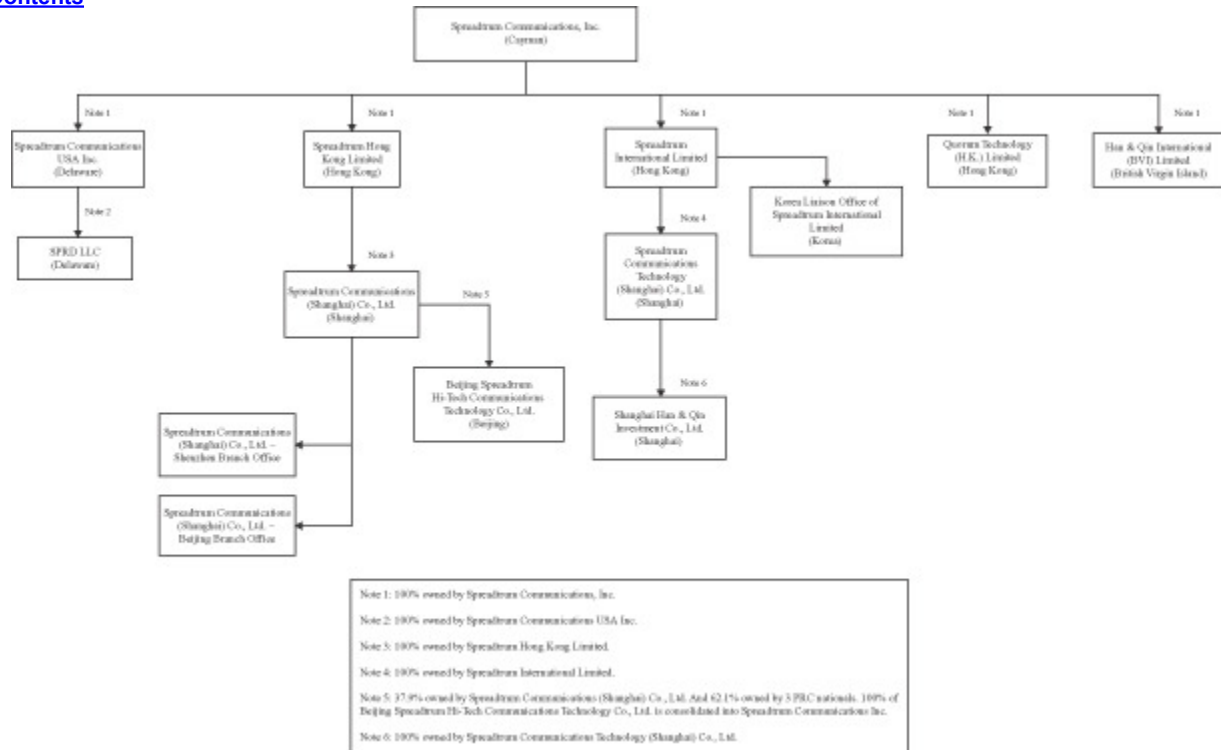
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- (1) Spreadtrum Beijing was established for the purpose of performing research and development activities on behalf of Spreadtrum Shanghai and qualifying for government research grants that are restricted to PRC domestic companies. Spreadtrum Beijing, a PRC domestic company, was formed in March 2005 under the names of three PRC nationals who are family members of our co-founders. In May 2005, we entered into a loan agreement with the three PRC nationals who are nominee shareholders of Spreadtrum Beijing, pursuant to which we provided them with a loan in an aggregate principal amount of \$1.0 million solely for the establishment of Spreadtrum Beijing. Spreadtrum Shanghai also entered into a research and development agreement with Spreadtrum Beijing pursuant to which Spreadtrum Beijing would perform research and development work for Spreadtrum Shanghai and the work products would be owned exclusively by Spreadtrum Shanghai. In return, Spreadtrum Shanghai reimburses Spreadtrum Beijing for all necessary and reasonable direct and indirect costs incurred for the research and development work. Because of these contractual arrangements, the relationships between the nominee shareholders of Spreadtrum Beijing and our co-founders, and the fact that one of the members of our management is the legal representative of Spreadtrum Beijing, we have the power to direct Spreadtrum Beijing's operational and financial affairs, appoint its senior executives, and approve all matters requiring shareholder approval. As a result, Spreadtrum Beijing is deemed a variable interest entity and we are the primary beneficiary. Accordingly, we have consolidated the financial statements of Spreadtrum Beijing since its inception.

In May 2008, Spreadtrum Shanghai injected RMB 5.0 million (approximately \$0.7 million) into Spreadtrum Beijing to increase its registered capital for the purpose of reducing its debt-to-equity ratio to a level that would enable it to qualify for certain government research grants. Consequently, Spreadtrum Shanghai now owns approximately 37.9% of the equity interest in Spreadtrum Beijing, and each of the three PRC national nominee shareholders owns approximately 20.7% of the equity interest in Spreadtrum Beijing. The transfer of ownership interests between Spreadtrum Shanghai and the three PRC national shareholders was determined to have no impact on the VIE analysis because the three PRC national shareholders are nominees and do not share risks and rewards of equity ownership with us.

- (2) Tianjin Spreadtrum was dissolved in September, 2009.

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D. Property, Plants and Equipment

Our principal offices are located on premises comprising approximately 12,814 square meters in Shanghai, China. On December 26, 2006, our wholly-owned PRC subsidiary, Spreadtrum Shanghai, entered into a contract to purchase the office building where our principal offices are located. We have obtained the related ownership certificate for the office building where our principal offices are located. We own 47 residential units next to our principal offices. We also have leased offices in Beijing and Shenzhen, China, Suwon, Republic of Korea, and San Diego, California, United States of America.

On January 31, 2007, Spreadtrum Shanghai entered into a contract to purchase the land use rights to a parcel of undeveloped land adjacent to our principal offices that comprises approximately 23,000 square meters. We paid in full the aggregate purchase price of RMB 46.5 million (approximately \$6.8 million) for such land use rights. We originally intended to use the land and any buildings developed on such land for our operations, including research and development activities. In the fourth quarter of 2009, we established Shanghai Zhanxiang Electronics Technology Co., Ltd., or Zhanxiang, a joint venture in which we own 24% of the equity interest. Zhanxiang was established for the purpose of developing the land and has entered into a land use rights acquisition contract with the seller with respect to the land (See note 8 to the Consolidated Financial Statements for details). In December 2009, we entered into an agreement with the seller pursuant to which we received a refund for our deposit under the contract to purchase the land use rights. We financed Zhanxiang with substantially all of the refunded deposit (See note 8 and 10 to the Consolidated Financial Statements for details).