

## Technology Express

### China VoIP & Digital Telecom Virtualization Project Endorsed by Governmental Fund

Jinan Yinquan Technology, the wholly owned subsidiary of China VoIP & Digital Telecom (OTCBB: CVDT) announced that its data center virtualization technology project has received 500,000 yuan from Shandong Economic and Information Technology Committee.

The government established the fund to award outstanding energy-saving industrial technology projects in Shandong Province in 2009.

Mr. Li Kunwu, Chairman and CEO of CVDT, pleased with the government's recognition, said, "The virtualization technology solution provided by Yinquan is in full compliance with the conservation-oriented society and Green IT concepts advocated by the country. Yinquan maintains a leading position in virtualization technology, and the government's endorsement will accelerate our expansion in the virtualization market in 2009. Also, with the government's support, industrializing virtualization in China will be expedited. I believe Yinquan should have bright growth prospects in virtualization.

### China VoIP & Digital Telecom Inc. Subsidiary Receives Government Award for Its Virtualization Technology

Jinan Yinquan Technology, the wholly owned subsidiary of China VoIP & Digital Telecom Inc., announced that its

Virtualization Technology Application for Data Center has received the "2008 Shandong Province Outstanding Energy Saving Achievement" award from the government.

Mr. Li Kunwu, Chairman and CEO of CVDT, is pleased with the government's recognition and stated, "The virtualization technology solution provided by Yinquan is in full compliance with the conservation-oriented society and Green IT concepts advocated by our country. Yinquan maintains a leading position in virtualization technology and this solution, which has been implemented in a number of government agencies and business enterprises, has received very positive feedback. The award demonstrated Shandong government's full endorsement. We will continue to develop unique virtualization solutions with energy-saving benefit for our customers."

## Company Express

### VoIP Services Blocked by Government

As a result of the political riot on July 5 in Urumqi, capital of Xinjiang Uygur Autonomous region, the government issued an order to block the VoIP services temporarily. Thus, CVDT's VoIP services are impacted.

Mr. Li Kunwu, CEO of the company said: "The blocking of VoIP services is a political necessity at this time. It only affects customers in Shandong Province. Our large enterprise clients outside of Shandong area can continue to

use the services without interruption. We are doing everything we can to keep our customers informed. Currently, VoIP services have been resumed in certain regions."

Furthermore, Mr. Li added, "The imposition of VoIP blocking at this time is a special issue. It doesn't mean that the country denies VoIP services completely. Since we have shifted our business focus to virtualization technology, it is unlikely the blocking of VoIP services will result in large losses to the company."

## Upcoming Event

*China VoIP & Digital Telecom Inc. will report its second quarter 2009 financial results before August 14.*

## .Contact us

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