

CVDT Acquires Beijing Power & Unique Technologies Co., Ltd.

Monday May 19, 3:30 am ET

JINAN, China, May 19 /Xinhua-PRNewswire-FirstCall/ -- China VOIP and Digital Telecom, Inc. (OTC Bulletin Board: [CVDT](#) - [News](#)) completed the acquisition of Beijing Power & Unique Technologies Co., Ltd ("BPUT") in May 2008. CVDT now holds 80% of BPUT's equity shares.

In announcing the acquisition, Mr. Kunwu Li, CVDT's Chief Executive Officer and Chairman of the Board, told shareholders, "This acquisition helps CVDT expand its technology capability, enlarges its sales and distribution network, and adds an experienced management team. Most importantly, it will enhance CVDT's financial performance. The acquisition signals that the management is determined to grow the company organically and through acquisitions in order to achieve its goal of being listed on NASDAQ in the near future."

BPUT is a privately held software company in Beijing that specializes in enterprise application software research and development. It creates reliable, secure as well as high efficiency information technology platforms for enterprise clients. It is committed to providing the highest quality solutions to enterprises in both information security and virtual technology.

BPUT offers three categories of products: the DIVER brand hard disk computer, a collaboration information security platform, and its hybrid digital identity management system (HDIMS). Its main product, the DIVER brand hard disk computer, provides secure hard disk space with encrypted protection, access control and massive memory capacity. Portable and easy-to-use, it eliminates the threat of information leakage faced by company executives, R&D personnel and financial professionals in a wide range of industries. A complete breakthrough in computer and information security, the company's hard disk computer should make a significant contribution to the growth of CVDT.

BPUT is also the leader in applied virtual technology in the information security industry. Currently, DIVER hard disk computer has no competition in this application sector. BPUT has also partnered with leading global virtual technology companies to create new products and maintain its competitive advantage.

In addition, Mr. Li noted, CVDT and BPUT can leverage each other's existing sales and distribution channels and distributors in China to enlarge the combined company's national sales and distribution network.

BPUT has an experienced management team. Its general manager, Mr. Shile Dong, has broad international management experience. Prior to BPUT, Mr. Dong worked in China Storage and Transport Group, Canada Perspective Technologies Co., Ltd., and Siemens China's Automation and Drivers Group. Mr. Dong holds a master's degree in economics from Peking University.

BPUT's Technology Director, Mr David Qi, was a co-founder of Techoni Technologies Australia, the second largest online mobile phone reseller. He was also a project manager of system architecture development in Microsoft Australia. Mr Qi graduated from La Trobe University, Australia with three bachelor's degrees in Artificial Intelligence, Public Relations and General Psychology.

BPUT will add not only technology, sales and distribution, and management to CVDT, but also contribute to its net earnings. BPUT's 2008 standalone revenue is estimated at approximately \$6.5 million with \$700,000 net profit.

CVDT is dedicated to maximize shareholder's value by developing new technology, expanding into new markets and seeking new growth opportunities. The acquisition of BPUT will certainly expand CVDT's technology breadth and enhance its financial performance.

More information can be found at <http://www.chinavoip-telecom.com> .

Safe Harbor Statement

Certain of the statements made in the press release constitute forward- looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements can be identified by the use of forward- looking terminology such as 'believe,' 'expect,' 'may,' 'will,' 'should,' 'project,' 'plan,' 'seek,' 'intend,' or 'anticipate' or the negative thereof or comparable terminology. Such statements typically involve risks and uncertainties and may include financial projections or information regarding our future plans, objectives or performance. Actual results could differ materially from the expectations reflected in such forward-looking statements as a result of a variety of factors, including the risks associated with the effect of changing economic conditions in The People's Republic of China, variations in cash flow, reliance on collaborative retail partners and on new product development, variations in new product development, risks associated with rapid technological change, and the potential of introduced or undetected flaws and defects in products, and other risk factors detailed in reports filed with the Securities and Exchange Commission from time to time.

For more information, please contact:

Yinquan Investor Contacts:

Michelle Wong

Tel: +86-531-8702-7114

Email: michellewong@yinquan.cn

Great Wall Research LLC

John Armstrong

Tel: +1-203-536-1928

Email: jarmstrong@greatwallresearch.com

Source: China VOIP and Digital Telecom, Inc.