# UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

FORM 8-K

#### CURRENT REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event Reported): August 17, 2015

# **ChinaNet Online Holdings, Inc.**

(Exact Name of Registrant as Specified in Charter)

	Nevada	001-34647		20-4672080
(State or Other	er Jurisdiction of Incorporation)	(Commission File No	umber)	(I.R.S. Employer Identification Number)
		lo. 3 Min Zhuang Road, E		
		Gu Tuspark, Haidian Distri of Principal Executive Off		
	`	•	,	
	Registrant's tele	phone number, including are	ea code: +86-10-51	600828
	(Former nam	e or former address, if cha	inged since last rep	ort)
Check the approvis	•	s intended to simultaneous	ly satisfy the filing	obligation of the registrant under any of the
[ ] Wri	itten communications pursuant to Rule 4	25 under the Securities Ac	t (17 CFR 230.425)	
	liciting material pursuant to Rule 14a-12	•	,	
	e-commencement communications pursu e-commencement communications pursu	` '	•	` '/'
Item 2.02. R	esults of Operations and Finan	cial Condition.		
results for its s	2015, ChinaNet Online Holdings, Inc., a econd fiscal quarter and first half year of d incorporated herein by reference.			a press release containing certain financial d to this Current Report on Form 8-K as
Exchange Act incorporated by	of 1934, as amended (the "Exchange Ac	t"), or otherwise subject to ies Act of 1933, as amend	the liabilities of that led, or under the Ex	change Act, whether made before or after the
Item 9.01. F	inancial Statements and Exhibi	ts.		
(d) Exhibits.				
No.	Description			
99.1	Press Release dated August 17, 2015.			
		SIGNATURE		
	e requirements of the Securities Exchançereunto duly authorized.	ge Act of 1934, the registra	nt has duly caused	this report to be signed on its behalf by the
Date: August 1	7, 2015	ChinaNet Or	nline Holdings, Inc.	
		Hand	landong Cheng dong Cheng f Executive Officer	

**EXHIBIT INDEX** 

Exhibit No. Description

99.1 Press Release dated August 17, 2015.

# ChinaNet Online Holdings Reports Second Quarter 2015 Financial Results

#### Management to Host Earnings Conference Call on Tuesday, August 18, 2015 at 8:30 am ET

BEIJING, Aug. 17, 2015 (GLOBE NEWSWIRE) -- ChinaNet Online Holdings, Inc. (NASDAQ:CNET) ("ChinaNet" or the "Company"), a leading B2B (business to business) Internet technology company providing online-to-offline (O2O) sales channel expansion services for small and medium-sized enterprises (SMEs) and entrepreneurial management and networking services for entrepreneurs in the People's Republic of China, today announced financial results for the second fiscal quarter of 2015.

#### **Summary Financials**

#### Second Quarter 2015 Results (USD) (Unaudited)

	Q2 2015	Q2 2014	CHANGE
Sales	\$9.6 million	\$10.4 million	-7.1%
Gross Profit	\$2.3 million	\$1.7 million	+34.3%
Gross Margin	23.7%	16.4%	+44.5%
Net Loss Attributable to ChinaNet	(\$1.2) million	(\$1.3) million	
EPS (Diluted)	(\$0.05)	(\$0.06)	
Non-GAAP Adjusted Net Loss Attributable to ChinaNet (1)	(\$0.8) million		
Non-GAAP Adjusted EPS (Diluted) (1)	(\$0.03)		

<sup>(1)</sup> Non-GAAP Adjusted Net Loss Attributable to ChinaNet and EPS excluded a share-based compensation expense related to restricted shares of the Company's common stock issued to management of \$0.4 million.

#### Second Quarter 2015 Financial Results

Revenues for the three months ended June 30, 2015 were \$9.6 million compared to \$10.4 million for the three months ended June 30, 2014, representing a 7.1% decrease. During the second quarter, revenues from improving internet advertisement, which increased 16%, offset declines in search engine marketing services, TV advertising and brand management and sales channel building services from the period a year ago. Internet advertising and related services, TV advertising, and brand management and sales channel building revenues were \$8.5 million, \$1.0 million, and \$0.04 million in the second quarter of 2015, respectively.

#### Second Quarter 2015 Revenue Breakdown by Business Unit (USD in thousands)

	Q2 2015	%	Q2 2014	%	% Change
Internet Advertisement and Related Services	\$8,486	88%	\$8,228	79%	+3.1%
TV Advertisement	\$1,023	11%	\$1,812	18%	-43.5%
Bank Kiosks	\$69	1%	\$67	1%	+3.0%
Brand Mgmt. & Sales Channel Building	\$44	1%	\$254	2.5%	-82.7%

Gross profit for the three months ended June 30, 2015 was \$2.3 million compared to \$1.7 million for the same period in 2014. Gross margin was 23.7%, up from 16.4% in the second quarter of 2014. The improvement of gross margin for the second quarter was a direct result of the increase in gross margin of the internet advertising and related services segment to 25% for the three months ended June 30, 2015 compared to 17% for the same period of last year.

The Company incurred an operating loss of \$1.3 million for the three months ended June 30, 2015 compared to an operating loss of \$1.3 million in the same period a year ago.

Net loss attributable to ChinaNet for the three months ended June 30, 2015 was \$1.2 million and loss per share was \$0.05, compared to a net loss of \$1.3 million and loss per share of \$0.06 in the second quarter of 2014. Excluding the share-based compensation expense as discussed above, the Non-GAAP adjusted net loss attributable to ChinaNet common stockholders and net loss per share were \$0.8 million and \$0.03, respectively.

### Second Half 2015 Financial Results

Revenues for the six months ended June 30, 2015 were \$15.47 million, a decrease of 0.5% from \$15.54 million for the same period a year ago. Increased revenues from search engine marketing services offset declines in sales from TV advertising and brand management and sales channel building.

Gross profit and gross profit margin was \$3.2 million and 20.5%, respectively, for the first six months of 2015. Operating expenses increased by 32.5% to \$6.6 million compared to \$5.0 million for the first six months of 2014. The Company reported an operating loss of \$3.4 million in the first half of 2015.

Net loss attributable to ChinaNet common stockholders and net loss per share was \$3.0 million and \$0.11 for the six months ended June 30, 2015. The weighted average diluted shares outstanding were 26.6 million shares. Excluding the share-based compensation expense as discussed above of \$0.8 million, the Non-GAAP adjusted net loss attributable to ChinaNet common stockholders and net loss per share were \$2.2 million and \$0.08, respectively.

#### **Balance Sheet and Cash Flow**

The Company had \$4.6 million in cash and cash equivalents as of June 30, 2015, compared to \$5.0 million as of December 31, 2014, working capital of \$15.7 million, compared to \$17.3 million as of December 31, 2014, and a current ratio of 2.5 to 1, compared to 2.7 to 1 as of December 31, 2014. Total stockholders' equity of ChinaNet was \$34.2 million at June 30, 2015 compared to \$36.2 million at December 31, 2014.

The Company had a \$0.9 million of cash inflows from operations in the six months ended June 30, 2015 compared to a \$0.9 million of cash outflows in the first six months of 2014.

#### **Business Updates**

In May, ChinaNet entered into a definitive securities purchase agreement with Dongsys Innovation (Beijing) Technology Development Co., Ltd. (Stock Code: 430362) (the "Purchaser" or " Dongsys Innovation") to raise US\$1,250,000 (the "Purchase Price"), pursuant to which the Purchaser has agreed to purchase 1,000,000 shares of common stock of the Company (the "Shares"). As of the date hereof, ChinaNet has received a ten percent (10%) guarantee payment in an amount equal to US\$125,000 from the purchaser. On the date the Agreement was signed, the Purchaser also entered into a Lock-Up Agreement with the Company, whereby the Purchaser agreed not to transfer the Shares until May 26, 2017. Upon the Company's prior written approval, the lock-up restriction may be waived after May 26, 2016.

The proceeds from the offering, net of certain fees and expenses, will be used for working capital to fund technology research and development, marketing for new services and product launches, and potential mergers and acquisitions.

In July, the Company gave an update on its strategic investment client, Beijing Saturday Educational Technology Co., Ltd. ("Beijing Saturday"), which has experienced rapid growth since adopting ChinaNet's total solution of products and services in coordination with a 10% ownership stake. More than 600 Saturday Children's Fun Parks ("Saturday Fun Park"), a franchised chain of indoor children's entertainment/activity centers operated by Beijing Saturday, have been added to Saturday's existing 300 locations since ChinaNet's involvement in the third quarter of 2014. By continuing to leverage ChinaNet's IT service and marketing platform, Beijing Saturday expects to open an additional 150 new locations by the end of 2015, with strong focus on launching larger and more integrated Fun Parks with more than 1,000 square meters (or over 10,763 square feet) per location.

#### **Conference Call**

Management will host a conference call with investors at 8:30 am ET on Tuesday, August 18, 2015.

 Date:
 Tuesday, August 18, 2015

 Time:
 8:30 a.m. Eastern Time

 Conference Line (U.S.):
 1-888-427-9376

 International Dial-In:
 1-719-325-2484

Conference ID: 8797257

Webcast: http://public.viavid.com/index.php?id=115928

A power point presentation will be available for downloading on the date of the conference call on ChinaNet's corporate website www.chinanet-online.com under Investor Relations-News/Events-Events and Presentations.

Please dial in at least 10 minutes before the call to ensure timely participation.

A replay of the call will be available from 11:30 am ET on August 18, 2015 to 11:59 pm ET on September 18, 2015. To access the replay, please dial 1-877-870-5176 from the U.S. and 1-858-384-5517 from outside the U.S. The PIN is 8797257.

#### About ChinaNet Online Holdings, Inc.

The Company, a parent company of ChinaNet Online Media Group Ltd., incorporated in the BVI ("ChinaNet"), is a leading digital B2B (business to business) Internet technology company focusing on providing O2O sales channel expansion service for small and medium-sized enterprises (SMEs) and entrepreneurial management and networking service for entrepreneurs in China. The Company, through certain contractual arrangements with operating companies in the PRC, provides Internet advertising and other services for Chinese SMEs via its portal websites, 28.com, Liansuo.com and sooe.cn, TV commercials and program production via China-Net TV, and in-house LCD advertising on banking kiosks targeting Chinese banking patrons. Website: http://www.chinanet-online.com.

## Safe Harbor

This release contains certain "forward-looking statements" relating to the business of ChinaNet Online Holdings, Inc., which can be identified by the use of forward-looking terminology such as "believes," "expects," "anticipates," "estimates" or similar expressions. Such forward-looking statements involve known and unknown risks and uncertainties, including business uncertainties relating to government regulation of our industry, market demand, reliance on key personnel, future capital requirements, and competition in general and other factors that may cause actual results to be materially different from those described herein as anticipated, believed, estimated or expected. Certain of these risks and uncertainties are or will be described in greater detail in our filings with the Securities and Exchange Commission. These forward-looking statements are based on ChinaNet's current expectations and beliefs concerning future developments and their potential effects on the Company. There can be no assurance that future developments affecting ChinaNet will be those anticipated by ChinaNet. These forward-looking statements involve a number of risks, uncertainties (some of which are beyond the control of the Company) or other assumptions that may cause actual results or performance to be materially different from those expressed or implied by such forward-looking statements. ChinaNet undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws.

Passis		June 30, 2015	December 31, 2014
Assert Scheme Schame Scheme Scheme Scheme Scheme Scheme Scheme Scheme Scheme		(US \$)	(US \$)
Current asserts:         Gás da ca da qualenta (s. 6.45)         5.045         5.057           Term deposit         3.046         2.040           Accounts receivable, net         4.00         2.040           Chome traceivable, net         6.08         8.092           Prepayment and deposits suppliers         6.08         8.092           Due form related parties         1.08         9.01           Other current assets         3.08         1.01           Chord parties with a sease-current         3.08         1.00           Total Lurrent assets         1.00         9.00           Chong-learn investments         1.00         9.00           Property and equipment, net         7.00         9.00           Interpretation of purple assets, net         7.00         9.00           Deposit and prepayment for purchasing of software technology         8.07         9.00           Obefired tax assets—non current         9.70         9.00         9.00           Total Large payment and propayment for purchasing of software technology         8.00         9.00           Collected tax assets, net         9.00         9.00         9.00           Collected tax assets, net         9.00         9.00         9.00           Collected tax assets		(Unaudited)	
Cash and cash equivalents         \$4,845         \$5,037           Term deposit         3,469         2,469           Accounts receivable, net         6,53         8,832           Other creeivables, net         6,53         8,832           Prepayment and deposit to suppliers         6,53         8,832           Due from related parties         13         6           Other current assets         13         6           Deferred tax assets-current         8,53         17,88           Long-term investments         1,008         909           Property and equipment, net         8,53         92,38           Deposit and prepayment for purchasing of software technology         88         8,60           Soodwill         8,78         8,72           Deferred tax assets-non current         1,112         1,037           Total Assets         8         4,52         8,80           Coodwill         8,78         8,72           Deferred tax assets-non current         1,017         1,017         1,017         1,017         1,017           Total Carrier Liabilities         2,02         1,02         1,02         1,02         1,02         1,02         1,02         1,02         1,02         1,02 <td></td> <td></td> <td></td>			
Accounts receivable, net         4,046         3,465         Accounts receivables, net         4,070         Accounts receivables, net         4,070         Accounts receivables, net         6,062         Accounts receivables, net         6,062         Accounts         6,062         Accounts         Accounts         6,062         Accounts         Accounts         6,062         Ac			
Accounts receivable, net         4,109         2,407           Other recoivables, net         6,508         8,082           Prepayment and deposit to suppliers         6,08         0,002           Due from related parties         13         5 f           Other current assets         13         5 f           Deferred tax assets-current         26,15         7 f           Toda current assets         1,008         90           Long-term investments         8,03         9,208           Proporty and equipment not         8,03         9,208           Interpolation prepayment for purchasing of software technology         8,13         9,208           Goodwill         4,70         9,67         2,67           Deposit and prepayment for purchasing of software technology         8,7         2,7           Deferred tax assets-non current         1,112         2,03           Total Assets         8         8,17           Current itabilities           Liabilities and Equity           Current liabilities           Short Age and Equity           Accounts payable *         5,0         3,0           Accounted payable         1,0         3,0           Payable fo	·		
Cher receivables, net         6,368         3,932           Propayment and deposit to suppliers         6,068         2,032           Other current assets         135         5,17           Other current assets         26,258         2,768           Deferred tax sasets-current         26,261         2,768           Long-term investments         1,099         94           Proporty and equipment, net         790         94           Inlangible assets, net         8,731         9,231           Deposit and prepayment for purchasing of software technology         85         9,702           Deferred tax assets—non current         1,102         1,037           Total Assets         4,532         9,432           Coowlil         6,732         8,743           Coowling paysbele         4,532         9,432           Country         1,532         9,432           Coowling paysbele         5,532         9,232           Correct paysolite         5,532         9,232           Covered paysbele         5,532         9,232           Advances from customers         2,032         9,332           Accured paysolite         1,032         9,232           Other paysbele         3,232 <td>·</td> <td></td> <td></td>	·		
Prepayment and deposit to suppliers         6,869         8,000           Due from related parties         10         5           Define current assets         13         6           Defined tax assets-current         26,16         27,681           Total current assets         1,000         9           Long-term investments         9         9           Property and equipment, net         9         9           Intelligible assets, net         1,11         10           Deposit and prepayment for purchasing of software technology         6         15           Obe found in prepayment for purchasing of software technology         8         15           Obe found in prepayment for purchasing of software technology         8         15           Defined tax assets-non current         1,112         10           Total Assets         8         8         8           Coddwill         5         5         4           Defined tax assets-non current         8         8         8           Total Asset         8         8         8         8           Activated based Equity         8         8         8         8         8         8         8         8         8         8			
Due from related parties         10m         5 mm           Other current assets         37 mm         6 mm           Deferred tax seasts-current         26,21 mm         7 mm           Total current assets         26,21 mm         20,20 mm           Long-term investments         1 mm         9 mm           Property and equipment, net         9 mm         9 mm           Managible assets. net         8.51 mm         9 mm           Deferred tax sasets-non current         1.01 mm         1.01 mm           Deferred tax sasets-non current         1.01 mm         1.01 mm           Total Assets         4 5 mm         4 mm           Consider Equity           Equity in a minimal propayment for purchasing of software technology         8 mm         1 mm           Total Assets         4 5 mm         2 mm           Contract Equity         5 mm         2 mm           Equity in a minimal propayment for purchasing of software technology         8 mm         2 mm           Accuract payroll and other accruals *         2 mm         2 mm           Due to noncontrolling interest of VET         2 mm         2 mm           Due to noncontrolling interest of VET         2 mm         2 mm			
Other current assets         15         76           Defered tax assets-current         26,26         77,68           Total current assets         26,26         77,68           Long-term linvestments         1,09         98           Property and equipment, net         79         40           Deposit and prepayment for purchasing of software technology         56         6,00           Deposit and prepayment for purchasing of software technology         61         80           Octal Assets         4,10         1,00           Total Assets         54,50         8,10           Current liabilities         8         8,10           Current liabilities         8         8,10           Accound payoroll and other accruals *         2,23         8,20           Accound payoroll and other accruals *         2,23         8,20           Accound payoroll and other accruals *         2,23         8,20           Payable for purchasing of software technology *         5         6,20           Quarantee payment and prepayment from new investors         1,22         3,23           Quarantee payment liabilities         3,22         3,23           Taxes payable *         1,20         1,20           Long-term liabilities			
Deferred tax assets-current         35.5         17.6           Total current assets         26.26         7.8           Long-term Investments         1.09         9.09           Property and equipment net         8.03         9.03           Interprety and equipment for purchasing of software technology         8.15         9.03           Deposit and prepayment for purchasing of software technology         8.15         9.00           Deferred tax assets-on current         1.11         9.00           Total Asset         \$4.50         9.00           Libilities and Equity           Every libilities:           Short-term bank loan.*         \$8.10         8.10           Accounts payable.*         \$1.00         8.00         9.00           Accounts payable.         \$5.00         \$1.00         9.	·		
Total current assets         26,21         27,881           Long-term investments         1,009         90           Property and equipment, net         9,03         1,03           Intangible assets, net         9,53         2,03           Deposit and prepayment for purchasing of software technology         85         6,00           Deferred tax assets-non current         1,112         1,002           Total Asset         1,102         1,002           Total Asset         8,15         8,74           Short Lembalities         8         8           Liabilities and Equity           Liabilities and Equity           Short Lem bank loan*         8         8           Accounts payable *         5         8           Advances from customers*         2,025         80           Advances from customers*         2,025         80           Advances from customers *         2,025         80           Payable for purchasing of software technology *         86         2,026           Guarantee payment and prepayment from new investors         9,02         3           Taxes payable *         9,00         3         2           Total Current liabilities         1,02			
Long-lerm investments         1,009         900           Property and equipment, net         709         943           Intangible assets, net         8,53         9,238           Deposit and prepayment for purchasing of software technology         6,78         6,77           Coodwill         6,78         6,77           Deferred tax assets-non current         1,112         1,037           Total Asset         45,537         84,73           Use of tax is a selected to a sasset service of tax assets and experience of tax assets and experien			
Properly and equipment, net         79         9.34           Intangible assets, net         8.531         9.23           Deposit and prepayment for purchasing of software technology         6.77         6.77           Deformed tax assets—non current         1.112         1.03           Total Assets         \$45,376         \$47,300           Liabilities and Equity         8.81         \$8.17           Current liabilities         \$10         \$8.18           Accounts payable *         510         782           Accounts payable *         510         885           Accounts payable *         510         885           Account payable in questor of VIE*         567         638           Accouncity payable in purchasing of software technology *         685         2,286           Quarantee payment and prepayment from new investors         1,00         1,00           Quarantee payment and prepayment from eve investors         3,28         3,28           Quarantee payment and prepayment from eve investors         1,00         1,01           Total current liabilities         1,01         1,01           Euglity         1,01         1,01         1,01           Total current liabilities         1,15         1,15         1,15     <	Total current assets	26,216	27,001
Inlangible assels, net         8,51         9,208           Deposit and prepayment for purchasing of software technology         851         6,67           Goodwill         6,7         6,77           Deferred tax assels-non current         1,102         1,003           Total Assets         45,370         \$45,370           Labilities and Equity           Use the Institution of Institution	Long-term investments	1,098	909
Deposit and prepayment for purchasing of software technology         85         6.00           Goodwill         6,778         6,772           Deferred tax assets-non current         1,12         1,303           Total Asset         \$45,376         \$47,402           Liabilities and Equity           Urrent liabilities:           Short-term bank loan *         \$818         \$817           Accounts payable *         \$150         782           Accounts payable so mustomers *         \$150         782           Accounce payroll and other accrusis *         \$152         838           Due to noncontrolling interest of IVIE*         \$55         638           Payable for purchasing of software technology *         86         2,226           Quarantee payment and prepayment from new investors         302         3,332           Taxes payable *         302         3,322           Total current liabilities         324         3,324           Cong-term liabilities         31,32         10,41           Deferred tax liability-non current *         88         94           Long-term liabilities         11,52         11,52           Commitments and contingencies         11,52         11,52           Eq	Property and equipment, net	790	943
Goodwill         6,77 m         6,77 m         7,00 m         1,112 m         1,013 m         7,00 m         1,112 m         1,013 m         7,00 m         1,112 m         1,00 m	Intangible assets, net	8,531	9,238
Paris   Pari	Deposit and prepayment for purchasing of software technology	851	850
Total Assets	Goodwill	6,778	6,772
Liabilities and Equity           Current liabilities:           Short-term bank loan *         \$ 818         \$ 817           Accounts payable *         510         782           Advances from customers *         612         558           Accrued payroll and other accruals *         612         555           Due to noncontrolling interest of VIE *         557         638           Payable for purchasing of software technology *         865         2,826           Guarantee payment and prepayment from new investors         1,003            Taxes payable *         3,226         3,326           Other payables *         509         602           Other payables *         509         602           Total current liabilities         887         602           Long-term liabilities         887         964           Long-term borrowing from director         887         964           Long-term borrowing from director         887         964           Commitments and contingencies         11,543         11,543           Equity:           Commitments and contingencies           Commitments and contingencies           Common stock (US\$0.001 par valu	Deferred tax assets-non current	1,112	1,037
Current liabilities:         8 818 8 818 8 818 6 818	Total Assets	\$ 45,376	\$ 47,430
Current liabilities:         8 818 8 818 8 818 6 818			
Short-term bank loan*         \$818         \$817           Accounts payable *         510         782           Advances from customers *         2,325         832           Accrued payroll and other accruals *         612         558           Due to noncontrolling interest of VIE*         557         638           Payable for purchasing of software technology *         865         2,826           Guarantee payment and prepayment from new investors         1,003         -           Taxes payable *         3,226         3,332           Other payables *         597         697           Total current liabilities         597         694           Long-term liabilities         887         964           Long-term borrowing from director         887         964           Long-term borrowing from director         143         143           Total Liabilities         11,543         11,521           Commitments and contingencies           Equity:           Common stock (US\$0.001 par value; authorized 50,000,000 shares; issued and outstanding 29,580,130 shares and 2,205         2,205           29,030,130 shares at June 30, 2015 and December 31, 2014, respectively         2,565         24,703           Slatutory reserves	Liabilities and Equity		
Accounts payable *         510         782           Advances from customers *         2,325         832           Accrued payroll and other accruals *         612         585           Due to noncontrolling interest of VIE *         557         686           Payable for purchasing of software technology *         865         2,826           Guarantee payment and prepayment from new investors         1,003         -           Taxes payable *         3,226         3,332           Other payables *         597         602           Total current liabilities         10,513         10,414           Long-term liabilities         887         964           Long-term borrowing from director         143         143           Total Liabilities         11,543         11,523           Commitments and contingencies           Equity:           Common stock (US\$0.001 par value; authorized 50,000,000 shares; issued and outstanding 29,580,130 shares and 29,000,000 shares at June 30, 2015 and December 31, 2014, respectively)         30         2,265         24,703           Additional paid-in capital         25,658         24,703         25,658         24,703         25,658         24,703         25,652         24,703         25,622         25,222 <t< td=""><td>Current liabilities:</td><td></td><td></td></t<>	Current liabilities:		
Advances from customers*         2,325         832           Accrued payroll and other accruals*         612         585           Due to noncontrolling interest of VIE*         557         638           Payable for purchasing of software technology*         865         2,826           Guarantee payment and prepayment from new investors         1,003         -           Taxes payable*         3,226         3,332           Other payables*         597         602           Total current liabilities         10,513         10,414           Long-term labilities         887         964           Long-term borrowing from director         143         143           Total Liabilities         11,543         11,521           Commitments and contingencies           Equity:           Common stock (US\$0.001 par value; authorized 50,000,000 shares; issued and outstanding 29,580,130 shares and 29,030,130 shares at June 30, 2015 and December 31, 2014, respectively)         3         2           Additional paid-in capital         25,658         24,703           Statutory reserves         2,607         2,607           Retained earnings         3,648         3,628	Short-term bank loan *	•	•
Accrued payroll and other accruals *         612         585           Due to noncontrolling interest of VIE *         557         638           Payable for purchasing of software technology *         865         2,826           Guarantee payment and prepayment from new investors         1,003         -           Taxes payable *         3,226         3,332           Other payables *         597         602           Total current liabilities         10,513         10,414           Long-term liabilities:           Deferred tax liability-non current *         887         964           Long-term borrowing from director         143         143           Total Liabilities         11,543         11,521           Commitments and contingencies           Equity:           Common stock (US\$0.001 par value; authorized 50,000,000 shares; issued and outstanding 29,580,130 shares and 29,003,130 shares and 1,2014, respectively)         30         29           Additional paid-in capital         25,658         24,703           Slatutory reserves         2,607         2,607           Retained earnings         2,205         5,222           Accumulated other comprehensive income         3,648         3,628	• •	510	782
Due to noncontrolling interest of VIE*         557         638           Payable for purchasing of software technology*         865         2,826           Guarantee payment and prepayment from new investors         1,003         -           Taxes payable *         3,226         3,332           Other payables *         597         602           Total current liabilities         10,513         10,414           Long-term liabilities           Deferred tax liability-non current *         887         964           Long-term borrowing from director         143         143           Total Liabilities         11,543         11,521           Commitments and contingencies           Equity:           Common stock (US\$0.001 par value; authorized 50,000,000 shares; issued and outstanding 29,580,130 shares and 29,030,130 shares at June 30, 2015 and December 31, 2014, respectively)         30         29           Additional paid-in capital         25,658         24,703           Statutory reserves         2,607         2,607           Retained earnings         2,025         5,222           Accumulated other comprehensive income         3,348         3,628		•	
Payable for purchasing of software technology*         3.826           Guarantee payment and prepayment from new investors         1,003            Taxes payable *         3,226         3,332           Other payables *         597         602           Total current liabilities         10,513         10,414           Long-term liabilities:         887         964           Long-term borrowing from director         143         143           Total Liabilities         11,543         11,521           Commitments and contingencies           Equity:           ChinaNet Online Holdings, Inc.'s stockholders' equity         30         29           Common stock (US\$0.001 par value; authorized 50,000,000 shares; issued and outstanding 29,580,130 shares and 29,030,130 shares at June 30, 2015 and December 31, 2014, respectively)         30         29           Additional paid-in capital         25,658         24,703           Statutory reserves         2,607         2,607           Retained earnings         3,648         3,628           Accumulated other comprehensive income         3,648         3,628			
Guarantee payment and prepayment from new investors         1,003         -           Taxes payable *         3,226         3,332           Other payables *         597         602           Total current liabilities         10,513         10,414           Long-term liabilities:           Deferred tax liability-non current *         887         964           Long-term borrowing from director         143         143           Total Liabilities         11,543         11,521           Commitments and contingencies           Equity:           ChinaNet Online Holdings, Inc.'s stockholders' equity         30         29           Additional paid-in capital         25,658         24,703           Additional paid-in capital         25,658         24,703           Statutory reserves         2,607         2,607           Retained earnings         2,225         5,222           Accumulated other comprehensive income         3,848         3,625	· ·		
Taxes payable *         3,226         3,326         0.000 (0.000	•		2,826
Other payables*         597         602           Total current liabilities         10,513         10,414           Long-term liabilities:         887         964           Long-term borrowing from director         143         143           Total Liabilities         11,543         11,521           Commitments and contingencies         11,543         11,521           Equity:         ChinaNet Online Holdings, Inc.'s stockholders' equity         30         29           Additional paid-in capital         25,658         24,703           Additional paid-in capital         25,658         24,703           Statutory reserves         2,607         2,607           Retained earnings         2,225         5,222           Accumulated other comprehensive income         3,648         3,628			
Total current liabilities         10,513         10,414           Long-term liabilities:         887         964           Long-term borrowing from director         143         143           Total Liabilities         11,543         11,521           Commitments and contingencies           Equity:           ChinaNet Online Holdings, Inc.'s stockholders' equity         \$\$2\$         \$\$2\$           Common stock (US\$0.001 par value; authorized 50,000,000 shares; issued and outstanding 29,580,130 shares and 29,030,130 shares at June 30, 2015 and December 31, 2014, respectively)         30         29           Additional paid-in capital         25,658         24,703           Statutory reserves         2,607         2,607           Retained earnings         2,225         5,222           Accumulated other comprehensive income         3,648         3,625			
Long-term liabilities:           Deferred tax liability-non current*         887         964           Long-term borrowing from director         143         143           Total Liabilities         11,543         11,521           Equity:           Commitments and contingencies           Equity:           ChinaNet Online Holdings, Inc.'s stockholders' equity           Common stock (US\$0.001 par value; authorized 50,000,000 shares; issued and outstanding 29,580,130 shares and 29,030,130 shares at June 30, 2015 and December 31, 2014, respectively)         30         29           Additional paid-in capital         25,658         24,703           Statutory reserves         2,607         2,607           Retained earnings         2,225         5,222           Accumulated other comprehensive income         3,648         3,628			
Deferred tax liability-non current*         887         964           Long-term borrowing from director         143         143           Total Liabilities         11,543         11,521           Commitments and contingencies           Equity:           ChinaNet Online Holdings, Inc.'s stockholders' equity         Stock (U\$\$0.001 par value; authorized 50,000,000 shares; issued and outstanding 29,580,130 shares and 29,030,130 shares at June 30, 2015 and December 31, 2014, respectively)         30         29           Additional paid-in capital         25,658         24,703           Statutory reserves         2,607         2,607           Retained earnings         2,225         5,222           Accumulated other comprehensive income         3,648         3,625	Total current liabilities	10,513	10,414
Deferred tax liability-non current*         887         964           Long-term borrowing from director         143         143           Total Liabilities         11,543         11,521           Commitments and contingencies           Equity:           ChinaNet Online Holdings, Inc.'s stockholders' equity         Stock (U\$\$0.001 par value; authorized 50,000,000 shares; issued and outstanding 29,580,130 shares and 29,030,130 shares at June 30, 2015 and December 31, 2014, respectively)         30         29           Additional paid-in capital         25,658         24,703           Statutory reserves         2,607         2,607           Retained earnings         2,225         5,222           Accumulated other comprehensive income         3,648         3,625	Long-term liabilities:		
Long-term borrowing from director         143         143           Total Liabilities         11,543         11,521           Commitments and contingencies           Equity:           ChinaNet Online Holdings, Inc.'s stockholders' equity         Statuory in a stock (US\$0.001 par value; authorized 50,000,000 shares; issued and outstanding 29,580,130 shares and 29,030,130 shares at June 30, 2015 and December 31, 2014, respectively)         30         29           Additional paid-in capital         25,658         24,703           Statutory reserves         2,607         2,607           Retained earnings         2,225         5,222           Accumulated other comprehensive income         3,648         3,625	-	887	964
Total Liabilities         11,543         11,521           Commitments and contingencies           Equity:           ChinaNet Online Holdings, Inc.'s stockholders' equity           Common stock (US\$0.001 par value; authorized 50,000,000 shares; issued and outstanding 29,580,130 shares and 29,030,130 shares at June 30, 2015 and December 31, 2014, respectively)         30         29           Additional paid-in capital         25,658         24,703           Statutory reserves         2,607         2,607           Retained earnings         2,225         5,222           Accumulated other comprehensive income         3,648         3,625	·		
Equity: ChinaNet Online Holdings, Inc.'s stockholders' equity  Common stock (US\$0.001 par value; authorized 50,000,000 shares; issued and outstanding 29,580,130 shares and 29,030,130 shares at June 30, 2015 and December 31, 2014, respectively)  Additional paid-in capital Statutory reserves 12,607 Retained earnings 13,648 13,625			
Equity: ChinaNet Online Holdings, Inc.'s stockholders' equity  Common stock (US\$0.001 par value; authorized 50,000,000 shares; issued and outstanding 29,580,130 shares and 29,030,130 shares at June 30, 2015 and December 31, 2014, respectively)  Additional paid-in capital Statutory reserves 12,607 Retained earnings 13,648 13,625	Commitments and contingencies		
ChinaNet Online Holdings, Inc.'s stockholders' equity  Common stock (US\$0.001 par value; authorized 50,000,000 shares; issued and outstanding 29,580,130 shares and 29,030,130 shares at June 30, 2015 and December 31, 2014, respectively)  Additional paid-in capital  Statutory reserves  Retained earnings  Accumulated other comprehensive income  29,580,130 shares and 29,5658 24,703 25,658 24,703 25,607 2,607 2,607 2,225 5,222 3,622			
Common stock (US\$0.001 par value; authorized 50,000,000 shares; issued and outstanding 29,580,130 shares and 29,030,130 shares at June 30, 2015 and December 31, 2014, respectively)  Additional paid-in capital Statutory reserves 2,607 Retained earnings 2,225 5,222 Accumulated other comprehensive income	Equity:		
29,030,130 shares at June 30, 2015 and December 31, 2014, respectively)       30       29         Additional paid-in capital       25,658       24,703         Statutory reserves       2,607       2,607         Retained earnings       2,225       5,222         Accumulated other comprehensive income       3,648       3,625	ChinaNet Online Holdings, Inc.'s stockholders' equity		
Additional paid-in capital       25,658       24,703         Statutory reserves       2,607       2,607         Retained earnings       2,225       5,222         Accumulated other comprehensive income       3,648       3,625		30	29
Statutory reserves         2,607         2,607           Retained earnings         2,225         5,222           Accumulated other comprehensive income         3,648         3,625			
Retained earnings         2,225         5,222           Accumulated other comprehensive income         3,648         3,625			
Accumulated other comprehensive income 3,648 3,625			
· · · · · · · · · · · · · · · · · · ·	•		
	·		

Noncontrolling interests	(335)	(277)
Total equity	33,833	35,909
Total Liabilities and Equity	\$ 45,376	\$ 47,430

# CHINANET ONLINE HOLDINGS, INC. CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS

(In thousands, except for number of shares and per share data)

	Six Months Ended June 30,		Three Months Ended June 30,	
	2015	2014	2015	2014
	(US \$)	(US \$)	(US \$)	(US \$)
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Sales	<b>#</b> 45 000	0.45.004	0.047	0.40.470
From unrelated parties	\$ 15,002	\$ 15,361	\$ 9,217	\$ 10,179
From related parties	468	183	405	182
Cost of sales	15,470	15,544	9,622	
	12,291	12,487	7,345	8,665
Gross profit	3,179	3,057	2,277	1,696
Operating expenses				
Sales and marketing expenses	2,250	2,095	1,047	1,506
General and administrative expenses	3,307	2,009	2,005	1,022
Research and development expenses	1,063	892	573	442
	6,620	4,996	3,625	2,970
Loss from operations	(3,441)	(1,939)	(1,348)	(1,274)
Other income (expenses)				
Interest income	63	60	34	29
Interest expense	(34)	(32)	(17)	(16)
Other income/(expenses)	31	(3)	(1)	(2)
	60	25	16	11
Loss before income tax expense, equity method investments and noncontrolling interests	(3,381)	(1,914)	(1,332)	(1,263)
Income tax benefit/(expense)	324	(120)	98	(72)
Loss before equity method investments and noncontrolling interests	(3,057)	(2,034)	(1,234)	(1,335)
Share of income/(losses) in equity investment affiliates	2	(58)	1	(43)
Net loss	(3,055)	(2,092)	(1,233)	(1,378)
Net loss attributable to noncontrolling interests	58	93	24	47
Net loss attributable to ChinaNet Online Holdings, Inc.	\$ (2,997)	\$ (1,999)	\$ (1,209)	\$ (1,331)
Net loss	(3,055)	(2,092)	(1,233)	(1,378)
Foreign currency translation gain/(loss)	23	(281)		43
Comprehensive Loss	\$ (3,032)	\$ (2,373)	\$ (1,090)	\$ (1,335)
Comprehensive loss attributable to noncontrolling interests	58	92	25	47
Comprehensive loss attributable to ChinaNet Online Holdings, Inc.	\$ (2,974)	\$ (2,281)	\$ (1,065)	\$ (1,288)

# Loss per share

\$ (0.11) \$ (0.09)

\$ (0.05)

\$ (0.06)

# Weighted average number of common shares outstanding:

Basic and diluted

26,572,856 22,376,540 26,776,650 22,376,540

# CHINANET ONLINE HOLDINGS, INC. CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (In thousands)

	Six Months E	nded June 30,	
	2015	2014	
	(US \$)	(US \$)	
	(Unaudited)	(Unaudited)	
Cash flows from operating activities			
Netloss	\$ (3,055)	\$ (2,092)	
Adjustments to reconcile net loss to net cash provided by/(used in) operating activities	•		
Depreciation and amortization	888	715	
Share-based compensation expenses	956	17	
Reverse of allowances for doubtful accounts	(77)	(30)	
Share of (income)/losses in equity investment affiliates	(2)	58	
Deferred taxes	(328)	(257)	
Changes in operating assets and liabilities			
Accounts receivable	(1,619)	2,484	
Other receivables	1,856	1,285	
Prepayment and deposit to suppliers	1,236	(3,460)	
Due from related parties	(56)	86	
Other current assets	(75)	(62)	
Accounts payable	(273)	(6)	
Advances from customers	1,490	24	
Accrued payroll and other accruals	26	(151)	
Other payables	(8)	271	
Taxes payable	(109)	174	
Net cash provided by/(used in) operating activities	850	(944)	
Cash flows from investing activities			
Purchases of vehicles and office equipment	(20)	(15)	
Payment for purchasing of software technology	(1,958)	(846)	
Repayment of short-term loan from unrelated entities		390	
Long-term investment in cost/equity method investees	(186)		
Net cash used in investing activities	(2,164)	(471)	
Cash flows from financing activities			
Short-term loan from noncontrolling interest of VIE		717	
Repayment of short-term loan to noncontrolling interest of VIE	(82)		
Guarantee payment and prepayment from new investors	1,000		
Net cash provided by financing activities	918	717	
Effect of exchange rate fluctuation on cash and cash equivalents	4	(21)	
Net decrease in cash and cash equivalents	(392)	(719)	
Cash and cash equivalents at beginning of the period	5,037	3,442	
Cash and cash equivalents at end of the period	\$ 4,645	\$ 2,723	

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