



ChinaNet Online Holdings Signs Non-Binding LOI to Acquire an Online Marketing Services Firm

Acquisition Target is Expected to Boost SOHO Present and Increase Profits

BEIJING, Nov. 28, 2011 (GLOBE NEWSWIRE) -- ChinaNet Online Holdings, Inc. ("ChinaNet" or "Company"), (Nasdaq:CNET), a leading B2B (business to business) Internet technology company focusing on 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 that the Company has signed a non-binding letter of intent ("LOI") to acquire a 51% stake in an online advertising and marketing company based in Beijing, China for approximately \$7-8 million.

The target company generated approximately \$7 million in unaudited net sales revenue during the twelve month period ended September 30, 2011, supported by its innovative web portal that boasts a three month average Alex global ranking of 5500 and average daily IP of 136,000.

"We are in discussions to acquire an established leader in the small office/home office ("SOHO") space, a fast-growth sector that will help us further diversify our revenues" explained Mr. Handong Cheng, Chairman and CEO of ChinaNet. "If we are successful in completing this acquisition, we will have distinct brands in each customer segment: 28.com for SMEs; Liansuo.com for medium-large franchises; and the target for SOHO and emerging businesses. With approximately \$21 million in cash at September 30, 2011 and positive cash flows from operations, we have sufficient funds to fund acquisitions and support organic growth."

The Company is currently in the process of conducting due diligence on the target and is negotiating a definitive agreement containing all material terms for this transaction, including the purchase price to be paid. While there is no guarantee a transaction will be consummated, ChinaNet hopes to close the transaction no later than the first quarter of 2012.

About ChinaNet Online Holdings, Inc.

The Company, a parent company of ChinaNet Online Media Group Ltd., incorporated in the BVI ("ChinaNet"), is a leading B2B (business to business) Internet technology company focusing on providing O2O (online to offline) 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 Chuangye.com, 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, 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.

CONTACT: MZ North America

Ted Haberfield, President

Tel: +1-760-755-2716

Email: thaberfield@hcinternational.net

Web: www.mz-ir.com

Source: ChinaNet Online Holdings, Inc.

News Provided by Acquire Media