



ChinaNet Online Holdings Expands to Four Fully Integrated Advertising, Marketing and Management Services Platforms

BEIJING, April 21, 2011 (GLOBE NEWSWIRE) -- ChinaNet Online Holdings, Inc. ("ChinaNet"), (Nasdaq:CNET), a leading full-service B2B media development, and internet technology company for small and medium-sized enterprises (SMEs) in the People's Republic of China, today announced that it plans to introduce several additional value-added features and services to its core advertising and services platform. The Company expects these expanded service offerings to drive new client additions while increasing the average revenue among existing users.

A chart showing ChinaNet's full service platform is available at <http://media.globenewswire.com/cache/13300/file/10382.pdf>

Management expects meaningful financial and strategic benefits from these initiatives, including:

- Expanded services will reach a larger base of prospective customers;
- Generate higher revenues per user by selling a broader base of management tools and services;
- Create a pipeline of franchise owners and entrepreneurs;
- Increase customer retention and loyalty by offering cloud-based services that are easy-to-use;
- Require low upfront investment;
- Provide high return on invested capital

1. Social Networking Services (SNS) Information Platform

The Company will launch one of the largest online communities for entrepreneurs in China. Leveraging 28.com's existing individual membership base of approximately 1.2 million and the Student Entrepreneurship Fund, the multi-functional portal for entrepreneurs will become a dedicated information gateway to connect potential franchisees with others including stories of both success and failure. Furthermore, this interactive information platform will allow thousands of businessmen to share their franchise experiences with other entrepreneurs and franchise owners while providing transparency into the quality and integrity of each business opportunity.

2. Advertising and Marketing Platform

28.com will continue to be ChinaNet's core advertising and brand management platform for small and medium-sized enterprises (SMEs). Traditionally, the Company's advertising business is the most robust during the second and fourth quarters.

In addition, the Company plans to launch a new integrated advertising offering with more advanced features for medium-large enterprises at the end of April 2011. Established domestic and international franchise owners with more than five years of operating history looking to expand their franchise base in China will be able to advertise their businesses and find ideal entrepreneurs in a targeted and cost-effective way. ChinaNet will have a dedicated sales staff and support team to service the comprehensive needs of each of these medium-large enterprises. The Company will charge a premium to these customers for its core advertising and brand management services.

3. Management Tools Platform

In an effort to streamline its existing management tools offering, as well as introduce new services, the Company will establish a new platform to focus exclusively on developing and integrating all value-added services onto one platform. Four categories of services will be offered through this new platform: point of sales, document management, supply chain management, and online education.

All four cloud-based services offer an easy, safe and efficient way for business owners to manage their daily operations. This solution solves a big challenge for SMEs: the ability to track and store their business transactions in a cost effective manner. With minimal upfront costs and ongoing technical support, business owners can customize the services they need — all from one provider.

"We are taking a significant step forward in the Company's transformation to become a leading online services and management company," explained Mr. Handong Cheng, Chairman and CEO of ChinaNet. "By building four scalable platforms that are capable of delivering multiple services to clients of all sizes, we will become a one-stop shop for SMEs and entrepreneurs in China. We expect these services to generate meaningful revenues starting in 2012."

4. Brand Management and Sales Channel Expansion (BMSCE) Platform

ChinaNet has steadily expanded its customer base to include non-franchised SME sectors, including small and medium manufacturers in Fujian and Zhejiang. The new service platform is intended to help these SMEs expand their business and sales channels nationally by becoming a franchisor. Through its existing advertising and marketing platform and the addition of seasoned executives with 4A advertising experience, ChinaNet offers brand management services such as brand analysis, brand research, brand design and brand implementation. The new sales channel expansion platform opens up an entirely new business opportunity that will provide recurring revenues.

ChinaNet will establish a dedicated team of sales and business development staff to help wholesale apparel and footwear manufacturers establish a retail presence after evaluating their product portfolio. The team will also help them identify attractive geographic expansion opportunities, establish an advertising strategy, and package their products. In addition, ChinaNet will provide advertising and marketing services on 28.com, local TV and other media.

About ChinaNet Online Holdings, Inc.

The Company, a parent company of ChinaNet Online Media Group Ltd., incorporated in the BVI ("ChinaNet"), is a leading full-service B2B media development, and internet technology company providing online advertising, marketing and brand management solutions for small and medium-sized enterprises (SMEs) 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 website 28.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.chinonet-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.

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