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ChinaNet Online Announces Field Test Results of its New Intelligent Marketing Data Services System CloudX

Customer sales increased up to 6 times during Beijing Sakura Festival trial

BEIJING, May 11, 2016 (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, business strategies and marketing solutions for small and medium-sized enterprises (SMEs) by utilizing data analysis and cloud computing technologies in the People's Republic of China, today announced that its self-developed business intelligent marketing data services system, CloudX, was installed and tested at 13 food and beverage stores for field testing during the Beijing Sakura Festival (the "Festival") in April with improvements in weekly sales of up to six times average.

The new CloudX system, set to launch officially in late May, collects and analyzes product sale numbers from stores and is analyzed by ChinaNet for suggested adjustments to product stock and inventory to improve customer sales. By utilizing CloudX in stores, ChinaNet can provide owners with sales analysis reports, including each single item's sales amount and period of time. In addition, by utilizing the combination of We-chat, customized mobile applications, on-line shopping platform and other mobile terminal channels, CloudX can help store owners effectively manage subordinate stores and simultaneously provide accurate marketing strategies to meet the demands of individual customers.

Results from the month long trial showed that the new CloudX system successfully helped all 13 stores increase their average weekly sales revenues, with the highest store achieving six times revenues compared to its first week of sales during the Festival.

The Beijing Sakura Festival lasts for one month. After the first week of data collecting and analyzing, ChinaNet instructed store owners how to adjust their inventory and products accordingly. In the second week and third weeks, all 13 shops' sales were up at least 2 to 3 times higher than the first week, with one store achieving six times higher sales. During the last week, the Festival suffered from poor weather, however sales were still higher than the first week.

"The main purpose of this test was to analyze the capability of our CloudX system in helping stores increase their sales revenues, and we were very pleased with the results," said Mr. Handong Cheng, Chairman and CEO of ChinaNet. "Although these stores sell their single product at an average price of 20 RMB, they achieved total sales of 800,000 RMB during the Festival. We were especially excited to see one individual store increase its weekly sales by 6 times after using CloudX. The system was judged highly by store owners during the Festival. With these results, and after debugging and optimizing, CloudX will be officially launched at the end of May, adding to our growing ecosystem of SME products and services."

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 Chuangye.com. 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.

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