

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): November 19, 2013

CHINANET ONLINE HOLDINGS, INC.
(Exact Name of Registrant as Specified in Charter)

Nevada
(State or Other Jurisdiction of Incorporation)

001-34647
(Commission File Number)

20-4672080
(IRS Employer Identification No.)

No. 3 Min Zhuang Road, Building 6,
Yu Quan Hui Gu Tuspark, Haidian District, Beijing, PRC 100195
(Address of Principal Executive Offices and Zip Code)

+86-10-51600828
(Registrant's telephone number, including area code)

N/A
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 2.02. Results of Operations and Financial Condition.

On November 19, 2013, ChinaNet Online Holdings, Inc., a Nevada corporation (the “Company”), issued a press release announcing its financial results for its third fiscal quarter and first nine months of 2013 and providing guidance for full fiscal 2013. A copy of the press release is attached to this Current Report on Form 8-K as Exhibit 99.1 and incorporated herein by reference.

As provided in General Instruction B.2 of SEC Form 8-K, such information shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, and it shall not be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or under the Exchange Act, whether made before or after the date hereof, except as expressly set forth by specific reference in such filing to this Current Report on Form 8-K.

Item 8.01. Other Events.

Attached as Exhibit 99.2 is a slideshow presentation containing information about the Company’s business and certain other financial information that will be made available to investors participating in the Company’s conference call to be held on November 20, 2013.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits:

<u>No.</u>	<u>Description</u>
99.1	Press Release dated November 19, 2013.
99.2	Corporate Presentation.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: November 20, 2013

CHINANET ONLINE HOLDINGS, INC.

By: /s/ Handong Cheng
Name: Handong Cheng
Title: Chief Executive Officer

Exhibit Index

<u>No.</u>	<u>Description</u>
99.1	Press Release dated November 19, 2013.
99.2	Corporate Presentation.

ChinaNet Online Holdings Reports Third Quarter 2013 Financial Results

Projects \$30 Million Revenue and \$1.2 Million Net Income for Full Year 2013

Management to Host Earnings Conference Call on Wednesday, November 20th at 8:30 a.m. ET

BEIJING, Nov. 19, 2013 (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 third quarter of 2013.

Summary Financials

Third Quarter 2013 Results (USD) (Unaudited)			
	Q3 2013	Q3 2012	CHANGE
Sales	\$7.5 million	\$10.3 million	-27%
Gross Profit	\$4.1 million	\$4.1 million	--
Gross Margin	55.0%	40.1%	+37%
Net Income Attributable to Common Stockholders	\$1.2 million	\$1.2 million	-5%
EPS (Diluted)	\$0.05	\$0.05	--

Third quarter 2013 Financial Results

Revenues for the three months ended September 30, 2013 were \$7.5 million compared to \$10.3 million for the three months ended September 30, 2012, representing a 27% decrease. Low margin TV advertising fell by \$2.7 million, or 83%, accounting for the majority of the year-over-year revenue decline. Internet advertising revenues increased by 7% to \$6.1 million.

Mr. George Chu, Chief Operating Officer of the Company stated, "We generated solid growth in our operating cash flows so far this year. While our customers remain cautious with their spending, we were able to increase our internet advertising revenues 7% in the third quarter. We continue to invest in new services and technologies that will further improve our competitive position."

Third quarter 2013 Revenue Breakdown by Business Unit (USD in thousands)

	Q3 2013	%	Q3 2012	%	% Change
Internet Advertisement	\$6,071	80%	\$5,650	55%	+7%
TV Advertisement	\$560	8%	\$3,238	32%	-83%
Bank Kiosk	\$71	1%	\$72	1%	--
Brand Mgmt. & Sales Channel Building	\$779	10%	\$1,327	13%	-41%

Revenue from internet advertisements for the three months ended September 30, 2013 increased by 7% to \$6.1 million compared to the same period a year ago. TV advertising revenues fell to \$0.6 million in the third quarter of 2013 from \$3.3 million in the same period in 2012 as the Company had significantly higher TV advertising activity in the third quarter of 2012 related to the launch of its entrepreneurial reality show and the promotion of its entrepreneurial website, 28.com and Chuangye.com. Brand management and sales channel building revenues fell by approximately \$0.5 million as a result of lower spending by customers in reaction to the slowing Chinese economy.

Gross profit for the three months ended September 30, 2013 was \$4.1 million, essentially unchanged from the third quarter of 2012. Gross margin was 55%, up significantly from 40.1% in the third quarter of 2012. Gross margins improved due to increased contribution from higher margin internet advertising revenues and an improvement in TV advertising margins.

Operating expenses for the three months ended September 30, 2013 were approximately \$2.7 million, up 21% compared to \$2.3 million in the same period in 2012. The Company increased research and development expenses by 62% to support new product investments. Selling expenses fell by 4% to \$0.6 million in the third quarter of 2013.

The Company recorded \$1.4 million of operating income in the three months ended September 30, 2013 compared to \$1.9 million in the same period one year ago.

Net income attributable to common stockholders for the three months ended September 30, 2013 was \$1.2 million and earnings per share was \$0.05 for the third quarter of 2013 and 2012.

First Nine months 2013 Results (USD) (Unaudited)

	YTD 2013	YTD 2012	CHANGE
Sales	\$23.4 million	\$38.3 million	-39%
Gross Profit	\$10.3 million	\$10.3 million	--
Gross Margin	44.0%	26.8%	+64%
Net Income/(Loss) Attributable to Common Stockholders	\$1.6 million	\$1.7 million	-7%

EPS (Diluted)	\$0.07	\$0.08	-13%
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Revenue for the nine months ended September 30, 2013 was \$23.4 million compared to \$38.3 million in the corresponding period a year ago. Internet advertising, TV advertising, and brand management and sales channel building revenues were \$15.3 million, \$5.7 million, and \$2.2 million in the first nine months of 2013, respectively.

Gross profit and gross margin for the first nine months of 2013 were \$10.3 million and 44% compared to \$10.3 million and 26.8%, respectively, in the same period a year ago.

Operating expenses increased by 10% to \$8.2 million in the first nine months of 2013. ChinaNet generated \$2.1 million in operating income, down 25% from \$2.8 million in the first nine months of 2012.

Net income attributable to ChinaNet common stockholders and net income per share were \$1.6 million and \$0.07 in the first nine months of 2013. The weighted average diluted shares outstanding was essentially flat year-over-year at 22.3 million shares.

Balance Sheet and Cash Flow

The Company had \$4.9 million in cash and cash equivalents as of September 30, 2013, compared to \$5.5 million as of December 31, 2012, working capital of \$24.6 million, compared to \$25.2 million as of December 31, 2012, and a current ratio of 3.0 to 1, compared 3.5 to 1 as of December 31, 2012. Total shareholders' equity of ChinaNet was \$46.8 million at September 30, 2013 compared to \$44.2 million at December 31, 2012.

The Company generated approximately \$2.8 million of cash flows from operations in the first nine months of 2013 compared to a \$2.5 million of cash inflows for the first nine months of 2012.

Guidance for 2013

The Company provides the following guidance for fiscal year 2013.

Revenues: \$30 million
Net Income: \$1.2 million

Business Updates

ChinaNet hosted its 10-year Anniversary and Customer Sharing Conference ("the Conference") in Zhengjie Palace Hot Spring Hotel in Beijing, China from August 17th to 18th, 2013. The Company secured over \$1 million of new contract signings during the 2-day conference. At the Conference, the Company celebrated its achievements over the past decade and introduced the latest services, including "366 value added service platform", to its customers. Over 250 guests and employees participated in the Conference. Executives from ChinaNet's close business partners, such as Baidu, Qihu (360), China Business Journal, Source for Enterprise Group, Skylife Group, and Guangfa Technology Co., Ltd also attended the event.

ChinaNet launched a fall promotional campaign in October 2013 to help entrepreneurs and franchisees securing funding and services for their businesses. The three month campaign attracted hundreds of clients and funders.

The Company continued to establish closer ties with local communities and businesses through various initiatives. In October 2013, ChinaNet began a marketing awareness campaign to help promote Joy Paradise, one of the largest retail shopping centers under construction in Hebei Province. The new state-of-the-art complex will house close to 300 retail and entertainment shops and restaurants – all prospective clients of ChinaNet - when it opens in August 2014. Separately, Company executives met with local government officials from Quanzhou to discuss various cultural and creative projects that could help promote local businesses in Fujian Province.

In early November 2013, ChinaNet's subsidiary Liansuo.com signed an agreement with Beijing Origus Food Co. Ltd. ("Origus") to help them expand their franchise in China and internationally. Origus, a pioneer of the pizza buffet concept in China, has hundreds of locations in more than 20 provinces. Liansuo.com will help Origus promote their brand and attract potential franchise partners.

ChinaNet participated in the inaugural China Franchise Exhibition to be held at the Chengdu Century International Convention Center, located in Chengdu, China from November 14th to 16th, 2013. ChinaNet representatives will network with franchise owners and local government representatives to discuss Liansuo.com and other ChinaNet products and services.

Conference Call

Date: Wednesday, November 20, 2013
Time: 8:30 a.m. Eastern Time
Conference Line (U.S.): 1-877-941-4774
International Dial-In: 1-480-629-9760
Conference ID: 4651460
Webcast: <http://public.viavid.com/index.php?id=106961>

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 playback of the call will be available until 11:59 pm Eastern Time on November 27, 2013. To listen, call 1-877-870-5176 within the United States or 1-858-384-5517 when calling internationally. Please use the replay pin number 4651460.

About ChinaNet Online Holdings, Inc.

ChinaNet Online Holdings, Inc., a parent company of ChinaNet Online Media Group Ltd., incorporated in the BVI, is a leading business to business

Internet technology company focusing on providing online-to-offline sales channel expansion services for small and medium-sized enterprises and entrepreneurial management and networking services for entrepreneurs in China. Founded in 2003 and based in Beijing, PRC, the Company's services include its 28.com portal to connect SME franchisors with new franchisees, Internet advertising and marketing with other value-added communication channels, brand management and sales channel solutions, and cloud-computing based management tools, expected to be officially commercialized in 2013. 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.

CHINANET ONLINE HOLDINGS, INC. CONSOLIDATED BALANCE SHEETS

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

	September 30, 2013 (US \$)	December 31, 2012 (US \$)
	(Unaudited)	
Assets		
Current assets:		
Cash and cash equivalents	\$4,933	\$5,483
Term deposit	3,446	3,357
Accounts receivable, net	10,772	8,486
Other receivables, net	2,285	3,103
Prepayment and deposit to suppliers	15,115	14,596
Due from related parties	443	210
Other current assets	47	136
Deferred tax assets-current	35	50
Total current assets	37,076	35,421
Investment in and advance to equity investment affiliates	845	959
Property and equipment, net	1,280	1,636
Intangible assets, net	6,559	7,167
Deposit for purchasing of software technology	2,438	--
Goodwill	11,380	11,083
Deferred tax assets-non current	1,220	652
Total Assets	\$60,798	\$56,918
Liabilities and Equity		
Current liabilities:		
Short-term bank loan	\$813	\$ --
Accounts payable	402	110
Advances from customers	1,485	1,065
Accrued payroll and other accruals	833	904
Payable for acquisition	488	1,266
Taxes payable	8,190	6,683
Other payables	263	217
Total current liabilities	12,474	10,245
Long-term liabilities:		
Deferred tax liability-non current	1,566	1,689
Long-term borrowing from director	142	139

Total Liabilities	<u>14,182</u>	<u>12,073</u>
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 22,376,540 shares and 22,186,540 shares at September 30, 2013 and December 31, 2012, respectively)		
	22	22
Additional paid-in capital	19,860	20,008
Statutory reserves	2,296	2,296
Retained earnings	21,128	19,505
Accumulated other comprehensive income	3,462	2,393
Total ChinaNet Online Holdings, Inc.'s stockholders' equity	46,768	44,224
Noncontrolling interests	(152)	621
Total equity	46,616	44,845
Total Liabilities and Equity	<u>60,798</u>	<u>56,918</u>

CHINANET ONLINE HOLDINGS, INC.
CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME
(In thousands, except for number of shares and per share data)

	<u>Nine Months Ended</u> <u>September 30,</u>		<u>Three Months Ended</u> <u>September</u> <u>30,</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
	<u>(US \$)</u>	<u>(US \$)</u>	<u>(US \$)</u>	<u>(US \$)</u>
	<u>(Unaudited)</u>	<u>(Unaudited)</u>	<u>(Unaudited)</u>	<u>(Unaudited)</u>
Sales				
From unrelated parties	\$23,108	\$38,232	\$7,341	\$10,236
From related parties	314	117	140	51
	<u>23,422</u>	<u>38,349</u>	<u>7,481</u>	<u>10,287</u>
Cost of sales	<u>13,123</u>	<u>28,065</u>	<u>3,366</u>	<u>6,163</u>
Gross margin	<u>10,299</u>	<u>10,284</u>	<u>4,115</u>	<u>4,124</u>
Operating expenses				
Selling expenses	2,007	2,042	617	640
General and administrative expenses	4,690	4,320	1,544	1,260
Research and development expenses	1,490	1,112	578	356
	<u>8,187</u>	<u>7,474</u>	<u>2,739</u>	<u>2,256</u>
Income from operations	<u>2,112</u>	<u>2,810</u>	<u>1,376</u>	<u>1,868</u>
Other income (expenses)				
Interest income	94	123	30	2
Interest expense	(10)	--	(10)	--
Other expenses	(12)	(148)	(10)	(148)
	<u>72</u>	<u>(25)</u>	<u>10</u>	<u>(146)</u>
Income before income tax expense, equity method investments and noncontrolling interests	<u>2,184</u>	<u>2,785</u>	<u>1,386</u>	<u>1,722</u>
Income tax expense	(469)	(196)	(201)	(182)
Income before equity method investments and noncontrolling interests	<u>1,715</u>	<u>2,589</u>	<u>1,185</u>	<u>1,540</u>
Share of losses in equity investment affiliates	(170)	(394)	(45)	(97)
Net income	<u>1,545</u>	<u>2,195</u>	<u>1,140</u>	<u>1,443</u>
Net loss / (income) attributable to noncontrolling interests	78	(446)	19	(223)
Net income attributable to ChinaNet Online Holdings, Inc.	<u>\$1,623</u>	<u>\$1,749</u>	<u>\$1,159</u>	<u>\$1,220</u>

Net income	1,545	2,195	1,140	1,443
Foreign currency translation gain	1,076	159	248	(139)
Comprehensive Income	\$2,621	\$2,354	\$1,388	\$1,304
Comprehensive loss/ (income) attributable to noncontrolling interests	71	(450)	24	(184)
Comprehensive income attributable to ChinaNet Online Holdings, Inc.	<u>\$2,692</u>	<u>\$1,904</u>	<u>\$1,412</u>	<u>\$1,120</u>
Earnings per share				
Earnings per common share				
Basic	<u>\$0.07</u>	<u>\$0.08</u>	<u>\$0.05</u>	<u>\$0.05</u>
Diluted	<u>\$0.07</u>	<u>\$0.08</u>	<u>\$0.05</u>	<u>\$0.05</u>
Weighted average number of common shares outstanding:				
Basic	<u>22,253,463</u>	<u>22,185,226</u>	<u>22,371,649</u>	<u>22,186,540</u>
Diluted	<u>22,253,463</u>	<u>22,185,226</u>	<u>22,371,649</u>	<u>22,186,540</u>

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

	Nine Months Ended September 30,	
	2013	2012
	(US \$)	(US \$)
	(Unaudited)	(Unaudited)
Cash flows from operating activities		
Net income	\$1,545	\$2,195
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization	1,252	1,223
Share-based compensation expenses	114	38
Allowances for doubtful debts	1,024	561
Share of losses in equity investment affiliates	170	394
Loss on disposal of property and equipment	--	2
Deferred taxes	(696)	(749)
Changes in operating assets and liabilities		
Accounts receivable	(2,269)	(5,712)
Other receivables	101	198
Prepayment and deposit to suppliers	(127)	3,401
Due from related parties	(225)	4
Other current assets	89	34
Accounts payable	284	(172)
Advances from customers	388	111
Accrued payroll and other accruals	(84)	(134)
Due to related parties	--	(162)
Other payables	(67)	25
Taxes payable	1,313	1,210
Net cash provided by operating activities	<u>2,812</u>	<u>2,467</u>
Cash flows from investing activities		
Purchases of vehicles and office equipment	(65)	(185)
Deposit for purchasing of software technology	(2,411)	--
Long-term investment in and advance to equity investment affiliates	(32)	--
Project development deposit to a third party	--	(2,450)
Cash effect on deconsolidation of VIEs	--	(15)
Payment for acquisition of VIEs	(1,768)	(1,817)
Net cash used in investing activities	<u>(4,276)</u>	<u>(4,467)</u>

Cash flows from financing activities

Proceeds from short-term bank loan	804	--
Dividend paid to convertible preferred stockholders	--	(5)
Short-term loan borrowed from an equity investment affiliate	--	316
Short-term loan repaid to an equity investment affiliate	--	(537)
Net cash provided by (used in) financing activities	804	(226)

Effect of exchange rate fluctuation on cash and cash equivalents	<u>110</u>	<u>44</u>
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Net decrease in cash and cash equivalents	(550)	(2,182)
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Cash and cash equivalents at beginning of the period	<u>5,483</u>	<u>10,695</u>
Cash and cash equivalents at end of the period	<u>\$4,933</u>	<u>\$8,513</u>

Supplemental disclosure of cash flow information

Income taxes paid	<u>\$39</u>	<u>\$74</u>
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Non-cash transactions:

Restricted stock and options granted for future service	<u>\$11</u>	<u>\$53</u>
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ChinaNet Online Holdings, Inc.

(Nasdaq: CNET)

2013 Q3 Corporate Presentation

November 20, 2013 8:30 a.m. Eastern Time U.S.A.



Safe Harbor

This release contains certain "forward-looking statements" relating to the business of ChinaNet Online Holdings, Inc. ("ChinaNet" or the "Company"), 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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- Business Operations Update
- 2013 Full Year Forecast and Future Initiatives

2013 Q3 and Year-to-Date Results

CHINANET ONLINE HOLDINGS, INC.



Financial Highlights

Ticker Symbol	NASDAQ: CNET
Fiscal Year	December 31
Stock Price (as of market close on November 15, 2013)	\$0.81
Shares Outstanding- common shares	22.38 M
Market Capitalization (as of market close on November 15, 2013)	\$18.13 M
Management Ownership	34%
Revenue Q3 2013 (unaudited)	\$7.5 M
Net Income attributable to ChinaNet Online Holdings, Inc. Q3 2013 (unaudited)	\$1.2 M
Weighted average common shares outstanding: ⁽¹⁾	22.4 M

(1) Weighted average share count will vary from quarter-to-quarter due to GAAP Treasury Method accounting for warrants and options outstanding. As of September 30, 2013, the Company had 2.4 M warrants outstanding with a weighted average exercise price of \$3.52 and 0.94 M options outstanding with a weighted average exercise price of \$1.42.

2013 Q3 Results (USD in thousands)

	2013Q3	2012Q3	Change%
Revenue	7,481	10,287	-27%
COGS	3,366	6,163	-45%
Gross Profit	4,115	4,124	-0.2%
Net Income	1,140	1,443	-21%
Net Income (after minority)	1,159	1,220	-5%

The main reasons for such fluctuations:

1. The reason for the decrease in revenue and cost of revenue is primarily due to the decrease in TV advertising revenue and cost of revenue;
2. Over gross margin improved from 40% to 55%, resulted from decrease in low margin TV advertising revenue, which accounted for 7.5% of our total revenue of Q3 2013 as compared to 31.5% of Q3 2012;
3. For Q3 2013, we provided approximately \$0.2 million of allowance for doubtful debts.

2013 Q3 Results by Segment (USD in thousands)

	2013 Q3				2012 Q3			
	Internet	TV	Bank Kiosk	BMSCB	Internet	TV	Bank Kiosk	BMSCB
Revenue	6,071	560	71	779	5,650	3,238	72	1,327
COGS	2,406	503	1	456	2,522	3,162	7	472
Gross Profit	3,665	57	70	323	3,128	76	65	855

The other key points:

1. Cash position : \$8.38 million (including \$3.45 million of term deposit);
2. Accounts receivable, net : \$10.77 million;
3. 2013 Q3 Internet segment has a 7% increase in revenue, a 9% increase in gross margin ratio and a 27% increase in customer number, as compared to 2012 Q3.

The main financial focus in Q4 2013:

To reduce receivables and to increase accounts receivable turnover rate.

2013 Year-to-Date Results (USD in thousands)

	2013 YTD	2012 YTD	% Change
Revenue	23,422	38,349	-39%
COGS	13,123	28,065	-53%
Gross Profit	10,299	10,284	+0.1%
Net Income	1,545	2,195	-30%
Net Income (after minority)	1,623	1,749	-7%

The main reasons for such fluctuations:

1. The reason for the decrease in revenue and cost of revenue is primarily due to the decrease in TV advertising revenue and cost of revenue;
2. Overall gross margin improved from 27% to 44%, resulted from decrease in low margin TV advertising revenue, which accounted for 24.3% of our total revenue of the first nine months 2013 as compared to 51.5% of the first nine months 2012.
3. For the first nine months of 2013 and 2012, we provided approximately \$1.0 million and \$0.6 million of allowance for doubtful debts, respectively.

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Online

2013 Year-to-Date Results by Segment (USD in thousands)

	2013 YTD				2012 YTD			
	Internet	TV	Bank Kiosk	BMSB	Internet	TV	Bank Kiosk	BMSB
Revenue	15,318	5,687	211	2,206	15,353	19,751	214	3,031
COGS	6,670	5,246	1	1,206	7,447	19,519	19	1,080
Gross Profit	8,648	441	210	1,000	7,906	232	195	1,951

Balance Sheet

USD in thousands

	As of December 31,					As of September 30,
	2008 US\$('000)	2009 US\$('000)	2010 US\$('000)	2011 US\$('000)	2012 US\$('000)	2013 \$('000) (unaudited)
Cash and cash equivalents (including term deposit)	2,679	13,917	15,590	10,695	8,840	8,379
Accounts receivable, net	978	3,173	4,319	4,444	8,486	10,772
Other receivables, net	-	2,636	7,811	3,631	3,103	2,285
Prepayment and deposit to suppliers	4,072	4,111	3,325	15,360	14,596	15,115
Investment in and advance to equity investment affiliates	-	-	7,162	1,396	959	845
Property and equipment, net	678	1,355	2,010	1,902	1,636	1,280
Intangible assets, net	-	-	51	8,151	7,167	6,559
Goodwill	-	-	-	10,999	11,083	11,380
Total assets	8,813	25,764	41,996	57,282	56,918	60,798

Balance Sheet

USD in thousands

	As of December 31,					As of September 30,
	2008 US\$('000)	2009 US\$('000)	2010 US\$('000)	2011 US\$('000)	2012 US\$('000)	2013 US\$('000) (unaudited)
Total liabilities	5,423	14,631	6,285	9,728	12,073	14,182
Preferred stock and Common Stock	10	20	20	22	22	22
Additional paid-in capital	603	10,574	18,614	20,747	20,008	19,860
Statutory reserves	304	372	1,587	2,117	2,296	2,296
Retained earnings	2,370	50	14,630	16,688	19,505	21,128
Accumulated other comprehensive income	103	117	930	2,132	2,393	3,462
Noncontrolling interest	-	-	(70)	5,848	621	(152)
Total equity	3,390	11,133	35,711	47,554	44,845	46,616

Cash flows Statement

USD in thousands

	Year ended December 31,					Nine Months Ended September 30,	
	2008 US\$('000)	2009 US\$('000)	2010 US\$('000)	2011 US\$('000)	2012 US\$('000)	2013 US\$('000) (unaudited)	2012 US\$('000) (unaudited)
Net cash provided by (used in) Operation Activities	821	4,617	11,582	(603)	5,028	2,812	2,467
Net cash provided by (used in) Investing Activities	(497)	(930)	(9,373)	(6,084)	(9,919)	(4,276)	(4,467)
Net cash provided by (used in) Financing Activities	1,981	7,544	(767)	1,482	(385)	804	(226)
Effect of exchange rates changes	57	7	231	310	64	110	44
Net Change in Cash & Cash Equivalents	2,362	11,238	1,673	(4,895)	(5,212)	(550)	(2,182)

BUSINESS OPERATIONS UPDATE
CHINANET ONLINE HOLDINGS, INC.



2013 Q3 Business Operations Update

- ChinaNet hosted its 10-year Anniversary and Customer Sharing Conference ("the Conference") in Zhengjie Palace Hot Spring Hotel in Beijing, China from August 17th to 18th, 2013. The Company secured over \$1 million of new contract signings during the 2-day conference. At the Conference, the Company celebrated its achievements over the past decade and introduced the latest services, including "366 value added service platform", to its customers. Over 250 guests and employees participated in the Conference. Executives from ChinaNet's close business partners, such as Baidu, Qihu (360), China Business Journal, Source for Enterprise Group, Skylife Group, and Guangfa Technology Co., Ltd. also attended the event.
- ChinaNet participated in the 2013 China Best Ideas Investment Conference held at the Four Seasons Hotel in Beijing on September 10, 2013. The 2013 China Best Ideas Investment Conference, hosted by CCG and Marcum Bernstein & Pinchuk. The conference provided investors with the opportunity to meet with senior management of Chinese companies that have weathered the storm of economic uncertainty and have shown a strong commitment to shareholder value. This one-day event featured 30 companies in the healthcare, technology, consumer products and specialty industrial sectors. The conference drew over 300 investors, including fund managers, private equity, analysts, family offices, investment advisors and high net worth individuals.
- Liansuo.com, participated in the 2013 Chinese Franchise Expo held at the Shanghai International Exhibition Center on September 14th through September 16th, 2013. This year is the 10-year anniversary of the Chinese Franchise Expo. The Expo attracted several new brands, including Burger King and Gelato Di Natura from Italy. As the strategic partner of the live webcast of the 2013 Chinese Franchise Expo, Liansuo.com invited various business leaders to share their valuable experiences and expertise regarding the franchise industry.

Competitors and the Associated Websites- as of November 15, 2013

Classification	Web Portal	IP (Daily avg.)	PV (Daily avg.)	ALEX Ranking	Baidu Index	Attraction Index
ChinaNet	28.com (2003)	402,000	3,296,400	4,761	76	8.2
	Liansuo.com (2011)	63,000	1,134,000	9,120	78	18
	Chuangye.com (2011)	2,700	3,240	587,734	1548	1.2
	Sooe.cn (2011)	19,200	24,960	72,040	76	1.3
Direct Competitor	78.cn	4,800	16,800	5,674	304	3.5
	3158.com	24,600	127,920	53,040	112	5.2
	Jiameng.com	720	1,440	2,953	236	2
	Jmw.com.cn	134,400	1,693,440	3,806	428	12.6
	51jam.com	52,800	1,320,000	36,926	82	25
Potential Competitor	Entrepreneur	888,000	1,793,760	1,020	925	2.02
	Alibaba (entrepreneur)	9,018,000	74,037,780	63	3448	8.21

Note: The IP and PV of Alibaba is consolidated, including entrepreneurial channels.

2013 Full Year Forecast and Future Initiatives

CHINANET ONLINE HOLDINGS, INC.



2013 Q4 Business Initiatives

- 28.com and Liansuo.com, launched a large scale promotional campaign to help entrepreneurs and franchisees secure funding and services for their businesses. These initiatives have taken place over the past month, attracting thousands of participants so far. All of ChinaNet's operating subsidiaries, including 28.com, Liansuo.com, Chuangye.com and sooe.cn will help the winners launch and support their business ventures.
- 28.com was a title sponsor of a new TV series — "Da Gou Gun" — on Chongqing TV. The new show has been run two episodes per day on prime time starting October 14, 2013. As the title sponsor of this show, 28.com will run six advertising spots per show. Being the title sponsor of this popular show will increase awareness for 28.com among millions of viewers. We look forward to showcasing our wide array of services to the general public through these ads.
- 28.com will help promote Joy Paradise in Huailai, Hebei Province to consumers and businesses. Joy Paradise is one of the largest retail shopping centers under construction in Hebei Province. Located approximately 1,200 kilometers from Beijing, the state-of-the-art complex will span over 160,000 square feet, with close to 300 shops. ChinaNet will introduce this new commercial center to clients who are interested in establishing a retail location in Huailai. With its headquarters in Beijing and relationships with thousands of small and medium sized enterprises (SMEs), including hundreds of retailers, 28.com will be a valuable marketing partner for Joy Paradise.

2013 Q4 Business Initiatives

- ChinaNet hosted government officials from Quanzhou, Fujian Province to discuss various cultural and creative industry projects. ChinaNet will work with other advertising and marketing partners to help local businesses and leaders identify creative projects and talent. Quanzhou is a special city in China. 70 of sport brands come from Quanzhou. ChinaNet's Chairman and CEO Handong Cheng presented an overview of ChinaNet's service offerings to seven government leaders from the city of Quanzhou. ChinaNet's technical team also demonstrated its new marketing technology platform for the guests, showing how these tools could be used by small and medium sized businesses throughout Fujian Province to increase their sales and marketing. Quanzhou is an important and growing market for us. We have hundreds of clients in Fujian Province, including several footwear and beverage manufacturers. By building a stronger relationship with civic leaders and entrepreneurs, we have an opportunity to significantly increase the overall economic growth and client base in Fujian.
- Liansuo.com participated in the inaugural China Franchise Exhibition held at the Chengdu Century International Convention Center from November 14th to 16th. ChinaNet representatives will network with franchise owners and local government representatives to discuss Liansuo.com and other ChinaNet products and services. This is China Franchise Association's first event to be held in Chengdu. Chengdu is home to over 14 million residents and 10,000 small and medium sized businesses.

2013 Q4 Business Initiatives

- **Liansuo.com Signs New Customer**

Liansuo.com, signed an agreement with Beijing Origus Food Co., Ltd. ("Origus") to help expand Origus' franchise in China and internationally.

"This is an important new client for Liansuo.com," explained George Chu, Chief Operating Officer of ChinaNet. "Origus established a strong brand name in China and expanded to over 100 franchised stores domestically. We will help them further accelerate their franchise expansion in China and abroad."

Origus, a pioneer of the pizza buffet concept in China, was founded in 1998. It has grown from its original location in Pittsburgh, Pennsylvania to hundreds of locations in more than 20 provinces in China. Separate from the buffet, Origus also provides other dining options, including corporate catering and take-out. Origus was a designated caterer of the 2008 Beijing Olympic Press Center. Liansuo.com will provide online advertising and marketing to help Origus further increase its brand recognition among consumers and entrepreneurs and open more franchise restaurants in second and third tier cities in China.



2013 Q4 Business Initiatives

“Strategic cooperation and development with Dachan Food”

ChinaNet will develop a new APP for catering sector collaborated with DaChan Food (Asia) Limited. Technical team of ChinaNet provided the interface bridging of the AR core technology. On this basis, Dachan adjusted this technical and applied it on their latest products APP. This APP will release two versions of iOS and Android and complete in Q1 2014.

The APP will provide users with new audition experience , the main features are : 1. Shows the latest information of products; 2. Combined Baidu Maps API to do branch display, to inform customers of the new stores; 3. using a mobile phone camera to align products' Logo , the AR technology of APP will automatically identify the logo, and the video about the product will be promotional played . After watching the video, the customers may participate in sweepstakes, this activity will increase interaction to attract customers .



2013 Q4 Business Initiatives

“Joint-Product Development with Baidu”- Omni-Channel Management Console



2013 Q4 Business Initiatives

Potential Acquisitions:

Potential Acquisition Categories	Categories description
Mobile Cloud Dealer Management System	Including dealer franchisees, tracking order payment case, and other functions
Mobile Cloud Sales Management Solution	The new generation of framework free POS management system on mobile, e.g. the IPAD as the POS front desk program, and combined with the cloud management system
Mobile Cloud Membership Bonus System	The cloud consumer bonus Member program, you can operate it cross-shop and cross-industry.
Mobile Cloud Ordering System Solution	Combined with smartphones, it can order everywhere and serve in the shop .

2013 Full Year Guidance

	2013 (Estimated)
Revenues	\$30 million
Net Income*	\$1.2 million

* Non-GAAP net income attributable to ChinaNet Online Holdings, Inc.

Thank you !

