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ChinaNet Online Holdings' Liansuo.com Launches New Cloud-Based Service System

BEIJING, Oct. 12, 2012 (GLOBE NEWSWIRE) -- ChinaNet Online Holdings, Inc. (Nasdaq:CNET) (the "Company"), a leading B2B (business to business) Internet technology company focusing on providing online-to-offline ("O2O") sales channel expansion services for small businesses (so-called small and medium-sized enterprises ("SMEs") in China) and entrepreneurial management and LINK services for entrepreneurs in the People's Republic of China, today announced that its operating unit for medium and large franchises — Liansuo.com — introduced a new cloud-based software system that allows businesses and existing and potential sales channel partners to communicate with each other more efficiently.

Quick Connect, its new software co-developed by ChinaNet and ChinaNet's partners, allows new and existing sales channel partners to reach businesses to more efficiently communicate with one another by converting all incoming calls to a toll free telephone number starting with the "400" prefix to the party they are trying to reach. Quick Connect also keeps a detailed log of all incoming calls that businesses can port into their customer relations management ("CRM") database to track every sales lead. Management expects the new cloud-based software system to drive additional spending for value-added services on Liansuo.com.

Mr. George Chu, COO of ChinaNet, said, "We developed a simple, cost effective way for small business customers to increase their client conversion rates. Most small businesses cannot afford to buy expensive CRM software. As a result of not maintaining an updated log of communications with potential clients and business partners, many small businesses lose sales they otherwise would have captured. A few Liansuo.com clients that have implemented Quick Connect have seen their conversion rates increased by 11% to 17% within a month. We plan to roll this product out to four million small and franchise business owners nationwide over the next few months. This new product will help augment the growth rate of Liansuo.com in the months ahead."

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 businesses (or so-called small and medium-sized enterprises (SMEs) in China) and entrepreneurial management and LINK 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 small businesses via its portal websites, 28.com, Liansuo.com and Chuangye.com (for entrepreneurs' Linking services), 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.

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