

China Pharma Holdings, Inc.

Obtains High-Tech Enterprise Status

-- Entitled To A Preferential Tax Rate In The Coming Three Years--

HAIKOU CITY, China, Nov. 22, 2010-- China Pharma Holdings, Inc. ("China Pharma") (NYSE Amex: CPHI), which develops, manufactures, and markets specialty pharmaceutical products in China, today announced that its wholly owned subsidiary, Hainan Helpson Medical & Biotechnology Co., Ltd ("Helpson"), received the "National High-Tech Enterprise" status ("National HT Status") from the PRC government, as recognized by the Ministry of Science and Technology of China, the Ministry of Finance, and the State Administration of Taxation. With this designation, China Pharma is entitled to a preferential tax rate of 15 percent for the coming three years, which is notably lower than the statutory income tax rate of 25 percent.

To be recognized as a "National High-Tech Enterprise", China Pharma's wholly owned subsidiary, Helpson, has met the following requirements: (i) it possesses pipeline products with independent intellectual property within one of the "key high-tech fields supported by the state"; (ii) it leverages scientific technology to materially improve technological/product advancements, while continuously practicing creative research and development; (iii) its research and development, organizational, management, and technical outcome transference capabilities are in line with the requirements; (iv) it has sufficient independent intellectual property that supports revenues generated by transformational scientific and technological achievements and capital growth.

According to the Enterprise Income Tax Law of the People's Republic of China, implemented on January 1, 2008, the statutory tax rate is 25%. However, as a High-Tech enterprise, the Company will benefit from a preferential tax rate of 15% for a defined period of time.

"We are pleased to pass the rigorous national evaluation process that has led to this privileged distinction," remarked Ms. Zhilin Li, President and CEO of the Company. "We will be eligible for a preferential tax rate for the next three years, as well as a government subsidy for innovative programs. This status is valid from 2011 through 2013 and will be renewable upon evaluation by relevant government authorities every three years."

About China Pharma Holdings, Inc.

China Pharma Holdings, Inc. is a specialty pharmaceutical company with rapidly growing profit that develops, manufactures, and markets treatments for a wide range of high incidence and high mortality conditions in China, including cardiovascular, CNS, infectious, and digestive diseases. The Company's cost-effective, high margin business model is driven by market demand and supported by eight scalable GMP-certified product lines covering the



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major dosage forms. In addition, the Company has a broad and expanding distribution network across 30 provinces, municipalities and autonomous regions. The Company is registered in Delaware, USA. Hainan Helpson Medical & Biotechnology Co., Ltd. (Helpson), located in Haikou City, Hainan Province, China, is a wholly owned subsidiary of China Pharma Holdings, Inc. For more information about China Pharma Holdings, Inc., please visit <http://www.chinapharmaholdings.com> .

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995

Certain statements in this press release constitute forward-looking statements for purposes of the safe harbor provisions under The Private Securities Litigation Reform Act of 1995. Any statements set forth above that are not historical facts are forward-looking statements that involve risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements, which may include, but are not limited to, such factors as success of new product development, unanticipated changes in product demand, increased competition, downturns in the Chinese economy, uncompetitive levels of research and development, and other information detailed from time to time in the Company's filings and future filings with the United States Securities and Exchange Commission. The forward-looking statements made herein speak only as of the date of this press release and the Company undertakes no duty to update any forward-looking statement to conform the statement to actual results or changes in the company's expectations.

