

China Pharma Holdings, Inc. Receives SFDA Production Approval for Tiopronin Enteric-Coated Capsules

HAIKOU CITY, Hainan, China, Jan. 12 / -- China Pharma Holdings, Inc. ("China Pharma") (OTC Bulletin Board: CPHI), which develops, manufactures, and markets specialty pharmaceutical products in China, today announced that China's State Food and Drug Administration ("SFDA") approved the production of Tiopronin Enteric-Coated Capsules. Tiopronin is listed in the National Medical Insurance Program, thus allowing patients to obtain reimbursement.

Tiopronin Tablets are widely prescribed in several countries for the treatment of acute and chronic Hepatitis B (HB), and for the relief of drug-induced liver injury. However, this drug can cause stomach irritation therefore its use and patient compliance may be limited by the side effects. To address this, China Pharma has developed Tiopronin Capsules with an enteric coating to decrease the stomach mucosal irritation associated with Tiopronin. As a result, China Pharma's Tiopronin Enteric-Coated format improves liver function while protecting the stomach.

Ms. Zhilin Li, China Pharma's president and CEO stated: "The competitive advantage of our enteric coating, coupled with the reimbursement available, make Tiopronin Enteric-coated Capsules a superior treatment option for liver disease. According to Chinese epidemiological surveys, there are approximately 30 million chronic HB patients in China, and around 120 million carriers of the HB virus, which is 9.95% of the entire population. Therefore, liver disease is a major threat for the Chinese population. Sales of liver protection drugs including Tiopronin, have been projected to reach RMB 41.3 billion in 2008*. The increased intestinal absorption of our product, Tiopronin Enteric-Coated Capsules, is consistent with reduced gastric irritation, and higher bioavailability. All these advantages of the enteric-coated format which is the fruit of our product differentiation strategy, will create a stronger market position for China Pharma and bring positive influence on our 2009 operating targets."

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 a scalable GMP-certified manufacturing infrastructure. 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 Bio-pharmaceutical 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: Certain statements in this press release and oral statements made by China Pharma on its conference call in relation to this release, constitute forward-looking



China Pharma Holdings, Inc.

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 unanticipated changes in product demand, increased competition, failure to obtain or maintain intellectual property protection, downturns in the Chinese economy, uncompetitive levels of research and development, failure to obtain regulatory approvals, 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.

(*) Source: MEDICINE ECONOMIC NEWS Jun. 24, 2005

