



Press Release

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S3 Investment Company Announces 6-Month Bridge Audit for Redwood Capital Reverse Merger Client Dalian Chuming Group

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DANVILLE, CA--(MARKET WIRE)--Aug. 29, 2007--S3 Investment Company, Inc. (Other OTC: SIVC), a holding company with two subsidiaries doing business in the China market, today announced that the firm that conducted the audit for Redwood Capital's reverse merger client, Dalian Chuming Group Co., LTD, is returning representatives to China to complete a 6-month bridge audit, which covers the period from January 1, 2007 through June 30, 2007.

Samuel H. Wong & Co. LLP, a leading certified public accounting firm with offices in the United States and Asia, conducted the audit of Dalian Chuming Group's historical financials and will complete reviews of the subsequent periods in advance of Dalian Chuming Group's entrance into the U.S. capital markets.

Redwood Capital, a subsidiary of S3 Investment Company, provides an array of services to private Chinese companies and utilizes its extensive network of investment banking relationships to facilitate the client's listing on a U.S. public market through a reverse merger process. Included in Redwood Capital's services is to prepare the client company's internal accounting for the audit.

S3 recently announced that a U.S. public shell company for the reverse merger of Dalian Chuming Group Co., LTD. has been identified. Redwood Capital and its representatives are currently completing the negotiation of terms and due diligence necessary to complete the acquisition of the shell candidate.

"We believe that we are very close to consummating an agreement to acquire the identified shell company for Dalian Chuming Group, and ensuring that the required reviews and audits are in place is an important element in bringing this reverse merger to completion," stated S3 chairman and chief executive officer Jim Bickel.

"We are committed to keeping our shareholders informed as we achieve tangible milestones in this process, and we look forward to additional announcements related to the shell acquisition in the near future," Mr. Bickel added.

Dalian Chuming Group Co., LTD, www.chuminggroup.com is a major producer and exporter of fresh and frozen pork and other cooked meat products. The Chuming Group is among a select group of industrialized farming corporations in northeastern China and is known for its international quality management standards and international safety certifications. In late

2006, the company officially opened a \$2.9 million feedmill with a capacity of 200,000 tons per year that will support its expansion of pork production. The pursuit of a U.S. public listing is expected to allow the Chuming Group to expand into additional worldwide markets.

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About S3 Investment Company

S3 Investment Company, Inc. (<http://www.s3investments.com>) is a holding company with two subsidiaries doing business in the China market. S3 holds a 100% equity interest in Redwood Capital (<http://www.redwoodcapinc.com>), which assists private Chinese companies in accessing U.S. capital markets by utilizing a network of investment banking relationships to achieve reverse merger transactions, and a 51% equity interest in SINO UJE (<http://www.sinouje.com>), a non-stocking distributor of medical and industrial high-tech products to markets throughout China.

Any statements contained herein related to future events are forward-looking statements and are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Readers are cautioned not to place undue reliance on forward-looking statements. S3 Investment Company, Inc. undertakes no obligation to update any such statements to reflect actual events.

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