



Press Release

Source: S3 Investment Company

S3 Investment Company Announces Expected Schedule for Filing of Audited Financials

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Financials will be included as part of upcoming S-1 Registration Statement

DANVILLE, CA--(MARKET WIRE)--Oct. 1, 2008--S3 Investment Company, Inc. (Other OTC: SIVC), which, with its wholly owned Redwood Capital subsidiary, assists private Chinese companies in accessing the U.S. capital markets through reverse mergers into public companies, today announced the expected schedule for the completion of the financial reports necessary to apply for reinstatement to the Over-the-Counter Bulletin Board (OTCBB) market.

The company will include the annual reports with audited financials for the 2007 and 2008 fiscal years as part of a Form S-1 Registration Statement expected to be filed on or around October 15, 2008. The company's last filed annual report was for the 2006 fiscal year and was filed with the Securities and Exchange Commission on November 15, 2006.

After the Form S-1 Registration Statement is filed, the company will begin filing its periodic quarterly and year-end financial statement in the required timeframes. The next quarterly report, for the period ended September 30, 2008, will be filed on or around November 14, 2008.

"The S-1 filing is expected to be major step in moving S3 forward as a fully reporting company and paving the way for an application for a listing on the Over-the-Counter Bulletin Board," said Chairman and Chief Executive Officer Jim Bickel. "We look forward to this upgrade in the public markets, as well as the additional layer of transparency that fully reporting status provides."

"While the recent financial turmoil in the U.S. markets has likely impacted the expected timelines for the closing of Redwood Capital's pending reverse merger transactions, delaying them to some degree, we do not expect it to significantly alter our expected closings in the fourth quarter of the 2008 calendar year. However, it is possible that the third anticipated closing will not occur until the first calendar quarter of 2009," Mr. Bickel added.

Redwood Capital subsidiary, which assists private Chinese companies in accessing the U.S. capital markets through reverse mergers into public companies, participated in the transaction involving Dalian Chuming, a premier processor and supplier of fresh and prepared pork products in Dalian, China. Energrouph Holdings Corporation, a Nevada corporation, acquired

all of the issued and outstanding capital stock of Precious Sheen Investments Limited (“PSI”), a British Virgin Islands corporation and parent company of PRC-based Dalian Chuming.

Redwood Capital was issued 428,095 shares of ENHD as the equity portion of its payment for advisory services provided for the transaction. Institutional and accredited investors participated in a \$17.0 million private placement with Energroup Holdings Corporation, paying \$4.40 per share for their positions. At the placement price, the value of Redwood Capital’s equity position would exceed \$1.8 million.

In the most recent financial results for Energroup Holdings Corporation, it reported that through its direct and indirect subsidiaries known as Chuming, supermarket and franchise stores drive sales 57.8% up for the first six months of 2008 versus prior year and that net income increased 70% to \$9.9 million with EPS of \$0.47 for the 6 months ended June 30, 2008. Additional details of the financial report can be found in a press release issued by Energroup Holdings Corporation on September 3, 2008 and in the quarterly report filed with the Securities and Exchange Commission on September 2, 2008.

To sign up to receive information by email directly from S3 Investment Company when new press releases, investor newsletters, SEC filings or other information is disclosed, please visit <http://www.s3investments.com/investors/>.

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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