



Press Release

Source: S3 Investment Company

S3 Investment Company Announces Redwood Capital Client Agreement: Hunter Wise Financial Group, LLC to Provide Investment Banking Services for Reverse Merger Transaction

Issued Tuesday, December 4, 9:35 am ET

DANVILLE, CA--(MARKET WIRE)--Dec. 4, 2007--S3 Investment Company, Inc. (Other OTC: SIVC), a holding company with two subsidiaries doing business in the China market, today announced that Changzhou Haijie Metallurgical Machinery Manufacturing Co. Ltd. (“Haijie”), a reverse merger client of S3’s Redwood Capital, Inc. subsidiary, has selected Hunter Wise Financial Group, LLC of Irvine, California to act as the exclusive investment banking firm for its reverse merger into the U.S. public markets.

S3 and Redwood Capital recently announced that the 2007 fiscal year revenues (audited) for Haijie exceeded \$21.7 million.

Hunter Wise Financial Group, LLC and its wholly owned Broker/Dealer, Hunter Wise Securities, LLC, a FINRA and SIPC member firm, provide investment banking services including institutional finance, financial advisory services, international transactions, and mergers, acquisitions and divestitures. Changzhou Haijie Metallurgical Machinery Manufacturing Co. has engaged Hunter Wise Financial Group to act as its exclusive financial advisor, and Hunter Wise Securities to act as the exclusive placement agent in connection with its pursuit of a U.S. public listing.

“Hunter Wise has proven to be a highly effective investment banking partner for Redwood Capital’s reverse merger clients, and we are pleased that they have been retained to handle the investment banking services for Changzhou Haijie Metallurgical Machinery Manufacturing Co.,” said S3 Chairman and Chief Executive Officer Jim Bickel.

Redwood Capital, which 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, is currently assisting with Haijie’s entrance into the U.S. markets.

Changzhou Haijie Metallurgical Machinery Manufacturing Co. Ltd. is located in the Xinbei District of the Changzhou High and New Technology Industrial Development Zone, which lines the southern bank of the Yangtze River in the northern part of the city. Changzhou, which is among the top 50 Chinese cities in terms of its comprehensive economic strength, has been characterized as an investment magnet due to its rich history, pleasant living environment, daily conveniences, respect for diverse customs, perennially congenial climate,

solid industrial foundation, industrial diversity, good legal environment and government efficiency, and geographical advantages and low logistics costs.

Historically, Changzhou Haijie Metallurgical Machinery Manufacturing Co. was a sub-plant of Baosteel Group, one of the most profitable steel enterprises in the world, with an annual production capacity of about 20 million tons. Following a management buyout, the main products of Haijie include complete sets of metallurgical equipment and spare parts, electrical power equipment (including wind-driven generator boxes and large scale transformers), automotive parts, mechanical engineering parts, and large gearboxes.

Haijie's fabrication, machinery and assembly products are already distributed internationally to a select few significant foreign companies, and with its planned entry into the U.S. capital markets, the company is expected to expand distribution to additional worldwide markets. The company is also expanding internally with additional property and a new 200-ton heavy-duty steel structure workshop due to open later this month.

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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