



Press Release

Source: S3 Investment Company

## **S3 Investment Company Secures Full Operational Financing for 2008 and Implements Strategy for Re-Listing on the OTCBB**

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DANVILLE, CA--(MARKET WIRE)--Feb. 5, 2007--S3 Investment Company, Inc. (Other OTC: SIVC), a holding company with two subsidiaries doing business in the China market, today announced that it has received a financing commitment, which results in the S3 being fully funded for 2008 and is implementing a strategy by which the company will apply for reinstatement to the Over-the-Counter Bulletin Board (OTCBB) market. The funding covers all corporate expenses for the 2008 calendar year and would eliminate the need for any equity transactions to finance S3 operations for the year.

As part of the financing terms, S3 will complete the audited financial reports required to file for an OTCBB listing. The audited financials to be filed are expected to include annual reports for the 2006, 2007 and 2008 calendar years.

“We are pleased to have received the financing commitment that will cover all corporate expenses for 2008 and eliminate the need to use S3 stock as a funding resource for the year,” stated Jim Bickel, chairman and chief executive officer of S3 Investment Company. “The deal flow that has been established by our Redwood Capital subsidiary, which includes the recently closed Dalian Chuming transaction, as well as current clients HaiJai Metallurgical Machinery Manufacturing and Wuhan International Trade College, provides significant anticipated value based on equity participation in each closed transaction. This, and the continued growth of our SINO UJE subsidiary, is expected to make 2008 another strong year for S3.”

Redwood Capital participated in a recently closed acquisition transaction involving Dalian Chuming, a pork processing company with USD \$70.4 million in sales in 2006, and USD \$89.7 million in unaudited sales in the first three quarters of 2007. Energroupholdings Corporation, a publicly traded Nevada corporation, acquired all of the issued and outstanding capital stock of Precious Sheen Investments Limited, a British Virgin Islands corporation (“PSI”) and parent company of PRC-based Dalian Chuming. Energroupholdings Corporation is traded under the symbol ENHD.

S3 recently announced that the company’s Board of Directors had met and began formulating a plan to dividend shares of the stock of Redwood Capital’s reverse merger clients to S3 shareholders of record at a future date. Further details and plans to implement such a strategy are expected to be discussed as they are developed.

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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