



Press Release

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S3 Investment Company Issues March 2008 Newsletter Covering New Investment Banking Relationship and Equity Payment from Reverse Merger Transaction

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DANVILLE, CA--(MARKET WIRE)--Mar. 6, 2007--S3 Investment Company, Inc. (Other OTC: SIVC), a holding company with two subsidiaries doing business in the China market, today released the March 2008 issue of its investor newsletter, which provides a review of recent announcements made by the company, including a new agreement with Kensington Cross Ltd., a Delaware domiciled boutique investment banking firm with offices in Beijing, China, to fund private equity transactions ranging from \$20 million to \$100 million (US).

A PDF version of the March 2008 newsletter can be viewed on the company's website at <http://www.s3investments.com/media/news/>.

In addition to the relationship with Kensington Cross, the newsletter includes S3's announcement that its Redwood Capital subsidiary has received the equity portion of its payment for providing advisory services for the acquisition transaction involving Dalian Chuming, a pork processing company based in China. Redwood Capital has been issued 428,095 shares of Energroup Holdings Corporation, a publicly traded Nevada corporation that acquired all of the issued and outstanding capital stock of Precious Sheen Investments Limited, a British Virgin Islands corporation ("PSI") and parent company of Dalian Chuming. Energroup Holdings Corporation is traded under the symbol ENHD.

At the price of a \$17.0 million private placement, the value of Redwood Capital's equity position would exceed \$1.8 million (US). At the most recent trading price of Energroup Holdings Corporation's common stock, the value of the equity position would exceed \$2.1 million (US).

Redwood Capital provides advisory services for private Chinese companies seeking access to the U.S. public markets through reverse merger/acquisition transactions.

The newsletter also includes an article on the engagement of an auditing firm to conduct audits of its subsidiary businesses in China as part of its efforts to achieve fully reporting status and reinstatement to the Over-the-Counter Bulletin Board (OTCBB) market. Another article reviews the training of representatives from S3's SINO UJE subsidiary on the fundamentals of the Electrochemical Fatigue Sensor (EFS) System as part of its representation agreement with Material Technologies, Inc., a California-based engineering, research and development

company that specializes in technologies to measure microscopic fractures in metal structures and to monitor metal fatigue.

Also in the newsletter is an article regarding a trip to China during which S3 CEO Jim Bickel is scheduled to conduct meetings with up to 6 potential new reverse merger clients for S3's Redwood Capital subsidiary. While in China, he will visit with Redwood Capital's two current clients, Changzhou Haijie Metallurgical Machinery Manufacturing Co. Ltd. and Wuhan International Trade College.

Mr. Bickel arrived in China this week, and commented, "We are very pleased to have this opportunity to meet with Redwood Capital's current clients and explore the opportunities with new private Chinese companies that seek to enter the U.S. public markets. I expect to provide reports on our progress while in China and a detailed review once I return to the United States."

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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