



Press Release

Source: S3 Investment Company

S3 Investment Company Announces Return of CEO from Successful China Trip in Support of Subsidiary Companies

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Management expects announcement of new Redwood Capital reverse merger client shortly

DANVILLE, CA--(MARKET WIRE)--Apr. 3, 2008--S3 Investment Company, Inc. (Other OTC: SIVC), a holding company with two subsidiaries doing business in the China market, today announced the return of Chairman and Chief Executive Officer Jim Bickel from his most recent trip to China for meetings with potential new reverse merger clients for S3's Redwood Capital subsidiary. While in China, Mr. Bickel visited with two current Redwood Capital clients and received updates on the progress of preparation for their entrance into the U.S. public markets.

Mr. Bickel arrived in China on March 6, 2008 and spent over two weeks traveling in China to attend meetings with management of S3's subsidiary operations and Redwood Capital's reverse merger clients.

As a result of the trip and subsequent meetings, S3 expects to announce a new Redwood Capital client in the next several days. Redwood Capital provides advisory services for private Chinese companies seeking access to the U.S. public markets through reverse merger/acquisition transactions.

Redwood Capital participated in a recently closed acquisition transaction involving Dalian Chuming, a pork processing company that trades in the U.S. as Energroup Holdings Corporation under the symbol ENHD. As part of the transaction, Energroup Holdings Corporation, a 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.

Redwood Capital was issued 428,095 shares of Energroup Holdings Corporation as the equity portion of its payment for providing advisory services for the recently closed acquisition transaction involving Dalian Chuming. Institutional and accredited investors participated in a \$17.0 million private placement with Energroup Holdings Corporation, paying \$4.40 per share. At the placement price, 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).

In addition to his meeting related to Redwood Capital, Mr. Bickel reviewed the status of S3's SINO UJE subsidiary.

“Overall, this was a very successful trip, and we are pleased to report that another new client for our Redwood Capital subsidiary is expect to be announced shortly,” stated Mr. Bickel. “As we continue to develop the pipeline for these transaction in China, we anticipate a fairly steady supply of Redwood Capital clients to be signed and transactions to be closed. Each company is unique, so it is difficult to predict exact timetables for close, but we are still focused on the goal of one closed transaction per quarter, a total of 4 per year.”

“There is a great deal of current activity related to S3 and Redwood Capital, and we expect a consistent stream of news in the coming weeks, including the name and details of the new Redwood Capital client,” added Mr. Bickel.

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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