



Press Release

Source: S3 Investment Company

S3 Investment Company Announces Promotion of Annie Lian to Position of Project Manager for Redwood Capital Subsidiary

Issued Wednesday May 7, 6:35 am ET

Ms. Lian Responsible for Marketing and Further Development of Client Pipeline

DANVILLE, CA--(MARKET WIRE)--May 7, 2008--S3 Investment Company, Inc. (Other OTC: SIVC), the majority owner of Redwood Capital, which assists private Chinese companies in accessing the U.S. capital markets through reverse mergers into U.S. public companies, today announced the promotion of Annie Lian, who has served as administration manager for Redwood Capital for approximately two years, to the position of project manager, responsible for marketing and further development of Redwood Capital's pipeline of existing and prospective clients.

In addition to Redwood Capital's existing client base, it has a larger number of prospective clients that are in various stages of due diligence. A critical element of Redwood Capital's expertise is in sourcing and qualifying private Chinese companies that can successfully enter the U.S. public markets through reverse merger transactions. The promotion of Ms. Lian will allow Redwood Capital to expand the capabilities of its due diligence process and increase its marketing efforts within China.

"Since joining the company, Ms. Lian has become a highly effective and integral part of the Redwood Capital team, and we expect that in her new position, she will allow Redwood to achieve even better results as it participates in future reverse merger transactions," commented Jim Bickel, chairman and chief executive officer of S3 Investment Company.

Ms. Lian joined Redwood Capital in June 2006, working initially as administration manager in Redwood Capital's Beijing registered office, where she was responsible for legal work, company professional procedures, daily operations, and staff support. She was also tasked with a variety of operations management duties, included but not limited to due diligence requests and collection, document preparation and translation, and IT development.

Previous to her employment at Redwood Capital, Ms. Lian worked as a journalist and in marketing for an exhibition services company.

Ms. Lian graduated from China University of Political Science and Law where she received her Bachelor's degree in 2004 with a major in Political Science and Administration.

Redwood Capital participated in a transaction involving Dalian Chuming, a pork processing company that trades in the U.S. as Energrouph Holdings Corporation under the symbol ENHD. As part of the transaction, 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 Energrouph Holdings Corporation as the equity portion of its payment for provided advisory services for the transaction. Institutional and accredited investors participated in a \$17.0 million private placement with Energrouph Holdings Corporation, paying \$4.40 per share. At the placement price, the value of Redwood Capital’s equity position would exceed \$1.8 million. At the most recent trading price of Energrouph Holdings Corporation's common stock, the value of the equity position would exceed \$2.1 million.

Energrouph Holdings Corporation has since reported that revenues for the year ended December 31, 2007 totaled \$124.7 million, a 77% increase over the \$70.4 million reported in 2006. Gross profit for 2007 was \$20.3 million, representing a 61% increase from the \$12.6 million reported in 2006.

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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