



**Press Release**

**Source: S3 Investment Company**

## **S3 Investment Company Attends Major Reverse Merger Conference**

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DANVILLE, CA--(MARKET WIRE)--Jun. 26, 2008--S3 Investment Company, Inc. (Other OTC: SIVC), and its wholly owned Redwood Capital subsidiary, which assists private Chinese companies in accessing the U.S. capital markets through reverse mergers into public companies, today announced that management representatives, including S3 CEO Jim Bickel and Redwood Capital's Director of Research, Matthew Totty, attended the Reverse Merger Conference 2008 held on June 18 – 19, 2008 in Los Angeles, California.

The Reverse Merger Conference 2008, produced by DealFlow Media, was advertised as the largest educational and networking event for professionals in the business. The two-day conference covered all of the technical issues relating to reverse mergers, self-underwriting, and other alternative routes to the public market.

Some of the specific topics covered at the event included: 1) Current Trends in the Reverse Merger Market; 2) A Comprehensive Review of 12 Years Worth of Shell Mergers; 3) Negotiating Air-tight Agreements: Enforcing Contracts between Issuers and Bankers; 4) Hybrid Investment Valuation: Considerations for PIPE Funds and Reverse Merger Funds; 5) Institutional Sales: Understanding Retail Brokerage and how it has Changed the Small Cap Landscape; 6) Building a PIPE Practice in a Downward-to-Sideways Market ; 8) Legal Issues in China: MOFCOM, SAFE, and Rules Pertaining to Offshore Transactions; 7) The Case for Self-filings as a Private-to-Public Path; 8) The Pros and Cons of Form 10 Shells; 9) Listing Alternatives for Shells and Reverse Mergers; 10) Legal and Regulatory Update: Has the SEC Made Raising Cash Easier?; 11) Reverse Merger Financing: How to Structure Deals around a Lack of Trading Liquidity; 12) Shell Companies: Do You Know Where your Shell (or Shell Promoter) has been?

“Our attendance at events such as the Reverse Merger Conference 2008 is absolutely essential, given the business of Redwood Capital,” commented Mr. Bickel. “Not only do we gain very important information regarding the current reverse merger landscape, including recent and anticipated updates on legal and regulatory issues, but we also have the opportunity to interface with other important players in the APO space.

“Our investment banking partner, Hunter Wise Financial Group, was also represented at the event,” Mr. Bickel added.

Redwood Capital and Hunter Wise participated together in a 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, ENHD, 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 ENHD as the equity portion of its payment for advisory services provided for the transaction. Institutional and accredited investors participated in a \$17.0 million private placement with Energroup Holdings Corporation, paying \$4.40 per share for their positions. At the placement price, the value of Redwood Capital’s equity position would exceed \$1.8 million. At the most recent trading price of Energroup Holdings Corporation's common stock, the value of the equity position would exceed \$2.1 million.

Energroup 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. Most recently, ENHD reported after-tax net income for the quarter ended March 31, 2008 of \$4.2 million, a 41% increase over the \$3.0 million reported in the same period of 2007.

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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