



**Press Release**

**Source: S3 Investment Company**

## **S3 Investment Company Announces Redwood Capital Subsidiary Participation in China International Private Equity Forum**

Issued Monday June 9, 9:17 am ET

DANVILLE, CA--(MARKET WIRE)--Jun. 9, 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 Daniel J. McClory, Managing Director of Hunter Wise Financial Group LLC, the investment banking partner of Redwood Capital, will participate in a panel discussion at the China International Private Equity Forum being held at the Tianjin International Exhibition Centre and Tianjin Grand Theatre in Tianjin, China on June 9 - 12, 2008.

At the forum, Mr. McClory, who serves as a member of Redwood Capital's investment committee, will be addressing the subject, "The Role of Intermediaries in Identifying and Completing Deals in China," a topic closely related to Redwood Capital's function in reverse merger/acquisition transactions.

The Tianjin event, which is sponsored by The Association for Corporate Growth (ACG), the All China Federation of Industry & Commerce, and the Tianjin Municipal People's Government, provides an introduction to investing in China and will feature more than 1,000 pre-screened private Chinese companies seeking Western investment, Chinese government officials, and a wide variety of private equity professionals, intermediaries, corporate development executives, lawyers, consultants and others interested in investing in China.

Forum attendees will meet with pre-screened private Chinese companies seeking Western investment; learn first-hand about how to make successful investments in China from dealmakers succeeding in China and Chinese officials; network with other leading private equity professionals, corporate development executives, and intermediaries from North America, Europe and Asia, as well as Chinese entrepreneurs and government officials.

The forum will also include ACG's renowned Capital Connection and DealSource "speed dating" adapted to encourage maximum interaction between Western professionals and Chinese growth companies.

Redwood Capital will have a booth at the China International Private Equity Forum.

In addition to the discussion on the role of intermediaries, other panel discussions at the event will include: International Investment in Chinese Growth Companies, Corporate Perspectives

on Strategic Investment in China, The Changing Role of Western Private Equity in China, and Due Diligence and Managing Expectations.

Redwood Capital and Hunter Wise participated 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.

#### Contact:

For S3 Investment Company  
Gemini Financial Communications, Inc.  
A. Beyer  
(951) 677-8073  
[investors@s3investments.com](mailto:investors@s3investments.com)

