



Press Release

Source: S3 Investment Company

S3 Investment Company Announces Completion of CEO Visit to China in Preparation for Anticipated Redwood Capital Reverse Merger Closings

Issued Monday September 29, 1:51 pm ET

CEO Also Attends SIG Second Annual Beijing Management Summit

DANVILLE, CA--(MARKET WIRE)--Sep. 29, 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 Chairman and Chief Executive Officer Jim Bickel has completed a trip to China to work with management of Redwood Capital on its pending reverse merger transactions.

In addition to meetings related to existing Redwood Capital clients and pending reverse merger transactions, Mr. Bickel participated in meetings with additional prospective Redwood Capital clients which comprise the pipeline for future potential reverse merger transactions.

S3 has announced that the company expects two current Redwood Capital clients to participate in successful reverse merger transactions and enter the U.S. public markets before the end of the 2008 calendar year.

“We expect a very busy last quarter of 2008 for S3 and Redwood Capital, and my most recent trip to China further pointed up the significant opportunities for Redwood to work with quality companies there that are seeking entrance into the U.S. public markets,” commented Mr. Bickel.

Redwood Capital 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.

During his trip, Mr. Bickel attended the SIG Second Annual Beijing Management Summit, which was held September 10 - 12, 2008 at the Grand Hyatt Hotel in Beijing, China, and met with Mr. Yizhao "Philips" Zhang, who was recently appointed as Chief Financial Officer of Chuming. Mr. Bickel discussed with Mr. Zhang Redwood Capital's continued cooperation with Chuming and to assist with its new status as a U.S. public company.

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.

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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