



SEALED: Lee (left) shakes hands with Koh as Enertech Co Ltd director Kim Eui Soo looks on. Lee is also a director of Enertech, which he co-founded in 2004. Enertech is a major biodiesel producer in South Korea.

Online One has Ace Oil up its sleeve

■ By Ooi Tee Ching
ooitee@nst.com.my

SOFTWARE developer Online One Corp Bhd, having seen South Korean investors take up 28 per cent stake in it, will soon earn more from its "health balance" cooking oil and animal feed businesses.

"We're branding this healthy cooking oil Ace Oil and it will be exported to Hong Kong and South Korea by January 2009," said managing director Lee Byoung Jin.

He explained that the oil is formulated to meet World Health Organisation (WHO) and American Heart Association recommendations and said it will reduce the risk of heart-related diseases. It has a good oxidative stability compared to common unsaturated oils, he added.

Lee said the oil is a good source of omega-3-and-6 fatty acids, and is free from cholesterol and trans fat.

"Up to 70 per cent of the blend is palm oil," he told Business Times in an interview.

Also present was P.M. Koh, managing director of Lipochem (M) Sdn Bhd, a process engineering company that is undertaking a RM5 million job to construct a 6,000-tonne-a-year plant to produce this new blend of "health balance" cooking oil that will remain clear and fluid throughout winter.

Palm oil, in its natural form, is semi-solid at room temperature. The liquid part is called olein while the solid portion is known as stearin. The stearin portion in the palm oil becomes cloudy and jelly-like if left on supermarket shelves during winter.

"To overcome this, the palm oil is refined further to extract the stearin. That leaves olein that does not solidify or become cloudy in cold temperature just like other soft oils. We then blend the palm olein with sunflower, soyaoil and canola," Koh said.

"It will be formulated to meet the American Heart Association's recommendation of 1:1:1 ratio balance of saturated, monounsaturated and polyunsaturated fatty acids," he added.

Although commercial production is scheduled for January 2009, Lee said, his team has already started marketing in South Korea and Hong Kong.

"We're negotiating with actresses there to promote this healthy cooking oil," he said.

"The health-conscious market in South Korea and Hong Kong is growing by the day. People are willing to spend a little bit more to eat healthy food," Lee added.

Following Online One's purchase of Ace Edible Oil Industries Sdn Bhd for RM10.7 million late last year, Lee was appointed managing director effective December 27 2007. The group owns and operates 100,000-tonne-a-year palm kernel crushing plant sited on a 1.92ha in Klang.

"In Hong Kong, this healthy cooking oil is priced 30 per cent higher than regular cooking oil. In South Korea, where functional food is gaining popularity, it is even priced 70 per cent higher at US\$12 (RM39.12) per litre compared to regular ones at US\$7 (RM22.82) per litre," he said.

In Malaysia, Online One is also marketing mannanase, an enzyme that is added to palm kernel expeller as an alternative feedstuff. The degraded mannans improve the animals' energy metabolism, fiber digestion and feed efficiency.

"We're formulating this animal feed with South Korea's CTCBIO Inc. This product will benefit the local livestock industry in terms of cost-saving and increase the feed efficiency," said Lee.

Having been in Malaysia for more than 10 years, Lee is better known among friends and colleagues as McKinLee Jin.