

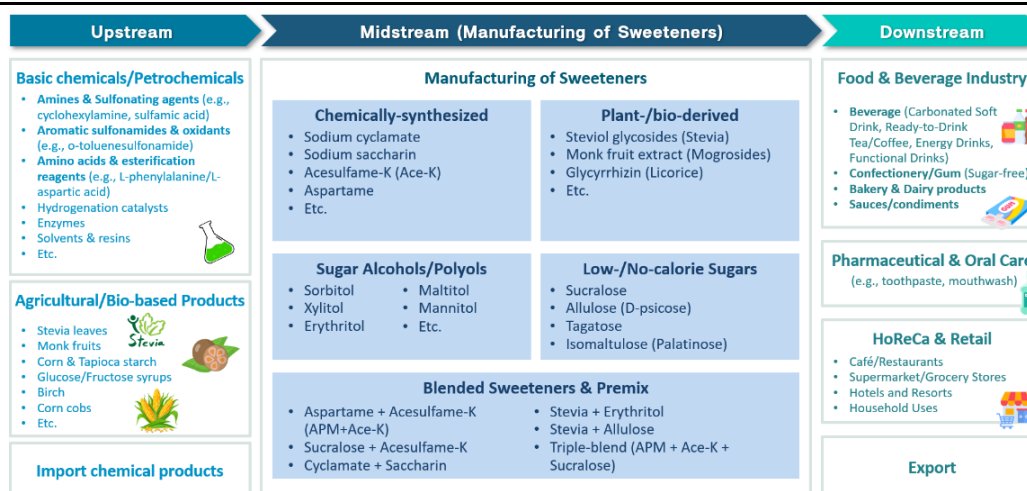
Business Overview

- **The Sweetener Business is on a growth trajectory, driven by shifting consumer preferences toward health consciousness, weight management, and the desire to mitigate risks associated with excessive sugar consumption. Concurrently, food and beverage manufacturers face mounting pressure from sugar tax measures and rising demand for low-sugar or sugar-free product formulations, prompting a broader shift toward high-intensity sweeteners in product reformulation.** These compounds function as sweetness-enhancing agents, with certain varieties delivering sweetness levels many times greater than that of sucrose - enabling their use in significantly smaller quantities and reducing the raw material input required per unit of sweetness. Furthermore, several sweetener types are low-calorie or calorie-free, facilitating the development of reduced-calorie products across a wide range of categories, including beverages, processed foods, dairy products, snacks, and health and wellness products.
- **Sweeteners can be classified into five main categories based on their source, production process, and functional properties:** **1) Chemically-synthesized sweeteners**, produced through chemical processes and characterized by high sweetness intensity, making them widely used in reduced-sugar food and beverage formulations; **2) Plant-/bio-derived sweeteners**, obtained through extraction or production processes utilizing natural raw materials such as plants or microorganisms, catering to markets that emphasize a natural product image; **3) Sugar Alcohols/Polyols**, which provide fewer calories than sugar and possess distinct textural properties, making them prevalent in candies, chewing gum, confectionery, and oral care products; **4) Low-/No-calorie Sugars**, which help reduce the sugar and energy content of product formulations - with effectiveness and usage levels varying by sweetener type and subject to applicable food safety regulations and standards; and **5) Blended Sweeteners and Premixes**, combining two or more sweeteners to optimize sweetness profile, aftertaste, stability, and cost for specific product needs.
- **The sweetener industry supply chain encompasses activities across upstream, midstream, and downstream segments. The upstream segment** involves the sourcing and preparation of raw materials - both chemical precursors and agricultural inputs, such as stevia leaves, monk fruit, corn starch, and cassava starch - which form the essential production base for each sweetener category. **The midstream segment** covers manufacturing and processing activities, including the chemical synthesis of sweeteners, extraction of active compounds from plants, production of sugar alcohols and low-calorie sugars, as well as formulation development and the blending of multiple sweetener types into premixed products, all aimed at achieving the flavor profiles, stability characteristics, and cost structures required by industrial customers. **The downstream segment** encompasses the application of sweeteners across the food and beverage industry, pharmaceuticals and dietary supplements, oral care products, foodservice and retail, and export markets - representing the stage at which raw material production is ultimately connected to end-consumer demand.
- **In Thailand, sweeteners have seen increasingly widespread adoption, driven by growing public health awareness.** Their applications span the food and beverage industry as a sugar substitute, the pharmaceutical and nutraceutical industry - including chewable tablets, syrups, and dietary supplements - as well as the oral care products industry. **Domestic use of sweeteners is subject to regulatory oversight by the Ministry of Public Health and the Food and Drug Administration (FDA), which establishes the categories of permitted substances, quality and purity requirements, applicable food product categories, and maximum allowable usage levels.**

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Figure 1 Sweetener Industry Supply Chain



Source: LH Bank Research Analysis based on data from US FDA, Science Direct, Wikipedia

Market Overview

- Thailand's sweetener market is projected to expand in value terms, reaching USD 119.4 million in 2026, up from USD 106.3 million in 2018, representing a compound annual growth rate of 1.5% - consistent with rising consumer demand for health-oriented and sugar-free products. In contrast, the retail volume of sweeteners has trended downward from 6.4 million kilograms in 2018, with projections pointing to 5.8 million kilograms in 2026, a decline of approximately 1.3% per year, with a notable contraction during 2020-2021 attributable to the impact of COVID-19. During 2022-2025, retail volumes remained relatively stable while market value continued to rise, reflecting growth driven by higher per-unit value rather than volume expansion. The primary drivers include a shift toward higher value-added sweetener products, alongside improvements in average price levels and functional performance enabled by advances in production technology and new sweetener variants. These dynamics indicate that the industry retains meaningful growth potential on a value basis.

Figure 2 Thailand's Sweetener Market Value

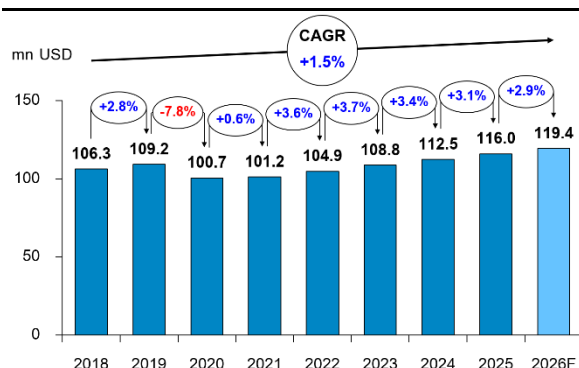
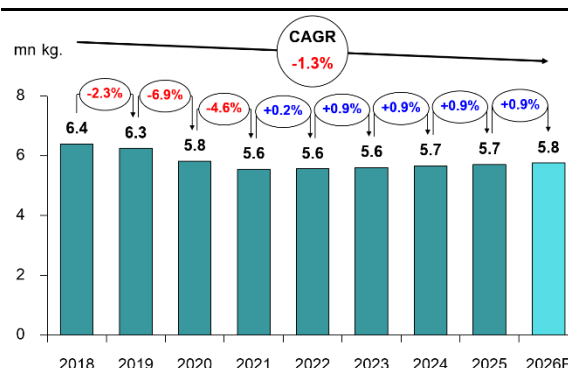


Figure 3 Thailand's Sweetener Retail Sales Volume

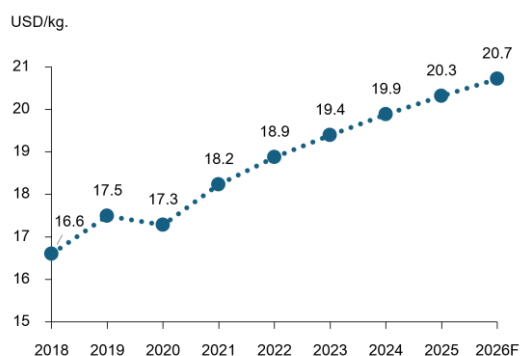


Source: LH Bank Research Analysis based on data from Statista Market Insight

Price and Competition Overview

- The average unit price of sweeteners in Thailand has trended upward from USD 16.6 per kilogram in 2018, projected to reach USD 20.7 per kilogram in 2026, representing a CAGR of 2.8%.** This reflects a structural market shift from volume-based sugar substitution toward ingredients that better address health, taste, and production efficiency requirements - including high-purity stevia glycosides, monk fruit extract, xylitol, and blended sweeteners designed to mask bitterness, improve texture, and more closely replicate the taste of sugar. These products command higher unit prices than conventional synthetic sweeteners, given the extraction, purification, or custom formulation processes involved across different food and beverage applications. As manufacturers increasingly seek ingredients that meet sugar reduction targets without compromising taste, demand for premium and specialty-grade sweeteners has risen accordingly. **Cost pressures also stem from natural raw material costs, energy and logistics expenses, and formulation R&D expenditures - particularly in markets reliant on imported high-value ingredients and specialty inputs.** Meanwhile, growing health awareness and Thai consumers' greater willingness to pay a premium for health-oriented food and beverage products have enabled manufacturers to partially pass these cost increases through to end-product prices.
- Thailand's Sweetener Business market is characterized by a limited number of domestic producers in certain product segments. Key manufacturers with production bases in Thailand serve both domestic and export markets,** including Best Success Enterprise (Thailand) Limited, Ueno Fine Chemicals Industry (Thailand) Ltd., MCLS ASIA, Siam Sorbitol Co., Ltd., and PURECHEM Co., Ltd. Many of these producers primarily supply the food, beverage, pharmaceutical, and health product industries, while also utilizing Thailand as a manufacturing base for export to regional and global markets. **Nonetheless, domestic producers face competitive pressure from imports - particularly from China,** which is Thailand's most significant source of sweetener imports, reflecting China's role as a large-scale, cost-competitive producer across multiple sweetener categories, including sodium saccharin, sodium cyclamate, and aspartame.

Figure 4 Thailand's Sweetener Price Per Unit



Source: LH Bank Research Analysis based on data from Statista Market Insight

Figure 5 Key Players in the Thailand's Sweetener Business



Source: LH Bank Research Analysis based on data from BOL ENLITE, DBD, OIE

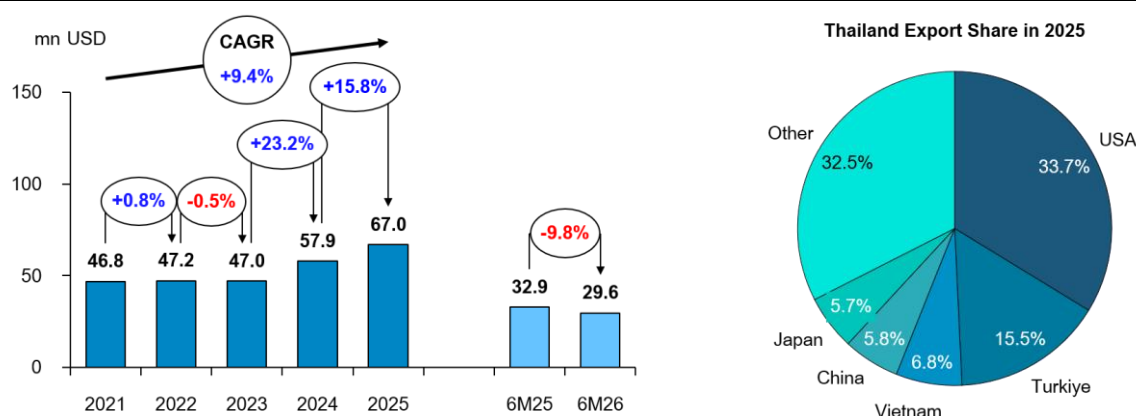
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Export and Import Overview

- Overall, Thailand's exports of sweeteners have expanded solidly in recent years, while imports have trended downward.** Export value grew at a CAGR of 9.4% during 2021–2025, reaching USD 67.0 million in 2025, up 15.8%YoY. However, exports declined by 9.8%YoY in the first six months of 2026, reflecting fluctuations in purchase orders and price competition in certain product segments. In 2025, the United States was Thailand's largest export market, accounting for 33.7% of total export value, followed by Türkiye (15.5%), Vietnam (6.8%), China (5.8%), and Japan (5.7%). On the import side, import value stood at USD 100.3 million in 2025, down 4.9%YoY, and contracted at an average annual rate (CAGR) of 2.6% during 2021–2025. Imports edged down by a further 1.2%YoY in the first six months of 2026. China remained Thailand's dominant source of imports in 2025, accounting for 68.0% of total import value, highlighting the country's continued high dependence on Chinese supplies. Other major sources were Italy (8.3%), Singapore (3.9%), the United States (3.8%), and India (3.6%).
- For Sodium Cyclamate and Sodium Saccharin, Thailand's export value has remained broadly stable in recent years.** During 2021–2025, export value declined slightly at an average annual rate (CAGR) of 0.9%. In 2025, exports amounted to USD 16.4 million, down 7.0%YoY. The Indian market continues to pose trade-related risks, as the Directorate General of Trade Remedies (DGTR) initiated a new anti-circumvention investigation in March 2026 into Saccharin originating in China and exported from Thailand. Nevertheless, exports rebounded by 7.7%YoY in the first six months of 2026. The five largest export markets in 2025 were Türkiye, accounting for 27.5% of total export value, followed by Brazil (16.5%), India (13.4%), South Africa (11.5%), and Spain (5.8%). **On the import side, import value declined at a CAGR of 3.8% during 2021–2025, although the overall trend remained relatively volatile.** Imports subsequently increased by 8.9% YoY in the first six months of 2026. In 2025, China was the largest source of imports, accounting for 92.5% of total import value, followed by India (3.4%), South Korea (2.0%), Japan (1.6%), and the United States (0.2%).

Figure 6 Thailand's Sweetener Export Value and Export Markets



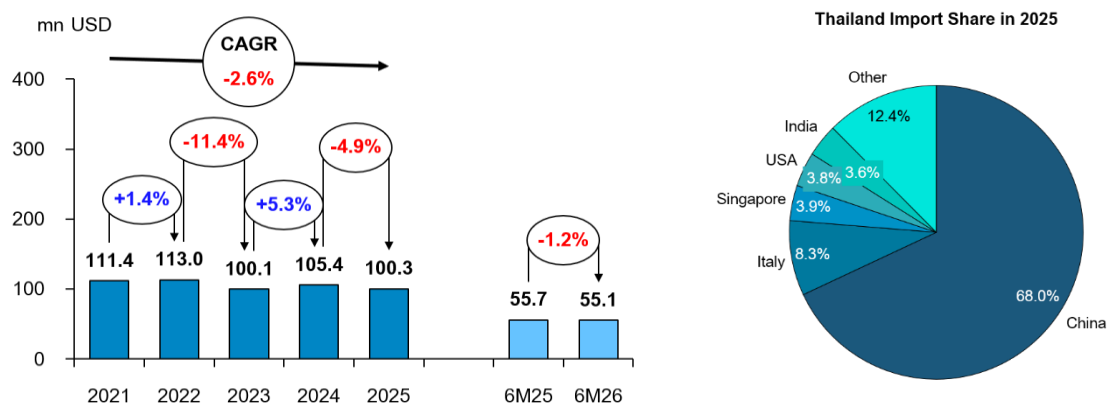
Source: LH Bank Research Analysis based on data from Ministry of Commerce (MOC)

Note: Including HS 292511 (Sodium saccharin), HS 29299010 (Sodium cyclamate), HS 290544 (Sorbitol), HS290549 (Maltitol, Xylitol, Erythritol), HS 29242910 (Aspartame), HS 29242990 (Acesulfame K), HS 293214 (Sucralose), and HS 29389000 (Steviol glycosides)

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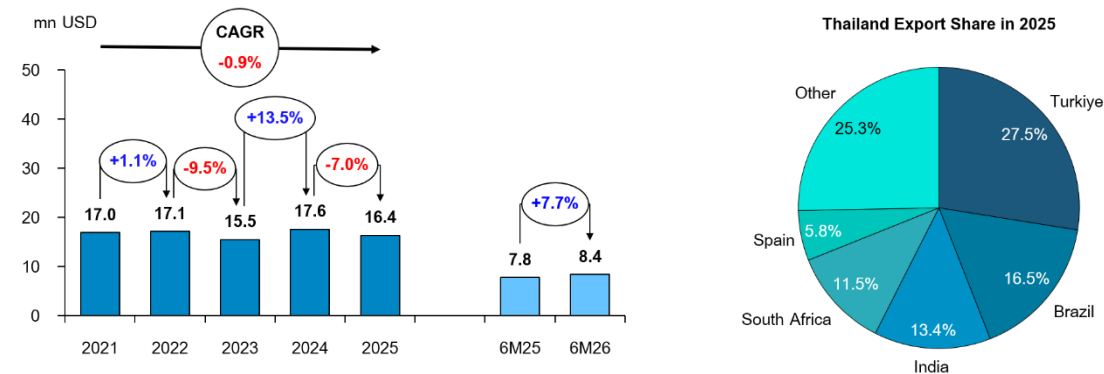
Figure 7 Thailand's Sweetener Import Value and Import Markets



Source: LH Bank Research Analysis based on data from Ministry of Commerce (MOC)

Note: Including HS 292511 (Sodium saccharin), HS 29299010 (Sodium cyclamate), HS 290544 (Sorbitol), HS 290549 (Maltitol, Xylitol, Erythritol), HS 29242910 (Aspartame), HS 29242990 (Acesulfame K), HS 293214 (Sucralose), and HS 29389000 (Steviol glycosides)

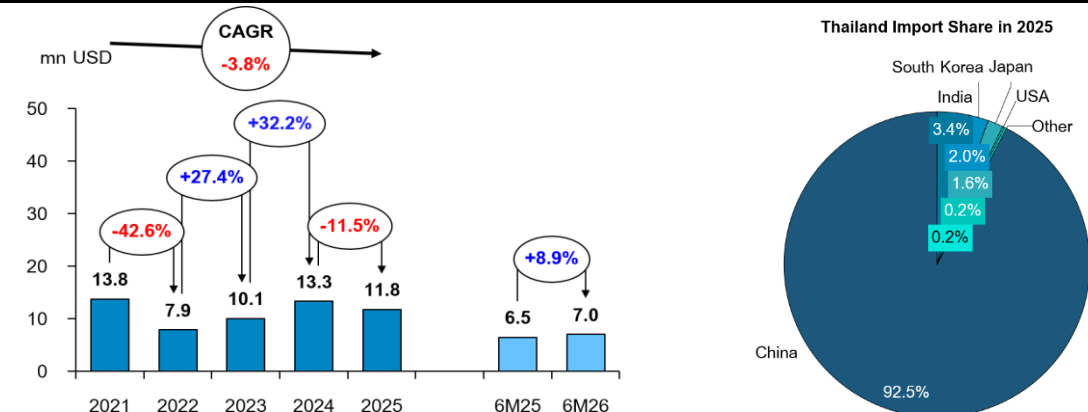
Figure 8 Thailand's Export Value and Export Markets for Sodium Cyclamate and Sodium Saccharin



Source: LH Bank Research Analysis based on data from Ministry of Commerce (MOC)

Note: Including HS 292511 (Sodium saccharin) and HS 29299010 (Sodium cyclamate)

Figure 9 Thailand's Import Value and Import Markets for Sodium Cyclamate and Sodium Saccharin



Source: LH Bank Research Analysis based on data from Ministry of Commerce (MOC)

Note: Including HS 292511 (Sodium saccharin) and HS 29299010 (Sodium cyclamate)

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Domestic Demand and Consumption Overview

- Sweeteners are used as ingredients in the food and beverage industry, particularly in low-sugar and sugar-free products such as soft drinks and certain fruit and vegetable juice formulations.** Production volumes of these products can therefore serve, to some extent, as an indicator of downstream industry activity and the corresponding demand for sweeteners. **During 2021–2025, Thailand’s production of soft drinks and fruit and vegetable juices continued to expand, recording CAGRs of 0.3% and 3.1% per year, respectively.** This reflects the gradual recovery in domestic beverage consumption, together with the expansion of distribution channels through convenience stores, modern retail outlets, and online platforms. Fruit and vegetable juices recorded stronger growth, supported by the marketing of health-oriented products amid growing consumer interest in health. **In the first six months of 2026, soft drink production rose by 9.4% YoY, while fruit and vegetable juice production remained broadly stable, edging down by 0.1% YoY.** This indicates that beverage manufacturing activity remains at a level supportive of continued demand for sweeteners as production inputs, particularly in the soft drink segment, which has benefited from the recovery in out-of-home consumption and demand from the tourism and service sectors. Meanwhile, the fruit and vegetable juice market continues to face pressure from cautious consumer spending and a wider range of beverage alternatives. At the same time, health-conscious consumption trends, efforts to reduce sugar intake, and the sugar-sweetened beverage tax continue to encourage food and beverage manufacturers to reformulate their products toward Low Sugar, No Sugar, and Zero Sugar offerings. In addition, sweeteners are also used in other product categories, including dairy products, confectionery and bakery products, as well as health foods, providing further support for sweetener demand going forward.

Figure 10 Thailand's Soft Drink Production

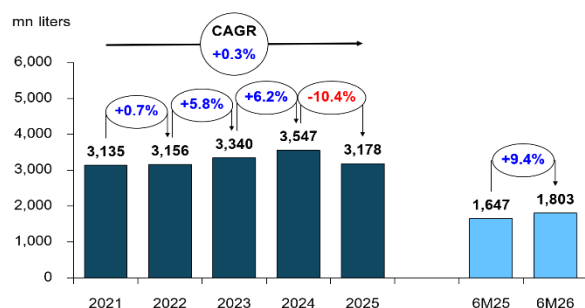
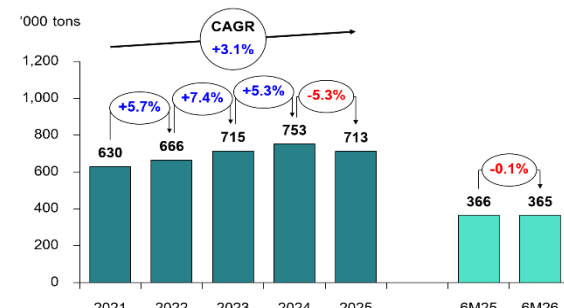


Figure 11 Thailand's Vegetable and Fruit Juice Production



Source: LH Bank Research Analysis based on data from OIE

- Beyond the food and beverage industry, sweeteners also play an important role in the pharmaceutical industry.** They are used in products such as chewable tablets, syrups, and dietary supplements to help mask bitterness and improve ease of consumption. Sweeteners are also used in oral care products, such as toothpaste and mouthwash, to improve taste. The expansion of health-related products, together with trends toward preventive healthcare, population ageing, and a growing number of consumers who need to control their sugar intake, continues to support demand for alternative sweeteners. In addition, the retail market for household consumption is supported by consumers seeking to reduce sugar consumption in their daily diets. **These factors are diversifying the sweetener user base and helping to reduce reliance on demand from the beverage industry alone.**

Business Outlook

- **Over the next year, Thailand's Sweetener Business is likely to continue expanding, supported primarily by growing health awareness and efforts to reduce sugar consumption, as well as product reformulation by food and beverage manufacturers in response to the sugar-sweetened beverage tax and rising demand for Low Sugar, No Sugar, and Zero Sugar products.** These factors should sustain healthy demand for sweeteners, particularly in beverages, processed foods, dairy products, confectionery, and health-oriented foods. The recovery in production of certain beverage categories and out-of-home consumption should also help support orders from downstream industries. At the same time, the end-user base is becoming increasingly diversified as sweeteners are more widely used in pharmaceuticals, dietary supplements, oral care products, and household consumption, reducing reliance on demand from the beverage industry alone. Although overall retail market volumes are not growing significantly, there remains scope for value growth as the market shifts toward sweeteners with more specialized properties, higher intensity, and greater value added, such as natural sweeteners and blended formulations that improve taste and product characteristics to more closely resemble sugar. This should enable manufacturers to better capture opportunities in health-oriented and premium product segments.
- **Exports will remain another important growth driver for the industry, given Thailand's production base across several types of sweeteners and its continued ability to serve overseas markets.** Overall exports have recorded solid growth in several key markets in recent years, including the United States, Türkiye, Vietnam, China, and Japan. However, the decline in exports during the first half of 2026 indicates that growth may become more volatile, depending on order flows and economic conditions in trading partner countries. Meanwhile, exports of Sodium Cyclamate and Sodium Saccharin remained broadly flat during 2021–2025, in contrast to the expansion of the overall sweetener market. **Imports are likely to remain broadly stable or gradually recover in line with demand from the food and beverage industry.** Chinese products are also likely to maintain strong price competition, adding further pressure on domestic manufacturers.
- **Nevertheless, in the domestic market, the industry continues to face significant risks from price competition from imported products, particularly those from China.** China accounted for 68.0% of Thailand's import value of key sweeteners in 2025 and as much as 92.5% for Sodium Cyclamate and Sodium Saccharin, exposing Thai manufacturers to continued pressure from lower-priced imports as well as volatility in overseas prices and supply. At the same time, a limited economic recovery may weigh on food and beverage consumption and delay orders from downstream industries. Manufacturers will also need to closely monitor evolving safety regulations and requirements governing the use of food additives, which could increase costs related to quality control, formulation R&D, and adjustments to production processes needed to comply with applicable standards and maintain long-term competitiveness.

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