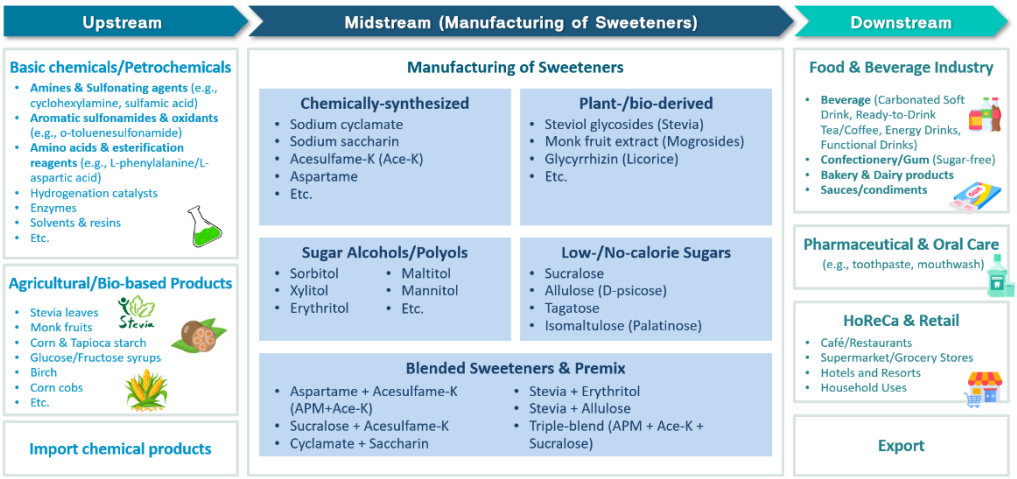
Business Overview

- **The increasing adoption of high-intensity sweeteners is driven by multiple market factors, including enhanced consumer health awareness, sugar consumption reduction, and the introduction of sugar taxes, which have prompted food and beverage manufacturers to integrate these products into their formulations.** These substances are used primarily to enhance sweetening properties, thereby reducing sugar usage and lowering production costs. Furthermore, these products may provide minimal to no energy, enabling precise control over the total calorie content of the product.
- **Sweeteners can be categorized into five main groups, each of which has distinct characteristics and sources.** The first group is **chemically synthesized sweeteners**, which are produced through chemical processes in factories. These sweeteners are often significantly sweeter than sugar and are widely used in food and beverage products as a replacement for natural sugar. The second group is **plant-/bio-derived sweeteners**, which are obtained through extraction or production from natural raw materials. These sweeteners are derived from plants and are suitable for consumers who prefer more natural alternatives. The third group is **sugar alcohols (polyols)**, which provide energy, but at a lower level than sugar. These products are widely utilized in the confectionery, candy and chewing gum industries. The primary function of these products is to assist in the management of calorie intake and the mitigation of dental effects. The fourth group is **low-/no-calorie sugars**, which provide minimal to no energy. These sweeteners have been developed as alternatives for weight management and for individuals with diabetes. The fifth group is **blended sweeteners and premixes**, which combine two or more types of sweeteners to achieve specific desired properties.
- **The supply chain of the sweetener business consists of key activities across the upstream, midstream, and downstream stages.** The upstream stage involves the sourcing of raw materials, including basic chemicals, and agricultural products such as stevia leaves, monk fruit, corn starch, and cassava starch, which serve as the foundation for sweetener production. The midstream stage encompasses the production processes of sweeteners, including chemical synthesis, plant extraction, sugar alcohol production, low-calorie sugar development, and the blending of multiple sweeteners to create products that meet market demands. The downstream stage involves the application of sweeteners in food and beverage industries, oral care products, restaurants and retail businesses, as well as export activities. These activities are strategically designed to increase value and meet consumer demand in both domestic and international markets.
- **In Thailand, sweeteners have seen increased adoption due to rising health consciousness.** These products are used extensively in the food and beverage industry as sugar substitutes, as well as in the pharmaceutical industry, including chewable tablets, syrups, and dietary supplements, along with applications in oral care products. In the interest of consumer safety, **the Ministry of Public Health and the Food and Drug Administration (FDA) set the quality requirements, standards, and permissible maximum usage levels for these sweeteners in food, beverages, and related products.**

Figure 1 Sweetener Industry Supply Chain

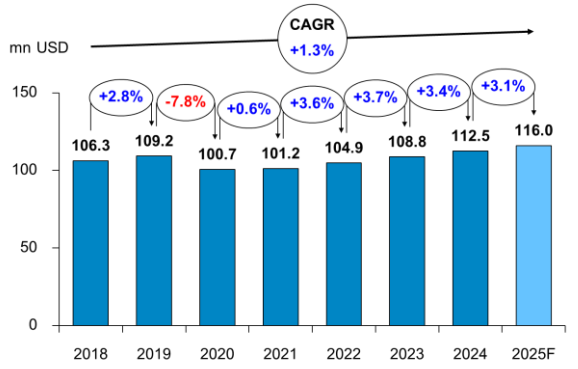


Source: LH Bank Research Analysis based on data from US FDA, Science Direct, Wikipedia

Production and Sales Overview

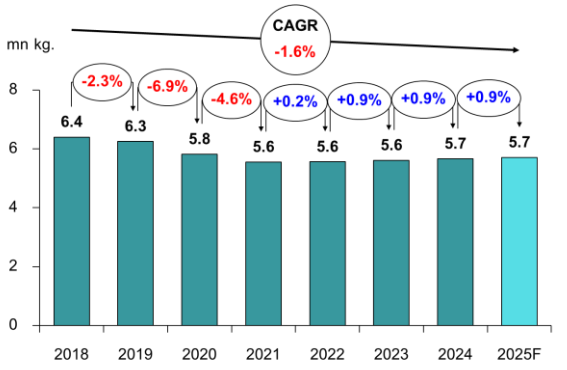
- **The market value of sweeteners in Thailand is set to increase from USD 106.3 million in 2018 to USD 116.0 million in 2025, at a compound annual growth rate (CAGR) of 1.3% per year. This reflects the growing demand from health-conscious consumers and the increasing popularity of sugar-free products. However, production volume during the same period is expected to decline from 6.4 million kilograms in 2018 to 5.7 million kilograms in 2025, indicating an average contraction rate of 1.6% per year.** Between 2019 and 2021, production decreased significantly, primarily due to the impacts of the pandemic, which reduced output, as well as stricter health regulations. These factors prompted industry producers to adapt to maintain profitability and respond to market demand. **The decrease in production volume does not necessarily indicate an industry downturn. Instead, it is a structural adjustment to meet consumer demand for higher-quality and higher-value products.** Technological advancements have enabled the development of more efficient sweeteners, improving production efficiency per unit of input.

Figure 2 Thailand's Sweetener Market Value



Source: Statista Market Insight

Figure 3 Thailand's Sweetener Production Volume

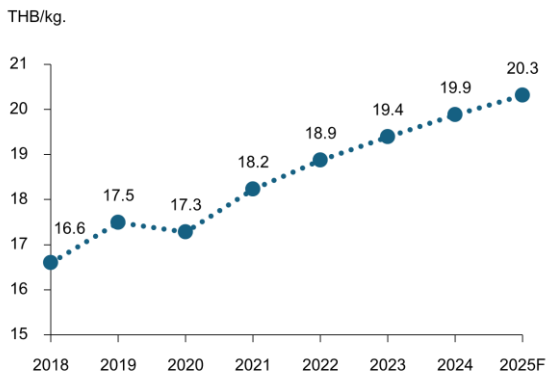


Source: Statista Market Insight

Price and Competition Overview

- **The average unit price of sweeteners in Thailand is set to rise from 16.6 baht per kilogram in 2018 to 20.3 baht per kilogram in 2025, representing a CAGR of 2.9% per year.** This growth reflects market trends shifting towards premium and specialized products. Examples include natural sweeteners and concentrated formulations that deliver strong sweetness with minimal quantities. In addition, the upward price trend is driven by higher production costs from two main factors: advanced extraction technologies and ongoing research and development of new formulations. Furthermore, consumers are increasingly willing to pay higher prices, driven by greater awareness of the benefits of reducing sugar consumption and strong demand for health-focused products. These factors drive sustained price increases in Thailand's sweetener market.
- **Thailand's sweetener business market structure is characterized as an oligopoly,** including Best Success Enterprise (Thailand) Limited, a producer of sodium cyclamate and sodium saccharin; Ueno Fine Chemicals Industry (Thailand) Ltd., MCLS ASIA, and Siam Sorbitol Co., Ltd., which focus on the production of sorbitol and other sugar alcohols like xylitol and erythritol; Almendra (Thailand) Co., Ltd., a manufacturer of steviol glycosides (stevia); and PURECHEM Co., Ltd. along with Newtrend Food Ingredient (Thailand) Co., Ltd., which produce sucralose. **In addition to these manufacturers, there are many importers and distributors of sweeteners (as well as other food-industry chemicals).** Consequently, the sweetener manufacturers hold the bargaining and pricing power. This creates limited competition among domestic producers compared to the import and distribution sector, which has numerous players and is highly competitive. However, the current market has seen a rise in imports of sweeteners from abroad, often at lower price points than local products, such as those imported from China — a major global sweetener producer — making imported products the primary source of competition in this business.

Figure 4 Thailand's Sweetener Price



Source: Statista Market Insight

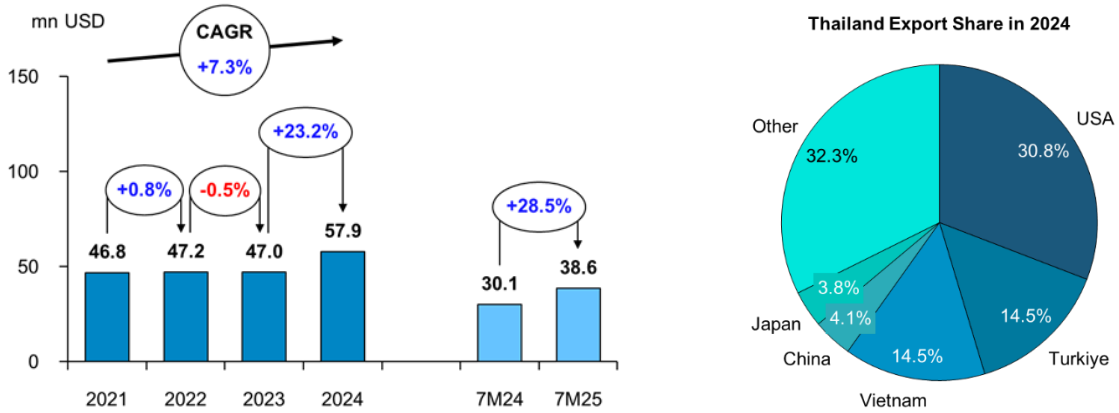
Figure 5 Key Players in the Thailand's Sweetener Business

Source: ENLITE, DBD, OIE

Export and Import Overview

- **According to data from the Ministry of Commerce, Thailand has experienced continuous growth in sweetener exports while imports have shown a slight declining trend.** Thailand's exports reached USD 57.9 million in 2024, representing a 23.2%YoY increase. This upward momentum continued into 2025, with exports growing 28.5%YoY in the first seven months. The top five export destinations for Thailand's sweeteners in 2024 were the United States (30.8% of total exports), followed by Türkiye (14.5%), Vietnam (14.5%), China (4.1%), and Japan (3.8%). Thailand's sweetener exports recorded robust growth during 2021–2024, achieving a CAGR of 7.3%. On the import side, Thailand's sweetener imports totaled USD 105.4 million in 2024, up 5.3%YoY. Import growth moderated in the first seven months of 2025, increasing 3.0%YoY. China dominated Thailand's import sources, representing 69.4% of total imports, followed by South Korea (6.5%), Singapore (5.6%), the United States (4.6%), and India (4.4%). In contrast to export performance, imports showed a declining trend during 2021-2024, with a negative CAGR of 1.8%.
- **For Sodium Cyclamate and Sodium Saccharin, Thailand recorded increased exports**, rising from USD 15.5 million in 2023 to USD 17.6 million in 2024, representing a 13.5%YoY increase. However, exports declined 6.1%YoY in the first seven months of 2025. The top five export destinations in 2024 were Türkiye (47.5% of total exports), followed by South Africa (10.1%), Brazil (8.1%), Argentina (7.6%), and Germany (5.0%). Export growth during the 2021-2024 period showed modest expansion with a CAGR of 1.2%. **On the import side, Thailand also experienced rising imports**, increasing from USD 6.2 million in 2023 to USD 7.4 million in 2024, or 18.6%YoY growth. Import growth continued in the first seven months of 2025, albeit at a slower pace of 2.0%YoY. Thailand's import structure is heavily concentrated, with China supplying nearly all imports at 92.2% of the total. The remaining sources — India, South Korea, Japan, and the United States — collectively account for approximately 7.7% of total imports.

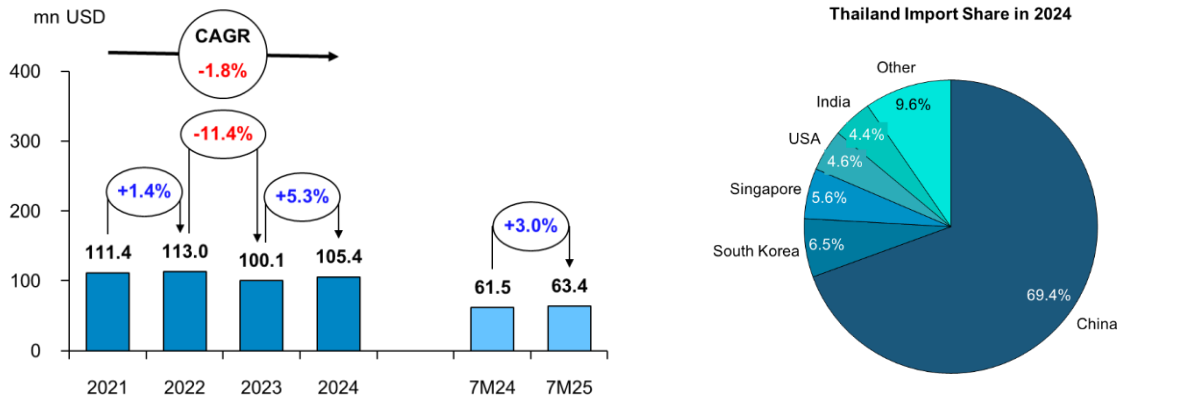
Figure 6 Thailand's Sweetener Export Value and Export Markets



Source: Ministry of Commerce (MOC)

Note: Including HS 292511 (Sodium saccharin), HS 29299010 (Sodium cyclamate), HS290544 (Sorbitol), HS 290549 (Maltitol, Xylitol, Erythritol), HS 29242910 (Aspartame), HS 29242990 (Acesulfame K), HS 293214 (Sucralose), and HS 29389000 (Steviol glycosides)

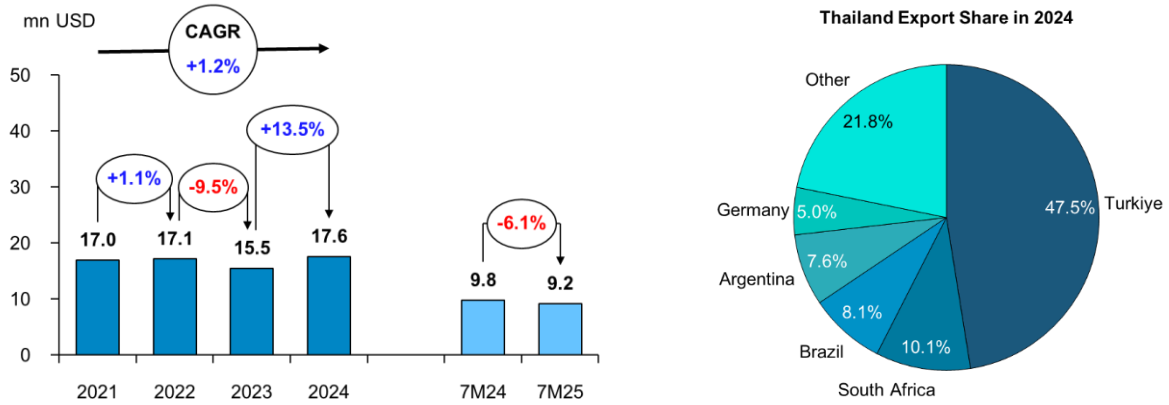
Figure 7 Thailand's Sweetener Import Value and Import Markets



Source: Ministry of Commerce (MOC)

Note: Including HS 292511 (Sodium saccharin), HS 29299010 (Sodium cyclamate), HS290544 (Sorbitol), HS 290549 (Maltitol, Xylitol, Erythritol), HS 29242910 (Aspartame), HS 29242990 (Acesulfame K), HS 293214 (Sucralose), and HS 29389000 (Steviol glycosides)

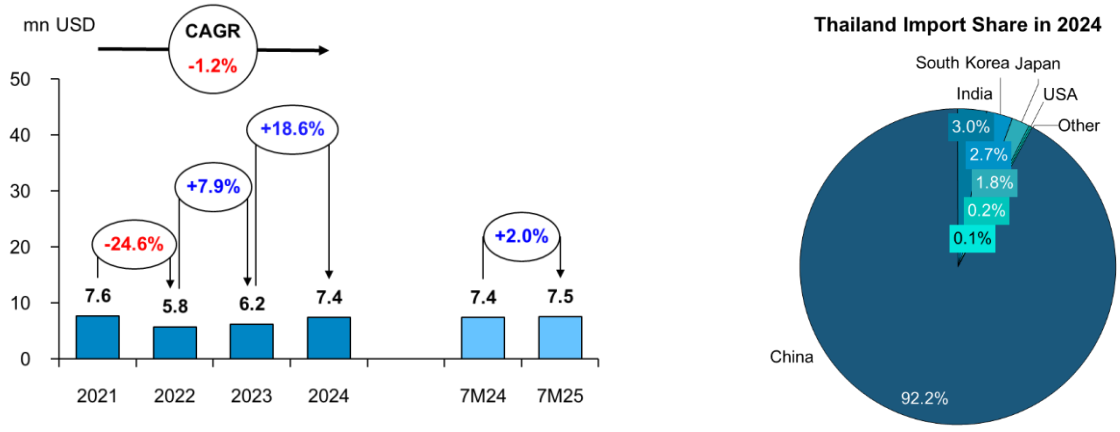
Figure 8 Thailand's Export Value and Export Markets for Sodium Cyclamate and Sodium Saccharin



Source: 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



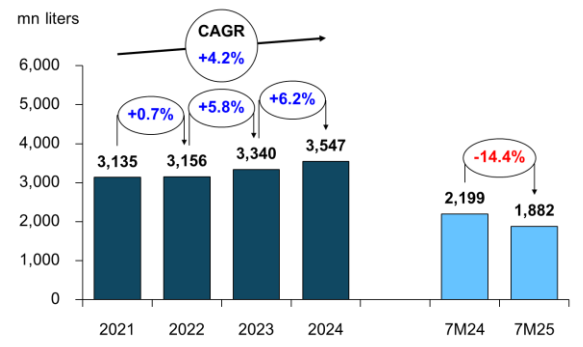
Source: Ministry of Commerce (MOC)

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

Domestic Demand and Consumption Overview

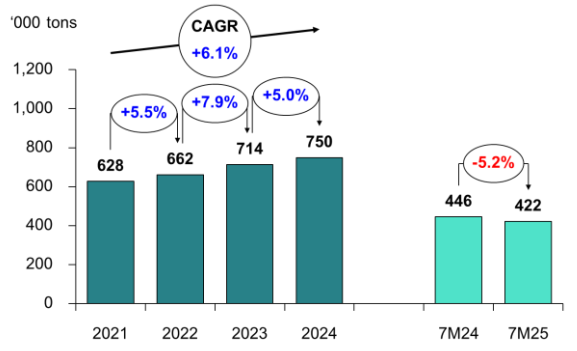
- Currently, sweeteners are commonly used in the production processes of sugar-free formulated beverages, such as soft drinks, vegetable and fruit juices, and others. In the first seven months of 2025, Thailand's soft drink and fruit juice production declined 14.4%YoY and 5.2%YoY respectively, driven by economic deceleration, health-conscious consumption reducing sugar intake, rising costs, and stricter sugar taxation. However, **to respond to health trends and sweetness tax requirements, food and beverage producers in Thailand need to reformulate their production toward sugar-free or low-sugar food/beverages. Additionally, the use of sweeteners in other products has increased. For this reason, demand for sweeteners as sugar substitutes continues to expand,** even though the total production volumes of soft drinks and vegetable/fruit juices are currently trending downward.

Figure 10 Thailand's Soft Drink Production



Source: OIE

Figure 11 Thailand's Vegetable and Fruit Juice Production



Source: OIE

- **Beyond food and beverage applications, domestic sweetener demand is expanding across other sectors, particularly pharmaceuticals, which continues steady growth.** This expansion is driven by growing markets for chewable tablets, liquid medicines, and dietary supplements requiring taste masking and palatability enhancement. Oral care products also utilize sweeteners in toothpaste and mouthwash for improved taste profiles. The increasing number of diabetes patients and individuals with non-communicable diseases (NCDs) in Thailand who require sugar control alternatives has boosted the retail market for household sweetener use. In addition, preventive healthcare trends and Thailand's aging society transition continue driving demand for alternative sweeteners, expected to significantly support long-term health products market growth.

Business Outlook

- **Over the next year, Thailand's sweetener business is expected to demonstrate strong expansion prospects. Key supporting factors include intensifying health awareness trends and full implementation of sugar taxation,** which will drive food and beverage industry operators to increasingly adopt sweeteners to reduce costs and meet consumer demand for dietary sugar control. Additionally, demand from the pharmaceutical industry — including chewable tablets, liquid medicines, and dietary supplements — along with oral care products, continues to expand. The transition into an aging society,

preventive healthcare trends, and the rising number of diabetes and non-communicable disease patients are also driving household demand. Moreover, advanced developments in extraction and blending technologies have resulted in higher quality and more efficient products. The continuing upward trend in average unit prices reflects the transition toward premium products and consumer acceptance of health value-added offerings. Strong export trends, particularly to key markets such as the United States, Türkiye, and Vietnam, remain important growth drivers for this business sector.

- **However, this business still faces significant risk factors, particularly lower-priced imported products from China,** which is a major global producer and exporter of sweeteners. Slower economic recovery could decelerate the beverage industry, impacting short-term demand for sweeteners. In addition, increasingly stringent food safety regulations and production standards may raise costs for Thai manufacturers, as they must invest in research and development and improve production processes to maintain quality and competitiveness. Thai entrepreneurs must therefore focus on innovation and adaptation to align with consumer needs and international standards to sustain long-term growth.

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