

L Catterton invests in China's plant-based drinks brand Vee

09 August 2024 | News

Partnership leveraging L Catterton's operating know-how will help entrench Vee's leading position in Sichuan and Chongqing and facilitate expansion in nearby provinces



Partnership leveraging L Catterton's operating know-how will help entrench Vee's leading position in Sichuan and Chongqing and facilitate expansion in nearby provinces

L Catterton, a leading global consumer-focused investment firm, announced that it has made a strategic investment in Vee, a beverage company with an eponymous brand of plant-based drinks most frequently consumed alongside spicy cuisines in southwestern China. Working closely with each other, L Catterton will partner with Vee to solidify the brand's iconic profile and foothold in its home region of Sichuan and Chongqing, enlarge its presence in adjacent provinces, and expand across the rest of the country.

China's market for beverages consumed alongside food has been growing and is expected to reach around \$60 billion in 2028 as consumers increasingly dine out and patronise meal delivery services instead of cooking at home. Non-alcoholic drinks have also been winning market share from alcoholic beverages in the food service industry amid rising demand for healthier drinks that contain natural ingredients, especially among Gen Z consumers.

Made predominantly from peanuts and walnuts, Vee's range of beverages are highly effective as spice and grease 'neutralisers' and are considered by consumers in Sichuan and Chongqing as "must-have drinks" when eating the spicy dishes that characterise southwestern China's cuisine. Coupled with the reputation for tasting great, being nutritious, as well as being addictive- and preservative-free that they have earned over the past 30 years, their efficacy has led Vee to become the top-selling non-carbonated, non-alcoholic beverage brand in the region. With its strong brand equity and high quality, Vee has also come to enjoy best-in-class conversion, repurchase, and customer advocacy rates in its home region and is gaining traction in nearby provinces such as Shaanxi, Guizhou, and Yunnan.