



Buy: Veeva Systems Inc. (VEEV)

SEPTEMBER 2025

HOLDINGS UPDATE

JENSEN QUALITY GROWTH STRATEGY

The Jensen Quality Growth Investment Team added Veeva Systems Inc. (VEEV) to the Quality Growth Strategy with an initial weighting of 1.5%. As of September 30, 2025, there were 27 holdings in the Strategy.

Why We Like Veeva and What Led Us to Buy Now

Our thesis for Veeva is driven by the alignment of its strong business fundamentals with key tenets of the **Jensen Quality Growth Strategy's** investment selection process:

- **Competitive Advantages:** High customer switching costs and retention, economies of scale (software is highly scalable) and scope (adding additional applications to Veeva's platform), best in class brand, and intellectual property
- **Earnings Stability:** Excellent balance sheet with no debt and large cash reserve, strong profitability metrics including high return on equity, high return on invested capital, and high profit margins
- **Valuation:** Stock trading at a reasonable discount from our estimate of its intrinsic value, especially given the company's high quality and long-term growth drivers.

Our decision to add the company to the Strategy is based on our evaluation of the company's fundamental attributes, stock valuation, and risk characteristics, both on an absolute basis and relative to other opportunities in the Strategy at the time.

Outlook

While software companies rarely trade at deep discounts due to their margin profile, we believe Veeva is trading at a reasonable discount to its intrinsic value, especially given the company's competitive advantages described above.

Company Overview

Veeva Systems Inc. was founded in 2007 by Peter Gassner, the company's current CEO, and Matt Wallach, the company's president until 2019 and current Board of Directors member. The company is headquartered in Pleasanton, California, with approximately 7,200 employees worldwide.

Veeva is a cloud-computing company that provides software-as-a-service, data, and consulting to the life-sciences industry, primarily to pharmaceutical and medical technology companies. Veeva's software products assist customers in research, development, and commercialization of pharmaceuticals and medical devices, including bringing products to market faster and more efficiently, marketing and selling more effectively, and maintaining compliance with government regulations.



Our near-term outlook for Veeva is favorable, and we believe they will continue to post solid revenue and earnings growth driven by new customer acquisitions and share-of-wallet gains.

Longer-term, we believe Veeva is uniquely positioned and will continue to capture market share from less sophisticated rivals. Additionally, we expect Veeva's more recent software products to gain traction outside of its traditional target markets, creating and diversifying revenue sources.

Strategy holdings are subject to change and should not be considered recommendations to buy or sell any security. For a listing of the Quality Growth Strategy's current holdings, please visit www.jenseninvestment.com/growth-composite-holdings.

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