This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 relating to, among other things, expectations, plans, prospects and financial results for Trupanion, including, but not limited to, its expectations regarding its ability to execute its business plans. These forward-looking statements are based upon the current expectations and beliefs of Trupanion’s management as of the date of this presentation, and are subject to certain risks and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. All forward-looking statements made in this presentation are based on information available to Trupanion as of the date hereof, and Trupanion has no obligation to update these forward-looking statements.

In particular, the following factors, among others, could cause results to differ materially from those expressed or implied by such forward-looking statements: the ability to achieve or maintain profitability and/or appropriate levels of cash flow in future periods; the ability to keep growing our membership base and revenue; the accuracy of assumptions used in determining appropriate member acquisition expenditures; the severity and frequency of claims; the ability to maintain high retention rates; the accuracy of assumptions used in pricing medical plan subscriptions and the ability to accurately estimate the impact of new products or offerings on claims frequency; actual claims expense exceeding estimates; regulatory and other constraints on the ability to institute, or the decision to otherwise delay, pricing modifications in response to changes in actual or estimated claims expense; the effectiveness and statutory or regulatory compliance of our Territory Partner model and of our Territory Partners, veterinarians and other third parties in recommending medical plan subscriptions to potential members; the ability to retain existing Territory Partners and increase the number of Territory Partners and active hospitals; compliance by us and those referring us members with laws and regulations that apply to our business, including the sale of a pet medical plan; the ability to maintain the security of our data; fluctuations in the Canadian currency exchange rate; the ability to protect our proprietary and member information; the ability to maintain our culture and team; the ability to maintain the requisite amount of risk-based capital; our ability to implement and maintain effective controls, including over financial reporting; the ability to protect and enforce Trupanion’s intellectual property rights; the ability to continue key contractual relationships with third parties; third-party claims including litigation and regulatory actions; the ability to recognize benefits from investments in new solutions and enhancements to Trupanion’s technology platform and website; and our ability to retain key personnel.

For a detailed discussion of these and other cautionary statements, please refer to the risk factors discussed in filings with the Securities and Exchange Commission (SEC), including but not limited to, Trupanion’s Annual Report on Form 10-K for the year ended December 31, 2020 and any subsequently filed reports on Forms 10-Q and 8-K. All documents are available through the SEC’s Electronic Data Gathering Analysis and Retrieval system at www.sec.gov or the Investor Relations section of Trupanion’s website at http://investors.trupanion.com.

In addition to U.S. GAAP financials, this presentation includes certain non-GAAP financial measures. These non-GAAP measures are in addition to, not a substitute for or superior to, measures of financial performance prepared in accordance with U.S. GAAP. A reconciliation of non-GAAP financial measures to the corresponding GAAP measures is provided on our Investor Relations website.
## Growth company

<table>
<thead>
<tr>
<th>Market</th>
<th>Large, underpenetrated market</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economics</td>
<td>Compounding, monthly recurring cash flow</td>
</tr>
<tr>
<td>Moats</td>
<td>Difficult to replicate</td>
</tr>
<tr>
<td>Financials</td>
<td>20%+ revenue growth &amp; strong returns on invested capital</td>
</tr>
<tr>
<td>Position</td>
<td>Leading the category</td>
</tr>
</tbody>
</table>
Who We Are

Trupanion exists to help loving, responsible pet owners budget & care for their pets.
The Problem We Are Solving

It is very difficult for pet owners to budget for veterinary expenses if/when their pet becomes sick or injured.
Trupanion Eliminates Uncertainty Around Cost of Care
Why Trupanion

- Comprehensive, lifelong coverage if pet becomes sick or injured
- Freedom to choose any veterinarian, emergency care, or specialty hospital
- Covers hereditary and congenital conditions
- Only brand with software enabling direct payment to veterinarian at time of checkout
- 24/7 customer service
- Significant veterinary hospital experience across organization
- 71% claims payout
- 90% of covered veterinary costs
- No payout limits

Broadest coverage
Best Value
Customer Service
Large, Underpenetrated Market

MASSIVE UNDERPENETRATED MARKET (2),(3),(4)

POTENTIAL MARKET SIZE BY PENETRATION RATE

<table>
<thead>
<tr>
<th>Pets in the U.S. and Canada</th>
<th>180M</th>
</tr>
</thead>
<tbody>
<tr>
<td>Illustrative Monthly Average Revenue Per Pet (5)</td>
<td>$60.37</td>
</tr>
<tr>
<td>Penetration in the UK</td>
<td>25%</td>
</tr>
</tbody>
</table>

Total Addressable Market(1) $32.6B

% of Pets with Insurance:

- U.S.: 1%
- Canada: ~2%
- France: 5%
- Denmark: 5%
- Netherlands: 8%
- Norway: 14%
- U.K.: 25%
- Sweden: 40%

5. Represents our monthly average revenue per pet for the twelve month period ended December 31, 2020.
Estimated Market Opportunity

180M cats and dogs in North America
120M visit the veterinarian every year
12M puppies and kittens born each year
1M new pet leads per month
Estimated Market Opportunity

1,000,000 puppies and kittens per month visiting veterinarians
\[ \div 25,000 \]

veterinary hospitals in North America

= 40 new puppies and kittens per hospital, per month
Pet Medical Insurance is a growing $1B+ category!

Trupanion is the growth leader

- The industry added $330M in revenue in 2019
- Trupanion Inc. added over 29% to the market alone – the largest contributor to growth
  - Total Revenue was $384M
  - 26% increase YoY
Defensible Moats

- Deep Veterinary Relationships
- Superior Value Proposition
- Data Driven Advantage
- Patented, Automated & Direct Veterinary Invoice Payment
Growth Levers

• Number of stores in North America

• Same-store-sales

• Different subscription offerings

• Adjunct business lines

• International markets

MORE LEADS
HIGHER CONVERSION

MORE COVERAGE
LESS COVERAGE
DIFFERENT CHANNELS

OTHER PET SUBSCRIPTION PRODUCTS
(WHERE WE HAVE COMPETITIVE ADVANTAGE)

AUSTRALIA
ADDITIONAL 25K HOSPITALS TARGET
Total Revenue Growth

Total Revenue by Quarter
(dollars, in millions)

Revenue from Existing Pets
Revenue from New Pets
Miscellaneous Revenue
Revenue By Cohort

Quarterly Premium by Policy Start Year Cohorts
(dollars, in millions)

AVERAGE MONTHLY RETENTION; 98.71% (1)

1. For the 12-month period ended December 31, 2020. Average monthly retention is calculated as the monthly retention rate of enrolled subscription pets for each applicable period averaged over the 12 months prior to the period end date.
## Unit Economics¹ – Single Ave. Subscription Pet

<table>
<thead>
<tr>
<th>Metric</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monthly ARPU</td>
<td>$60.37</td>
</tr>
<tr>
<td>Paying Veterinary Invoices</td>
<td>(43.26)</td>
</tr>
<tr>
<td>Variable Expenses (providing 24/7 fast service)</td>
<td>(5.51)</td>
</tr>
<tr>
<td>Fixed Expenses (G&amp;A + IT)</td>
<td>(3.17)</td>
</tr>
</tbody>
</table>

### Cash generated per month, prior to capital charge

\[
\text{Cash generated per month} = 8.43 \times \text{77.5 months} = 653 \text{ LVP, incl fixed expenses}
\]

### Capital Charge³

\[
\text{Capital Charge} = -0.60
\]

### Cash generated per month

\[
\text{Cash generated per month} = 7.83 \times \text{77.5 months} = 606
\]

---

¹ Metrics presented on a trailing twelve month basis for the period ended 12.31.20
² Calculated as 1/monthly churn.
³ Estimated at 1% of ARPU.
Returns on Invested Capital

**Pet Acquisition Cost**

**Average Expected Cash Flow per Pet**

35% internal rate of return

1) PAC as of the three month period ended 12/31/2020
2) Estimated cash flows prior to new pet acquisition.
## Margin Profile

### $ in millions

<table>
<thead>
<tr>
<th></th>
<th>Subscription Business</th>
<th>Other Business</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Q4 19</td>
<td>Q4 20</td>
<td>Q4 19</td>
</tr>
<tr>
<td><strong>Revenue</strong></td>
<td>$86.6</td>
<td>$106.4</td>
<td>$18.9</td>
</tr>
<tr>
<td><strong>Cost of Paying Veterinary Invoices</strong></td>
<td>$62.4</td>
<td>$75.6</td>
<td>$12.0</td>
</tr>
<tr>
<td><strong>Variable Expenses</strong></td>
<td>$8.0</td>
<td>$9.7</td>
<td>$5.0</td>
</tr>
<tr>
<td><strong>Fixed Expenses</strong></td>
<td>$4.6</td>
<td>$5.6</td>
<td>$1.0</td>
</tr>
<tr>
<td><strong>Adjusted Operating Income</strong></td>
<td>$11.5</td>
<td>$15.6</td>
<td>$0.8</td>
</tr>
<tr>
<td><strong>Acquisition Cost</strong></td>
<td>$8.5</td>
<td>$13.8</td>
<td>$0.2</td>
</tr>
<tr>
<td><strong>Adjusted EBITDA</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Free Cash Flow</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net Subscription Pets Added</strong></td>
<td>14,599</td>
<td>25,048</td>
<td></td>
</tr>
<tr>
<td><strong>% of revenue</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Subscription Business</strong></td>
<td>Q4 19</td>
<td>Q4 20</td>
<td>Target</td>
</tr>
<tr>
<td>Revenue</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Cost of Paying Veterinary Invoices</td>
<td>72%</td>
<td>71%</td>
<td>71%</td>
</tr>
<tr>
<td>Variable Expenses</td>
<td>9%</td>
<td>9%</td>
<td>9%</td>
</tr>
<tr>
<td>Fixed Expenses</td>
<td>5%</td>
<td>5%</td>
<td>5%</td>
</tr>
<tr>
<td>Adjusted Operating Margin</td>
<td>13%</td>
<td>15%</td>
<td>15%</td>
</tr>
<tr>
<td>Internal Rate of Return</td>
<td>37%</td>
<td>35%</td>
<td>30-40%</td>
</tr>
</tbody>
</table>

1. Note: The above table includes non-GAAP financial measures. For more information about our non-GAAP financial measures, see “Supplemental Financial Information” in the IR section of Trupanion’s website.
2. * Fixed expenses reflect the performance of each segment using a pro-rata expense allocation based on revenues.
Questions?

Thank you.