



## **Klarna grows again, acquiring Close Brothers Retail Finance to strengthen position in UK market**

**Stockholm, Sweden and London, United Kingdom, September 14, 2018** - The leading payment provider Klarna Bank AB ("Klarna") today announced that it is acquiring Close Brothers Retail Finance ("CBRF") from leading UK merchant banking group Close Brothers Group plc ("Close Brothers"). The acquisition will significantly strengthen Klarna's position in the UK market for retail financing and will enable accelerated growth and expansion of the consumer offering.

**Michael Rouse, Chief Commercial Officer of Klarna:** *"We are delighted to welcome CBRF to Klarna, the complementary talents and propositions will help accelerate Klarna's leadership in the payments market. What CBRF have achieved to date in the UK is impressive but together we can invest in realising the full potential of the business. Outside of the core offering in retail finance, we immediately recognised a shared commitment in building deep partnerships with our merchants so their business thrives and an unrelenting focus on the customer experience. By combining capabilities and leveraging CBRF market knowledge, we are confident that we can offer even more innovative and flexible payment solutions to our merchants and customers in the UK and across markets."*

Founded in 2014, Close Brothers Retail Finance has established itself as a highly regarded provider of omnichannel retail finance with over 600 active merchants in the UK, including brands such as Samsung Electronics, Mothercare, GAME, Jessops, Ebuyer, Emma Mattress, Cotswold Outdoor and Victorian Plumbing. The point of sale finance products offered allow shoppers to pay over time in simple, fixed monthly payments, helping merchants convert more browsers into buyers, uplifting sales and ultimately providing a superior customer experience and driving loyalty. The market-leading proposition in combination with a talented team has resulted in CBRF becoming one of the fastest growing providers of retailer finance in the UK.

**Alex Marsh, Managing Director CBRF:** *"We are thrilled to join an industry leader like Klarna and believe this is a great strategic fit rooted in a shared mission and culture. We at CBRF have transformed retail finance in the UK over the past four years and are extremely proud of what we have accomplished. Together with Klarna, we have the exciting opportunity to further develop our capabilities and deliver even more services and value to merchants to help them succeed. We are now focussing on a smooth integration and seamless continuity of our offering to merchants and customers."*

**Luke Griffiths, Managing Director of Klarna UK:** *"We knew from the outset when we met Alex and his team, this agile, passionate group with the challenger attitude we love, would be a great fit at Klarna. CBRF has deftly proven it's business and risk model capabilities in building creative financing solutions in a competitive UK market. Together, we will have a rich omnichannel product offering that will exceed than*



*anything currently available for a wide range of retail verticals, helping merchants unlock growth and allow us to serve even more customers and better. We are excited about what we can achieve together.”*

The CBRF business had a loan book of £66 million on 31st of July 2018.

The acquisition is subject to approval by the Financial Supervisory Authority of Sweden (Finansinspektionen).

**End**

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**About Klarna Group**

Klarna ([www.klarna.com](http://www.klarna.com)) is one of Europe’s leading payment providers and a licensed bank, which wants to revolutionise the shopping experience for shoppers and merchants alike. Founded in Stockholm, Sweden, in 2005, Klarna gives online consumers the option to “Pay now”, “Pay later” or “Slice it” (pay over time) – offering a simple and safe payments. Klarna partners with 90,000 merchants, including Adidas, ASOS, JD Sports, Lenovo, Arcadia Group and Spotify. Klarna has 2,000 employees and is active in 14 countries. Klarna is backed by investors such as Sequoia Capital, Bestseller Group, Atomico, VISA and Permira.

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