



Petco and Klarna Make Pet Care More Accessible with "Pay in 4" Payment Services Online and In-Store

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Petco is the first pet care brand to offer pet parents nationwide the option to split purchases into four interest-free payments at checkout

SAN DIEGO, Aug. 5, 2021 /PRNewswire/ -- Petco Health and Wellness Company, Inc. (Nasdaq: WOOF), a complete partner in pet health and wellness, and [Klarna](#), a leading global retail bank, payments and shopping service, are partnering to offer Klarna's Pay in 4 solution on [petco.com](#), across Petco's nearly 1,500 pet care centers nationwide, and the Klarna app. The new payment option makes caring for the whole health of pets more accessible and flexible, giving pet parents the option to split their purchase into four interest-free payments spread over the course of six weeks.



"Through the first quarter of this year, Petco generated strong double-digit growth and continued momentum by making complete pet care as easy, seamless, and accessible as possible – including helping pet parents support their pets' wellness without stressing about cost," said Petco Chief Digital and Innovation Officer [Darren MacDonald](#). "With Klarna, we're creating another avenue for pet parents to do just that, whether they're welcoming a new family member, caring for a pet's unique health needs, or restocking on the basics."

The \$119 billion pet category is poised to grow at an 8% CAGR over the next five years according to recent industry forecasts with higher growth projections in key areas like premium nutrition, services, vet, and digital where Petco is uniquely positioned. Millennials and Gen Zers, who have been spending more on their furry family members, not only represent the majority of recent growth, but 65% of 18- to 34-year-olds indicate they plan to acquire or add a pet in the next five years.

With seamless integration into the digital and physical shopping experience, Klarna provides another convenient payment method that removes financial barriers for pet parents prioritizing their pet's health and wellness. The new Klarna payment option will be available starting later this year and can be applied to all purchases, including merchandise and services.* Pet parents utilizing Klarna's flexible payment options will also still be eligible to earn rewards through their Pals Rewards account like any other purchase.

"We're excited to offer Petco to Klarna's 18.5 million customers in North America, and to bring added payment flexibility to Petco's existing ecommerce and brick and mortar customers," said Klarna Head of North America David Sykes. "Consumers—especially Millennials and Gen Zers, many of whom are becoming pet parents for the first time—are turning away from traditional credit and demanding more flexible payment options. Klarna's interest-free solutions increase consumers' purchasing power, granting them the freedom to shop for and buy what they need, when they need it. At the same time, our brand partners benefit as average order values increase by 20-80% and conversions can climb by 20% or more."

Klarna's flexible payment options join a suite of shopping innovations Petco has introduced over the past eighteen months, including nationwide [curbside pickup](#), [same-day delivery](#), [Vital Care](#), the revolutionary [Petco Pay](#) credit card program, and more.

For more information on Petco, visit [petco.com](#). For more information on Klarna, visit [klarna.com](#).

*Exclusions apply on recurring payments (Repeat Delivery and VitalCare), mobile vaccination clinics and partner veterinary hospitals. Klarna services will only be available to US-based Petco customers.

About Petco, The Health + Wellness Co.

Petco is a category-defining health and wellness company focused on improving the lives of pets, pet parents and our own Petco partners. Since our founding in 1965, we've been striving to set new standards in pet care, delivering comprehensive wellness solutions through our products and services, and creating communities that deepen the pet-pet parent bond. We operate more than 1,500 Petco locations across the U.S., Mexico and Puerto Rico, including a growing network of more than 100 in-store veterinary hospitals, and offer a complete online resource for pet health and wellness at [petco.com](#) and on the [Petco app](#). In tandem with [Petco Love](#) (formerly the Petco Foundation), an independent nonprofit organization, we work with and support thousands of local animal welfare groups across the country and, through in-store adoption events, we've helped find homes for more than 6.5 million animals.

About Klarna

We make shopping smooth. With Klarna consumers can buy now and pay later, so they can get what they love today. Klarna's offering to consumers and retailers include payments, social shopping, and personal finances. Over 250,000 retail partners, including H&M, IKEA, Expedia Group, Samsung, ASOS, Peloton, Abercrombie & Fitch, Nike and AliExpress have enabled Klarna's innovative shopping experience online and in-store. Klarna is one of the most highly valued private fintechs globally with a valuation of \$45.6 billion. Klarna was founded in 2005, has over 4,000 employees and is active in 17 countries. For more information, visit klarna.com.

Cautionary Note Regarding Forward-Looking Statements

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, concerning expectations, beliefs, plans, objectives, goals, strategies, future events or performance and underlying assumptions and other statements that are other than statements of historical fact. Although Petco believes that the expectations and assumptions reflected in these statements are reasonable, there can be no assurance that these expectations will prove to be correct. Forward-looking statements are subject to many risks and uncertainties, including the risk factors that Petco identifies in its Securities and Exchange Commission filings, and actual results may differ materially from the results discussed in such forward-looking statements. Petco undertakes no duty to update publicly any forward-looking statement that it may make, whether as a result of new information, future events or otherwise, except as may be required by applicable law, regulation or other competent legal authority.

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