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BUSINESS | EUROPE | EUROPEAN BUSINESS NEWS

## Singapore Startup WB21 to Leave London for Berlin After Brexit

Three months after Britain's vote to leave the EU, seven firms are moving from London to Berlin



The Free Democratic Party in Germany hired a mobile billboard which was driven around London after the Brexit vote to encourage startup companies to move to Berlin. Startup firm WB21 said Friday it was shifting its European head office in London to Berlin, in addition to six other firms since the Brexit vote in June. *PHOTO: ASSOCIATED PRESS*

By **FRIEDRICH GEIGER**

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**BERLIN**—Singapore's fintech firm WB21 Pte. has decided to move its European head office from London to Berlin, one of the first startups to quit the U.K. in favor of the German capital after Britain's vote to leave the European Union.

"Brexit was decisive for us. We had initially planned to operate our European business out of London, but the decision means we lack legal certainty there," said Chief Executive Michael Gastauer on Friday.

WB21, which launched late last year as a payment service provider, said it would create 200 jobs in Berlin that were initially slated for London. Of WB21's current 25 positions in London, 20 will go to Berlin. The fintech startup, based in Singapore, offers accounts

and international money transfers. As of mid-September, it counted 1 million customers and had sent cross-border payments totaling more than \$5.2 billion.

The Brexit decision in June fed expectations that companies with U.K. operations could relocate to avoid losing access to the EU single market, and a number of cities began lobbying companies, including Frankfurt, Paris and Dublin. According to accounting firm KPMG, three-quarters of British chief executives are considering moving headquarters or some operations from the U.K. in response to the Brexit vote.

But an exodus hasn't materialized, with most decisions pending the outcome of negotiations on the relationship between the U.K. and the EU, which have yet to begin. In addition to uncertainty about trade and business conditions, companies have questions about taxation, labor law and infrastructure elsewhere.

Berlin, which has focused on wooing startups, recently redoubled its efforts to attract companies from London. Right after the Brexit vote, the city's economics ministry began lobbying hundreds of companies by email, and this month set up a contact office in London.

Three months after the vote, six companies have decided to move operations to Berlin, besides WB21, said Stefan Franzke, head of Berlin Partner, the agency that runs the London office. Among them are real-estate investment platform BrickVest Ltd, web-design company MBJ London Ltd., and finance firm Swissbank Ltd., he said.

The agency is in talks with about 40 other companies about possible relocation, he said.

WB21 expects to get a German banking license in the coming months, allowing it to expand its product portfolio and offer loans, savings accounts and investment products to clients internationally.

"Instead of going through the licensing process and building a bank in the U.K., and then in three or four years perhaps not knowing if we can use it Europe-wide, we decided to come to Berlin," said Mr. Gastauer. He said Berlin was more attractive than some other places in Europe because Germany's status as a founding member of the EU made it unlikely to abandon the bloc, he said.

The company called Berlin "one the fintech-friendliest cities in Europe" and said the availability of qualified personnel also made it attractive.

WB21, which stands for 'web bank 21st century,' plans to invest €50 million in the German capital.

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