



State of Asian Funding UK

2025

Our Partners

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Foreword I

Bae HQ

We are proud to present the first edition of The State of Asian Funding UK Report. This landmark study by Bae HQ offers a comprehensive and evidence-based analysis of Asian-heritage representation in the UK funding landscape. Drawing on exclusive insights from our community, alongside national statistics and trusted data sources such as Beauhurst, it provides a clear picture of where Asian-heritage entrepreneurs stand today – and, crucially, what must change.

Asians have contributed to the economic and cultural fabric of the UK for generations. From the corner shops that anchored communities to the innovators building global businesses in technology, healthcare, and finance, their entrepreneurial spirit has been a constant driver of prosperity.

Yet data on Asian representation in startups has historically been scarce, despite ~10% of the UK population having Asian heritage, and ~24% of London's population. This report marks a turning point. It shines a light on the systemic issues that hold many back, while also highlighting the resilience, ambition, and innovation thriving within our communities.

A black and white portrait of Gurvir Riyat, a man with a beard and a turban, smiling. The background has a subtle geometric pattern.

Gurvir Riyat
Co-founder of Bae HQ

A black and white portrait of Amardeep Parmar, a man with a beard, smiling. The background has a subtle geometric pattern.

Amardeep Parmar
Co-founder of Bae HQ

We find significant overall success with over £1bn raised in total by Asian-founded startups. Yet when we dive into the breakdowns by segment, we find more alarming pockets of funding gaps, most acutely for Asian-heritage women. The sentiment of the community data shows the strong demand for more support.

But this is not just a report – it is a call to action. The insights contained here serve as a benchmark for accountability and a blueprint for progress. We want founders to feel empowered by seeing their experiences reflected in data, investors to recognise the untapped potential of British Asian-led businesses, and policymakers to act on clear evidence to drive inclusion.

At Bae HQ, we are committed to empowering Asian-heritage founders to dream big and scale in the UK since October 2022. We've run impact programmes for founders and aspiring entrepreneurs at different levels, including our IncuBaetor, our mentorship schemes and our state school startup experiences. Over 200 people have participated in a structured programme in the last year.

Over 7,500 have attended one of our events or talks in the past two years. These vary from large panel and fireside chat events to more intimate coffees and workshops. We originally started with our podcast, Startups Inside Out, which is now over 250 episodes in and features some of the greatest trailblazers from our community.

In September 2025, we launched our first book, Startups for Outsiders, to make high-quality knowledge accessible.

Our network has led founders to find investors, partners, mentors and friends and these relationships continue to compound. Our mission is only just beginning and we're excited to spearhead the community into greater innovation and scale.



Foreword II

HSBC Innovation Banking



Rupy Malizia, Chief Operating and Transformation Officer, HSBC Innovation Banking UK

It is difficult to understate the importance of reports like this in building a more inclusive and innovative tech community.

As champions of both innovation and difference, we understand the impact of consistent measurement in driving real change. Transparent analysis of this nature serves to hold the entire innovation ecosystem accountable for giving a voice to those who remain underrepresented, and provides a cornerstone to measure the value of that effort over time.

The facts and figures in this report are cause for both celebration and a challenge to do more as a collective. For example, while it is admirable that UK Asians raised 19% of all capital, the fact that less than 0.5% of companies were founded by Asian women shows the deep work to come. It is these dichotomies that enable us to identify the areas of greatest need and focus our support.

The inclusion of recommendations is another standout feature of this work. Congratulations to the team for not only reflecting the realities facing Asian founders, but also providing clear direction on how to improve. Bold vision and clarity can turn data into a catalyst for action.

I encourage you to read and share this report widely, as we all have a part to play in shaping the kind of innovation community we long to see.

Foreword III

Joelson LLP



Paul Chiappe, Managing Partner & Co-Head of Corporate & Commercial team, Joelson LLP

We're delighted to support Bae HQ on their first 'The State of Asian Funding in the UK Report'. It's an important analysis of the current ecosystem surrounding Asian entrepreneurs and their access to funding.

Through our daily work with founders, we see firsthand the challenges that Asian founders can face. This report aims to deepen the understanding of those challenges in greater detail and highlight what action needs to be taken. The analysis offers valuable insights across industries, size of investment, regional coverage and key differences in raising investment between male and female founders.

While the analysis helps us understand the current landscape, it's the recommendations which will highlight the opportunities for Asian businesses and how things need to change.

The team at Joelson LLP will continue working alongside the fantastic team at Bae HQ to help turn the report's recommendations into meaningful action. We support by upskilling the founders within the Bae network on being investment ready through workshops and webinars and we support the community with Founder Fireside chats. Our female founders club, Hercules, supports all female founders and was set up to help champion this under-represented group. Female founders of ethnic minority backgrounds face even greater challenges than female founders as a whole.

Joelson LLP is proud to support Bae HQ on this report, and we look forward to helping drive lasting, positive change in the investment landscape for Asian entrepreneurs.

Foreword IV

Mercia Ventures



*Bansi Dhillon, Sustainability Manager,
Mercia Asset Management PLC*

At Mercia, we believe that entrepreneurship thrives when talent has the access, support and visibility it deserves. This report is a timely reminder that while Asian founders play a vital role in shaping the UK's innovation economy, too many remain locked out of the opportunities they need to grow and scale.

The findings here are both inspiring and sobering. They show clear evidence of ambition, resilience and success. Yet they also highlight deep disparities in investment, especially for Asian women founders. These gaps matter not only because they limit individual potential, but because they hold back the UK's collective growth.

At Mercia, inclusion is not an initiative but part of our culture. We are focused on creating a workplace and investment approach that reflects the communities we serve, where people can be true to themselves and where diverse voices are encouraged, supported and celebrated. We believe that this fuels creativity, stronger performance and ultimately better outcomes for our team, our investees and our investors.

Through initiatives such as Rise & Thrive, Mercia is committed to listening to underrepresented founders and working to dismantle the barriers that stand in their way. We are proud to support research that gives voice to lived experiences and points towards practical solutions. And we know that progress depends on sustained collaboration between investors, policymakers and communities themselves.

This is why we support the call to action set out in this report. It is a chance for us all to step up, to measure our impact and to ensure that the UK innovation landscape reflects the diversity of the society it serves.

Key Findings

Overall funding

6.8%

Of overall funding went to all Asian founding teams.

Female founders

0.2%

Of overall funding went to all Asian-female founding teams.

Later-stage funding

10

Companies out of 52 which raised over £50m had at least one Asian co-founder.

Asian co-founders

18.6%

Of overall funding went to founding teams with at least one Asian founder.

Funding barriers

33.3%

Of our sample believed "cultural biases and lack of diversity" impeded them when fundraising.

Regional focus

79.7%

Of funding for Asian-founded startups was for London-based businesses.

Recommendations Summary

01

Supporting Asian Fund Managers and Accelerators

Improve access to the UK Government's £500m fund commitment by championing representation of Asian fund managers and accelerators, ensuring diverse investors and founders have fair access to growth capital.

02

Expand Access to Non-Dilutive Capital and Targeted Grant Schemes

Scale grants, loans, and co-investment programmes by reviewing application journeys and through targeted outreach to give British-Asian founders the tools to grow without premature equity dilution.

03

Build Skills and Future-Proof Founders

Embed inclusivity into national skills and enterprise programmes, while nurturing Asian talent pipelines through tailored leadership, digital adoption, and youth enterprise initiatives.

1

Research Findings

Overall Asian Funding Landscape

Overall Picture

5.4%

of the 2,281 UK companies which raised over £500k+ were Asian-founded.

£1.05_{bn}

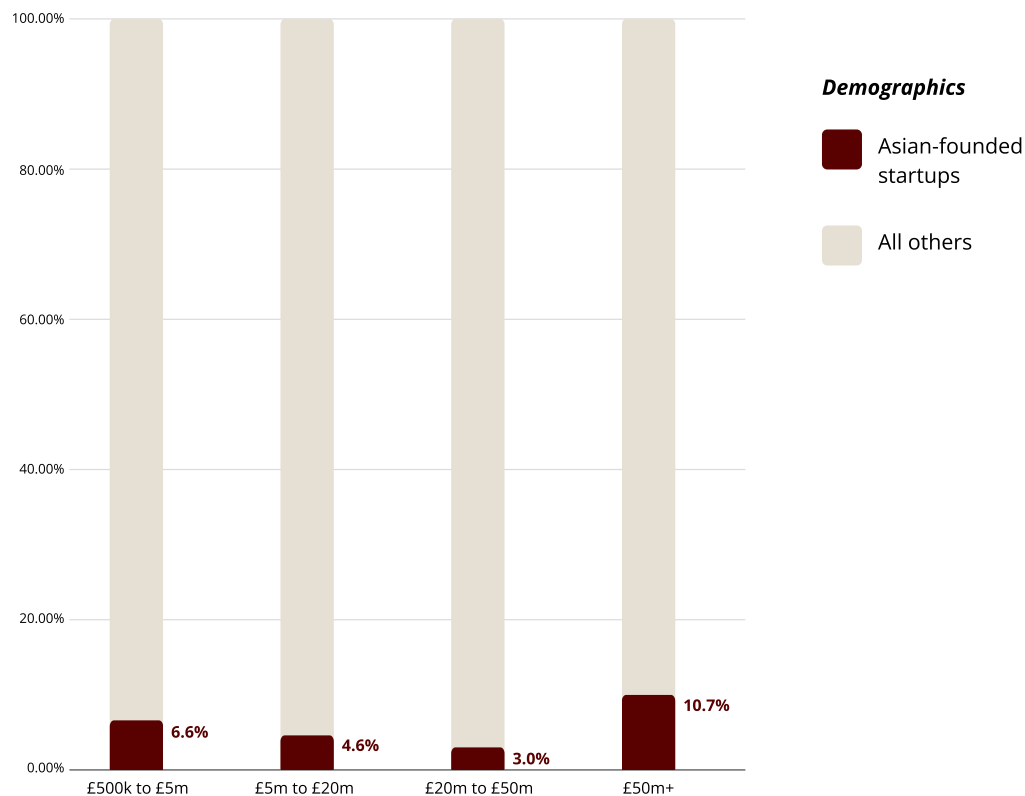
total capital raised by Asian founders, which equates to 6.8% of the total raised in the period.

10%

of the UK population is estimated to be Asian-heritage (and 24% of London).

Funding Stage Breakdown

Percentage of funding received



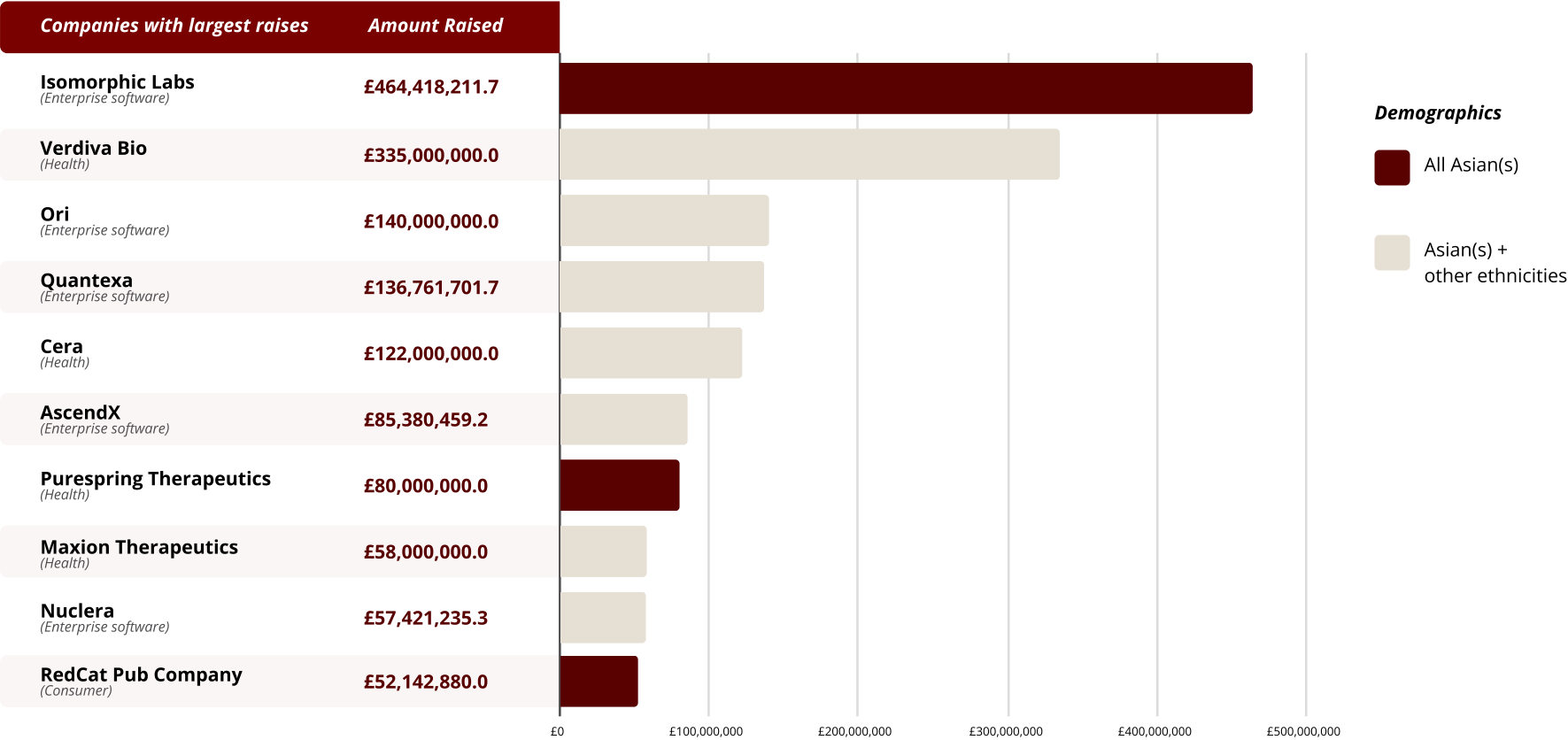
There is strong representation for Asian-founded startups at the highest and lowest ends of funding rounds, but underperformance in the middle.

10.7% of funding at the £50m+ stage goes to Asian-founded startups which suggests there's significant wealth generation by those who make it to that stage.

However, there is a significant dip at the £20m to £50m stage with just 3% of funding and 4.6% at the £5m to £20m level.

This suggests Asians are able to raise early funding then struggle until they reach the most significant scales.

Leading Funding Records



“Our Series E and F were never about maintaining the status quo, they were about going faster. We’ve experienced growth at an unprecedented scale, building strategic relationships with some of the biggest players in tech to power the next phase of our journey.

This capital is fueling disciplined investment in R&D, advancing data unification, agentic AI and decision automation, while expanding our Decision Intelligence Platform into new industries. We’re scaling in North America and Asia Pacific to give clients global reach with local understanding, and we remain focused on sustainable, compounding growth.

As a UK-born company with more than three-quarters of our revenue now coming from outside the UK, we’re proud to help showcase the world-class AI and data-science talent here at home while proving we can build a truly global category.”

Vishal Marria

Quantexa
CEO and Founder



"I've raised various types of funding across 3 different companies, most recently completing a Series B at NatureMetrics, a Nature data company. I've seen many funding markets through this period, with preference and multiples shifting significantly across sectors. Consumer had its moment during COVID, and now it's the age of data and AI.

This time round I found the scrutiny on business performance and final rounds of due diligence to be the deepest I've ever seen. The uncertain macro backdrop means the level of conviction you have to build is much higher, even with a data and AI product. We're market leaders in our space and saw a lot of early interest in the raise, but the newness of our technology also brought more questions about market potential, commercial traction, future exit scenarios.

Despite being an impact company, our commercial potential was the priority, with investors going as far as conducting reference calls with our clients.

Path to profitability was also heavily scrutinised; what is the path to becoming financially independent? This may be an indication of expected future volatility in the fundraising market, but unit economics remain an important part of the conversation."

Dimple Patel

NatureMetrics
CEO

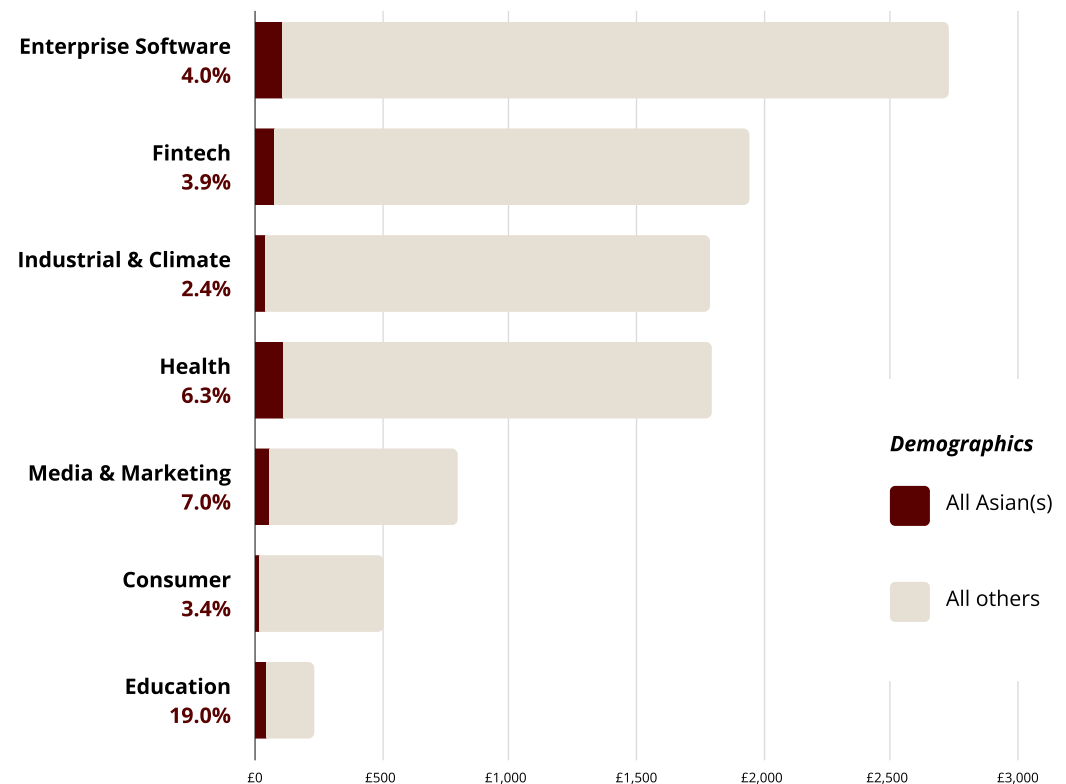


Industry Breakdown

Asian-founded startups excel in specific industries yet have weaker representation in the three largest sectors.

Of the four trillion-dollar industries, Asian-startup funding is highest proportionally in Health. This could mirror the community's strong presence in **medical professions**, translating into high-value ventures in biotech, pharma, and healthtech.

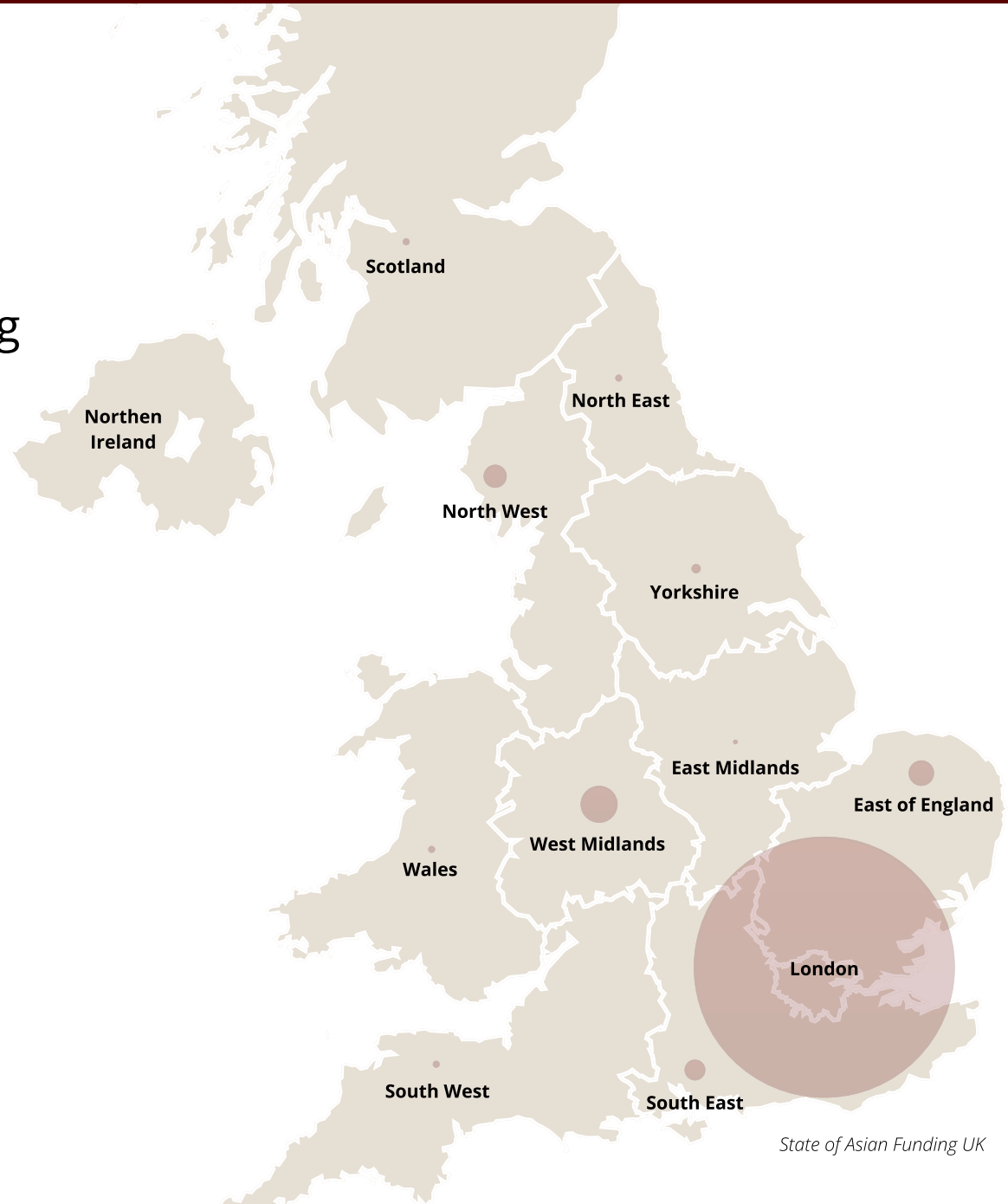
The representation in the Industrial & Climate sector is weakest showing the need for more work here. While Asian-founded startups have an exceptionally high proportion of Education funding, this is by far the smallest sector in our breakdown.



Regional Focus

The Asian-founded startups raising capital are overwhelmingly London based.

A staggering 79.7% of funded startups are London based which far exceeds the overall average of 58.2%. This indicates geographical location is a far greater influence in funding for Asian startups. Notably when counting startups with at least one Asian co-founder, the percentage is far more in line at 59.6%.



Regional Discrepancy

HQ Region	Total Raised by Asian-Founded Startups (£Ms)	% of total funding	% of total population	Difference (% funding and % population)	Companies
London	839	14.7	24.0	- 9.3%	78
East of England	68	7.4	8.0	- 0.6%	12
South East England	60	7.0	8.5	- 1.5%	11
Yorkshire & The Humber	20	9.1	11.0	- 1.9%	3
South West England	17	4.1	5.4	- 1.3%	2
Scotland	14	2.8	4.6	- 1.8%	2
Wales	13	8.1	4.0	4.1%	7
West Midlands	9	6.6	16.3	- 9.7%	4
North West England	5	1.1	10.8	- 9.7%	2
East Midlands	4	4.0	10.6	- 6.6%	2
North East England	1	0.8	5.2	- 4.4%	1
Northern Ireland	-	0.0	2.3	- 2.3%	0

Wales is the only region that shows greater investment in Asian-founded startups than their % of the population.

Regions with significant Asian populations such as East Midlands, West Midlands, London and North West England show particularly stark difference whereas Yorkshire & The Humber, East of England and South East England seem closer aligned.



Aaisha Dadral

Equiano Rum
Founder & Investor

"Having bootstrapped businesses in the past, I came to investment with no first-hand experience. Our fundraising was driven by founder networks and angels who believed in our vision, and putting in the first major investment myself certainly gave others the confidence to follow. We knew VC wasn't our path, so conversations were more personal, we kept the spotlight on our team and championed the uniqueness of what we were building - resilience and unwavering belief were non-negotiables!"

"We fundraised \$3.5m coming out of YC within 2 weeks in September 2023. We were put in front of a room of world class investors. A cheat code really. The hard part was standing out in a sea of smart and impressive founders."

Peter Huang

Healthtech1
Co-Founder & Head of Product





Varun Bhanot

MAGIC AI
CEO & Co-Founder

"We had more than 150 rejections for our second round of funding. It was clear that the funding landscape has changed significantly in the UK away from risk despite us living in a period of incredible innovation. This has forced some companies to close and others to seek funding from abroad. If you're a founder building a best-in-class product then don't give up, back your vision and the funding will come."

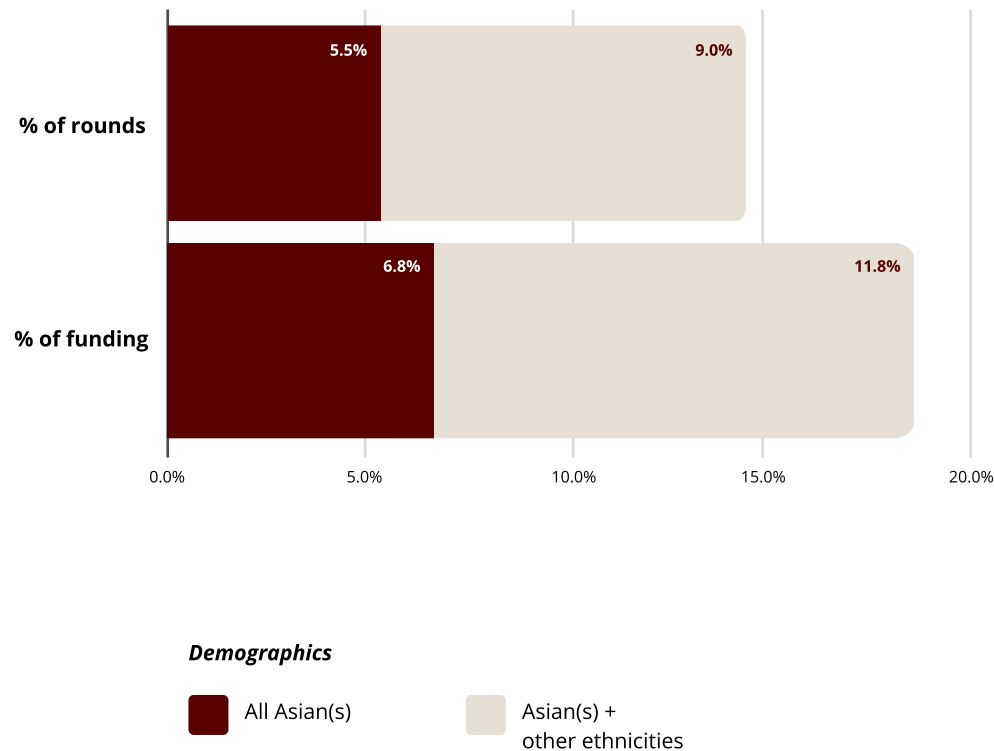
"As someone who hadn't fundraised before we tried each channel, from pitching to cold DMs on LinkedIn. The most fruitful for us, was outreach to investors and creating a direct connection as well as referrals from other trusted peers in their network. This allowed us to raise £1.3m, I think pitching competitions are overrated but the connections you make from them can be very useful indeed. When fundraising we went all out to raise, you have to put your all into it."

Dhruvin Patel

Ocushield
CEO & Founder



Mixed Ethnicity Teams



Mixed ethnicity co-founder teams with at least one Asian founder raised more than all Asian-founded startups.

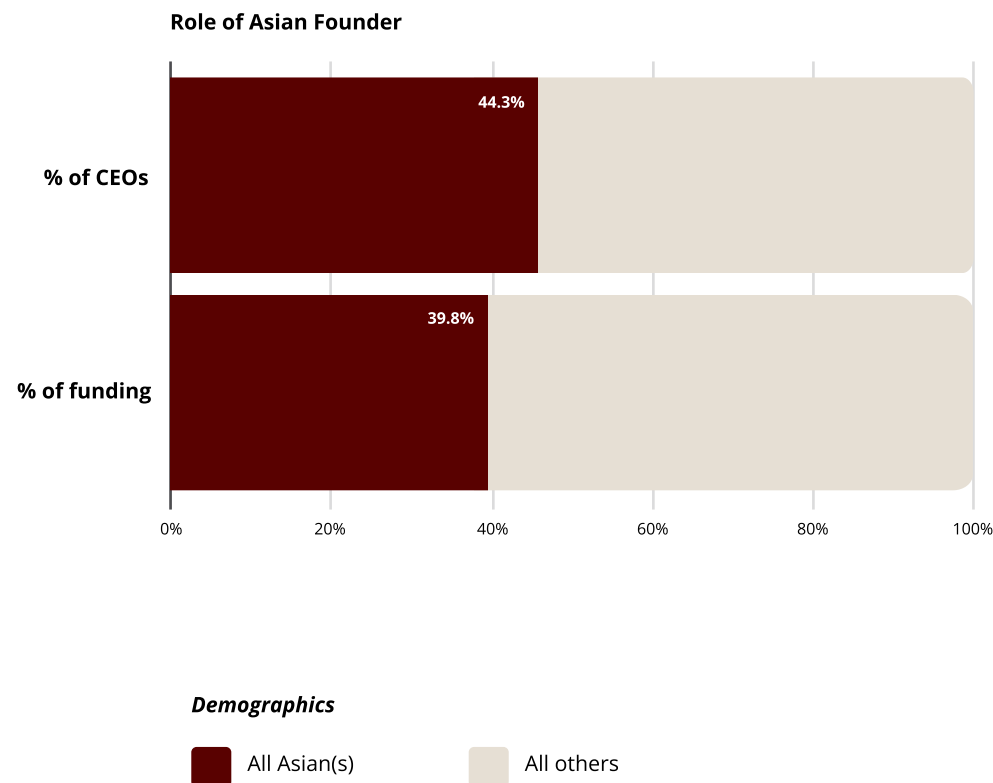
Teams with at least one Asian cofounder raised 18.6% of total funding from 14.5% of the rounds. Asians appear to be forming strong cofounding teams with founders from other ethnicities showing strong integration.

The overperformance is skewed by the prominence of Asian-cofounded startups in the top 10 of largest raised.

Asian CEO Funding

In mixed-ethnicity co-founder teams, those with Asian CEOs raise less on average.

While 44.3% of Asian founders hold the CEO role, they account for only 39.8% of capital raised, signaling potential bias or structural hurdles limiting capital access for Asian-led ventures at the top.



“As an entrepreneur, I have raised over a billion pounds in funding (equity and debt) to build and scale FinTech businesses in the U.K. and U.S. These businesses—Salary Finance UK, FinFit US, and Work Report UK (acquired by Experian)—all partner with employers to provide essential employee benefits that improve financial health. Today, we serve a community of 20 million employees across both countries.

While the businesses are now profitable, funding was the lifeblood of their growth over the past decade. I have successfully raised funding from across the spectrum, including angels, venture capital / builders, and institutional investors.

This funding has been a significant force for good. We've employed hundreds of people in four countries and built and scaled products that have literally changed lives; Salary Finance holds a 4.9/5* Trustpilot score, with the words "life saver" used in thousands of user reviews.

My experience has shown me the profound power access to funding holds to better the world, and as a result the importance of that access being as inclusive and democratised as possible.”

Asesh Sarkar

Salary Finance UK
Co-founder and CEO



2

Research Findings

Asian Female Funding Spotlight

Overall Picture: Asian Women

0.5%

of the 2,281 UK companies which raised over £500k+ were founded by Asian women.

0.2%

of capital raised — indicating significant underrepresentation.

5.0%

of the UK population is estimated Asian-heritage and female.

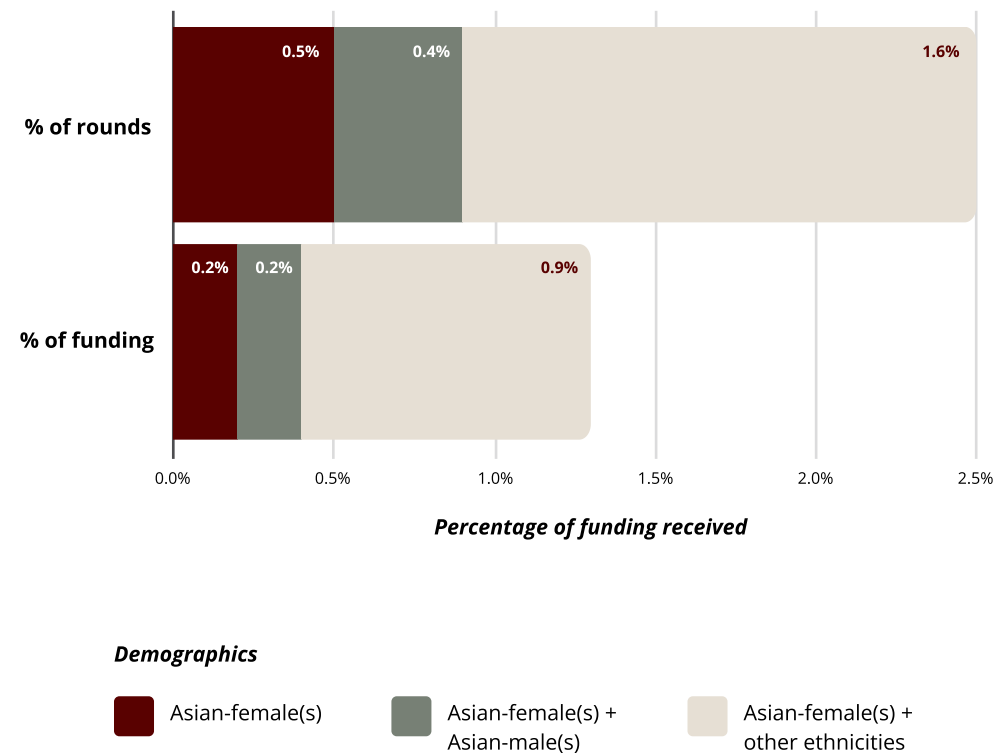
Asian Female Founded Startups

Asian women remain drastically underrepresented in the UK's high-growth startup ecosystem.

Just 0.2% of funding went to all Asian-female founded startups with just 0.5% of the rounds.

Notably, Asian women secured greater levels of funding when part of mixed founding teams. This trend suggests that solo Asian female founders continue to face additional barriers to accessing capital, particularly at later stages of growth.

Unlike the overall figures, Asian female founded startups raise less capital relative to the number of rounds. This is due to the absence of larger rounds for this demographic in the subject year.



“We’ve just raised a £31m Series B, which is going to accelerate us, and allow us to invest more into our engineers, our product team, our commercial engine, and expansion. In this climate of fundraising, every metric has to be right.

The churn, the customer acquisition, the profitability, your growth rates, the team. The bar to fundraise has become a lot higher, which is good actually, because good companies will continue to raise. We focus on getting to profitability quicker, making every pound matter. We’re in a good position where we don’t have to go out again to raise, but we want to build a huge generational defining company and that’s going to require further capital if we want to go quick.

Being a female founder of a minority background, I realised I’m in a really privileged position to use that voice and use it wisely. So I’ve started to do a lot more engagements and hopefully inspire people who look like me or a new generation to be like, ‘Yes, I also want to build a company and can build a company.’”

Murvah Iqbal

HIVED
CEO & Co-Founder



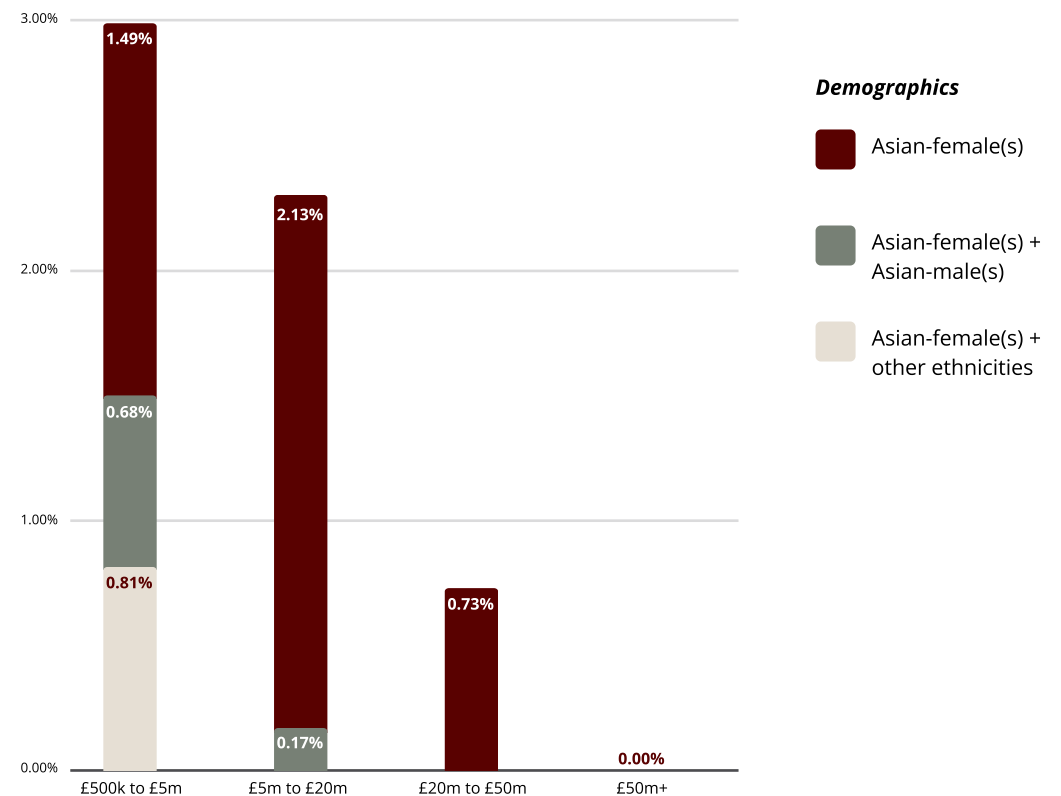
Funding Stage: Female Founders

Asian-female founded startups are especially underrepresented for larger funding rounds.

The nine ventures with all Asian-female founders all raised between £500k and £5m. This means none exceeded the £5m threshold, underscoring a significant gap in scale-stage funding.

Even including when they are part of mixed gender and mixed ethnicity teams, no startup with an Asian female cofounder raised above £50m.

Percentage of funding received





Siddhi Mittal

yhangry
Co-CEO & Co-Founder

"We raised our latest round in the span of 2-3 weeks in Nov 2024. It came together smoothly due to our contacts in US, and our UK customer community (both independent cheques & crowdfunding), but if we were going down the VC route, that would have been a real grind."

"We raised our seed round in 2024 which came from an international consortium of Angels and VCs. Last years fundraising market was slow but looking forward to this years appetite especially given recently crowned unicorns in quantum tech!"

Wenmiao Yu

Quantum Dice
Co-Founder





Sanjeev Jeyakumar

Lenkie
CEO & Co-Founder

"Fundraising was challenging, especially in an environment where investor appetite for balance-sheet-intensive businesses was limited. It involved months of preparation, countless conversations, and extensive due diligence, which we used as an opportunity to strengthen our business and refine our story. Ultimately, finding the right partners unlocked momentum, enabling us to raise £49m in equity and debt."

"Over the past decade we've raised over £16m from angels, VCs, media and most recently a £1m crowdfund in 2024. Each stage had its own lessons, but crowdfunding proved the strength of building around purpose—mobilising a community who believe in sustainable design and our mission more than anyone. Ultimately, disciplined focus on customer needs, unit economics, and a clear growth vision is what attracts the right investors."

Sandrine Zhang Ferron

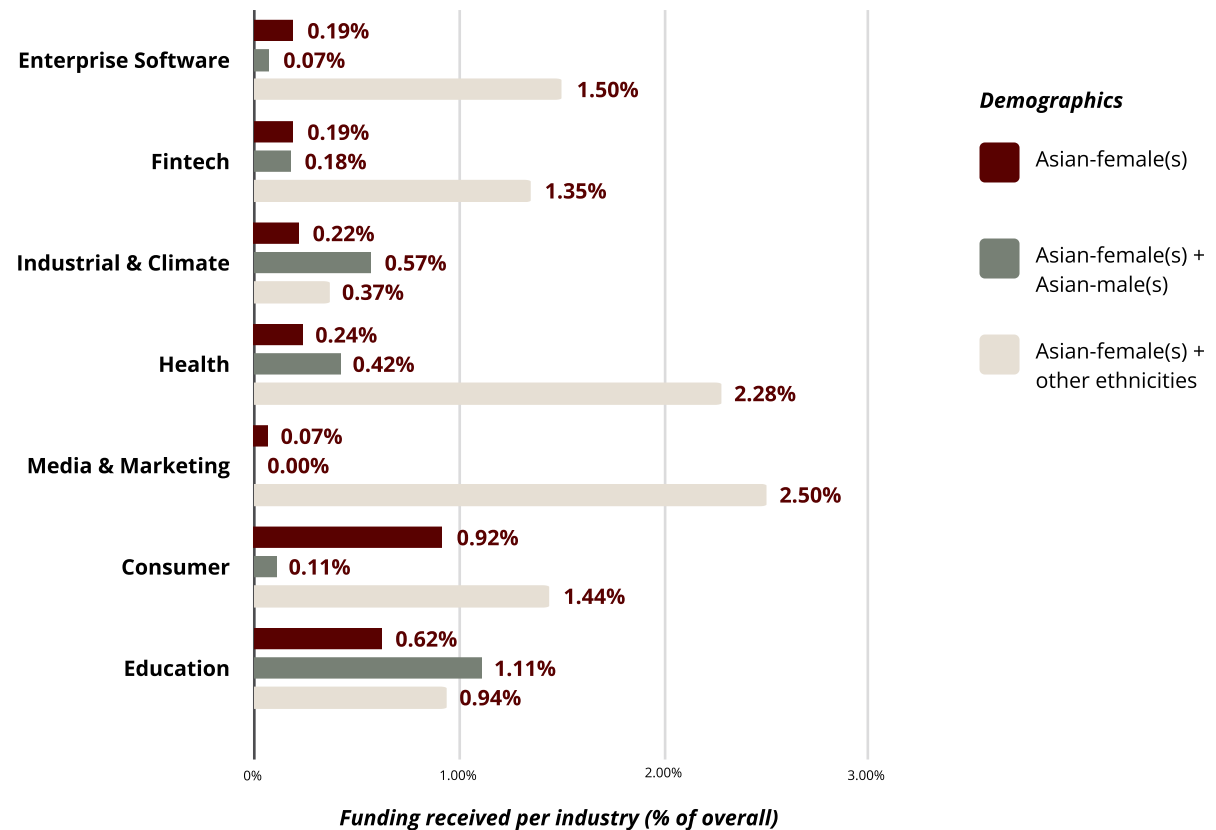
Vinterior
CEO & Founder



Industry Breakdown for Women

Asian women raise more money when they have non-Asian co-founders in every industry.

There is no industry where completely Asian-female founded start ups collectively raise even 1% of the overall funding in the sector. These numbers highlight the need for targeted support for Asian female founders.



3

Research Findings

Asian Founder Sentiment

Overall Survey Results

33%

cited challenges with "cultural biases and lack of diversity" as a barrier to fundraising.

60%

cited challenges with "investor networks" as a barrier to fundraising.

63%

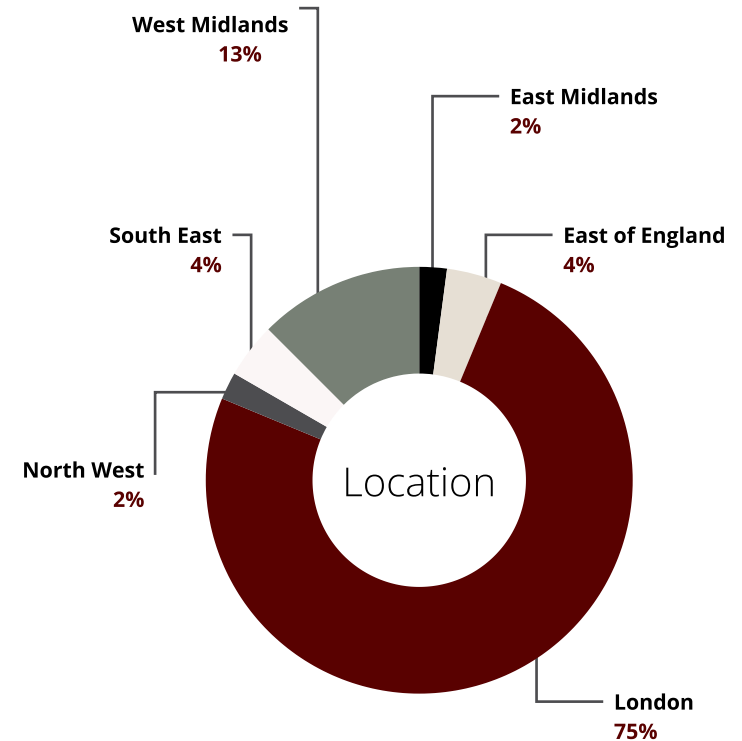
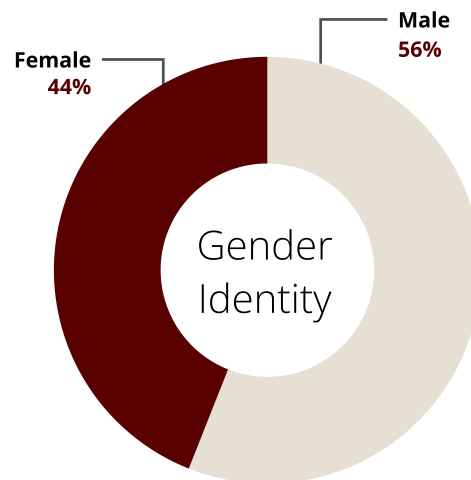
of respondents cited "professional/personal networks" as their major source of investors.

Survey Data: Demographics

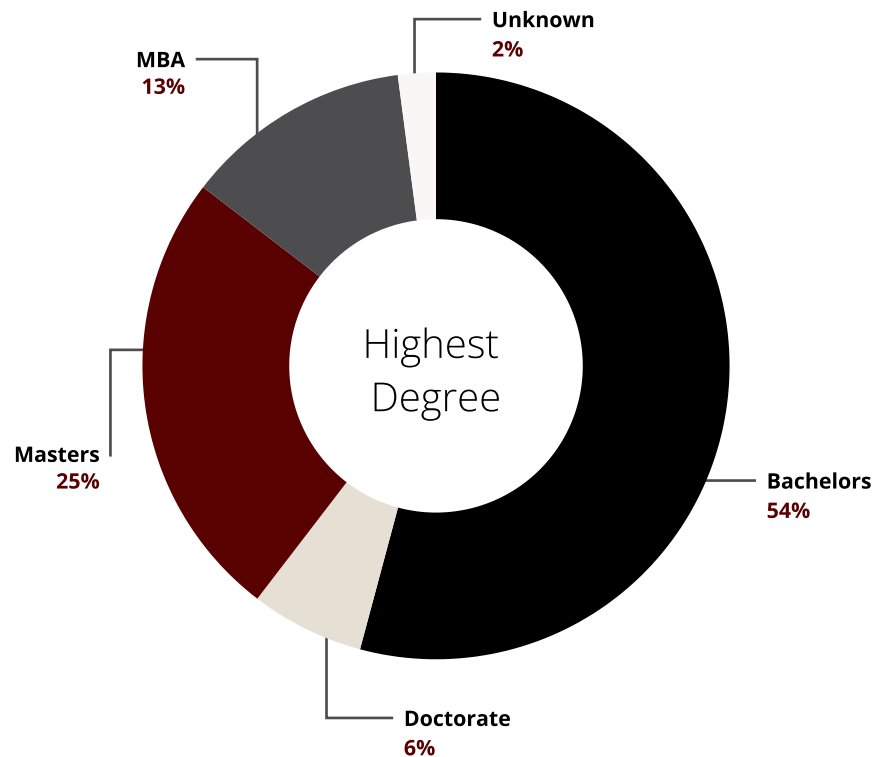
Asian founders were surveyed to understand their fundraising journey experience.

This survey aims to establish a baseline for the community which can be used to focus attention and guide policy.

Founders from a mix of gender identities and locations were surveyed, with 75% of respondents residing in London, followed by 13% from West Midlands. This mirrors fundraising insights as two of the larger hubs throughout the UK.



Survey Data: Education



All founders attended university with varying levels of higher education.

All founders had completed an undergraduate degree, with 25% of founders continuing to further their learning with a MBA.

King's College London, the University of Oxford, and the University of Birmingham received 22% of founders citing their attendance at these universities.

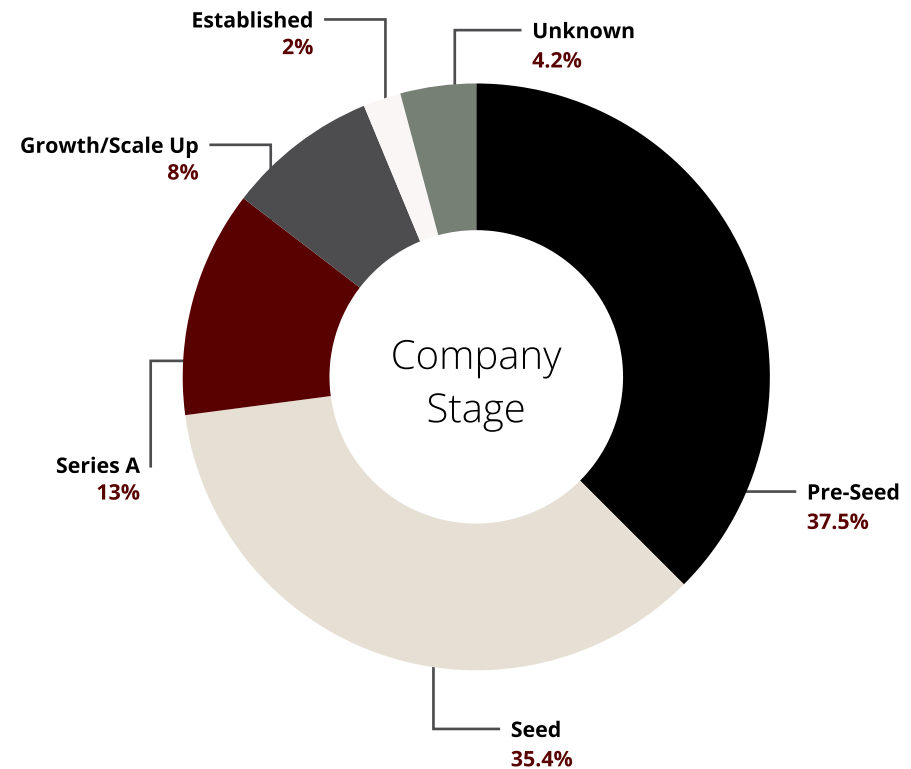
Imperial College London and the University of Oxford received a notable mention for founders that had completed their Masters.

Survey Data: Company Stage

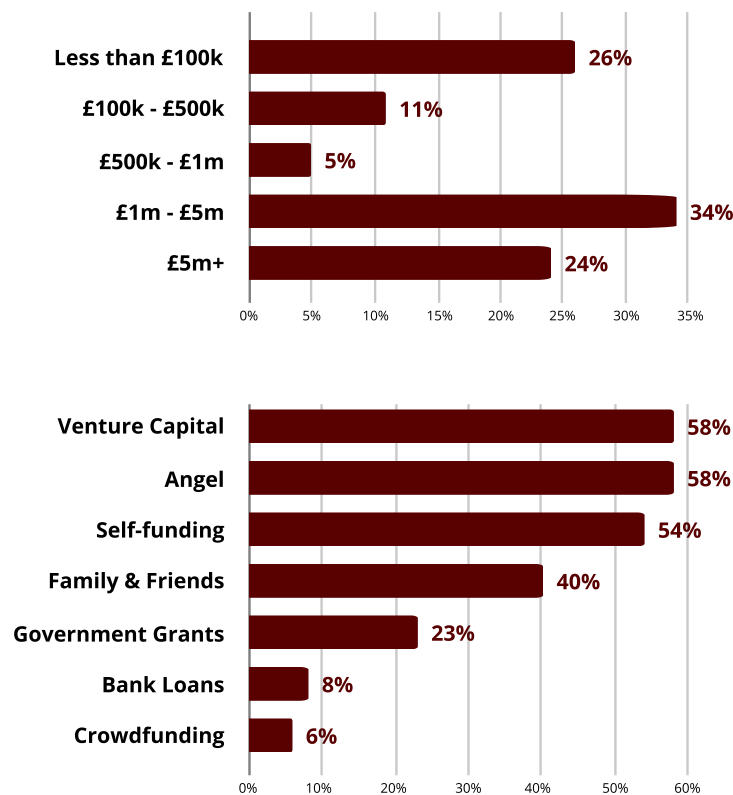
Founders raised early-stage funding, however there is a significant drop in later-stages, similar to the insights captured throughout this report.

Many of the founders surveyed raised early-stage funding, and the smaller percentages in later stages highlight the challenge of accessing later-stage capital.

This gap helps explain why so many reported a drop-off in available funding as they moved beyond the initial stages.



Funding Access



Based on 48 respondents, each allowed to select multiple responses

Asian-heritage founders face a polarised funding landscape where venture capital acts as the scale gatekeeper.

Funding outcomes are split: over a quarter of founders raised under £100k, while another quarter secured £5m+, leaving some in the middle ranges. This 'missing middle' specifically in the range £100k to £1m highlights how difficult it is for founders to progress beyond early capital into sustained growth.

Access to multiple channels is common, with 63% of founders drawing on 2-3 sources and some piecing together as many as 7. Self-funding (54%), angels (58%) and friends & family (40%) feature heavily, highlighting how personal means still fill the gaps. Yet venture capital remains decisive (accessed by 58% of founders), without it, two-thirds of founders stayed under £100k; with it, a third surpassed £5m and nearly half raised between £1m - £5m. This reflects a system where scale seems less about ambition and more about whether founders can unlock VC access.



Lucy Jung

Charco & LYEONS Neurotech
Founder

"We raised our round through our international network, bringing in angel investors and VCs from the UK, Japan, and South Korea. They've been powerful strategic backers, supporting us with clinical collaborations, market entry discussions, and early user testing."

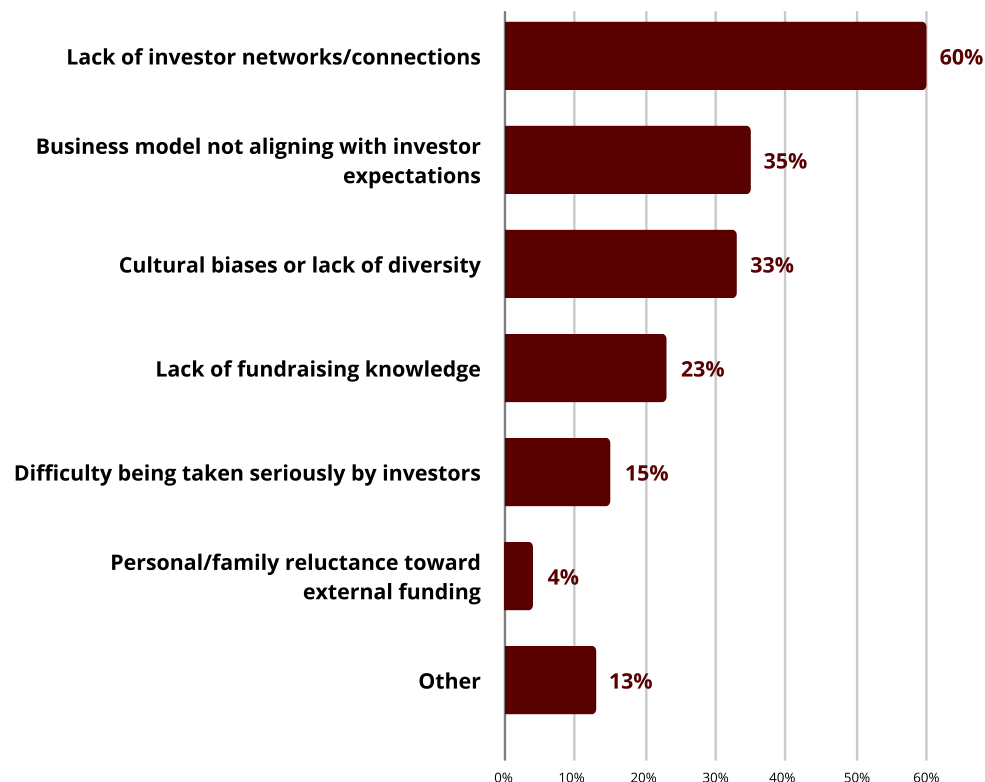
"Fundraising is the ultimate rollercoaster. One of the world's best investors once told me, 'When it's going badly, something good will come out of it - and when it's going really well, something bad will happen.' That sums up my experience perfectly. It continues to remind me the important of backing yourself, staying resilient, and treating every single conversation as a chance to learn. It's exhausting and exhilarating in equal measure, but giving up guarantees failure. That investor is my lead!"

Vishal Amin

UNTIL
CEO & Co-Founder



Funding challenges



Based on 48 respondents, each allowed to select up to 2 responses

Asian-heritage founders cite 'access', not ambition as the biggest barrier to raising capital!

A limited investor network was the most common challenge in our survey, selected by 60% of founders. This far outweighed concerns around business models or fundraising skills, pointing to a system where introductions and relationships still dominate outcomes.

One in three respondents cited cultural bias or lack of diversity in funding circles, and 15% shared that they struggled to be taken seriously by investors.

Only 4% identified personal or family reluctance to seek funding, suggesting that underfunding is not due to hesitation, but a lack of access and inclusion.

"One aspect that dominates founding life is fundraising.

We've had to operate an always-on fundraising model to survive. Doing that alongside running the business has taken an incredible effort.

UK VCs generally don't invest in hardware so even though we have traction, pro sports adoption, revenue and product in space amongst other things we always need help fundraising."

Raj Thiruchelvarajah

Hytro
CEO & Co-Founder



"We closed our latest round in Jan 2025 after 4 months of speaking with investors - both new and existing. It thankfully all came together in the end, and we closed the round a bit sooner than expected as existing investors filled up 75% of it.

We were speaking with new VCs but they were taking ages to run their DD processes. We were eager to focus our attention back on Better Nature so we ended up closing the round entirely from Angels and existing funds."

Christopher Kong

Better Nature
Co-Founder & Co-CEO

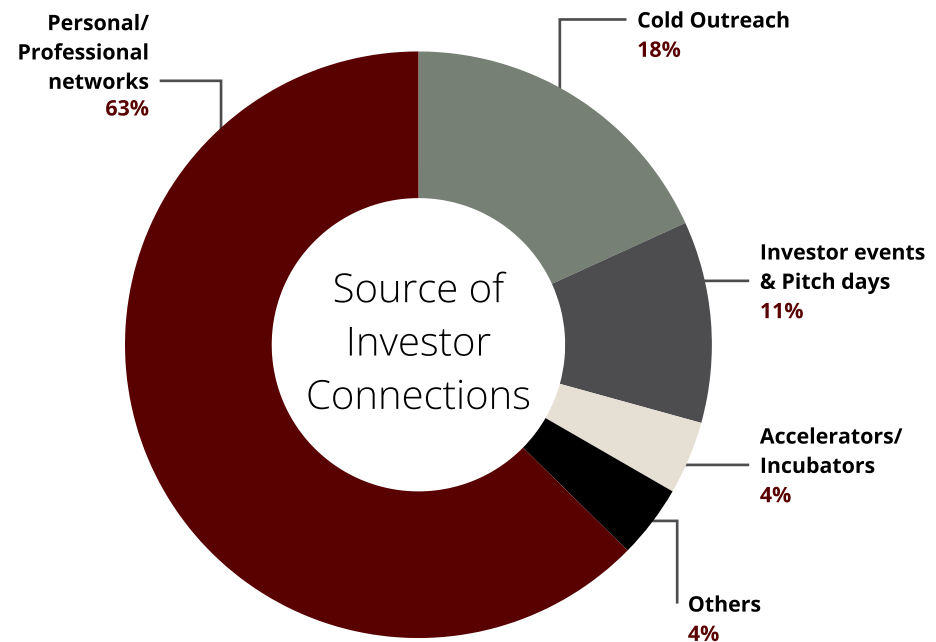


Investor networks

Asian-heritage founders rely overwhelmingly on personal networks to access investors.

63% of respondents said their investor connections came through personal or professional networks, reinforcing the importance of warm introductions in shaping deal flow. In an industry where trust and familiarity often dictate outcomes, this reliance leaves founders without existing networks at a structural disadvantage.

Formal ecosystem routes remain weak by comparison. Just 18% secured connections through cold outreach, 11% met investors at events or competitions, and only 4% through accelerators or incubators. This underlines a system where access depends less on the strength of an idea and more on pre-existing relationships.



Pathways forward

Investor introductions and network expansion are the most valuable value-add for founders but representation remains a systemic challenge in access to capital.

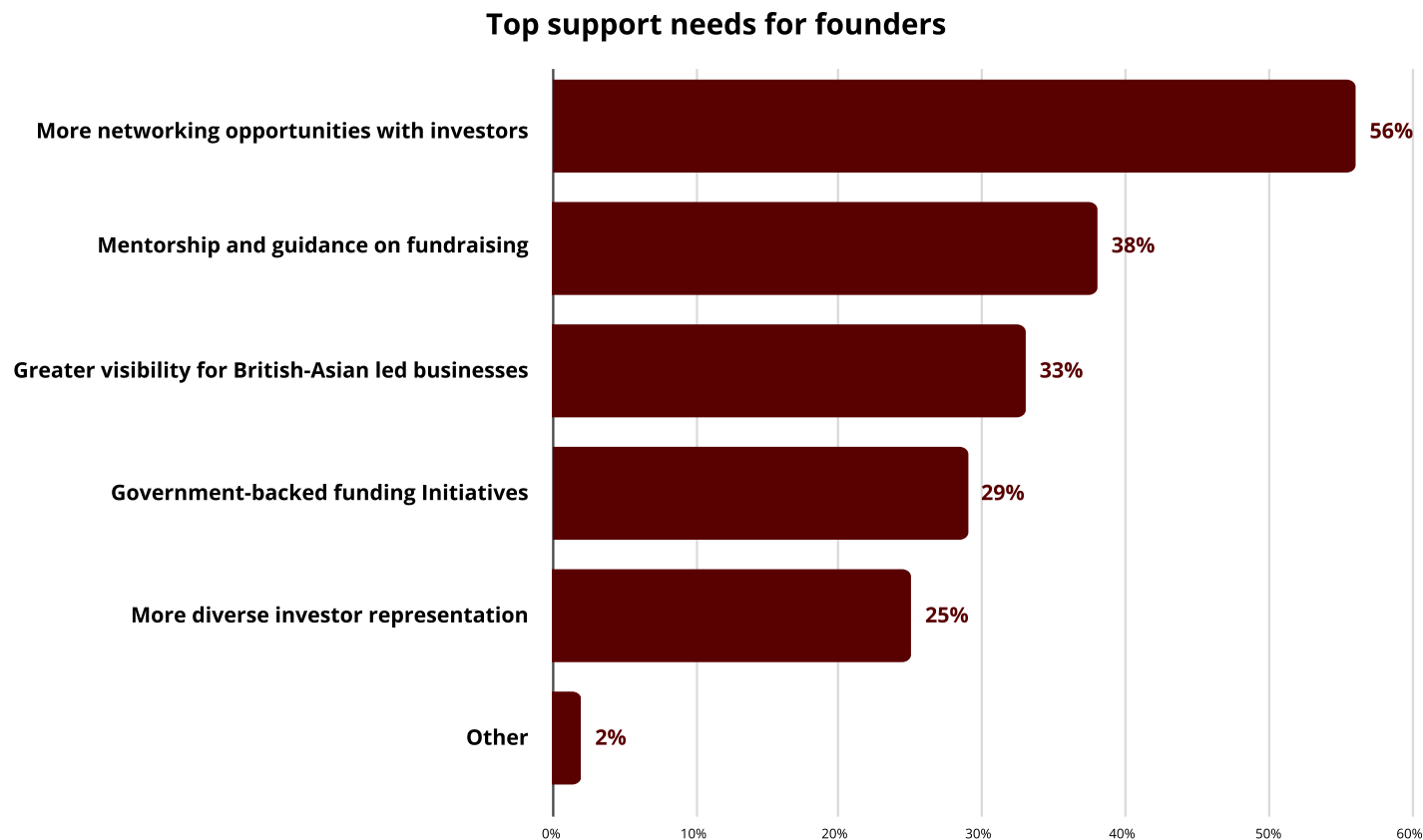
When asked what would help them secure more funding, the most common response from surveyed founders was expanding investor access (56%). This reflects the wider challenge of navigating an ecosystem where access often depends on warm introductions, proximity to capital hubs, and pre-existing networks - clearly this remains the top priority for under-represented founders. Mentorship and guidance on fundraising, cited by 38% of respondents, indicating the need for high quality advisers and champions for founders.

Support goes beyond capital and fundraising access however. Respondents also asked for greater visibility for British-Asian-led ventures (33%) and another 29% identified government-backed initiatives as essential, suggesting that public sector intervention and encouragement in targeted initiatives could play a key role in leveling the field.

Clearly therefore, representation and structural support matters. 25% of founders want to see more diverse representation among investors themselves, a signal that who's in the room still shapes who gets funded. When underrepresented founders gain expert guidance and public credibility, their ability to close funding rounds improves measurably. This highlights a systemic representation issue exists and the need to bridge this capital gap is crucial, which can be alleviated by government support and diversification of teams in the private markets space.

These aren't just soft asks, they represent critical levers for unlocking growth.

Pathways forward



Based on 48 respondents, each allowed to select up to 2 responses



Carolyn Dawson OBE,
CEO, Founders Forum Group

Message from Tech Nation

“Asian-heritage entrepreneurs are vital to UK tech innovation, yet face persistent funding gaps. Our role is to support founders to break down these barriers, providing them with the networks, talent, mentorship, and resources to thrive. By unlocking their full potential, we're not just addressing inequality; we're fuelling the innovation that will define Britain's technological future.”

Tech Nation is the leading growth platform for tech insights, connections, collaboration and talent, empowering ambitious founders and their teams with the access and knowledge they need from seed stage to success story.

Powered by the Founders Forum Group, Tech Nation's approach unites the tech ecosystem whilst placing founders from all corners of the UK and beyond at the forefront, amplifying their needs and challenges and empowering them to grow their businesses so they can positively transform our world.

Over the past decade, Tech Nation has engaged with 5,000+ businesses, accelerating 1,250 of them through 50+ growth programmes. These companies have collectively raised £28.1bn, contributing over £600m in GVA to the UK economy.

£28.1_{bn}+

Investment raised by
alumni companies

£600_m+

Gross Value added to
the UK economy

10,000

Global Talent Visa
applications processed
and counting

5,000+

Companies
engaged

35%

Of all UK unicorns ever created
graduated from a Tech Nation
programme

40%

Of all UK decacorns ever created
have graduated from a Tech Nation
programme

Recommendation 01

Supporting Asian Fund Managers and Accelerators.

The UK Government's £500 million package to support diverse and emerging fund managers, including £400 million through the Investor Pathways Capital programme and an additional £50 million for female-led funds, presents a rare opportunity to reshape the venture ecosystem. If designed with intent, this commitment can help close the funding gap for Asian-heritage founders by enabling the next generation of Asian fund managers and the accelerators that prepare their pipelines.

Research by Bae HQ highlights the urgency of this intervention. 63% of Asian founders rely on personal networks to meet investors, while accelerators account for only 4% of introductions. Asian women are particularly underrepresented, founding fewer than 0.5% of companies that secured funding last year. National studies echo this gap: the Department for Business and Trade has estimated that removing barriers for ethnic minority-led businesses could add £75 billion to the UK economy.

Similarly, evidence from the Investing in Women Code shows that more diverse investor bases directly translate into greater funding for underrepresented founders.

To address these challenges and capture the potential economic upside, we recommend the following measures:

-  **British-Asian Representation:** Champion representation within the Investor Pathways Capital programme to improve access for Asian emerging fund managers and micro-funds. This approach would also give Asian general partners the resources to back promising founders while anchoring long-term systemic change.
-  **Accelerator Capacity-Building:** Provide public match-funding for accelerators that commit to supporting Asian-heritage founders. Eligible programmes should focus on preparing founders for investment, delivering structured mentorship, and tracking outcomes over at least three years. Priority should be given to accelerators that expand beyond London and harness regional strengths in HealthTech, FinTech, ClimateTech, and other growth sectors.

-  Asian Female Founder Acceleration: Improve access to dedicated funding streams to address the stark underrepresentation of Asian women in venture capital. Partnerships with Investing in Women Code signatories can ensure accountability and alignment with national efforts to improve female representation in entrepreneurship.
-  Impact Reporting: Track progress across key metrics such as founder demographics, cheque sizes, time to investment, and follow-on rates. This will ensure transparency and accountability while enabling policymakers, investors, and communities to monitor impact over time.
-  Representation in Decision-Making: Require publicly backed funds and investment programmes to demonstrate greater ethnic diversity within investment committees, advisory boards, and recruitment processes. Greater representation in capital allocation not only broadens deal flow but also reduces homogeneity in investment decisions.

These measures, if adopted at scale, would ensure that Asian entrepreneurs and fund managers are not only included but actively empowered to lead in shaping the future of UK innovation and enterprise.

Recommendation 02

Expand Access to Non-Dilutive Capital and Targeted Grant Schemes.

Strengthening non-dilutive financing is among the most effective ways to support underrepresented founders through the early stages of growth. The UK Government's Small Business Plan now commits to delivering 69,000 Start-Up Loans with mentoring, includes a significant £3 billion expansion of the British Business Bank's ENABLE Guarantee scheme, and allocates £340 million for regional equity investment, complemented by a new code of conduct on personal guarantees. These mechanisms, combined with Innovate UK's funding programmes, offer powerful levers to uplift Asian-heritage entrepreneurs when implemented with intentionality.

Evidence indicates that non-dilutive R&D and innovation support not only boosts firm value and performance but also helps attract follow-on private capital. However, the effectiveness of these schemes is hampered by overly complex application journeys and slow timelines.

Simplifying access, improving inclusivity, and tailoring delivery are essential.

We recommend:

-  Scale targeted non-dilutive funding for minority-led startups. Expand Innovate UK's grant offerings—including contest-style procurements—for Asian-heritage founders, with ring-fenced calls and staged, multi-year awards to avoid premature equity dilution and support sustained growth.
-  Streamline applications and decisions. Review application journey processes (brief concept → full proposal), pledge to reduce timelines, transparency via published success rates, and funded resubmission support for near-miss applicants.
-  Launch an Inclusive Innovation stream for Asian founders. Create a dedicated Innovate UK Inclusive Innovation track, co-designed with community organisations, offering awards large enough to enable pilot projects and secure initial traction.

-  Leverage the Small Business Plan's loans and equity programmes strategically. Target the £340 million of regional equity and Start-Up Loans to ensure equitable access for Asian founders, and embed culturally sensitive, high-quality mentoring standards across the delivery chain.
-  Partner with community delivery networks. Collaborate with organisations like Bae HQ to conduct outreach, prep founders for funding readiness, deliver grant clinics, co-design procurement, and ensure regional representation beyond London.
-  Ensure accountability through data transparency. Publish annual data on grants and loans, disaggregated by ethnicity, gender, and region, tracking metrics such as time-to-decision, award amounts, follow-on financing, and business growth.

The Small Business Plan provides the macro infrastructure and capital, and Innovate UK brings delivery capacity. By adding targeted, inclusive design and transparent tracking, these instruments can be transformed into meaningful opportunity pathways for Asian-heritage founders, through lawful and proportionate positive action.

Recommendation 03

Build Skills and Future-Proof Founders.

The Small Business Plan's digital adoption pilots, leadership training, and enterprise education initiatives present a major opportunity to strengthen founder capability and productivity. To ensure Asian-heritage entrepreneurs are prepared for the future of business, these schemes must be made inclusive, targeted, and outcome-driven.

We recommend:

 Ringfence access and track outcomes. Guarantee places for Asian-heritage founders in national skills programmes and require transparent reporting on participation and impact by ethnicity.

 Partner with business schools. Work with providers of Help to Grow: Management to establish Asian-focused cohorts, ensuring culturally relevant content, mentorship, and peer networks.

 Create an Asian Founder Youth Enterprise Award. Launch a national award to support and showcase the next generation of Asian entrepreneurs, combining grant support, mentorship, and visibility opportunities.

Strategic insight: Building entrepreneurial skills and resilience is as critical as access to finance. Embedding inclusivity in digital, leadership, and education programmes ensures that Asian-heritage founders are equipped to thrive in high-growth sectors and contribute to UK competitiveness.

Bae HQ Actions

01 Supporting Asian Fund Managers/ Accelerator's.

Baeccelerator (Launching Q1 2026)

A 12-week programme designed for 10–15 of the UK's most promising pre-VC startups led by at least one Asian-heritage co-founder. Open across all UK regions, it focuses on building scalable, VC-backable businesses in HealthTech, FinTech, ClimateTech, EnterpriseTech, Consumer, and AI. Participants will gain access to expert workshops, an advisory board, and curated investor introductions. The programme culminates in a high-profile demo day offering prizes and connections to top investors.

Investor Introductions for Entrepreneurs and Emerging Fund Managers

Through 70+ community events and demo days, Bae HQ has created a platform where investors of Asian and non-Asian heritage engage directly with some of the most exciting startups in the ecosystem. This network has also supported emerging fund managers by bridging traditional Asian business owners—many of whom have exited successful companies and are ready to reinvest—with new generations of entrepreneurs. These investors bring deep cultural insight into business building but often lack access to venture opportunities. Bae HQ acts as a conduit, connecting them to a growing pipeline of founders and to a wider network of over 250 VC funds and family offices actively engaged with the community.

02 Expand Access to Non-Dilutive Capital and Targeted Grant Schemes

Bae HQ is already taking steps to help Asian-heritage founders navigate and benefit from grants, loans, and other forms of non-dilutive support.

Through grant-readiness workshops and 1:1 clinics, delivered with corporate partners and experts, we equip entrepreneurs with the knowledge and skills to prepare strong applications and manage reporting requirements.

Bae HQ Actions

03 Build Skills and Future-Proof Founders

Bae HQ is already laying the groundwork to future-proof Asian founders:

-  IncuBaetor: A structured development programme for early-stage founders, offering tailored skills workshops, mentoring, and growth support.
-  State School Programme: Outreach to state-educated students of Asian heritage, inspiring young people to explore entrepreneurship and preparing a diverse future talent pipeline.
-  Baaccelerator (launching 2026): A 12-week pre-VC programme focused on scaling founder skills alongside investment readiness.
-  Community Knowledge Sharing: Regular workshops, podcasts, and events that bring experienced entrepreneurs and investors together with aspiring founders to share insights on leadership, digital adoption, and sector-specific expertise.

Through these initiatives, Bae HQ not only builds immediate capacity among current founders but also invests in the long-term development of the next generation of Asian-heritage entrepreneurs.

Methodology

Overall funding data

To depict the state of Asian funding, we have using investment round data provided by Beauhurst. This covered the period from April 2024 to March 2025 for companies which raised atleast £500k. Public companies and those older than 10 years were excluded to focus on the startup and scaleup ecosystem.

Classification

Asian-heritage defined by having an ethnic background from one of the countries officially administered as Asian by the UN. Those with mixed-ethnicity with part Asian-heritage are included.

Founder verification

- ✓ Ethnicity or origin from public sources
- ✓ Languages spoken, schools/universities attended
- ✓ Mentions in news, podcast appearances (e.g. Bae HQ)
- ✓ Direct outreach where unclear

Note: Every effort has been made to ensure accuracy, but limitations in public records and mixed-heritage classification may mean some Asian-founded companies were not identified.

Population data

The latest Census for ethnicity data was taken in 2021 for England, Wales and Northern Ireland and 2022 for Scotland. Yet historical records show significant increases in the percentage of the population with Asian-Heritage. Using APS surveys, net migration data and population demographics, the percentages have been extrapolated to conservatively estimate 2025 population. The true percentage of the population is likely to be higher because of the "Mixed/Other" group in official statistics.

Bae HQ Survey

We surveyed 48 founders in Q2 2025 with responses detailing funding experiences, demographic data, and qualitative reflections.

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Our Partners

Associate Partners:



Data Partners:



Community Partners:





Bae HQ is the community for high-growth Asian-Heritage founders & investors in the UK.

Our programmes support entrepreneurs through the early stages through our powerful community.

Our events bring together the community to work together.

Our resources help you to build your dreams!

Find out more about Bae HQ at [**baehq.com**](https://baehq.com)

If you would like to join the community, please visit [**baehq.com/join**](https://baehq.com/join).