

List of the sources

Data obtained from:

1. Regarding planning period 2004–2006. Available online:
https://www.esfondi.lv/upload/04-kohezijas_politikas_nakotne/dp_aktivitates/2dp/2OP_11022014_ENG_with_amendments.pdf
<https://m.esfondi.lv/jaunumi/nacionalas-programmas-riska-kapitala-finansejums-ietvaros-ir-izveidoti-tris-riska-kapitala-fondi>
<https://www.db.lv/zinas/altum-ar-eko-investoru-tiesajas-par-es-naudas-atmaksu-467462> (accessed on 23 July 2020). and
2. Information about VC Fund managers from The Financial and Capital Market Commission. Available online: <https://www.fktk.lv> (accessed on 23 July 2020).
3. Information about VC Fund managers historical names, structures and partners from firmas.lv, Latvian company database holder.
4. Information about staff of the VC fund managers from information on the internet.
5. Regarding planning period 2007–2013: Available online: https://www.esfondi.lv/upload/2007-2013_nosleguma_zinojums/0_2_op_fir_2007-2013_2017.pdf (accessed on 23 July 2020).
6. Regarding planning period 2014–2020: Available online: <https://www.esfondi.lv/2020.gads> and www.altum.lv (accessed on 23 July 2020).

Table S1. Latvian VC Fund managers and the funds raised.

| Name of the VC Fund Manager | Funds Raised in 2004–2006 Planning Period | Funds Raised in 2007–2013 JEREMIE | Funds Raised in 2007–2013 Planning Period | Funds Raised in 2014–2020 Planning Period | Funds Raised without Public Support | Comments |
|---------------------------------------------------------------------------------|-------------------------------------------|---------------------------------------------------|-------------------------------------------|------------------------------------------------------------------------------------------|-------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| SIA ZGI Capital (previous name - Zaļās gaismas investīcija) * | ZGI fonds | No | ZGI-3 | ZGI-4 | ZGI-nano | ZGI-nano before its dissolution made and later exited from only one investment (Naco Technologies) |
| AS Eko Investors* | Otrais Eko fonds | No | No | No | No | -Has a litigation with ALTUM -Investment Director became a founder of the next generation's fund manager |
| SIA TechVentures Fondu Vadības Kompānija* | INVENTO | No | No | No | No | A partner became active member of Latvian Startup Ecosystem |
| BaltCap AIFP, SIA | No | BaltCap Latvia Venture Capital Fund | No | No | No | The oldest VC manager in the Baltic States. Had other possibilities to raise funds and because of overwhelming administrative burden of Latvian public VC support decided to not participate in further planning periods. |
| Imprimatur Capital FUND Management AIFP, SIA* | No | Imprimatur Seed fund and Imprimatur Start-up fund | No | No (won a tender for a fund, but was not successful in fundraising of the private share) | No | Has a partner who was an investment director in another VC fund manager from 2004–2006 planning period |
| Expansion Capital AIFP, SIA* | No | No | Expansion Capital Fund | INEC1 AIF and INEC2 AIF | No | |
| FlyCap AIFP* | No | No | FlyCap | FlyCap | No | |

| | | | Investment Fund I | Mezzanine Fund II AIF | | |
|----------------------------------------------------------|----|----|----------------------|--------------------------------------------------------------------------------------------------|----|--------------------------------------------------------------------------------------------------------------|
| Buildit Latvia AIFP, SIA* | No | No | No | Buildit Latvia Pre-Seed Fund and Buildit Latvia Seed Fund | No | |
| Commercialization Reactor Fund AIFP, SIA* | No | No | No | Commercializatio n Reactor Pre-Seed Fund and Commercializatio n Reactor Seed Fund | No | Has a partner who was an investment director in another VC fund manager from 2007–2013 planning period |
| Overkill Ventures AIFP, SIA* | No | No | No | Overkill Ventures Fund I and Overkill Ventures Fund II | No | |

* Established in a year when an appropriate planning period tender for VC Fund managers was announced.

Table S2. Impact from the limiting factors on VC fund managers activities.

| Impact from the Limiting Factors on the Fund Managers Activities in 2007–2013 Planning Period | | | | | | | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|----------------------------------------|----------------------------------------|----------------------------------------|----------------------------------------------|-------------------------------|------------------------------------------------|----------------------------------------------|
| Factors | 1st Fund Manager | 2nd Fund Manager | 3rd Fund Manager | 4th Fund Manager | Mean Value of the Answers | Standard Deviation | Median Value of the Answers | Mode Value of the Answers |
| Restrictions on investments (limits on geography, allowed financial instruments; financial status and stages of a portfolio company; max amount of one investment) | 4 | 4 | 5 | 4 | 4.3 | 0.4 | 4 | 4 |
| Small size of funds | 1 | 3 | 3 | 5 | 3.0 | 1.4 | 3 | 3 |

| | | | | | | | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|------------------------------------|------------------------------------|----------------------------------|---------------------------|------------------------------------|----------------------------------|---|
| ALTUM rights to influence a fund investment decisions (exceeding typical LPs rights) | 2 | 2 | 4 | 1 | 2.3 | 1.1 | 2 | 2 |
| Reporting obligations towards ALTUM and Financial Market commission | 3 | 2 | 3 | 3 | 2.8 | 0.4 | 3 | 3 |
| Imperfections of the infrastructure and legislation affecting VC market | 4 | 3 | 3 | 1 | 2.8 | 1.1 | 3 | 3 |
| Lack of the experience and capacity of the governmental agency responsible for the programmes (ALTUM) | 2 | 2 | 5 | 2 | 2.8 | 1.3 | 2 | 2 |
| Impact from the Limiting Factors on the Accelerator Fund Managers Activities (2014–2020 Planning Period) | | | | | | | | |
| Factors | 5th Fund Manager | 6th Fund Manager | 7th Fund Manager | Mean Value of the Answers | Standard Deviation | Median Value of The answers | Mode Value of the Answers | |
| Restrictions on investments (limits on geography, allowed financial instruments; financial status and stages of a portfolio company; max amount of one investment | 1 | 5 | 3 | 3.0 | 1.6 | 5 | No | |
| Small size of funds | 4 | 3 | 3 | 3.3 | 0.5 | 3 | 3 | |
| ALTUM rights to influence a fund investment decisions (exceeding typical LPs rights) | 5 | 4 | 3 | 4.0 | 0.8 | 4 | No | |
| Reporting obligations towards ALTUM and Financial Market commission | 2 | 3 | 4 | 3.0 | 0.8 | 3 | No | |
| Imperfections of the infrastructure and legislation affecting VC market | 4 | 2 | 2 | 2.7 | 0.9 | 2 | 2 | |
| Lack of the experience and capacity of | 2 | 4 | 2 | 2.7 | 0.9 | 2 | 2 | |

| the governmental agency responsible for the programmes (ALTUM) | | | | | | | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|---------------------------|--------------------|-----------------------------|---------------------------|
| Impact from the Limiting Factors on the Other Fund Managers (Except Accelerator) Activities in 2014–2020 Planning Period | | | | | | | | |
| Factors | 1 st Fund Manager | 2 nd Fund Manager | 3 rd Fund Manager | 4 th Fund Manager | Mean Value of the Answers | Standard Deviation | Median Value of the Answers | Mode Value of the Answers |
| Restrictions on investments (limits on geography, allowed financial instruments; financial status and stages of a portfolio company; max amount of one investment) | 4 | 4 | 5 | 3 | 4.0 | 0.7 | 4 | 4 |
| Small size of funds | 1 | 2 | 2 | 5 | 2.5 | 1.5 | 2 | 2 |
| ALTUM rights to influence a fund investment decisions (exceeding typical LPs rights) | 2 | 2 | 5 | 4 | 3.3 | 1.3 | 3 | 2 |
| Reporting obligations towards ALTUM and Financial Market commission | 2 | 2 | 3 | 3 | 2.5 | 0.5 | 2.5 | 2 and 3 |
| Imperfections of the infrastructure and legislation affecting VC market | 4 | 2 | 2 | 1 | 2.3 | 1.1 | 2 | 2 |
| Lack of the experience and capacity of the governmental agency responsible for the programmes (ALTUM) | 1 | 2 | 5 | 3 | 2.8 | 1.5 | 2.5 | No |