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Jolla Ltd. closes its C investment round and secures new financing to the company

Helsinki, Finland, December 18, 2015 - - Jolla Ltd., the Finnish mobile company and developer of open mobile operating system Sailfish OS, today announced that it has closed its C investment round and has secured new financing to the company.

After delays in its latest investment round, the state of Jolla Ltd. is now looking more stable as it has secured financing for the company and has several licensing deals in the pipeline. The newly announced investment enables further development of Sailfish OS and also increases the company's capability for further major licensing deals. Jolla is continuously looking for new industry partners to join the Sailfish OS agenda to bring new alternatives to the worldwide mobile operating system landscape.

Antti Saarnio, Chairman of the Board of Jolla Ltd. comments:

"A very important part in a start-up's journey is going through death valleys. Most start-ups need great survival skills and determination and innovative solutions to succeed in the long run. Jolla has now successfully completed its investment round and is ready to continue to provide a true mobile OS alternative to the world. This latest death valley was the most difficult one but proved that highly motivated teams can win even when faced with seemingly insurmountable challenges."

"The mobile OS landscape is currently going through a very interesting phase. While many OS projects are fading, the need for alternative OS's is strong. Without personal data privacy and security, it is hard to see that people, companies and governments could trust all their business, financial and personal information on mobile. We stand firm in the belief that the world needs an alternative mobile OS," Saarnio continues.

Further licensing deals in the pipeline

While Jolla has already delivered Sailfish OS 2.0 to its own consumer base, it has also been actively developing its licensing business. The company is receiving growing interest from industrial partners for licensing Sailfish OS. Especially vendors providing security and privacy enhanced smartphones and solutions have shown great interest towards Sailfish OS.

"So far Jolla as a start-up has been solely carrying the high investment cost of the Sailfish operating system. It has been very challenging to finance this operation. We are now moving into a model where our partners in the BRICS countries, especially in Russia, India

and China, will invest in the R&D of local market operations, while Jolla will focus more on the development of the core of Sailfish OS, producing Sailfish software releases, and supporting its licensees & app developers. Further licensing deals will be announced soon," Antti Saarnio continues.

While Jolla Ltd. and its investors have now agreed on the new financing, the company needs to adapt to the new situation, and is, therefore, working on a most efficient plan for the company and its partners for financing its longer-term operations.

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Press contacts:

Jolla Ltd: Juhani Lassila, Head of Communications, mobile +358 40 541 2365, press@jolla.com.

Please see www.jolla.com/press for further Jolla press materials.

About Jolla Ltd.

Jolla Ltd., the mobile company from Finland, is the developer of Sailfish OS, the open mobile operating system. The first Sailfish OS mobile product, the Jolla Smartphone, was first introduced in November 2013 and it is currently available in Europe, Hong Kong, India and Russia. In November 2014 Jolla introduced the Jolla Tablet project.

Jolla was born in 2011 out of the passion of its founders towards open innovation in the mobile space, continuing the heritage of Nokia and MeeGo. Sailfish OS, the Jolla Smartphone and Jolla Tablet are designed and developed in Finland.

Jolla Ltd. has offices in Helsinki and Tampere, Finland and in Hong Kong.
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