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Jolla's financing round delayed - files for debt restructuring

Helsinki, Finland, November 20, 2015 - - Jolla Ltd, the mobile company from Finland today announced that its latest financing round which aimed to end in November, has been postponed and the company needs to adjust its operations accordingly. At the same time the company has filed for a debt restructuring program in Finland, to ensure the continuity of its business. Jolla will also temporarily lay off a big part of its personnel.

The mobile company Jolla Ltd. was founded four years ago with a vision to change the mobile world. This journey, cited by many to be 'an impossible task', has featured many ups and downs including developing Sailfish OS, an own mobile operating system, launching internationally two mobile devices, and raising 50M USD to finance the operation.

Last autumn, Sailfish OS reached commercial maturity and now the company is ready to licence it to commercial partners. Sailfish OS has a lot to offer to its customers: for device manufacturers it offers an independent platform to build truly differentiated consumer offerings; and for security companies, the platform offers an ability to build secure solutions. Jolla's aim is to offer Sailfish OS to different partners who want a tailored operating system to support their own businesses.

Antti Saarnio, Chairman and Co-founder of Jolla comments: "Typically for start-ups Jolla has gone through several death valleys along its four year journey. We've fought them through and now we are facing again a great challenge. Our operating system Sailfish OS is in great shape currently and it is commercially ready. Unfortunately the development until this point has required quite a lot of time and money. To get out of this death valley we need to move from a development phase into a growth phase. At the same time we need to adapt our cost levels to the new situation. One of the main actions is to tailor the operating system to fit the needs of different clients. We have several major and smaller potential clients who are interested in using Sailfish OS in their projects."

Jolla has today filed for the debt restructuring program in Helsinki. With this the company aims secure the future of its business and to get more time to arrange the future financing of the company.

Antti Saarnio continues: "In Finland we have very good laws for corporate restructuring. These enable the continuation of businesses through debt restructuring, which gives a company more time to take care of its financial liabilities. I believe that through this program Jolla can turn its business to be profitable in the future. Sailfish OS is a very valuable asset and worth fighting for."

The temporary lay offs of Jolla's personnel will start during December.

- Ends -

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, set to hit the markets in H2/2015. In July 2015 Jolla announced the first Sailfish OS licensing partner Intex Technologies, who will introduce Sailfish OS based product later in 2015.

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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