

Krupa Global Investments considers scandalous that Avast sells private data of their clients, management should take action; KGI sees shares overvalued

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Krupa Global Investments (KGI) considers scandalous that Avast sells private data of their clients. The antivirus company is losing its reputation among customers and investors. **This activity can significantly threaten the credibility and trustworthiness of the company, which can result in a significant decrease in the market value of the company. KGI believes that while selling data contributes in part to the company's profitability, it can significantly reduce its market value.**

KGI encourages Avast's management to take immediate corrective actions and to take responsibility for recent news that Avast sold private data of their clients to biggest companies such Google, Home Depot, Microsoft and Pepsi for millions of dollars. *"Avast should explain their recent scandal regarding data protection and take responsibility for this action as they should protect clients data not make money of it. This is unprecedented move in our opinion and Avast should act quickly to resolve this matter,"* said Pavol Krupa, chairman of Krupa Global Investments. **KGI is ready to run a campaign in order to notify Avast customers about the risks involved and also under the current circumstances we consider it risky to use the company's products.**

Recent reports showed that Avast is selling private information data from your mobile phone and computer such Google maps locations, Google searches, LinkedIn pages, Youtube video visits and data on people visiting porn pages. Avast is collecting all the information under their subsidiary company Jumpshot which is directly selling this information and data to third parties. This approach is nothing new, few months ago Mozilla pulled Avast's Online Security and SafePrice extensions for Firefox after they found out that Avast is getting more data and information from its clients than necessary.

In our opinion, Avast as one of the biggest antivirus software companies in the world should protect their clients and data. **Management of Avast should explain this action to shareholders and make appropriate action, material or moral if somebody employed by Avast made mistake.** KGI thinks that Avast shares are overvalued and agree with recent Peel Hunt target price of 405GBP which shows greater competition from Microsoft Windows cybersecurity and fact that growing sector of cloud computing may not need third party softwares such Avast.

Krupa Global Investments is a spin-off from private equity group Arca Capital with AUM of €2bln. Our opportunistic business utilizes an activist investment approach in order to improve management practices, increase returns, and protect the interests of small shareholders. To further our objectives, we enlist the support of key partners when needed. For example, we invited Carl Icahn to involve himself and help increase the price on a problematic buyout transaction involving AmTrust Financial Services. <https://www.reuters.com/article/us-amtrust-fin-serv-stake-icahn/carl-icahn-files-lawsuit-against-amtrust-controlling-family-idUSKCN1IM1UJ>

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