

Technical Analysis of Zloader Updates

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Technical Analysis

In this section, we will explore the various changes that were introduced in the latest versions of Zloader including new evasion techniques, additional functionality for lateral movement, and modifications to network communication.

Anti-analysis

One notable change to Zloader's functionality involves the required filename that was expected by the malware. Previously, Zloader samples were expected to be run with a specific hardcoded filename. If the actual filename did not match the expected value, that Zloader sample would not run. This design is likely intended to evade automated malware sandbox environments. However, in the most recent versions, the

malware Zloader author introduced two new generic filenames to allow the threat actors that deploy (or update) Zloader with more flexibility. These two generic filenames are `Updater.exe` and `Updater.dll`.

Another significant change that was made to hinder analysis is more obfuscation layers. This level of obfuscation is achieved using different XOR-based integer decoding functions. To simplify the analysis, ThreatLabz used an IDA script to remove these layers of obfuscation as shown in the example below.

```
import idutils

XOR_KEY = 0xAE # CHANGE ACCORDINGLY
FUNCTION_NAME = "Calculate_Int1" # CHANGE ACCORDINGLY

# Iterate through all functions in the IDA database.
for func_addr in Functions():
    func_name = get_func_name(func_addr)
    if func_name.startswith(FUNCTION_NAME):
        print(f"Processing function: {func_name}")

        # Search for cross-references (xrefs) to the function.
        for xref in idutils.XrefsTo(func_addr):
            print(f"\tFound xref at: {hex(xref.frm)}")

            # Grab the DWORD passed and perform a XOR operation on it.
            param = ida_bytes.get_byte(xref.frm-1) # CHANGE ACCORDINGLY
            result = param ^ XOR_KEY
            mov_eax_constant = b'\xB8' + result.to_bytes(4, 'little')
            ida_bytes.patch_bytes(xref.frm, mov_eax_constant)
            set_cmt(xref.frm, FUNCTION_NAME, 0)
```

The figure below illustrates a function that checks Zloader's process integrity level, before and after deobfuscation.

```

v2 = sub_140040C80();
*(DWORD *)(&v1 + 115) = v2;
if ( sub_14001C520(v2) )
    return 0;
v4 = sub_14002F850();
*(DWORD *)(&v1 + 0x70) = v4;
LOBYTE(v5) = 0x43;
if ( v4 != (unsigned int)sub_140023FB0(v5) )
{
    v7 = *(DWORD *)(&v1 + 112);
    LOBYTE(v6) = 0x40;
    if ( v7 != (unsigned int)sub_140023FB0(v6) )
    {
        v9 = *(DWORD *)(&v1 + 112);
        LOBYTE(v8) = 0x40;
        if ( v9 == (unsigned int)sub_140023FB0(v8) )
            goto LABEL_15;
        v11 = *(DWORD *)(&v1 + 112);
        LOBYTE(v10) = -85;
        if ( v11 == (unsigned int)sub_140023FB0(v10) )
            goto LABEL_15;
        v13 = *(DWORD *)(&v1 + 112);
        LOBYTE(v12) = -87;
        if ( v13 == (unsigned int)sub_140023FB0(v12) )
            goto LABEL_15;
        v15 = *(DWORD *)(&v1 + 112);
        LOBYTE(v14) = -89;
        if ( v15 == (unsigned int)sub_140023FB0(v14) )
            goto LABEL_15;
        v17 = *(DWORD *)(&v1 + 112);
        LOBYTE(v16) = -91;
        if ( v17 == (unsigned int)sub_140023FB0(v16) )
            goto LABEL_15;
        v19 = *(DWORD *)(&v1 + 112);
        LOBYTE(v18) = -94;
        if ( v19 == (unsigned int)sub_140023FB0(v18) || !(unsigned __int8)sub_1400180B0() )
            goto LABEL_15;
        return 0;
    }
}

```

Integrity check function before deobfuscation

```

bool __fastcall Initialize_System_Info_And_Set_Low_Level_Descriptor(system_info *SystemInfo)
{
    __int32 ProcessIntegrityLevel; // eax
    __int32 Encoded_Windows_Build_Version; // edi
    PSECURITY_DESCRIPTOR security_descriptor; // rax

    ProcessIntegrityLevel = GetProcessIntegrityLevel();
    SystemInfo->encoded_integrity_level = ProcessIntegrityLevel;
    if ( Check_If_Encoded_Value_Is_Zero(ProcessIntegrityLevel) )
        return FALSE;
    Encoded_Windows_Build_Version = Get_Encoded_Windows_Build_Version();
    SystemInfo->encoded_windows_build_version = Encoded_Windows_Build_Version;
    if ( Encoded_Windows_Build_Version != 13 && SystemInfo->encoded_windows_build_version != 14 )
    {
        if ( SystemInfo->encoded_windows_build_version == 3
            || SystemInfo->encoded_windows_build_version == 5
            || SystemInfo->encoded_windows_build_version == 7
            || SystemInfo->encoded_windows_build_version == 9
            || SystemInfo->encoded_windows_build_version == 11
            || SystemInfo->encoded_windows_build_version == 12
            || !Check_First_And_Fourth_Bits_Of_Behavioural_Config_Flag() )
        {
            goto set_security_descriptor_label;
        }
        return FALSE;
    }
    if ( SystemInfo->encoded_integrity_level == HIGH && !Check_Most_Significant_Bit_Of_Behavioural_Config_Flag() )
        return FALSE;
    set_security_descriptor_label:
    security_descriptor = Set_Low_Level_Security_Descriptor(
        &SystemInfo->user_new_security_descriptor,
        &SystemInfo->user_new_security_descriptor_pointer);
    SystemInfo->user_old_security_descriptor = security_descriptor;
    return security_descriptor - 1 < 0xFFFFFFFFFFFFFFFF;
}

```

Integrity check function after deobfuscation

Figure 1: Example of Zloader's new code obfuscation techniques and the same function after deobfuscation.

The process integrity level is important because Zloader will exit if it detects that the process is being executed with high integrity. In modern versions of Windows, most standard processes run with medium integrity. Thus, this new integrity level check is likely another detection mechanism for malware sandboxes, which often run samples with administrator privileges (i.e., high integrity). If Zloader is executed with medium integrity, the malware will be installed in the %APPDATA% directory. Otherwise, if Zloader has system integrity, the malware will be installed in the %PROGRAMFILES% directory.

The typical integrity levels are shown in the table below:

Integrity Level	Description
Low integrity (SID value: 0x1000)	Restricted processes, usually sandboxed (e.g., web browsers like Chrome/Edge running untrusted content)
Medium integrity (SID value: 0x2000)	Standard user processes
High integrity (SID value: 0x3000)	Administrator privileges
System integrity (SID value: 0x4000)	Processes running as part of the OS kernel or critical system operations (e.g., trusted installers, system services)

Table 1: Summary of Windows process integrity levels.

This behavior stands out because user-mode trojans like Zloader typically require elevated privileges to perform various actions. By avoiding elevated permissions, Zloader sacrifices broader system access for the added benefit of evading malware sandbox detection.

Static configuration

The Zloader static configuration has also undergone minor changes. The TLS Server Name Indication (SNI) and the DNS nameserver, which functions as the command-and-control (C2 server) for Zloader’s network communication when using the [DNS Tunneling](#) protocol, have been relocated to the end of the C2 domain section.

The DNS servers used for resolving the C2 nameserver were previously stored in network byte order. The DNS servers are now represented using a mini JSON configuration. A description for each JSON key is shown in the table below:

Configuration key	Description
proto	Indicates the communication protocol used, such as UDP (DNS), HTTPS (DoH), or TLS (DoT).
ip	The resolver IP.
port	The resolver port.
qps	(Queries Per Second) Indicates the maximum number of DNS queries the resolver can process per second.

Table 2: Mini JSON configuration for the DNS servers used by Zloader’s DNS Tunneling protocol.

If a DNS entry equals 127.0.0.1, Zloader ignores the entry and treats it as a placeholder.

The figure below shows the modified static configuration, including the new location of the C2 domains, the mini JSON format, and a placeholder entry for an additional DNS server.

```

00000000 00 00 00 00 53 6d 74 31 00 00 00 00 00 00 00 00 |....Smt1.....|
00000010 00 00 00 00 00 00 00 00 00 4d 32 00 00 00 00 00 |.....M2.....|
00000020 00 00 00 00 00 00 00 00 00 00 00 00 00 68 74 |.....ht|
00000030 74 70 73 3a 2f 2f 61 64 73 6d 61 72 6b 73 2e 63 |tps://adsmarks.c|
00000040 6f 6d 2f 00 00 00 00 00 00 00 00 00 00 00 00 |om/.....|
00000050 00 00 00 00 00 00 00 00 00 00 00 00 00 00 00 |.....|
00000060 00 00 00 00 00 00 00 00 00 00 00 00 00 00 68 |.....h|
00000070 74 74 70 73 3a 2f 2f 61 64 73 65 6d 61 69 6c 2e |tps://adsemail.|
00000080 63 6f 6d 2f 00 00 00 00 00 00 00 00 00 00 00 |com/.....|
00000090 00 00 00 00 00 00 00 00 00 00 00 00 00 00 00 |.....|
*
000000b0 68 74 74 70 3a 2f 2f 66 6f 72 64 6e 73 2f 63 6f |http://fordns/co|
000000c0 72 70 72 6f 6f 74 2f 20 7e 20 64 6e 73 3a 2f 2f |rproot/ ~ dns://|
000000d0 64 74 31 2e 61 75 74 6f 6d 6f 74 6f 73 70 6f 72 |dtl.automotospor|
000000e0 74 2e 6e 65 74 00 00 00 00 00 00 00 00 00 00 |t.net.....|
000000f0 00 00 00 00 00 00 00 00 00 00 00 00 00 00 00 |.....|
*
000002b0 00 00 00 00 00 00 00 00 03 00 00 00 31 00 00 00 |.....1...|
000002c0 2d 2d 2d 2d 2d 42 45 47 49 4e 20 50 55 42 4c 49 |-----BEGIN PUBLI|
000002d0 43 20 4b 45 59 2d 2d 2d 2d 2d 0a 4d 49 47 66 4d |C KEY----- .MIGfM|
000002e0 41 30 47 43 53 71 47 53 49 62 33 44 51 45 42 41 |A0GCSqGSIB3DQEBA|
000002f0 51 55 41 41 34 47 4e 41 44 43 42 69 51 4b 42 67 |QUAA4GNADCBiQKBg|
00000300 51 44 43 59 2b 55 46 74 76 55 35 63 6c 74 47 70 |QDCY+UFTvU5cltGp|
00000310 43 45 35 45 46 6c 2b 48 66 62 33 0a 53 38 37 73 |CE5EF1+Hfb3.S87s|
00000320 74 43 4a 64 48 68 53 36 74 75 79 79 61 59 6a 4f |tCJdHhS6tuyyaYjO|
00000330 74 37 78 49 41 56 33 6b 46 63 36 42 6c 57 78 6b |t7xIAV3kFc6BlWxk|
00000340 6d 4f 6d 6e 54 57 64 30 71 74 37 47 54 30 6f 2b |mOmnTWd0qt7GT0o+|
00000350 74 44 32 75 54 66 37 7a 50 66 52 33 0a 74 6b 6d |tD2uTf7zPfr3.tkm|
00000360 70 33 76 47 58 79 4e 5a 58 6a 52 39 30 6c 77 53 |p3vGXyNZXjR90lws|
00000370 48 4b 73 32 32 6b 73 66 4f 67 6d 5a 70 4e 64 62 |HKs22ksfOgmZpNdb|
00000380 5a 2b 5a 48 56 6e 34 6f 7a 62 70 45 2f 63 47 58 |Z+ZHVn4ozbpE/cGX|
00000390 7a 7a 6f 2f 6b 39 33 7a 2b 50 36 4a 6b 0a 63 68 |zzo/k93z+P6Jk.ch|
000003a0 58 5a 38 4e 77 46 5a 4d 38 41 52 72 63 6a 65 51 |XZ8NwFZM8ARrcjeQ|
000003b0 49 44 41 51 41 42 0a 2d 2d 2d 2d 2d 45 4e 44 20 |IDAQAB.-----END |
000003c0 50 55 42 4c 49 43 20 4b 45 59 2d 2d 2d 2d 2d 0a |PUBLIC KEY-----.|
000003d0 00 00 00 00 00 00 00 00 00 00 00 00 00 00 00 |.....|
*
000004b0 00 00 00 00 5b 7b 22 70 72 6f 74 6f 22 3a 22 75 |....[{"proto":"u|
000004c0 64 70 22 2c 22 69 70 22 3a 22 38 2e 38 2e 38 2e |dp","ip":"8.8.8.|
000004d0 38 22 2c 22 70 6f 72 74 22 3a 35 33 2c 22 71 70 |8","port":53,"qp|
000004e0 73 22 3a 31 30 30 7d 2c 7b 22 70 72 6f 74 6f 22 |s":100},{ "proto"|
000004f0 3a 22 75 64 70 22 2c 22 69 70 22 3a 22 31 32 37 |:"udp","ip":"127|
00000500 2e 30 2e 30 2e 31 22 2c 22 70 6f 72 74 22 3a 30 |.0.0.1","port":0|
00000510 2c 22 71 70 73 22 3a 31 30 7d 5d 00 00 00 00 00 |,"qps":10}]....|
00000520 00 00 00 00 00 00 00 00 00 00 00 00 00 00 00 |.....|
*
00000744

```


Figure 2: Zloader’s new static configuration format.

Shell commands

Zloader’s [interactive shell commands](#) allow a threat actor to execute commands, deploy second-stage malware payloads, run shellcode, exfiltrate data, as well as identify and terminate specific processes. The latest version of Zloader adds a new set of LDAP functions to improve network discovery and expand lateral movement capabilities. The new functions are outlined in the table below.

Command	Description
ldap_bind_s	Authenticates and binds to the LDAP server.
ldap_err2string	Converts an LDAP error code into a human-readable string.
ldap_first_attribute	Retrieves the first attribute of an LDAP entry.
ldap_first_entry	Retrieves the first entry from an LDAP search result.
ldap_get_values	Retrieves the values associated with a specific attribute from an LDAP entry.
ldap_init	Initializes a connection to the LDAP server.
ldap_memfree	Releases allocated memory used by LDAP functions.
ldap_next_attribute	Retrieves the next attribute from an LDAP entry.
ldap_next_entry	Retrieves the next entry from an LDAP search result.
ldap_search_s	Performs a synchronous search on the LDAP server.
ldap_set_option	Sets various options for an LDAP session (e.g., timeout or protocol version).
ldap_value_free	Releases memory used for an array of attribute values.
ldap_search	Performs an asynchronous search on the LDAP server.

Table 3: New LDAP functions added to Zloader’s interactive shell.

Network communication

The latest versions of Zloader have removed the Domain Generation Algorithm (DGA), which was rarely used in previous versions. In addition to this change, several other important updates have been introduced to Zloader’s DNS tunnel encryption, together with new support for the WebSockets protocol. These updates are explored in the following sections.

DNS C2 traffic

The DNS C2 protocol, previously described in our [Zloader 2.9.4.0 blog](#), has undergone significant changes in the latest iterations. In older versions, Zloader relied on TLS encryption for payloads in DNS queries and responses. However, the current implementation replaces this with Base32 encoding layered on top of a custom encryption algorithm. The comparison figure below highlights the differences between the old and new Zloader DNS C2 messages.


```
[prefix].[session key].[header].[payload].[zloader nameserver domain]
```


A new *session* key field has been introduced that contains a random DWORD, which is used throughout the communication exchange. The session key field is used to generate the final key, which is then used to decode the query's header and payload. The final key is computed by applying an XOR operation between the Base32-encoded DWORD in the session key and a hardcoded DWORD embedded in the malware binary, which may vary between samples and instances of Zloader. Once the final key is generated, the following algorithm is used to decode the header and payload:

```
def decode_sections(bytes_array, key):  
    result = bytearray()  
    for byte in bytes_array:  
        # XOR uses the last byte of the key, then rotates and increments.  
        last_byte = key & 0xFF  
        result.append(byte ^ last_byte)  
        key = ((key > 24) & 0xFF)  
        key = (key & 0xFFFFFFFF00) | ((key + 1) & 0xFF)  
    return result
```

The examples in the figure below show the final structure and decoded outputs of the DNS requests:

Query

```
00000000 63 64 6e 2e 63 37 73 70 71 73 69 2e 33 65 6c 7a |cdn.c7spqsi.3elz|
00000010 37 6a 77 66 78 68 76 66 64 71 76 32 35 62 6a 6d |7jwfxhvf dqv25bjm|
00000020 72 6f 79 2e 73 78 33 33 75 62 68 67 73 32 65 74 |roy.sx33ubhgs2et|
00000030 35 6e 6f 6b 74 65 36 32 70 74 36 64 6f 6f 61 36 |5nokte62pt6dooa6|
00000040 72 6f 69 65 2e 35 6b 65 34 6f 79 6f 6c 77 6f 76 |roie.5ke4oyolwov|
00000050 74 66 6a 67 37 74 6d 74 70 66 67 36 67 70 74 72 |tfjg7tmtpfg6gptr|
00000060 33 64 7a 79 78 75 78 6a 79 61 6d 66 69 2e 77 68 |3dzyxuxjyamfi.wh|
00000070 69 79 6d 70 78 34 74 67 65 74 33 6b 67 6a 72 7a |iympx4tget3kgjrz|
00000080 70 34 66 36 65 64 68 77 36 35 74 61 7a 61 34 37 |p4f6edhw65taza47|
00000090 79 71 2e 64 74 31 2e 61 75 74 6f 6d 6f 74 6f 73 |yq.dtl.automotos|
000000a0 70 6f 72 74 2e 6e 65 74 |port.net|
```

Query properties

- Type: A
- Class: IN
- Address: 65.240.236.31
- Computed XOR Key: 0xb7e84fc5

Decoded output

```
00000000 1c af 76 f6 03 00 00 00 05 00 03 00 00 00 2e 50 |..v.....P|
00000010 4f 53 54 20 2f 63 6f 72 70 72 6f 6f 74 2f 20 48 |OST /corproot/ H|
00000020 54 54 50 2e 2f 31 2e 31 0d 0a 41 63 63 65 70 74 |TTP./1.1..Accept|
00000030 3a 20 2a 2f 2a 0d 0a 43 6f 6e 6e 65 63 2e 74 69 |: /*..Connec.ti|
00000040 6f 6e 3a 20 63 6c 6f 73 65 0d 0a 43 6f 6e 74 65 |on: close..Conte|
00000050 6e 74 2d 4c |nt-L|
```

Query

```
00000000 63 64 6e 2e 6e 6c 61 68 72 78 69 2e 75 73 66 72 |cdn.nlahrxi.usfr|
00000010 37 67 76 37 65 76 76 67 33 70 7a 67 6e 62 78 6c |7gv7evvg3pzgnbxl|
00000020 77 6a 79 2e 75 73 78 6a 75 67 67 35 36 79 71 65 |wjy.usxjugg56yqe|
00000030 6c 61 35 74 32 77 6a 6a 73 72 73 6f 77 74 34 77 |la5t2wjjsrsowt4w|
00000040 6b 78 73 6c 35 74 6c 62 64 6b 33 6a 79 71 6a 64 |kxsl5tlbdk3jyqjd|
00000050 6a 65 32 74 63 35 79 35 73 2e 76 73 61 78 7a 68 |je2tc5y5s.vsaxzh|
00000060 7a 34 72 78 73 65 6a 6f 6a 73 70 6e 32 6d 78 6d |z4rxsejojspn2mxm|
00000070 36 6f 32 69 7a 78 75 78 69 73 6a 35 34 72 73 2e |6o2izxuxisj54rs.|
00000080 6d 6f 79 6e 76 32 63 6a 6b 79 77 36 67 72 65 78 |moynv2cjkyw6grex|
00000090 79 6c 78 32 66 37 75 71 6c 61 32 6e 65 2e 64 74 |ylx2f7uqla2ne.dt|
000000a0 31 2e 61 75 74 6f 6d 6f 74 6f 73 70 6f 72 74 2e |l.automotosport.|
000000b0 6e 65 74 |net|
```

Query properties

- Computed XOR Key: 0x23686bb8

Decoded output

```
00000000 1c af 76 f6 06 00 00 00 05 00 03 00 00 00 2e 1c |..v.....|
00000010 8a aa 74 64 d3 4a 28 39 10 be fc 22 61 22 db 45 |..td.J(9..."a".E|
00000020 4d 33 3b 51 ff 7f da d7 ee 7d 46 2c 78 67 02 19 |M3;Q.....}F,xg..|
00000030 2e 14 a5 15 f3 85 a8 8e 29 03 14 10 1b 70 94 a2 |.....)....p..|
00000040 bd 8f 52 11 62 f2 50 77 2e db 94 b3 84 f0 73 47 |..R.b.Pw.....sG|
```

00000050 8e fe b1 e9 81 19 d9 fc 37 88 fa7.. |

Figure 5: Showcases the final structure and decoded outputs of the DNS requests.

The purpose of switching from TLS-based encryption to a custom algorithm may be due to the fact that the TLS messages can easily be identified in DNS traffic due to their well defined structure. Thus, this change was likely made to better evade network-based signatures.

After decryption, the Zloader DNS tunnel header is identical to previous versions as shown below:

```
struct zloader_dns_tunnel_header {
    unsigned int session_id;           // Randomly generated.
    unsigned int sequence_num;         // Incremented per packet.
    byte msg_type;                     // 1-9
    byte reserved;                     // Reserved
    unsigned int generic_var;          // Varies by msg_type
};
```

Once all components of the payload have been sent or received, the data format structure aligns with Zloader's HTTPS communications. The payload is first encrypted using the Zeus `VisualEncrypt` algorithm, followed by encryption with a randomly generated 32-byte (256-bit) RC4 key. Finally, the RC4 key itself is encrypted with a hardcoded 1,024-bit RSA public key.

WebSocket support

In the latest versions, Zloader introduced WebSockets that can be used to upgrade the HTTP connection with the following hardcoded header:

```
GET %s HTTP/1.1\
Host: %s\
Connection: Upgrade
Pragma: no-cache
Cache-Control: no-cache
User-Agent: %s
Upgrade: websocket
Origin: %s
Sec-WebSocket-Version: 13
Accept-Encoding: gzip, deflate, br, zstd
Accept-Language: %s
Sec-WebSocket-Key: %s
```

The introduction of WebSockets in Zloader may be designed to further blend in with legitimate web-based traffic to bypass network-based detections.

