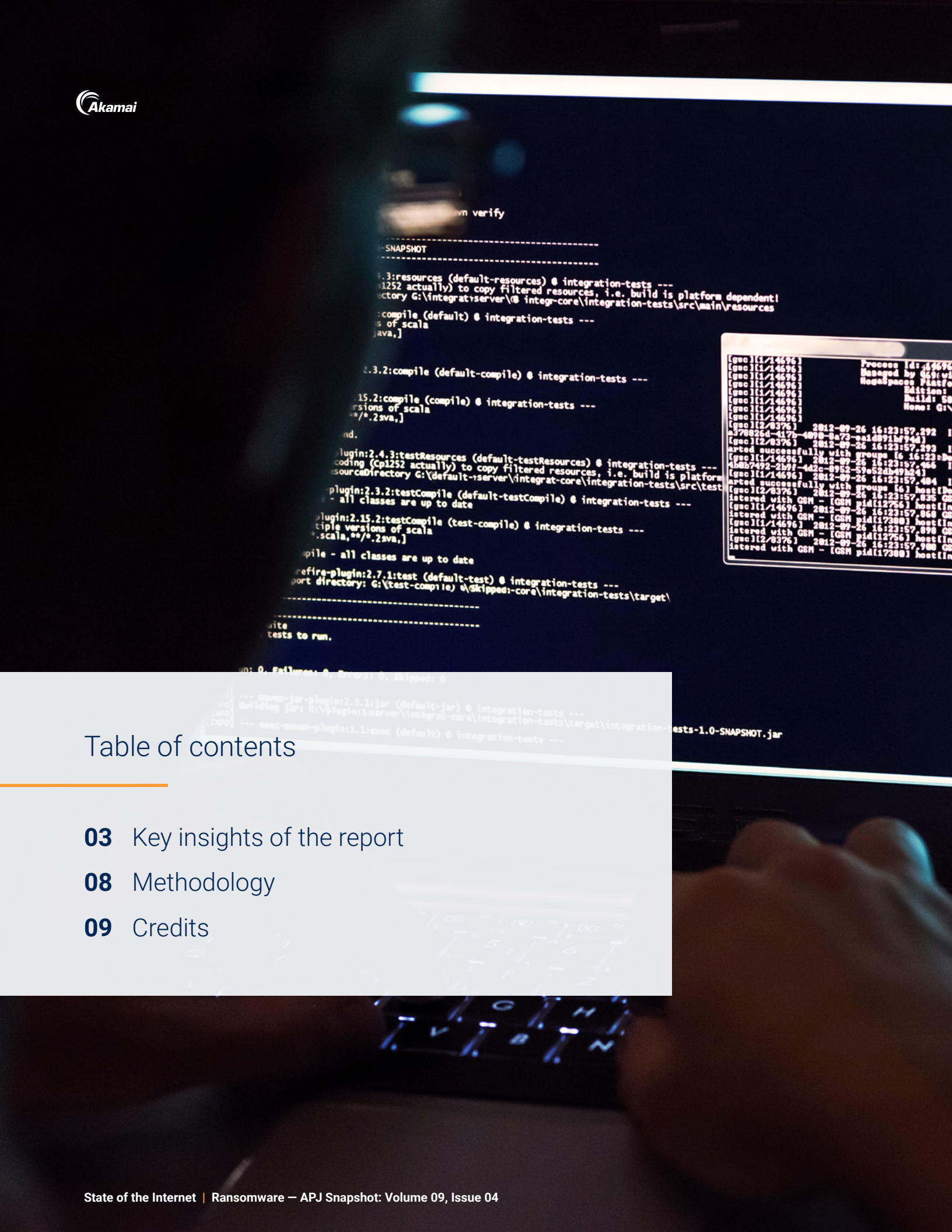
Akamai

State of the Internet
Volume 09 | Issue 04

Ransomware on the Move

APJ Snapshot



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Key insights of the report

The APJ Snapshot is a companion piece to our larger ransomware SOTI report, Ransomware on the Move: Evolving Exploitation Techniques and the Active Pursuit of Zero-Days (available in English only). Please refer to that report for detailed analyses of ransomware groups' attack trends, methodology, and techniques; a description of the stages of attacks and the corresponding solutions and recommendations to safeguard your organization; and our research methodologies.

Overview

Ransomware continues to wreak havoc on organizations and claim more victims as adversaries continue to evolve and shift their attack techniques, introduce new extortion methods, take advantage of an expanding attack surface, and capitalize on security budget constraints. The impact of these dangerous trends is reflected in the ransomware groups that dominate the landscape and in their growing success. In APJ, this is exemplified by a 50% growth in victim companies between Q4 2021 and Q4 2022, with a giant leap of 204% in the victim count year-over-year when comparing Q1 2022 with Q1 2023.

In this APJ Snapshot, we share additional insights for better defense and risk management of this growing concern, including:

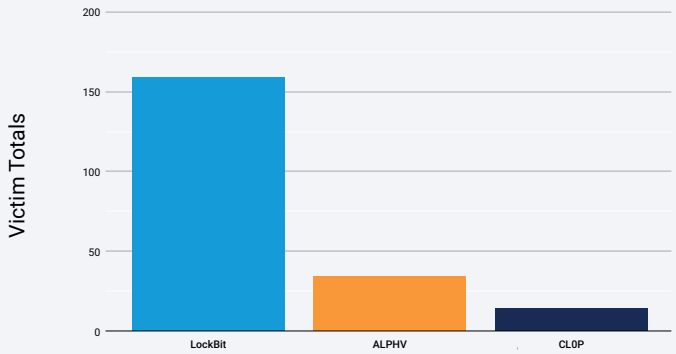
- During the period of October 2021 through May 2023, LockBit dominated the ransomware scene, with CL0P rising as it aggressively exploited vulnerabilities. A shift in attack techniques, from phishing to the rampant abuse of zero-day and one-day vulnerabilities, led to the giant leap in victim counts.
- Consistent with findings worldwide, manufacturing was the vertical with the highest number of victim organizations, followed by business services.
- The majority of ransomware victims were smaller organizations with revenue of up to US$50 million. However, the very largest organizations were also under attack.

LockBit dominates ransomware group activity

Despite a rising awareness of ransomware and an abundance of tools and best practices available to combat this threat, growth in victim companies in APJ increased by 50% between Q4 2021 and Q4 2022, with a giant leap of 204% in the victim count year-over-year when comparing Q1 2022 with Q1 2023. Consistent with data findings in our global report, between the period of October 1, 2021, and May 31, 2023, LockBit was responsible for the majority of attacks on victims, accounting for 51% of attacks in APJ, with ALPHV and CL0P rounding out the top three (APJ Figure 1).

APJ: Top 3 Ransomware Groups by Victim Count

October 1, 2021 – May 31, 2023



APJ Fig. 1: The majority of the victim organizations of ransomware attacks in APJ were hit by LockBit, ALPHV, and CL0P

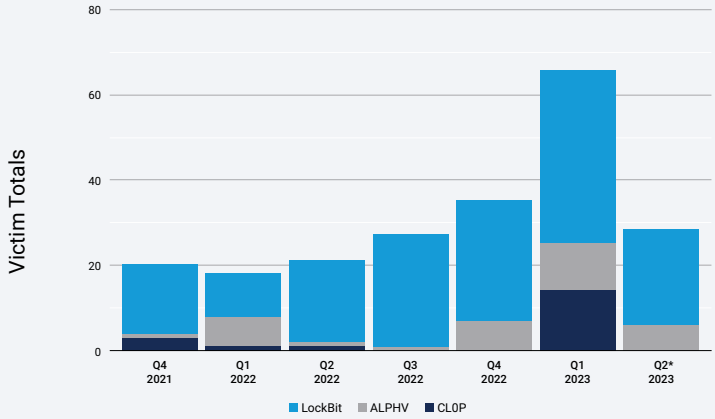
Quarterly analysis

Despite the prevalence of LockBit, CL0P ransomware was quite active from Q4 2021 through Q2 2022 and spiked in Q1 2023, elevating it to the position of third most active ransomware group in APJ and gaining ground on ALPHV (APJ Figure 2). CL0P's surge in activity can be attributed to its exploitation of a variety of zero-day vulnerabilities as a point of entry. A shift in attack techniques over the past six months, from phishing to the rampant abuse of vulnerabilities, is leading to the giant leap in victim counts. That said, only partial data was available for Q2 2023* at the time of this report, and as of May 31, 2023, CL0P registered no attacks, which could indicate Q1 2023 was an anomaly. However, it is important to note that in June 2023, as a result of the exploitation of the MOVEit vulnerability, CL0P claimed more victims, and a handful of companies in APJ are on that list.

**Q2 2023 is not a full quarter as the data has a May 31, 2023, cutoff.*

APJ: Top 3 Ransomware Groups by Victim Count

Quarterly: October 1, 2021 – May 31, 2023



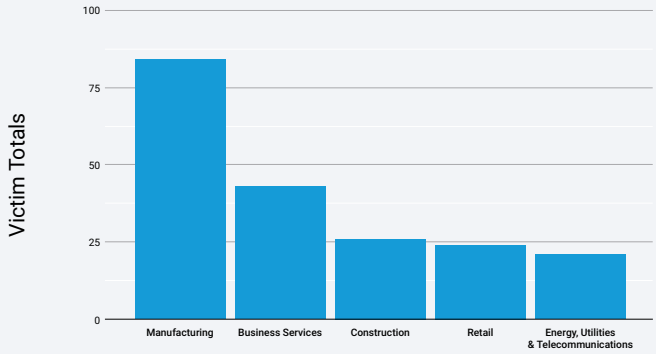
APJ Fig. 2: A comparison of quarterly victim counts among the top three ransomware groups in APJ: LockBit, ALPHV, and CL0P

Critical industries at risk

The top five critical industries at risk of ransomware in APJ are manufacturing, business services, construction, retail, and energy (APJ Figure 3). This follows the general worldwide trend, with the exception of the fifth position, which, on a global basis, is held by education. This is also largely consistent with last year's global ransomware report where manufacturing and business services also held the top two positions. During that time, they were victimized by Conti ransomware. After Conti's disappearance, LockBit filled the spot that Conti left. We also see overlap with the top affected industries in our previous DNS report, Attack Superhighway: A Deep Dive on Malicious DNS Traffic, reflecting a link between malicious command and control (C2) traffic and ransomware attacks.

APJ: Top 5 Industries by Ransomware Group Victim Count

October 1, 2021 – May 31, 2023



APJ Fig. 3: Manufacturing has the highest number of victim organizations in ransomware attacks in APJ

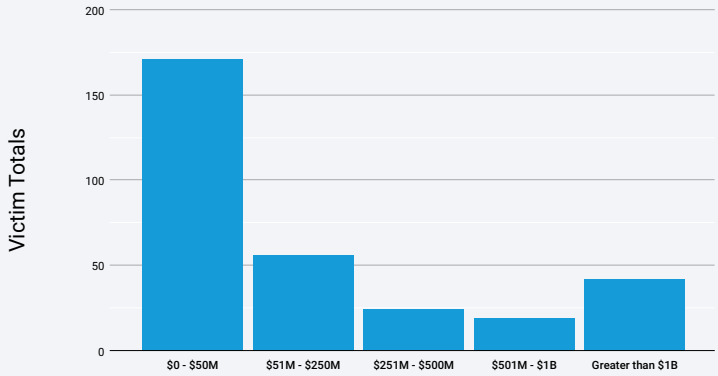
**Q2 2023 is not a full quarter as the data has a May 31, 2023, cutoff.*

It is also important to note that LockBit does not discriminate: It is the most prevalent ransomware in each industry in APJ, accounting for 60% of attacks in manufacturing, 55.8% in business services, 57.7% in construction, and 45.8% in retail. Even in the energy sector, in which LockBit accounts for 28.6% of attacks, the remaining attacks are spread across several different ransomware groups, with no group accounting for more than 14.3%.

Ransomware groups focus on ROI

Every organization, regardless of company size or revenue, is at risk of ransomware attacks. However, mirroring the worldwide trend, the data shows that attackers are successful in launching attacks against smaller organizations in APJ (APJ Figure 4). According to a report by the Cyber Security Agency of Singapore, most of the reported ransomware victims in Singapore were small and medium-sized businesses in the manufacturing and retail sectors. We surmise that smaller companies have limited security resources to combat the hazards of ransomware, which makes them more vulnerable and easier to infiltrate, and they have the capacity to pay the ransom. However, the largest enterprises are also under attack, with research showing the higher the revenue of the affected organization, the bigger the ransom payment.

APJ: Ransomware Group Revenue Range Victim Count
October 1, 2021 – May 31, 2023



APJ Fig. 4: The majority of ransomware victims in APJ are in organizations with reported revenue of up to US$50 million

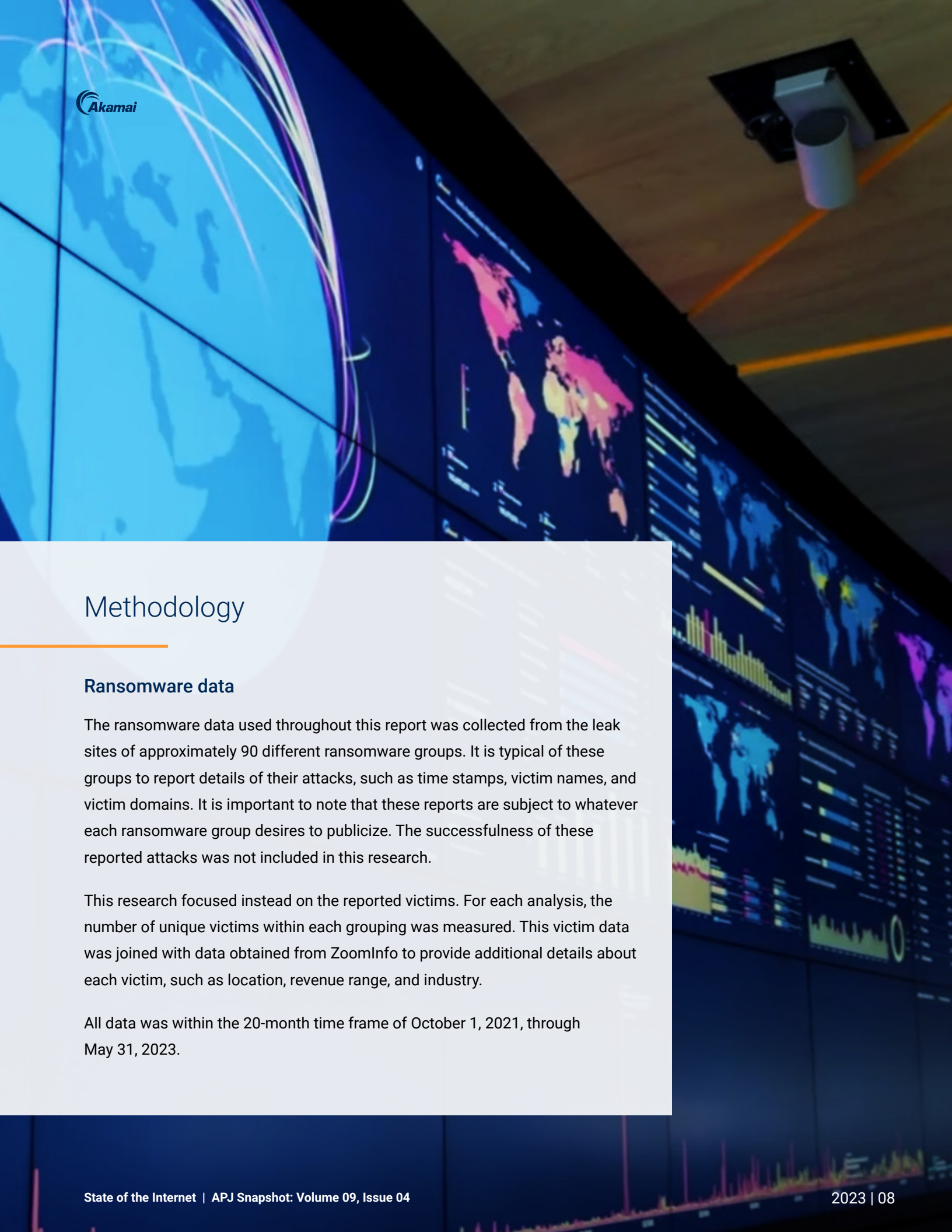
> Every organization, regardless of company size or revenue, is at risk of ransomware attacks.

APJ snapshot conclusion

Ransomware continues to wreak havoc on organizations. Globally and regionally, governments are forming a united front to address the threat and highlight techniques that can aid security defenders in protecting their organizations. A statement issued by the Foreign Ministers of Australia, India, and Japan, and the Secretary of State of the United States exemplifies the urgency to mitigate the impact of ransomware on national security and on all industry sectors and reinforces a commitment to building programs aimed at helping organizations enhance their cybersecurity capacity and build resilience. Earlier this year, the International Counter Ransomware Task Force, chaired by Australia, was established to drive greater collaboration among a coalition of 36 member states and the E.U. to counter the spread and impact of ransomware, including the sharing of cyberthreat intelligence. In October 2022, Singapore also formed its first inter-agency task force consisting of multiple government agencies to help defend businesses and critical infrastructure against ever-growing ransomware attacks.

As regulators put initiatives and policies in place to strengthen cybersecurity standards, it is important to understand the reporting requirements in your area so that you can include them in your playbook/crisis management plan, and be aware of the opportunities you have to mitigate risk by leveraging a multilayered defense.

For more information, please refer to the global ransomware SOTI report, Ransomware on the Move: Evolving Exploitation Techniques and the Active Pursuit of Zero-Days.



Methodology

Ransomware data

The ransomware data used throughout this report was collected from the leak sites of approximately 90 different ransomware groups. It is typical of these groups to report details of their attacks, such as time stamps, victim names, and victim domains. It is important to note that these reports are subject to whatever each ransomware group desires to publicize. The successfulness of these reported attacks was not included in this research.

This research focused instead on the reported victims. For each analysis, the number of unique victims within each grouping was measured. This victim data was joined with data obtained from ZoomInfo to provide additional details about each victim, such as location, revenue range, and industry.

All data was within the 20-month time frame of October 1, 2021, through May 31, 2023.

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