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Iran's Shadow Banking Network

Shell companies move oil money through Hong Kong and Singapore

BLUF

On 7 August 2026, the U.S. Treasury sanctioned two Dubai-based companies and four shell companies in Hong Kong and Singapore for helping Iran's Shahr Bank network move oil money out of the country. Almost certainly (HIGH confidence), this is part of an ongoing crackdown on the same network that started in January 2026, not a one-off action.

TOP FINDINGS

- The new shell companies are registered in places where setting up a company is fast and easy. One was set up less than a year before it got sanctioned.
- A Dubai-based company wrote invoices using a shell company's name and sent the payments through that shell's own bank accounts. This makes it look like the shell is paying, hiding who is really behind the money.
- Two of the seven companies named in this action were already sanctioned before 7 August. This is a network under repeated pressure, not a single one-time bust.

Based on 6 public sources, rated for reliability: the official U.S. Treasury announcement, independent news, and specialist sanctions-compliance reporting.

Full analysis, including the complete entity list, registration dates, and an unresolved discrepancy in the designation record, follows on the next page.

FULL BRIEFING

1. BLUF

On 7 August 2026, OFAC sanctioned Titan Exchange, Alps International, and four shell companies in Hong Kong and Singapore (Blue Dash, Gleaming HK, Oviedo Overseas, and Cailafang). All six helped Iran's Shahr Bank network launder and move oil money abroad. Almost certainly (HIGH confidence), this continues an existing crackdown, not a new one: two of the seven companies named were already sanctioned earlier in 2026. Likely (MODERATE confidence), the network picked these shells to rebuild after those sanctions, though Treasury does not say so directly.

2. Context and Timeline

- 2019-2024: Most of the network's companies were set up during this period: FSAQ (1 July 2019, Iran), Blue Dash General Trading (31 July 2019, Hong Kong), Gleaming HK Trading (9 June 2020, Hong Kong), HMS Trading FZE (13 October 2021, Dubai), Alps International (20 December 2022, Dubai), and Cailafang Pte. Ltd. (15 January 2024, Singapore).
- 9 September 2025: Oviedo Overseas is registered in Hong Kong, under a year before its designation.
- 15 January 2026: OFAC sanctions HMS Trading FZE for the first time.
- 28 April 2026: OFAC sanctions FSAQ for the first time. Reuters confirms the same day; the official notice follows on 11 May 2026 (FR Doc. 2026-09250).
- 7 August 2026: OFAC sanctions Titan Exchange, Alps International, Blue Dash, Gleaming HK, Oviedo Overseas, and Cailafang; FSAQ and HMS Trading FZE are reconfirmed as already sanctioned. According to Treasury, Cailafang moved tens of millions of dollars since late 2025, Titan Exchange tens of millions since early 2026, Alps International hundreds of millions during 2026, and Oviedo Overseas several million by mid-2026.
- 7 August 2026, 15:51 PDT: CBS News publishes independent reporting on the action.
- 10 August 2026: Sanctions lawyer Maya Lester KC publishes an independent analysis in Global Sanctions, confirming the same number of companies as OFAC's record.
- 10-11 August 2026: Iran's Ministry of Foreign Affairs rejects the sanctions campaign in general terms, without responding to the shell company claims specifically.

3. Analysis

Finding 1. On 7 August 2026, OFAC sanctioned Titan Exchange, Alps International, and four shell companies in Hong Kong and Singapore for helping Shahr Bank move oil money. [Treasury press release, OFAC SDN record, A1] Almost certainly (HIGH confidence): stated in the official record, confirmed within days by CBS News and specialist compliance press.

Finding 2. The shell companies are registered in places where setting up a company is fast, dated 2019 to September 2025, some under a year before being sanctioned. [OFAC SDN record, A1] Likely (MODERATE confidence): the newest were likely set up to rebuild after the FSAQ/HMS Trading sanctions, though Treasury does not say so directly.

Finding 3. Alps International sent invoices under a shell company's name and routed the payments through that shell's own bank accounts, keeping invoicing and banking separate on paper. [Treasury press release, A1, single-source] Roughly even chance (LOW confidence) this holds up beyond Treasury's account: unconfirmed elsewhere, treat as plausible but unverified.

Finding 4. FSAQ and HMS Trading were sanctioned separately, in April and January 2026, the April action confirmed same day by Reuters. [OFAC record, Reuters, A1/A2] Almost certainly (HIGH confidence) this continues enforcement against a network targeted since January 2026.

Finding 5. Iran's Ministry of Foreign Affairs rejected the sanctions campaign in general terms on 10-11 August, but none of the named companies denied the Shahr Bank, Titan Exchange, or Alps International allegations. [Israel National News, ISNA, Iran International, C2] Likely (MODERATE confidence): Iran typically does not respond point by point, so this silence is not evidence the claims are accurate.

Finding 6. There is a discrepancy: the press release names Basheer Abdulkadhim Alwan al-Shabbani, but OFAC's own Sanctions List Search shows he was already sanctioned on 22 January 2024, for an unrelated matter, with no confirmed new SDN addition for 7 August. [OFAC cross-check, A1, unconfirmed] Roughly even chance (LOW confidence) whether this is new or just a reference to the old listing, unresolved without OFAC clarification.

4. What This Means

If you screen business partners for exposure to Iranian oil, UAE free-zone companies, or Hong Kong/Singapore shells, this case shows what good screening should catch: newly registered companies with little public information, moving money between a sanctioned party and the financial system. The named companies are now sanctioned, so screen them out directly. But the pattern behind it, shell companies moving money through fast-registration countries, shows up far beyond this one case. Treat "newly registered, low-disclosure company with no public footprint" as a standing red flag, not proof of wrongdoing by itself.

5. Sources

Ref	Source	Type	Date	Adm.
S1	U.S. Treasury, "Treasury Dismantles Iranian Regime's Global Clandestine Currency Networks"	Official government source	7 Aug 2026	A1
S2	OFAC Recent Actions record	Official government source	7 Aug 2026	A1
S3	CBS News, "U.S. targets Iran's banking system, companies with new sanctions"	Independent journalism	7 Aug 2026	B2
S4	Global Sanctions, analysis by Maya Lester KC	Specialized compliance press	10 Aug 2026	B2
S5	Reuters, "US imposes sanctions on 35 individuals, entities for aiding Iran's sanctions evasions"	Independent journalism	28 Apr 2026	A2
S6	Israel National News / ISNA / Iran International (Iranian MFA reaction)	State/independent press	10-11 Aug 2026	C2

6. Intelligence Gaps

1. No official Federal Register notice has been published for the 7 August action yet; based on precedent, expect one around late August 2026.
2. The transaction amounts and the "Safe Group" description come only from Treasury's account, not confirmed independently.
3. Whether al-Shabbani's listing is new or a reference to his prior one remains unresolved without OFAC clarification.
4. Titan Exchange's registration date could not be established in available sourcing.