# Telegram rebounds with $540m profit despite founder’s legal turmoil



Despite serious legal challenges facing its founder, Pavel Durov, Telegram has experienced a remarkable financial resurgence. In 2024, the messaging platform reported a profit of $540 million, a striking turnaround from a $173 million loss the previous year. This dramatic shift is attributed to increased revenue, which soared to $1.4 billion from just $343 million in 2023, driven by a surge in paying users, enhanced advertising capabilities, and premium subscription offerings. The company is also exploring a $1.5 billion bond offering that might pave the way for a future initial public offering (IPO).

Durov, however, is at the centre of a storm, having been detained by French authorities in connection with allegations concerning Telegram's handling of criminal content on its platform. He claims these legal troubles are politically motivated, potentially undermining investor confidence. This situation is further complicated by the substantial debt Telegram has accumulated, having raised about $2.4 billion, including investments from prominent Abu Dhabi state funds. There are concerns that ongoing legal issues may hinder the anticipated IPO by 2026, creating uncertainty around the company's leadership and operational future.

In tandem with Telegram's challenges, Japan's financial landscape is undergoing significant changes, particularly as the Bank of Japan moves to scale back its extensive bond-buying programme. This shift, aimed at unwinding an ultra-loose monetary policy that has characterised Japan's post-financial crisis strategy, has led to long-term yields on Japanese government bonds hitting unprecedented levels. The yen has weakened to ¥158.26 against the dollar, highlighting the immediate impact of these policy adjustments. BoJ Governor Kazuo Ueda has indicated that details regarding the reductions in bond purchases will be disclosed soon, though the overnight interest rate will remain within the narrow band of 0-0.1%. Economists warn that Japan’s high debt levels make it particularly vulnerable to changes in market conditions, and a rise in domestic interest rates may soon be on the horizon.

Amidst this backdrop of economic uncertainty, the UK is facing its own inflation challenges. Recent reports have revealed that inflation surged to a 15-month high of 3.5%, surprising many observers and prompting speculation about potential policy shifts by the Bank of England. The continued rise in living costs is affecting consumer confidence and could lead to tighter monetary policy in an attempt to stabilise inflationary pressures.

Further afield in Germany, political tensions are brewing as discussions about banning the far-right Alternative for Germany party (AfD) intensify. The AfD, once a fringe group, has gained substantial traction, raising questions about whether it has become too entrenched in the political landscape to outlaw effectively. This predicament presents a complex challenge for policymakers, who must balance the principles of democratic participation with the need to safeguard against extremist ideologies.

In summary, while Telegram is capitalising on its financial recovery and technological innovations, it is simultaneously navigating a precarious legal landscape. The broader economic currents in Japan and the UK, alongside Germany's political dilemmas, highlight the interconnectedness of today's global challenges, revealing how various factors can converge to shape the economic and political realities of nations.

Source: [Noah Wire Services](https://www.noahwire.com)

## Bibliography

1. <https://www.ft.com/content/1afe8126-6db0-4a30-a43b-3506e675a006> - Please view link - unable to able to access data
2. <https://www.ft.com/content/a8b42949-3d4f-4562-9f44-cc715f1494dc> - In 2024, Telegram reported a significant financial turnaround, achieving a $540 million profit compared to a $173 million loss in 2023. Revenue soared to $1.4 billion, up from $343 million, driven by an increase in paying users, advertising, premium subscriptions, and partnerships related to its Ton blockchain ecosystem. The company is preparing a $1.5 billion bond offering, potentially linked to a future IPO. Despite ongoing legal issues faced by founder Pavel Durov, including his detention by French authorities over alleged platform misuse, Telegram continues to innovate, notably integrating Elon Musk’s xAI's Grok chatbot into its services. The company aims for $2 billion in revenue and $720 million in profit in 2025, underscoring its strong financial trajectory despite legal and regulatory uncertainties.
3. <https://www.ft.com/content/b7a30ddb-b415-4f49-8803-7d83628511f8> - The Bank of Japan (BoJ) announced a significant reduction in its ¥6 trillion ($38 billion) monthly bond-buying program, marking a critical step in unwinding its ultra-loose monetary policy. This decision led to the yen weakening to ¥158.26 against the dollar. BoJ Governor Kazuo Ueda stated that specifics on the cuts would be available next month, aiming for a significant reduction while maintaining market stability. The move comes amid pressures from a declining yen and weak domestic consumption. The BoJ plans to gradually reduce bond purchases over the next one to two years to allow long-term interest rates to be formed more freely in financial markets. Despite the tapering, the BoJ will keep its overnight interest rate within 0-0.1% and will not make bold moves towards quantitative tightening. Economists highlight challenges faced by the BoJ due to Japan's high debt levels and vulnerability to yield upticks. Investors anticipate a possible rate rise in July, depending on economic data.
4. <https://www.ft.com/content/429f9092-5447-4e4c-b3b6-ffa2bc357ca4> - Telegram's financial future is uncertain following criminal charges brought against CEO Pavel Durov, impacting plans for an IPO by 2026. Durov faces severe charges in France related to Telegram's alleged failure to address criminal content on its platform, affecting investor confidence and causing significant drops in the company's bond prices and cryptocurrency assets. Telegram, which raised $2.4 billion in debt, including from prominent Abu Dhabi state funds, reported $342 million in revenue against $173 million in losses for 2023, despite Durov's personal investments in its bonds. The company's future operations and leadership remain unclear amidst these challenges, as its centralized structure heavily relies on Durov's direction.
5. <https://www.ft.com/content/1afe8126-6db0-4a30-a43b-3506e675a006> - In 2024, Telegram reported a significant financial upturn, achieving a $540 million profit compared to a $173 million loss in 2023, with revenues soaring to $1.4 billion, up from $343 million. The growth was driven by a rise in paying users, advertising, premium subscriptions, and partnerships related to its Ton blockchain ecosystem. It is now preparing a $1.5 billion bond offering, potentially linked to a future IPO, although ongoing legal issues faced by its founder, Pavel Durov, could pose obstacles. Durov, detained by French authorities in 2024 over alleged platform misuse, claims geopolitical motives are behind the charges, which include failure to combat criminal content. Telegram, boasting over 1 billion monthly users and operated by a lean in-house team of 60, continues to innovate, highlighting areas like conversational AI. It recently partnered with Elon Musk’s xAI to integrate the Grok chatbot, further expanding its technological ecosystem. The company aims for $2 billion in revenue and $720 million in profit in 2025, underlining its strong financial trajectory despite legal and regulatory uncertainties.
6. <https://www.ft.com/content/b7a30ddb-b415-4f49-8803-7d83628511f8> - The Bank of Japan (BoJ) announced it would significantly scale back its ¥6 trillion ($38 billion) monthly bond-buying program as part of unwinding its ultra-loose monetary policy. This marks a critical milestone in tapering its expanded balance sheet. The yen weakened to ¥158.26 against the dollar following the announcement. BoJ Governor Kazuo Ueda stated that specifics on the cuts would be available next month, aiming for a significant reduction while maintaining market stability. The decision comes amidst pressure from a declining yen and weak domestic consumption. The BoJ plans to reduce bond purchases gradually over the next one to two years to allow long-term interest rates to be formed more freely in financial markets. Despite the tapering, the BoJ will keep its overnight interest rate within 0-0.1% and will not make any bold moves towards quantitative tightening. Economists, such as Izuru Kato, highlight the challenges faced by BoJ due to Japan's high debt levels and the vulnerability to yield upticks. Investors anticipate a possible rate rise in July, depending on economic data.
7. <https://www.ft.com/content/429f9092-5447-4e4c-b3b6-ffa2bc357ca4> - Telegram's financial future is uncertain following criminal charges brought against CEO Pavel Durov, impacting plans for an IPO by 2026. Durov faces severe charges in France related to Telegram's alleged failure to address criminal content on its platform, affecting investor confidence and causing significant drops in the company's bond prices and cryptocurrency assets. Telegram, which raised $2.4 billion in debt, including prominent Abu Dhabi state funds, reported $342 million in revenue against $173 million in losses for 2023, despite Durov's personal investments in its bonds. The company's future operations and leadership remain unclear amidst these challenges, as its centralized structure heavily relies on Durov's direction.