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Huawei Technologies

China's Huawei claims to have broken 'the siege' with strong sales

Sanctions-hit telecoms group records highest revenues in three years but still below 2020 levels



Huawei said full-year sales would be more than \$99bn this year © Reuters

Edward White in Shanghai 4 HOURS AGO

Chinese telecoms company Huawei has reported its highest revenues in three years after weathering the “storm” of a barrage of sanctions from Washington.

The world’s biggest telecoms equipment producer as well as a top smartphone manufacturer said on Friday that full-year sales would be more than Rmb700bn (\$99bn) this year, up 9 per cent from Rmb642.3bn in 2022. The company did not provide more detailed earnings results.

Shenzhen-based [Huawei](#), led by founder Ren Zhengfei, has been at the heart of US-China tensions for several years amid Washington’s belief that the company poses national security risks stemming from alleged state and military links.

While its 2023 revenue is 20 per cent below the 2020 peak, the company struck an optimistic tone on Friday. “After years of hard work, we’ve managed to weather the storm. And now we’re pretty much back on track,” chair Ken Hu said in a statement. “Shared conviction has helped us break the siege and forge ahead together,” he added.

The stronger results come just months after the group stunned many experts in the US with the release of a new phone containing a cutting-edge computer chip made with partners in China.

The group was [brought to its knees](#) in 2020 after the US government curbed supplies of computer chip technology made using American equipment and software.

Huawei's relationship with the west was further complicated by the detention in Canada of Meng Wanzhou, the daughter of the company's founder and presumed heir who faced US extradition charges, and Beijing's retaliatory detention of two Canadians in China.

Progressively more severe US sanctions, imposed on national security grounds, required Washington's approval for Huawei to access US technology for components, choking supplies of key parts used by the company.

Revenues in 2021 dropped almost a third to Rmb636.8, from Rmb891.4bn the previous year, dragged down by sharp declines for core businesses such as making smartphones and selling infrastructure equipment to telecoms carriers around the world.

While as many as 170 countries have used Huawei hardware in their telecoms networks, the company's offshore sales — in network equipment and smartphones — have suffered as a result of the US sanctions.

Huawei says its accounts are audited by KPMG. However, the Rmb700 headline sales figure is not audited and the group did not publish individual earnings results from its key business segments.

The company said about a quarter of its revenue in 2022 was channelled into research and development efforts. Hu thanked "every member of the Huawei team for embracing the struggle" and their family members for "quiet and unfailing support".

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