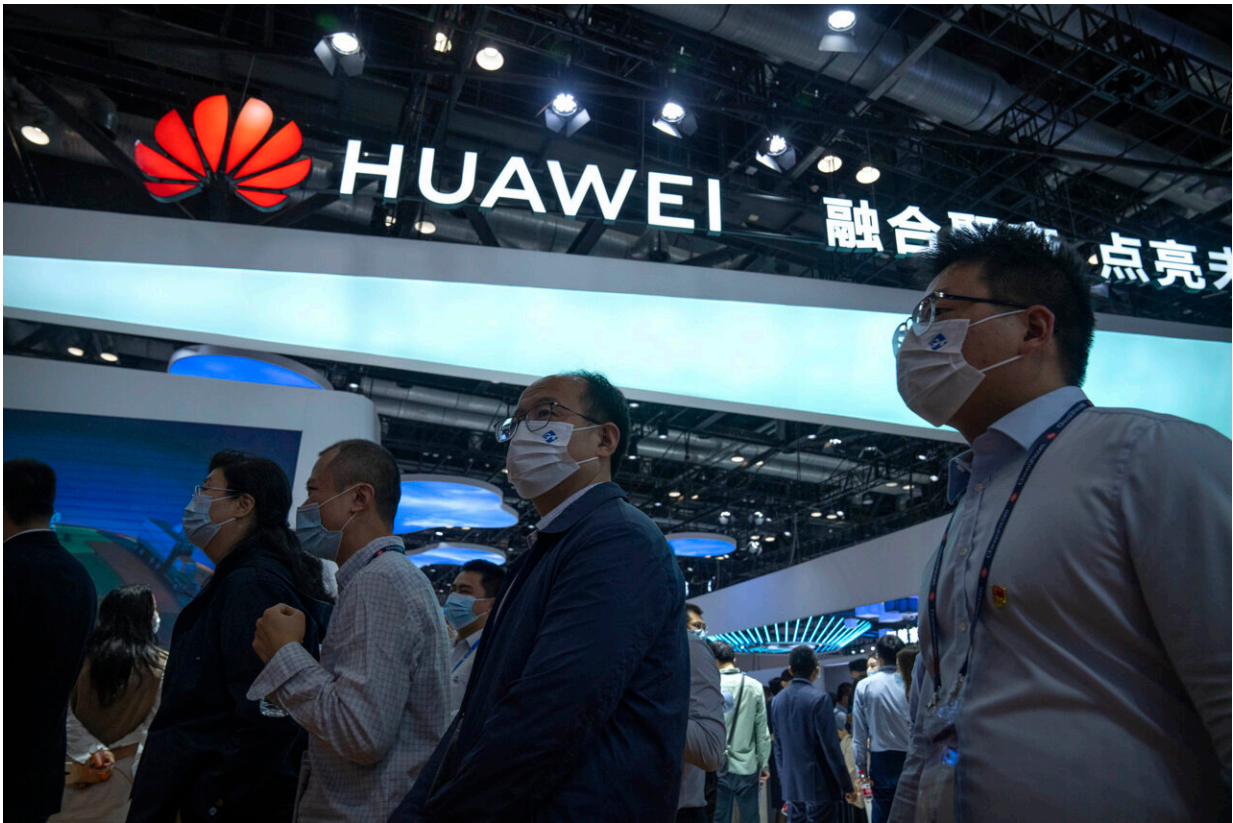


# Huawei 1Q revenue edges up, profit margin narrows

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Visitors walk past a booth for Chinese technology firm Huawei at the PT Expo in Beijing on Sept. 28, 2021. Chinese tech giant Huawei reported Friday that its revenue edged up 0.8% from a year earlier in the first three months of 2023 and the company was profitable. Credit: AP Photo/Mark Schiefelbein

Chinese tech giant Huawei reported Friday that its revenue edged up

0.8% from a year earlier in the first three months of 2023 and the company was profitable.

Revenue rose to 132.1 billion yuan (\$19.1 billion), a company statement said. It said its net profit margin was 2.3%, down from 4.3% a year earlier.

The company, headquartered in Shenzhen, near Hong Kong, has responded to U.S. sanctions that devastated its smartphone brand by expanding into serving hospitals, ports and other industrial customers.

It gave no breakdown of sales by global region or business line. It said spending on research and development increased but gave no details.

Huawei Technologies Ltd., China's first global tech brand, has struggled since then-President Donald Trump cut off access to U.S. processor chips and other technology in a feud with Beijing over technology and [security](#). American officials say the company is a [security risk](#) and might facilitate Chinese spying, which Huawei denies.

The company is the biggest global maker of network equipment for phone and internet companies. It sold its Honor smartphone brand in 2020 and switched its emphasis last year on selling technology to automakers, factories, mines and other industrial customers.



A man walks past a bed of plastic flowers outside the Huawei franchise store in Beijing Friday, April 28, 2023. Chinese tech giant Huawei reported Friday that its revenue edged up 0.8% from a year earlier in the first three months of 2023 and the company was profitable. Credit: AP Photo/Ng Han Guan

Huawei reported earlier that its 2022 profit fell 70% to 35.6 billion yuan (\$5.2 billion) while sales rose 0.9% to 642.3 billion yuan (\$93.5 billion). The company reported an unusually large 2021 profit due to the sale of the Honor smartphone unit.

Half of Huawei's 207,000 employees work in research and development. The [company](#) says it has been able to develop replacement components for U.S. versions. Huawei says it has made breakthroughs in developing its own design tools for processor chips.

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