Malaysia Battery Market - Growth, Trends, Covid-19 Impact, and Forecasts (2023 - 2028)

Market Report | 2023-01-23 | 95 pages | Mordor Intelligence

AVAILABLE LICENSES:

- Single User License $4750.00
- Team License (1-7 Users) $5250.00
- Site License $6500.00
- Corporate License $8750.00

Report description:

The Malaysian battery market is projected to reach a CAGR of about 5.28% during the forecast period (2022-2027). Malaysia's battery market depends on industries like electronics and automobiles (including commercial, passenger, and motorcycle). Due to the COVID-19 pandemic, these industries witnessed a decrease in sales. According to the Department of Statistics Malaysia, in 2020, the electronic gadget market saw a decline of around MYR 4.15 billion from MYR 39.78 billion in 2019. Further, automobile sales declined to 529.4 thousand units in 2020, from 604.2 thousand units in 2019. Factors such as declining lithium-ion battery prices and the increasing demand for batteries from the automotive industry are expected to drive the Malaysian battery market during the forecast period. However, the country relies on pumped hydro storage rather than battery storage systems. A lack of supportive government policies for electric vehicles may hinder the growth of the Malaysian battery market during the forecast period.

Key Highlights
The lead-acid battery type dominated the market in the past. It is expected to follow the same trend during the forecast period.
With the improvement in battery technology and the increasing importance of clean and green fuel, the automotive industry in Malaysia is expected to create more opportunities for lithium-ion batteries.
Increasing demand for batteries from data centers is expected to drive the country's battery market during the forecast period.

Malaysia Battery Market Trends

Lead-Acid Battery Expected to Dominate the Market

The energy-to-weight ratio of a lead-acid battery is low. However, it can supply large surge currents, indicating a high power-to-weight ratio that is primarily useful for SLI (Starting Lighting Ignition) applications. Also, lead-acid batteries are preferred when the price is more important than the energy-to-weight ratio, as they are low-cost batteries. For example, they are preferred in backup supplies for mobile phone towers, hospitals, and off-grid remote storage.?
Lead-acid batteries in automotive applications contribute to more than 60% of the market. Automotive (excluding electric vehicles) batteries are mostly SLI batteries. The lead-acid batteries can also be used for in-vehicle entertainment systems, power steering and locking, and power window systems.?
The demand for lead-acid batteries is increasing in Malaysia due to the increasing production and demand for automobiles. The rising demand from automotive and data centers is the primary reason for the increase in the imports of lead-acid batteries in the country. As of 2020, the imports of lead-acid accumulators (excluding spent and starter batteries) reached 36.96 million units, an increase of 55.8% compared to 2019 (23.72 million units).?
The most commonly used battery in a motorcycle is the 12V lead-acid battery. Some of Malaysia's preferred brands for the two-wheeler segment are GS Yuasa and Deka AGM Power Sport Batteries. Similarly, the demand for batteries has been growing for the four-wheeler segment, with the batteries from the Varta brand gaining popularity.?
On the other hand, the government's plans to increase the investment in the charging infrastructure and the policies promoting EV manufacturing facilities may increase the uptake of electric vehicles in Malaysia. This factor may create a significant opportunity for lead-acid and li-ion battery manufacturers operating in Malaysia in the long term. However, the current market scenario is not promising, and EV manufacturing was expected to start after 2021. ?
Also, in March 2021, the Malaysian Department of Environment (DOE) launched the Authorized Automotive Treatment Facility (AATF) pilot project to realize sustainable vehicle disposal methods.?
Therefore, increasing demand from the automotive sector and the plans to set up lead-acid battery manufacturing facilities in the country are expected to drive the lead-acid battery segment during the forecast period.

Increasing Demand from Data Centers Driving the Market Demand

Malaysia is considered one of the prime locations for data centers in Asia-Pacific, with a robust telecommunications infrastructure and supportive government initiatives. With the abundant availability of resources and an increasing number of internet users, Malaysia may see significant growth in data centers in the coming years.?
With the emergence of 5G and the growth of artificial intelligence (AI) and machine learning (ML), new data center construction, deployment, and upgrading efforts in existing data centers are booming. Furthermore, the Malaysian data center market experienced steady growth, which is projected to continue over the next five years. The growth has been strong from both local and international providers. ?
As of 2020, there were 44 data centers with 80 service providers in Malaysia. In February 2021, NTT limited announced the launch of its fifth data center in NTT Cyberjaya Campus, Malaysia. In April 2021, Microsoft announced its plans to establish its first data center region in Malaysia, with AWS and Google reportedly set to follow. ?
The most common and noticeable lead-acid batteries used in data centers are the valve-regulated lead-acid (VRLA) cells. These often come from a vast cabinet of stacked batteries that can support uninterruptible power supply (ups) systems. The standard predicted life of a lead-acid battery is around 10 years, while the actual service life is approximately three years. Consequently, lead-acid batteries need constant replacement, racking up costs in new cells and admin time over the years. Additionally, lead-acid cells need to be kept at around 20 degrees for maximum efficiency, requiring companies to spend massive amounts on air conditioning systems to keep them at optimal temperatures.?
Data centers have recently aimed to increase their power density, given their limitations on space and the need for more efficient operations. Compact lithium-ion batteries reduce the space occupied by an uninterrupted power supply system by 50-80%. In addition, such batteries require less time for charging and feature a better self-discharge rate, which plays a significant role

during frequent outages. With new solutions and technologies emerging over time, the cost of lithium-ion batteries may decrease further.?
Therefore, increasing demand for batteries for power backup applications in data centers and upcoming large-scale data centers in the country are expected to drive the battery market in Malaysia during the forecast period.?

Malaysia Battery Market Competitor Analysis

The Malaysian battery market is partially consolidated. Some key players in the market include FIAMM Energy Technology SpA, GS Yuasa Corporation, ABM Fujiya Berhad, Yokohama Batteries Sdn Bhd, and Leoch Battery Corporation.

Additional Benefits:

The market estimate (ME) sheet in Excel format
3 months of analyst support

Table of Contents:

Malaysia Battery Market - Growth, Trends, Covid-19 Impact, and Forecasts (2023 - 2028)

Market Report | 2023-01-23 | 95 pages | Mordor Intelligence

To place an Order with Scotts International:

- - Print this form
- - Complete the relevant blank fields and sign
- - Send as a scanned email to support@scotts-international.com

ORDER FORM:

Select license	License	Price
	Single User License	$4750.00
	Team License (1-7 Users)	$5250.00
	Site License	$6500.00
	Corporate License	$8750.00
	VAT	
	Total	

*Please circle the relevant license option. For any questions please contact support@scotts-international.com or 0048 603 394 346.

** VAT will be added at 23% for Polish based companies, individuals and EU based companies who are unable to provide a valid EU Vat Numbers.

Email*		Phone*	
First Name*		Last Name*	
Job title*			
Company Name*		EU Vat / Tax ID / NIP number*	
Address*		City*	
Zip Code*		Country*	
		Date	2026-02-28
		Signature