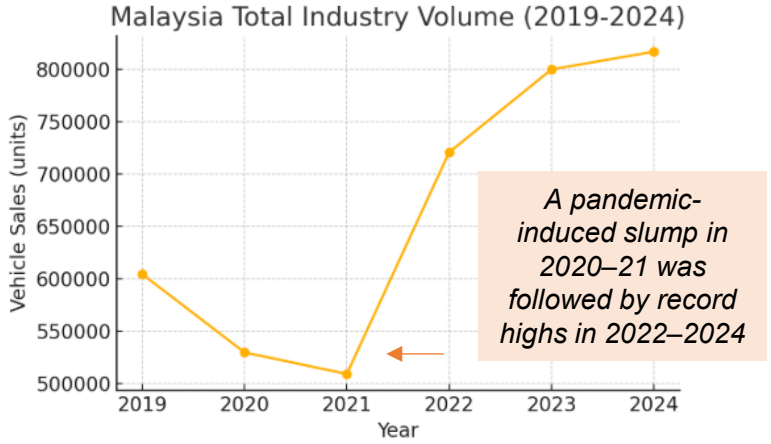
Dr Mohd Afzanizam Abdul Rashid – Chief Economist
Raja Zarina Raja Mohammad - Economist

Malaysia Automotive Industry: 2024 Review and Outlook



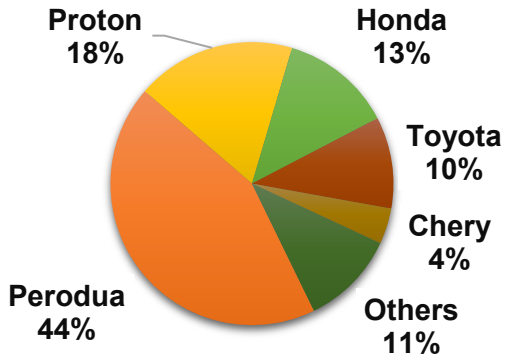
Source: Malaysian Automotive Association (MAA)

TIV 2024 vs 2023

Market segment	2024	2023	Variance	
			Units	%
Passenger vehicles	747,180	719,145	28,035	3.9%
Commercial vehicles	69,567	80,676	(11,109)	(13.8%)
Total vehicles	816,747	799,821	16,926	2.1%

Source: Malaysian Automotive Association (MAA)

TIV by brands, Dec 2024



Source: Malaysian Automotive Association (MAA)

Malaysia's Total Industry Volume (TIV) reached a record **816,747 vehicle sales in 2024**, surpassing the previous high of 799,821 units in 2023. This 2.1% year-on-year growth was driven primarily by **passenger car demand** amid a resilient economy. Only the passenger vehicle segment grew in 2024 (+3.9% to 747,180 units), while commercial vehicle sales fell (–13.8% to 69,567 units). Passenger cars consequently made up about 91% of TIV in 2024, up from ~90% in 2023, with commercial vehicles accounting for the remaining ~9%.

Major Brands in 2024: The market is dominated by the **two national manufacturers, Perodua and Proton**, which together captured about 62% of 2024 sales. Perodua achieved an all-time high of 358,102 units (approximately 44% market share), buoyed by popular affordable models. Proton sold 152,352 units (18.7% share) a slight dip from 2023 as some buyers waited for newer models. Among foreign brands, Toyota led with 102,300 units (12.5% share), followed by Honda with 81,600 units (~10% share). In aggregate, these **top four brands accounted for roughly 85%** of TIV. Other notable players included Mitsubishi, Mazda, BMW, and new entrants like Chery and BYD, though each of these held only low-single-digit market shares.

Dr Mohd Afzanizam Abdul Rashid – Chief Economist
Raja Zarina Raja Mohammad - Economist

Shifting Gears: Malaysia's Auto Market Enters a New Growth Phase

2025 Outlook

After three years of rapid growth, Malaysia's vehicle market is expected to **cool slightly in 2025.** The Malaysian Automotive Association (MAA) projects total industry volume (TIV) of 780,000 units—a 4.5% decline from 2024's peak—as demand normalises following the fulfilment of backlogged orders. Market observers generally anticipate a "soft landing," with **slightly lower volumes but still historically elevated levels**. The moderation is attributed to the high base effect, the expiry of pandemic-era sales tax exemptions, and fewer market catalysts. That said, **continued strength in affordable car sales**, particularly from national brands, is expected to cushion the slowdown, even as demand for premium models softens.

Several factors will influence 2025 sales:

1. **Expiry of fully tax-free CBU EV imports at end-2025** may pull forward some demand for electric cars (creating a "last chance" urgency).
2. **Significant new model launches** in 2025, which could stimulate purchases. Notably, both national carmakers are expected to introduce their first mass-market EVs. Perodua has hinted at launching an affordable EV by 2025 (potentially under RM100k), and Proton has announced the **Proton e.Mas 7** EV sedan (launched late 2024) with deliveries ramping up in 2025. These new EV and hybrid models – alongside international launches like the **Tesla Model 3 "Highland" and BYD Seal** – should generate excitement.

TIV 2025 vs 2024

MARKET SEGMENT	2025 (FORECAST)	2024 (ACTUAL)	VARIANCE	
			UNITS	%
Passenger vehicles	710,000	747,180	(37,180)	(5.0)
Commercial vehicles	70,000	69,567	433	0.6
Total vehicles	780,000	816,747	(36,747)	(4.5)

Source: Malaysian Automotive Association (MAA)

Top 3 registered vehicles as of Feb 2025

Fuel type: Petrol

1. Perodua: 54,627 units (45%)
2. Proton: 20,756 units (17%)
3. Toyota: 10,776 (9%)

Fuel type: Electric

1. BYD: 1,139 units (0.9%)
2. Proton: 1,001 units (0.8%)
3. Toyota: 456 (0.4%)

Source: Data.gov.my

Dr Mohd Afzanizam Abdul Rashid – Chief Economist
Raja Zarina Raja Mohammad - Economist

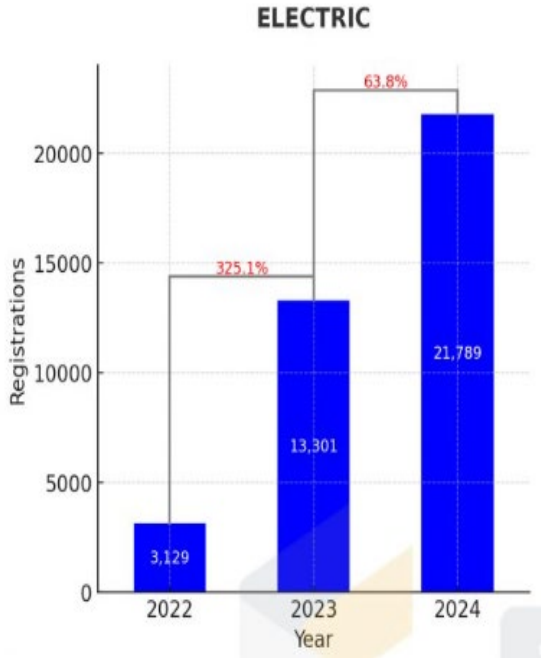
25 MARCH 2025

EV Momentum Builds in Malaysia: Record Sales, Modest Market Share

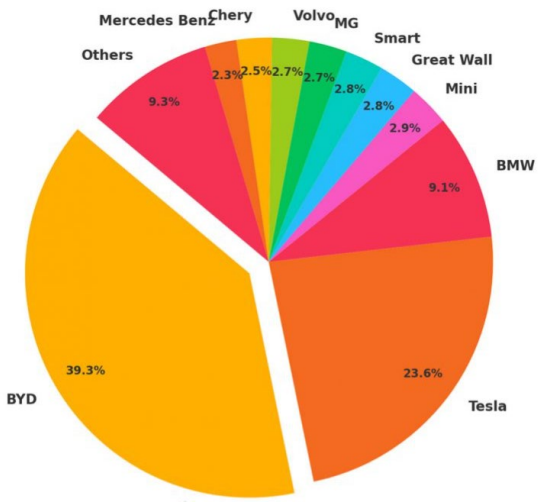
EV Sales and Market Share: Electric vehicle adoption, while still nascent, **accelerated sharply in Malaysia over the past two years**. In 2024, about 21,788 EVs were sold, giving EVs an estimated ~2.5% share of TIV. This is a record volume, up 64% from roughly 13,301 EVs in 2023. Government incentives (tax breaks) and new model launches have driven the surge, with EV penetration showing "promising signs of growth" albeit from a low base. Despite the rapid growth, pure EVs still accounted for less than 3% of new vehicles in 2024, **indicating significant room for expansion**.

Key EV Players (Brands and Models): Malaysia's 2024 EV market was dominated by two global automakers: **BYD (China) and Tesla (US)**, reflecting strong consumer interest in their models. Other notable EV brands included Mercedes-Benz EQ series, BMW i series, Volvo Recharge, and Hyundai/Kia EVs, but each of these caters to smaller segments (luxury or niche) and thus individually held much smaller shares. Several newcomers also made an impact: Great Wall Motors (with the Ora Good Cat EV) and smart (through Proton's subsidiary Pro-Net) contributed to BEV sales starting in 2023. Additionally, plug-in hybrids (PHEVs) from brands like Volvo, Mercedes, and BMW remained popular in the premium segment, though PHEVs are counted separately from full EVs.

Malaysia's vehicle registration in 2024, by fuel type



2024 EV Market Share (%)



Source: soyacincau, data.gov.my

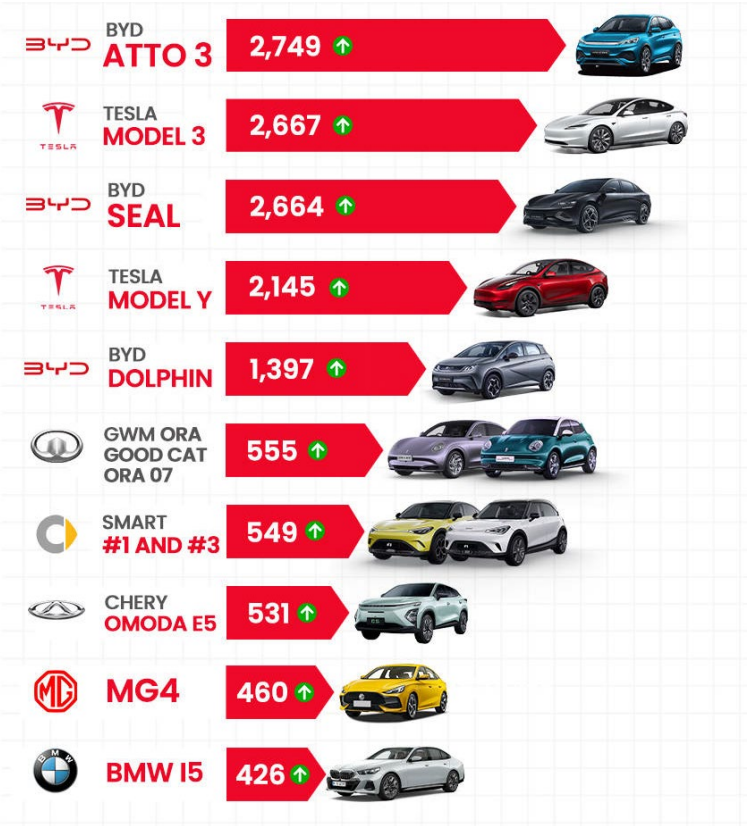
Dr Mohd Afzanizam Abdul Rashid – Chief Economist
Raja Zarina Raja Mohammad - Economist

Laying the Foundation: Malaysia Accelerates EV Assembly and Infrastructure

Local EV Production Initiatives: While 2024 EVs were mostly imports, steps were taken toward local EV assembly. Proton – in collaboration with its shareholder Geely – began **constructing a new EV production plant at Tanjung Malim in 2024**. The first phase, completing in 2025, will have capacity for 20,000 EVs per year (ramping to 45,000/year later) to produce models like the Proton e.MAS 7 for domestic and export markets. Perodua is also developing an EV (with technical input from Daihatsu/Toyota) aimed at the affordable segment, though production details are under wraps. These moves mean that by the later 2020s, **some EVs will be locally assembled (CKD)**, taking advantage of tax incentives for CKD EVs (exempt from excise duty until 2027).

EV Charging Infrastructure: Supporting the EV uptick is the expanding charging network. As of October 2024, Malaysia had over **3,300 public charging points** installed nationwide. This marks rapid growth from roughly 2,200–2,600 chargers earlier in the year. Fast chargers (DC) account for about 956 units, with the rest being slower AC chargers, which are more cost-effective. The government, via the Malaysia EV Charging Network (MEVnet) platform, has **a goal of 10,000 public chargers by 2025. This would further drive demand for EVs in Malaysia.** Charge Point Operators (CPOs) like ChargEV, Gentari, JomCharge, and Shell Recharge are key to expanding Malaysia's EV charging network. Government support, including the new Electric Vehicle Charging Bays (GPP EVCB) guidelines, ensures standardisation and safety across installations.

2024 Top selling EVs in Malaysia



Source: zigwheels.my, data.gov.my

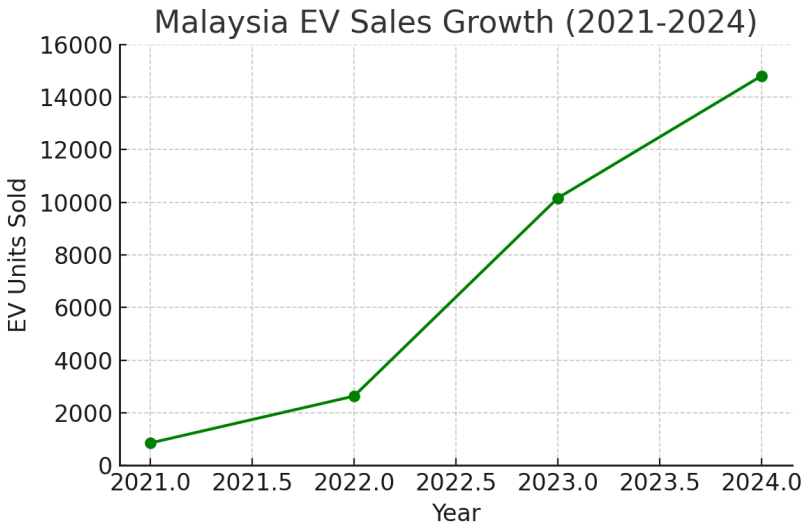
Dr Mohd Afzanizam Abdul Rashid – Chief Economist
Raja Zarina Raja Mohammad - Economist

Sector Outlook & Direction: Transitioning Towards Electrification

Malaysia's auto sector is at a turning point—**overall demand remains strong, but the spotlight is now on electric vehicles (EVs) as the main growth engine** for the coming decade. New EV model launches and the expected debut of a national EV by 2025 are fueling interest and competition in the market.

Still, EVs make up a **small portion of total sales**, with internal combustion engine (ICE) vehicles—especially affordable local models—remaining dominant for now. **Government support has been key in boosting EV adoption**, with incentives like full tax exemptions for imported EVs (CBU) until 2025 and locally assembled EVs (CKD) until 2027, road tax waivers, and tax breaks for EV infrastructure players.

These policies align with **Malaysia's goal of having 15%–20% of new car sales electrified by 2030.** However, the upcoming expiry of some incentives could slow momentum, prompting calls for extensions, especially for CBU EVs. **Higher fuel prices, particularly any adjustment in RON95, could also push more consumers toward EVs.** Going forward, both policy decisions and fuel costs will play a key role in shaping the EV transition.



Source: Data.gov.my

Dr Mohd Afzanizam Abdul Rashid – Chief Economist
Raja Zarina Raja Mohammad - Economist

Appendix: Top 30 EVs registered in Malaysia 2024

Model	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Total
BYD Atto 3	393	236	246	243	333	290	249	227	137	205	190	**220**	2,969
BYD Seal	0	138	406	296	581	343	298	205	124	143	130	**294**	2,958
Tesla Model 3	369	250	149	94	316	148	273	379	301	191	197	**157**	2,824
Tesla Model Y	4	8	858	268	320	289	47	57	147	72	75	**155**	2,300
BYD Dolphin	239	126	135	105	131	127	155	101	95	83	100	**34**	1,431
BYD Sealion	0	0	0	0	0	0	0	0	0	0	128	**513**	641
Great Wall Ora	15	16	39	75	68	64	111	60	37	37	33	**60**	615
Smart Brabus	49	83	34	36	37	43	58	63	58	49	39	**53**	602
BYD M6	0	0	0	0	0	0	0	0	0	100	235	**231**	566
Chery Omoda 5	0	1	73	170	80	82	23	42	23	16	21	**22**	553
MG MG4	0	0	0	36	96	65	66	56	36	39	66	**59**	519
BMW i5	1	0	63	42	39	34	56	58	84	33	16	**52**	478
BMW iX2	0	0	0	0	67	48	100	38	46	53	47	**78**	477
Xpeng G6	0	0	0	0	0	0	1	4	19	119	122	**131**	396
Porsche Taycan	28	16	40	28	28	23	18	23	42	46	36	**28**	356
Mini Countryman	0	0	0	0	0	0	69	87	47	50	60	**35**	348
BMW iX1	14	6	2	2	30	26	32	24	14	26	65	**44**	285
BMW i4	7	2	17	31	45	26	37	21	13	19	10	**12**	240
BMW i7	41	32	32	16	14	12	15	15	18	9	4	**25**	233
Neta V	23	7	3	13	21	33	59	19	18	12	14	**8**	230
Volvo C40	12	11	19	26	37	17	15	37	19	13	11	**7**	224
BMW iX	42	21	28	9	16	21	17	15	25	7	1	**15**	217
Mercedes Benz EQE	13	16	25	14	11	19	17	21	20	23	15	**22**	216
Lotus Eletre	42	1	5	32	57	29	18	8	5	5	4	**8**	214
Volvo XC40	15	18	31	10	9	14	6	34	10	42	4	**17**	210
Mini Cooper	11	2	3	2	0	0	56	40	47	26	7	**8**	202
Volvo EX30	0	0	0	0	0	0	0	20	21	45	19	**44**	149
Mercedes Benz EQS	7	5	6	10	7	15	19	21	5	8	6	**18**	127
Hyundai Ioniq 6	0	1	0	22	37	63	0	0	0	0	0	**0**	123
Mercedes Benz EQA	14	8	17	9	4	8	7	9	3	2	12	**10**	103

Source: Data.gov.my

Dr Mohd Afzanizam Abdul Rashid – Chief Economist
Raja Zarina Raja Mohammad - Economist

Appendix: Various new EV/PHEV models

BYD Atto 3 Ultra

JAC T9 EV pick-up truck

Xpeng X9

Jaecoo J7 PHEV

Mercedes-Maybach EQS SUV

Tesla Y Juniper

BMW 530i M Sport

Source: Paultan (accessed on 25th March 2025)