COMPANY UPDATE

2025. 11. 26

Finance/Consumer Goods Team

Hyein Lee
Analyst
hyeining.lee@samsung.com

Scan to go to
Research Center report database

Musinsa (Unlisted)

K-fashion brands' global expansion partner

- In 1H, Musinsa recorded a gross merchandise value (GMV) of KRW2.3t (up 15.4% y-y), sales of KRW670.5b (up 22% y-y), and an operating profit of KRW58.8b (up 23% y-y), for an operating margin of 8.8%.
- The company should keep posting solid growth, led by: 1) category diversification; 2) Musinsa Standard store openings; and 3) overseas expansions (helping K-fashion brands grow globally).
- As K-fashion brands' growth potential has been proven in key Asian markets, Musinsa's K-fashion brand distribution business should expand in line with the rising popularity of K-fashion brands.

Keeps posting high growth, despite domestic apparel market slump: Musinsa again delivered strong results in 1H, with gross merchandise value (GMV) rising 15.4% y-y to KRW2.3t, sales expanding 22% y-y to KRW670.5b, and operating profit climbing 23% y-y (for an operating margin of 8.8%). By segment: 1) platform sales (merchandise + commission sales) rose 20% y-y to KRW455.2b (68% of its total sales); and 2) product sales (Musinsa Standard sales) climbed 33% y-y to KRW195.7b (29% of its total sales). In summary, despite the slump in the domestic apparel market, the company posted high sales growth y-y in 1H, led by all-round strength.

We believe Musinsa's growth is sustainable, given: 1) its category diversification; 2) additional Musinsa Standard store openings; and 3) its international expansion.

1) Category diversification: Musinsa is broadening its portfolio beyond fashion into beauty, sports, lifestyle, and other segments. The firm's total addressable market (TAM) could reach KRW62.5t when including adjacent segments such as beauty (KRW6.9t) and lifestyle (KRW39.8t), on top of online fashion (KRW15.8t). Category diversification should ensure additional growth over the longer term.

2) Musinsa Standard store expansion: Musinsa is focusing on opening more Musinsa Standard (its private label brand) stores in Korea. The company operates 28 Musinsa Standard stores at present, with a goal of boosting the number to more than 30 this year. Backed by aggressive new-store openings, the company saw Musinsa Standard sales jump 33% y-y in 1H. As major global fast-fashion brands have 40-130 stores in Korea (each), the Musinsa Standard brand has room to open more stores, brightening Musinsa's growth outlook.

(Continued on the next page)

3) Overseas expansion (centered on Asia): The company is accelerating its global push through multiple initiatives, especially in Asia: 1) launching Global Store (export business); 2) setting up a JV with China's Anta Sports and opening a flagship store within Chinese e-commerce platforms (*eg*, Tmall); and 3) opening stores for major K-fashion brands (*eg*, Matin Kim) in Japan and opening a shop within Japan's largest fashion e-commerce platform Zozo Town. With K-fashion brands' growth potential well-proven in global markets, the company's global business should serve as its key earnings growth driver. Indeed, the company's global transactions (global platform + Japanese sales) stood at KRW42.9b in 1H (up 44% y-y). Going forward, the company's solid growth should be sustained, led by: 1) a hike in GMV (thanks to K-fashion's popularity); and 2) a rise in the number of K-fashion brands going abroad (about 2,000 Korean brands are available in overseas markets via Global Store, and it has room to raise the number—it has signed up about 8,500 Korean brands to its platforms).

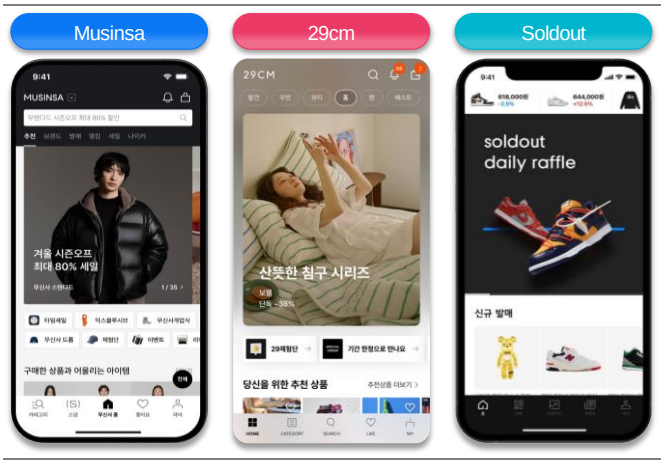
Company overview: From street fashion community to global player

Musinsa was established in 2001 as a street fashion community for sneaker enthusiasts by CEO Cho Man-ho. The name is a Korean abbreviation meaning 'a place with exceptional sneaker photography'. In 2003, the company launched Musinsa.com as a web magazine and opened its first Musinsa Store (an all-in-one fashion platform) in 2009, connecting consumers with a wide variety of fashion brands. Since then, it has expanded its platform portfolio to include 29cm (a premium designer brand platform), Soldout (a resale platform for limited-edition products), and its own private label (Musinsa Standard). The company also supports emerging designers and small brands through incubation programs, and it is pursuing overseas growth via the Musinsa Global Platform and offline pop-up events. Musinsa is evolving into a comprehensive fashion company.

Musinsa ('a place with exceptional sneaker photography') / Musinsa.com web magazine (2005)

Source: Musinsa, Samsung Securities

Musinsa's operating platform

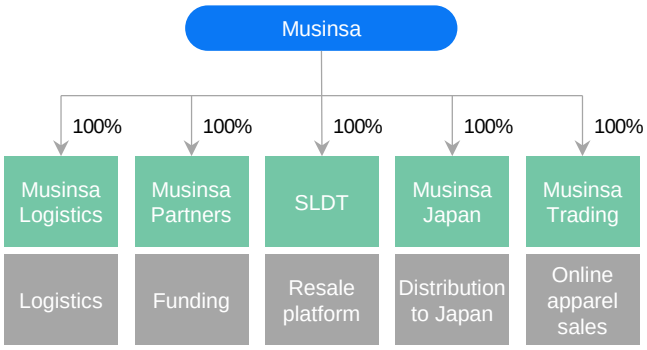


Source: Musinsa, Samsung Securities

The company operates 17 subsidiaries, with key ones including: 1) SLDT, operator of Soldout, which was merged with Musinsa in Mar 2025; 2) Musinsa Japan; and 3) Musinsa Partners, which oversees

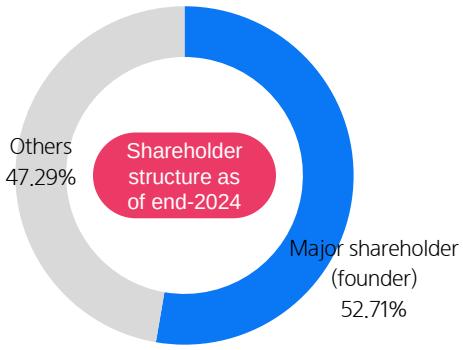
brand investments. As of end-2024, founder Cho Man-ho held a 53% stake in the firm. Other major investors include Sequoia Capital, IMM Investment, KKR, and Wellington Management.

Musinsa: Governance structure



Source: Musinsa, Samsung Securities

Musinsa: Shareholder structure



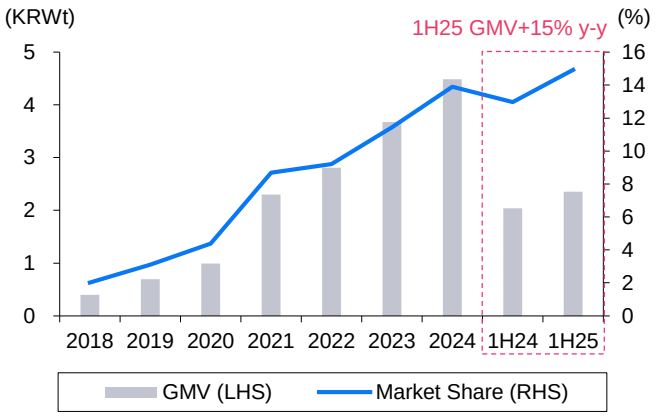
Source: Musinsa, Samsung Securities

Sales soar 22% y-y in 1H

Musinsa again delivered strong results in 1H, with its gross merchandise value (GMV) increasing 15.4% y-y to KRW2.3t, sales expanding 22% y-y to KRW670.5b, and operating profit rising 23% y-y (for an operating margin of 8.8%). By segment: 1) platform sales (merchandise + commission sales) gained 20% y-y to KRW455.2b (68% of its total sales); and 2) product sales (Musinsa Standard sales) climbed 33% y-y to KRW195.7b (29% of its total sales). In summary, despite the slump in the domestic apparel market, the company posted high sales growth y-y in 1H, led by all-round strength.

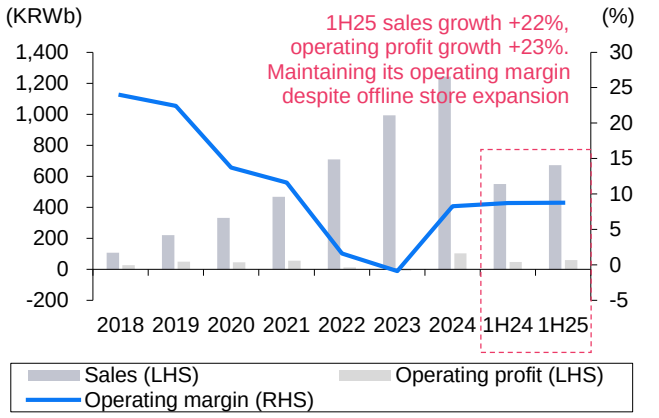
Meanwhile, Musinsa's operating profit rose 23% y-y to KRW58.8b in 1H. The y-y improvement likely owed partially to a narrowing of the operating loss at consolidated subsidiary SLDT (loss of KRW3.4b vs KRW9.4b in 1H24). Musinsa's operating margin likely came in flat y-y at 8.8%. We see the figure as stable considering the company's focus on top-line growth in 1H—*eg*, it opened 9 more Musinsa Standard stores (exclusively selling its private label products) in 2H25 (it opened 6 stores in 1H25), opened more Musinsa fashion edit shops (Musinsa Store, which sells a wide variety of trendy K-fashion brands and global lifestyle brands), and opened more stores overseas.

Musinsa's GMV and market share trend



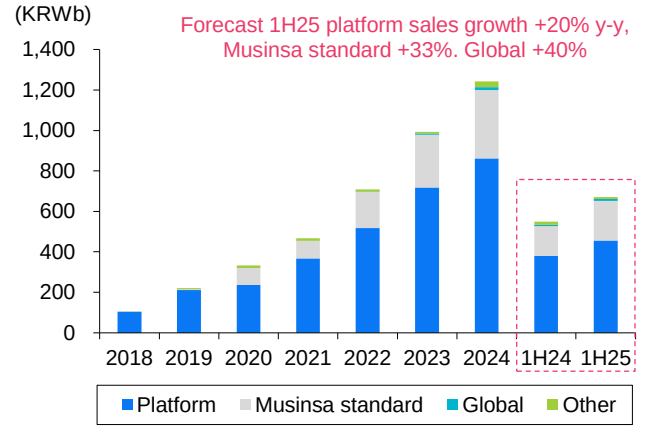
Note: Market share relative to the size of the online fashion industry
Source: Musinsa, Statistics Korea, Samsung Securities

Musinsa's sales, operating profit, and operating margin



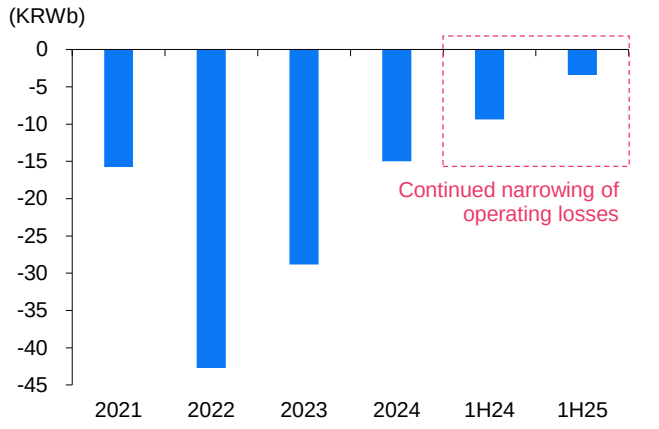
Source: Musinsa, Samsung Securities

Musinsa's sales, by business



Note: Global revenue estimated based on GMV
Source: Musinsa, Samsung Securities

SLDT (Soldout): Operating margin



Source: Musinsa, Samsung Securities

Secures growth engines via category diversification, Musinsa Standard store openings, and overseas expansion

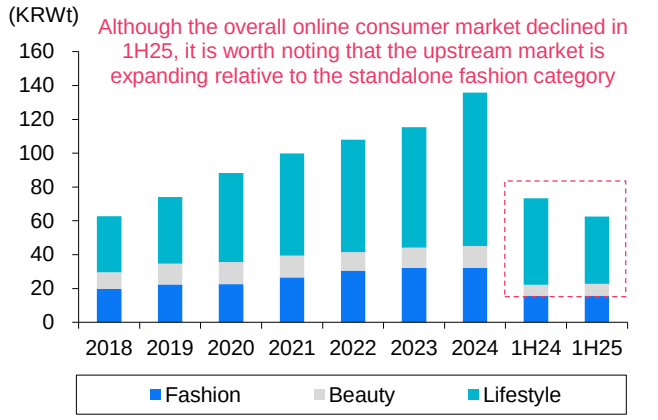
Category diversification lends support to GMV growth

Musinsa has expanded beyond fashion into beauty, sports, and lifestyle categories, and such an expansion helped its platform sales grow in 1H—*eg*, its platform sales jumped 20% y-y to KRW455.2b. We see its category expansion efforts as positive, as it should allow the firm to secure longer-term growth.

In 1H, the Korean online fashion market grew just 0.4% y-y to KRW15.8t, reflecting a broader slump for the domestic fashion industry. However, including categories such as beauty (KRW6.9t) and lifestyle (KRW39.8t) would bring its total addressable market (TAM) to KRW62.5t, 4x larger than the fashion segment alone.

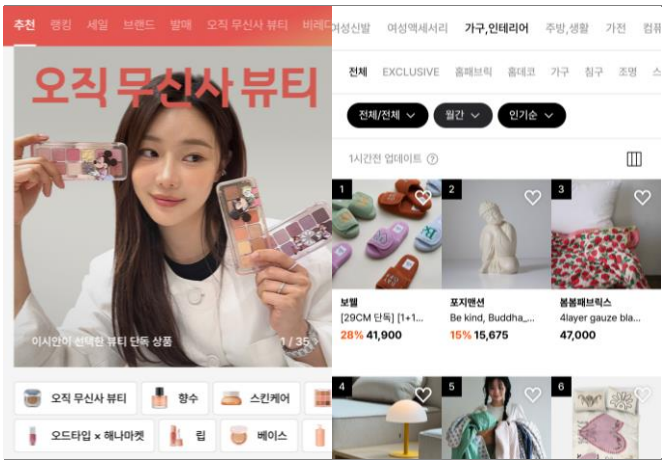
Musinsa currently handles around KRW2.3t in fashion transactions *pa* (as of 1H), or 15% of the domestic online fashion market. If it captures just a 2-3% share in these non-fashion categories over the next five years (after launching a mobile app in 2014, Musinsa saw its market share rise to 2% of fashion transactions in 2018 and 3% in 2019), its GMV could rise by KRW1.8t-2.8t *pa*.

TAM expansion being driven by category diversification



Note: Expansion scale across other categories - sports, kids, and household goods
Source: Statistics Korea, Samsung Securities

Musinsa Beauty, 29cm Home



Source: Musinsa, Samsung Securities

Musinsa: Category diversification efforts

	Musinsa Beauty	29cm
Platform overview	Launched in Mar 2024	Strengthened category-specialized section (29cm Beauty, 29cm Home) in 2023
GMV growth	GMV grew 5x y-y as of Mar 2024	GMV reached KRW1t in 2024, aided by growth in beauty and home categories
Key promotion	'Musinsa Beauty Festa' (3 weeks, large-scale discounts + brand collaborations)	Enhanced brand visibility by '29cm Beauty week' and short-form videos
Brand onboardings	3CE, Clio, RoundLab, *etc.*	Expanded premium home brands such as Le Creuset and Sabre, along with beauty brands like Farmacy
Customer response	Rising preference for an integrated fashion and beauty shopping experience	Curations reflecting MZ-generation preferences (home decoration, desk-terior)

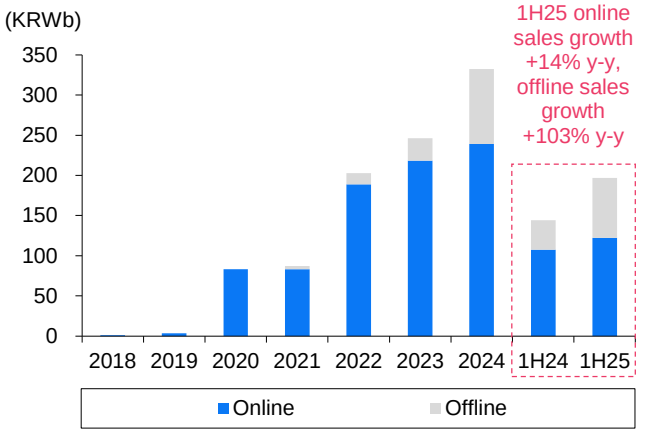
Source: Media coverage, Samsung Securities

Musinsa Standard to enjoy additional growth via more store openings

With growth of the global economy slowing, consumers are gravitating towards affordable 'Specialty store retailer of Private label Apparel' (SPA; otherwise known as fast-fashion) brands such as Uniqlo, Zara, H&M, and Topten. In this context, Musinsa Standard—a leading Korean SPA brand—is gaining traction by doubling down on two fronts: Essential basics and value for money. Musinsa Standard intends to keep expanding via opening more offline stores in Korea.

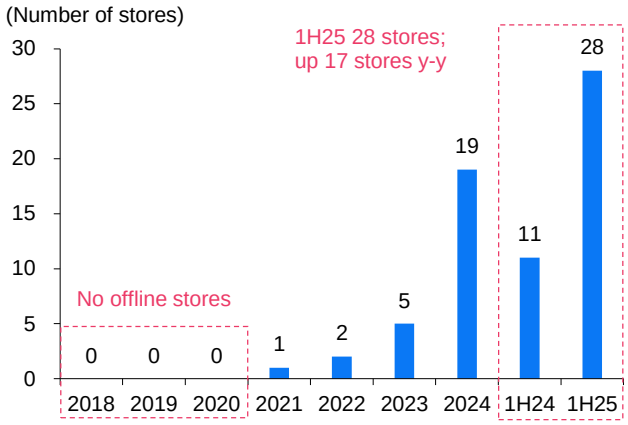
Musinsa Standard operates 28 stores nationwide, and plans to increase the number to 30 this year. Led by new store openings, its sales grew 33% y-y in 1H. Given that key fast-fashion brands in Korea have 40-130 stores each, Musinsa Standard has room to open more stores over the longer term. It should enjoy new store-driven sales growth going forward.

Musinsa Standard: Online and offline revenue



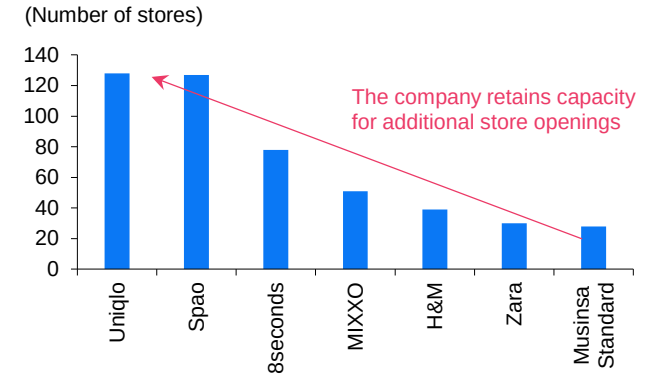
Source: Musinsa, Samsung Securities

Musinsa Standard: Number of offline stores



Source: Musinsa, Samsung Securities estimates

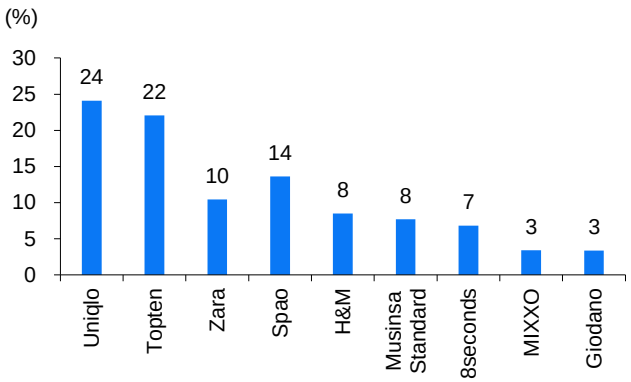
Major fast-fashion brands: Number of stores in Korea



Note: As of 2024

Source: Company data, Press coverage, Samsung Securities

SPA market share in Korea, by brand



Source: Company data, Samsung Securities

Overseas expansion—Musinsa makes Korean brands available to overseas buyers via Global Store

The firm is accelerating its global push through multiple initiatives, especially in Asia: 1) launching Global Store (export business); 2) setting up a JV with China's Anta Sports and opening a flagship store within Chinese e-commerce platforms (*eg*, Tmall); and 3) opening a store for major K-fashion brands (*eg*, Matin Kim) in Japan and opening a shop within Japan's largest fashion e-commerce platform Zozo Town.

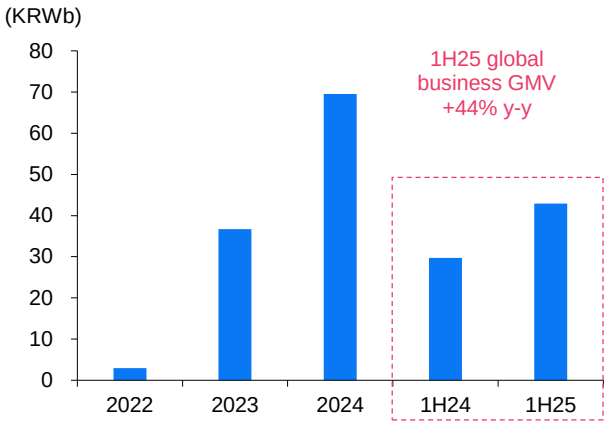
With K-fashion brands' growth potential already well-proven in the global market, the company's global business should serve as its key earnings growth driver. Indeed, in 1H, the company's global transactions (global platform + Japanese sales) rose to KRW42.9b (up 44% y-y). Going forward, the company's solid growth should be sustained by: 1) a hike in its GMV (thanks to K-fashion's popularity); and 2) a rise in the number of K-fashion brands going abroad (about 2,000 Korean brands are available

in overseas markets via Global Store, and it has room to raise the number—it has signed up about 8,500 Korean brands to its platforms).

K-fashion brands see Musinsa as global expansion partner

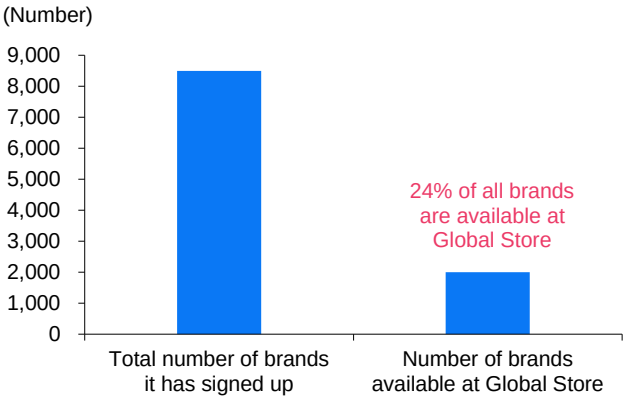
K-fashion brands find it more efficient to go global via Musinsa. Popular K-fashion brands remain relatively small, and face global expansion difficulties due to: 1) high initial investment costs; 2) brand management troubles; and 3) headaches related to negotiations with large-scale, local distributors. In other words, they find overseas expansion via Musinsa as being less risky and more efficient. Musinsa should see its brand retention rate remain high.

Musinsa: Global business GMV



Source: Musinsa, Samsung Securities

Musinsa: Total number of brands it has signed up vs number of brands available at Global Store



Source: Musinsa, Samsung Securities

Compliance notice

- As of 11/25 2025, the covering analyst(s) did not own any shares, or debt instruments convertible into shares, of any company covered in this report.
- As of 11/25 2025, Samsung Securities' holdings of shares and debt instruments convertible into shares of each company covered in this report would not, if such debt instruments were converted, exceed 1% of each company's outstanding shares.
- This report has been prepared without any undue external influence or interference, and accurately reflects the views of the analyst(s) covering the company or companies herein.
- All material presented in this report, unless specifically indicated otherwise, is under copyright to Samsung Securities.
- Neither the material nor its content (including copies) may be altered in any form, or by any means transmitted, copied, or distributed to another party, without prior express written permission from Samsung Securities.
- This memorandum is based upon information available to the public. While we have taken all reasonable care to ensure its reliability, we do not guarantee its accuracy or completeness. This memorandum is not intended to be an offer, or a solicitation of any offer, to buy or sell the securities mentioned herein. Samsung Securities shall not be liable whatsoever for any loss, direct or consequential, arising from the use of this memorandum or its contents. Statements made regarding affiliates of Samsung Securities are also based upon publicly available information and do not necessarily represent the views of management at such affiliates.
- This material has not been distributed to institutional investors or other third parties prior to its publication.

Global Disclosures & Disclaimers

General

This research report is for information purposes only. It is not and should not be construed as an offer or solicitation of an offer to purchase or sell any securities or other financial instruments or to participate in any trading strategy. This report does not provide individually tailored investment advice. This report does not take into account individual client circumstances, objectives, or needs and is not intended as recommendations of particular securities, financial instruments or strategies to any particular client. The securities and other financial instruments discussed in this report may not be suitable for all investors. The recipient of this report must make its own independent decisions regarding any securities or financial instruments mentioned herein and investors should seek the advice of a financial adviser.

This report may not be altered, reproduced, distributed, transmitted or published in whole or in part for any purpose. References to "Samsung Securities" are references to any company in the Samsung Securities, Co., Ltd. group of companies.

Samsung Securities and/or other affiliated companies, its and their directors, officers, representatives, or employees may have long or short positions in any of the securities or other financial instruments mentioned in this report or of issuers described herein and may purchase and/or sell, or offer to purchase and/or sell, at any time, such securities or other financial instruments in the open market or otherwise, as either a principal or agent. Any pricing of securities or other financial instrument contained herein is as of the close of market for such day, unless otherwise stated. Opinions and estimates contained herein constitute our judgment as of the date of this report and are subject to change without notice.

The information provided in this report is provided "AS IS". Although the information contained herein has been obtained from sources believed to be reliable, no representation or warranty, either expressed or implied, is provided by Samsung Securities in relation to the accuracy, completeness or reliability of such information or that such information was provided for any particular purpose and Samsung Securities expressly disclaims any warranties of merchantability or fitness for a particular purpose. Furthermore, this report is not intended to be a complete statement or summary of the securities, markets or developments referred to herein.

Samsung Securities does not undertake that investors will obtain any profits, nor will it share with investors any investment profits. Samsung Securities, its affiliates, or any of its and their affiliates, directors, officers, employees or agents disclaim any and all responsibility or liability whatsoever for any loss (direct or consequential) or damage arising out of the use of all or any part of this report or its contents or otherwise arising in connection therewith. Information and opinions contained herein are subject to change without notice. Past performance is not indicative of future results. Foreign currency rates of exchange may adversely affect the value, price or income of any security or financial instrument mentioned in this report. For investment advice, trade execution or other enquiries, clients should contact their local sales representative. Any opinions expressed in this report are subject to change without notice and may differ or be contrary to opinions expressed by other business areas or groups of Samsung Securities. Any analysis contained herein is based on numerous assumptions. Different assumptions may result in materially different results. Samsung Securities is under no obligation to update or keep current the information contained herein. Samsung Securities relies on information barriers to control the flow of information contained in one or more areas or groups within Samsung Securities into other areas or groups of Samsung Securities. Any prices stated in this report are for information purposes only and do not represent valuations for individual securities or other financial instruments. Samsung Securities makes no representation that any transaction can or could have been effected at those prices and any prices contained herein may not reflect Samsung Securities' internal books and records or theoretical model-based valuations and may be based on certain assumptions. Different assumptions by Samsung Securities or any other source may yield substantially different results. Additional information is available upon request.

For reports to be distributed to US:

Securities research is prepared, issued and exclusively distributed by Samsung Securities Co., Ltd., an organization licensed with the Financial Supervisory Service of South Korea. This research may be distributed in the United States only to major institutional investors as defined in Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended, and may not be circulated to any other person otherwise. All transactions by U.S. investors involving securities discussed in this report must be effected through Samsung Securities (America) Inc., a broker-dealer registered with the U.S. Securities & Exchange Commission and a member of the Financial Industry Regulatory Authority/SIPC, and not through any non-U.S. affiliate thereof. The analysts listed [on the front of this report] are employees of Samsung Securities Co., Ltd., or a non-U.S. affiliate thereof, and are not registered/qualified as research analysts under applicable U.S. rules and regulations and may not be subject to U.S. restrictions on communications with covered companies, public appearances, and trading securities held by a research analyst account.

For reports to be distributed to UK:

This report is not an invitation nor is it intended to be an inducement to engage in investment activity for the purpose of section 21 of the Financial Services and Markets Act 2000 of the United Kingdom ("FSMA"). To the extent that this report does constitute such an invitation or inducement, it is directed only at (i) persons who are investment professionals within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2001 (as amended) of the United Kingdom (the "Financial Promotion Order"); (ii) persons who fall within Articles 49(2)(a) to (d) ("high-net-worth companies, unincorporated associations etc.") of the Financial Promotion Order; and (iii) any other persons to whom this report can, for the purposes of section 21 of FSMA, otherwise lawfully be made (all such persons together being referred to as "relevant persons").

Any investment or investment activity to which this report relates is available only to relevant persons and will be engaged in only with relevant persons. Persons who are not relevant persons must not act or rely on this report.

For reports to be distributed to Korea:

This report is for private circulation only, not for sale, and is issued and distributed only to persons permitted under the laws and regulations of Korea.

For reports to be distributed to Singapore:

This report is provided pursuant to the financial advisory licensing exemption under Regulation 27(1)(e) of the Financial Advisers Regulation of Singapore and accordingly may only be provided to persons in Singapore who are "institutional investors" as defined in Section 4A of the Securities and Futures Act, Chapter 289 of Singapore. This report is intended only for the person to whom Samsung Securities has provided this report and such person may not send, forward or transmit in any way this report or any copy of this report to any other person.

Analyst certification

The views expressed in this research report accurately reflect the personal views of the analyst(s) about the subject securities or issuers and no part of the compensation of such analyst(s) was, is, or will be directly or indirectly related to the inclusion of specific recommendations or views in this research report. The analyst(s) principally responsible for the preparation of this research report receives compensation based on determination by research management and senior management (not including investment banking), based on the overall revenues, including investment banking revenues of Samsung Securities Co., Ltd. and its related entities and has taken reasonable care to achieve and maintain independence and objectivity in making any recommendations.

Copyright © 2010 Samsung Securities Co., Ltd. All rights reserved. This report or any portion hereof may not be reprinted, sold or redistributed without the prior written consent of Samsung Securities America Inc

Samsung Securities

SAMSUNG SECURITIES

Samsung Electronics Bldg., 11, 74-gil,
Seochodae-ro, Seocho-gu, Seoul, Korea 06620
Tel: 02 2020 8000 / www.samsungpop.com

Family Center: 1588 2323

Voice Of Customer: 080 911 0900

**For more information,
please call our sales representatives:**

LONDON

Samsung Securities Europe Limited
1st Floor, 30 Gresham Street, London EC2V 7PG UK
Tel. 44-207-776-4311
Fax. 44-203-837-9219

NEW YORK

Samsung Securities America Limited
1330 Avenue of the Americas. 10th Floor. New York,
NY 10019
Tel: 1-212-972-2454
Fax: 1-212-972-2704

HONG KONG

Samsung Securities (Asia) Limited
Suite 4511, Two International Finance Center,
8 Finance Street, Central, Hong Kong
Tel: 852-3411-3608
Fax: 852-2114-0290

BEIJING

Samsung Securities Beijing Representative Office
Rm. 910, The Exchange Building No 118 JianGuo Lu, Chao
Yang District, Beijing, China
Tel: 86-10-6522-1855 (extension 7891)
Fax: 86-10-6522-1855 (extension 7889)

TOKYO

Samsung Securities Tokyo Representative Office
#106-8532 19F, Roppongi T-Cube 3-1-1,
Roppongi Minato-ku Tokyo, Japan
Tel: 81-3-6333-2952
Fax: 81-3-6333-2953

Member of
Dow Jones
Sustainability Indices
Powered by the S&P Global CSA