
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 14, 2025

PROFESSIONAL DIVERSITY NETWORK, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-35824
(Commission
File Number)

80-0900177
(I.R.S. Employer
Identification No.)

55 E. Monroe Street, Suite 2120, Chicago, Illinois 60603
(Address of principal executive offices)

Registrant's telephone number, including area code: (312) 614-0950

N/A

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class
Common Stock, \$.01 par value

Trading Symbol(s)
IPDN

Name of each exchange on which registered
The NASDAQ Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.02. Results of Operations and Financial Condition

On May 14, 2025, the Company issued a press release, a copy of which is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits

99.1 [Press Release dated May 14, 2025.](#)

104 Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Professional Diversity Network, Inc.

Date: May 14, 2025

/s/ Megan Bozzuto

Megan Bozzuto, Interim Chief Financial Officer



Professional Diversity Network, Inc. Announces Financial Results for the Quarter Ended March 31, 2025

Chicago, IL, May 14, 2025 (GLOBE NEWSWIRE) — Professional Diversity Network, Inc. (NASDAQ: IPDN), (“IPDN” or the “Company”), a global developer and operator of online and in-person networks that provides access to networking, training, educational and employment opportunities for diverse individuals, today announced its financial results for the quarter ended March 31, 2025.

“Despite ongoing market challenges, we have attracted increased investor interest, driven by enhanced operational efficiency and stronger cost control measures. Since December, our new investor, Aurous Vertex Limited, has committed approximately \$1.8 million to the company,” said Adam He, CEO of Professional Diversity Network, Inc. “At the same time, we are advancing the transformation of our platform’s technological infrastructure through AI integration and strategic revenue diversification. To support this initiative, we invested \$1.3 million in AI Geometric Ltd., securing a 13% equity stake to further strengthen our AI-driven recruitment ecosystem.”

First Quarter Financial Highlights:

- The consolidated net loss from continuing operations for the three months ended March 31, 2025 decreased approximately \$66,000 or 8.2%, as compared to the same period in the prior year.
- Net cash used in operating activities from continuing operations for the three months ended March 31, 2025, was approximately \$284,000, a reduction of approximately \$259,000 compared to the same period in the prior year.

Financial Results for the Three Months Ended March 31, 2025

Revenues

Total revenues for the three months ended March 31, 2025 decreased approximately \$222,000, or 12.9%, to approximately \$1,505,000 from approximately \$1,727,000 during the same period in the prior year. The decrease was predominantly attributable to an approximate \$188,000 decrease in recruitment services due to the Executive Orders targeting diversity, equity, and inclusion programs in the public and private sectors and an approximate \$31,000 decrease in membership and related services.

During the three months ended March 31, 2025, our TalentAlly Network generated approximately \$921,000 in comparable revenues compared to approximately \$1,115,000 in revenues during the three months ended March 31, 2024, a decrease of approximately \$194,000 or 17.4%.

During the three months ended March 31, 2025, NAPW Network revenues were approximately \$96,000, compared to revenues of approximately \$127,000 during the same period in the prior year, a decrease of approximately \$31,000 or 24.4%.

During the three months ended March 31, 2025, RemoteMore revenue was approximately \$488,000, compared to revenues of approximately \$485,000 during the same period in the prior year, an increase of approximately \$3,000, or 0.6%.

Costs and Expenses

Cost of revenues during the three months ended March 31, 2025 was approximately \$719,000, an increase of approximately \$66,000, or 10.1%, from approximately \$653,000 during the same period of the prior year.

Sales and marketing expense during the three months ended March 31, 2025 was approximately \$571,000, a decrease of approximately \$259,000, or 31.2%, from \$830,000 during the same period in the prior year.

General and administrative expenses during the three months ended March 31, 2025 decreased by approximately \$116,000, or 11.7%, to approximately \$879,000, as compared to approximately \$995,000 the same period in the prior year.

Net Loss from Continuing Operations, Net of Tax

As a result of the factors discussed above, during the three months ended March 31, 2025, we incurred a net loss from continuing operations of approximately \$741,000, a decrease in the net loss of approximately \$66,000, compared to a net loss of approximately \$807,000 during the three months ended March 31, 2024.

Summary of the Quarter's Financial Information

Amounts in following tables are in thousands except for per share amounts and outstanding shares.

Summary of Financial Position

| | March 31, 2025 | December 31, 2024 |
|---|---------------------------|------------------------------|
| | (in thousands) | |
| Current Assets: | | |
| Cash and cash equivalents | \$ 496 | \$ 1,731 |
| Other current assets | 1,291 | 1,496 |
| Total current assets | \$ 1,787 | \$ 3,227 |
| Long-term assets | 5,952 | 4,755 |
| Total Assets | <u>\$ 7,739</u> | <u>\$ 7,982</u> |
| Total current liabilities | \$ 3,280 | \$ 2,956 |
| Total long-term liabilities | 160 | 185 |
| Total liabilities | \$ 3,440 | \$ 3,141 |
| Total stockholders' equity | 4,915 | 5,322 |
| Total stockholders' equity – noncontrolling interests | (616) | (481) |
| Total liabilities and stockholders' equity | <u>\$ 7,739</u> | <u>\$ 7,982</u> |

Summary of Financial Operations

| | Three Months Ended March 31, | | Change (Dollars) | Change (Percent) |
|--|---------------------------------|-----------|---------------------|---------------------|
| | 2025 | 2024 | | |
| | (in thousands) | | | |
| Revenues: | | | | |
| Membership fees and related services | \$ 96 | \$ 127 | \$ (31) | (24.4)% |
| Recruitment services | 916 | 1,104 | (188) | (17.0)% |
| Contracted software development | 488 | 485 | 3 | 0.6% |
| Consumer advertising and marketing solutions | 5 | 11 | (6) | (54.5)% |
| Total revenues | \$ 1,505 | \$ 1,727 | \$ (222) | (12.9)% |
| Cost and expenses: | | | | |
| Cost of revenues | \$ 719 | \$ 653 | \$ 66 | 10.1% |
| Sales and marketing | 571 | 830 | (259) | (31.2)% |
| General and administrative | 879 | 995 | (116) | (11.7)% |
| Depreciation and amortization | 41 | 52 | (11) | (21.2)% |
| Total pre-tax cost and expenses: | \$ 2,210 | \$ 2,530 | \$ (320) | (12.6)% |
| Consolidated net loss from continuing operations, net of tax | \$ (741) | \$ (807) | \$ 66 | 8.2% |
| Basic and diluted loss per share: | | | | |
| Net loss per share | \$ (0.39) | \$ (0.70) | | |
| Weighted average outstanding shares used in computing net loss per common share: | | | | |
| Basic and diluted | 1,893,493 | 1,148,118 | | |

Summary of Cash Flows from Continuing Operations

| | Three Months Ended March 31, | |
|--|------------------------------|-----------------|
| | 2025 | 2024 |
| Cash (used in) provided by continuing operations | (in thousands) | |
| Operating activities | \$ (284) | \$ (543) |
| Investing activities | (1,300) | (83) |
| Financing activities | 349 | 95 |
| Net increase in cash and cash equivalents from continuing operations | <u>\$ (1,235)</u> | <u>\$ (531)</u> |

Professional Diversity Network, Inc. and Subsidiaries

Non-GAAP (Adjusted) Financial Measures

We believe Adjusted EBITDA provides a meaningful representation of our operating performance that provides useful information to investors regarding our financial condition and results of operations. Adjusted EBITDA is commonly used by financial analysts and others to measure operating performance. Furthermore, management believes that this non-GAAP financial measure may provide investors with additional meaningful comparisons between current results and results of prior periods as they are expected to be reflective of our core ongoing business. However, while we consider Adjusted EBITDA to be an important measure of operating performance, Adjusted EBITDA and other non-GAAP financial measures have limitations, and investors should not consider them in isolation or as a substitute for analysis of our results as reported under GAAP. Further, Adjusted EBITDA, as we define it, may not be comparable to EBITDA, or similarly titled measures, as defined by other companies.

The following non-GAAP financial information in the tables that follow are reconciled to comparable information presented using GAAP, derived by adjusting amounts determined in accordance with GAAP for certain items presented in the accompanying selected operating statement data.

The adjustments for the three months ended March 31, 2025 relate to stock-based compensation, loss attributable to noncontrolling interest, depreciation and amortization, interest and other income and income tax expense (benefit).

| | Three Months Ended March 31, | |
|--|------------------------------|------------------------|
| | 2025 | 2024 |
| | (in thousands) | |
| Loss from Continuing Operations, net of tax | \$ (741) | \$ (807) |
| Stock-based compensation | 37 | 83 |
| Loss attributable to noncontrolling interest | 19 | 15 |
| Depreciation and amortization | 41 | 52 |
| Other (expense) income, net | 36 | 2 |
| Income tax expense (benefit) | - | 2 |
| Adjusted EBITDA | <u>\$ (608)</u> | <u>\$ (653)</u> |

About Professional Diversity Network

Professional Diversity Network, Inc. (NASDAQ: IPDN) is a holding company and operates three business units: TalentAlly, LLC, NAPW, Inc. and RemoteMore USA, Inc

TalentAlly, LLC ("TalentAlly" or "TalentAlly Network") consists of several online professional job seeker communities dedicated to serving professionals in the United States and employers seeking to hire talent from a wide range of sources with many demographics represented. We use the word "professional" to describe any person interested in TalentAlly's websites or career fairs presumably for the purpose of career advancement or related benefits offered by the Company, whether or not such person is employed and regardless of the level of education or skills possessed by such person. Leveraging the power of our affinity job seeker groups, these professionals harness the relationships with employers and recruiters to help advance their careers. TalentAlly operate these recruitment affinity groups within the following sectors: Women, Hispanic-Americans, African-Americans, Asian-Americans, persons with disabilities, Military Professionals, and LGBTQ+. In addition, the Company also manages the job seeker websites and career fairs for prominent diverse membership-based organizations, including but not limited to NAACP, National Urban League, and Kappa Alpha Psi. Employers and recruiters benefit from the Company's relationship with these organizations, which allows them to access a large pool of qualified job seekers in a centralized manner. TalentAlly is 100% owned and operated by PDN, Inc.

NAPW Network Inc. ("NAPW" or "NAPW Network") is a networking organization for professional women, whereby its members can develop their professional networks, further their education and skills, and promote their business and career accomplishments. NAPW provides its members with opportunities to network and develop valuable business relationships with other professionals through its website, as well as at virtual and in-person events hosted at its local chapters across the country. NAPW is 100% owned and operated by PDN, Inc.

RemoteMore USA ("RemoteMore USA" or "RemoteMore") is an innovative, global entity that provides remote-hiring marketplace services for developers and companies. RemoteMore connects companies with reliable, cost-efficient, vetted developers, and empowers software developers to find meaningful jobs regardless of their location. As of March 31, 2025, PDN, Inc. owned 82.63% of RemoteMore USA, Inc. The Company consolidates RemoteMore USA's operations into its consolidated financial statements.

Forward-Looking Statements

This press release contains certain forward-looking statements based on our current expectations, forecasts and assumptions that involve risks and uncertainties. This release does not constitute an offer to sell or a solicitation of offers to buy any securities of any entity. Forward-looking statements in this release are based on information available to us as of the date hereof. Our actual results may differ materially from those stated or implied in such forward-looking statements, due to risks and uncertainties associated with our business, which include the risk factors disclosed in our most recently filed Annual Report on Form 10-K and in our subsequent filings with the Securities and Exchange Commission. Forward-looking statements include statements regarding our expectations, beliefs, intentions or strategies regarding the future and can be identified by forward-looking words such as "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "plan," "should," and "would" or similar words. We assume no obligation to update the information included in this press release, whether as a result of new information, future events or otherwise. Our most recently filed Annual Report on Form 10-K, together with this press release and the financial information contained herein, are available on our website, www.ipdn.com. Please click on "Investor Relations."

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