

PROSPECTUS SUPPLEMENT  
(to Prospectus dated October 26, 2021)



PROFESSIONAL DIVERSITY NETWORK, INC.

Up to \$12,775,000 and 176,222 Shares of Common Stock

This prospectus supplement relates to the offer and sale of:

- Up to \$12,775,000 of shares of our common stock, which we refer to as Purchase Shares, that we may elect, in our sole discretion, to issue and sell to Tumim Stone Capital LLC, or Tumim Stone, from time to time pursuant to the common stock purchase agreement, dated as of June 30, 2023, that we entered into with Tumim Stone, which we refer to as the Purchase Agreement, consisting of:
  - 469,925 Purchase Shares, which we refer to as the Initial Purchase Shares, that we issued and sold to Tumim Stone at a price of \$4.256 per share (representing the average official closing price of our common stock on Nasdaq for the five consecutive trading days ending on the trading day immediately prior to the date of this prospectus supplement), for aggregate gross proceeds of \$2,000,000, in an initial purchase under the Purchase Agreement on the date of this prospectus supplement, which we refer to as the Initial Purchase; and
  - up to \$10,775,000 of Purchase Shares (excluding the Initial Purchase Shares we issued and sold to Tumim Stone on the date of this prospectus supplement) that we may elect, in our sole discretion, to issue and sell to Tumim Stone pursuant to the Purchase Agreement, from time to time from and after July 31, 2023, subject to the continued satisfaction (or, where legally permissible, the waiver) of specified conditions set forth in the Purchase Agreement; and
- 176,222 shares of our common stock (valued at \$4.256 per share, or \$750,000 in the aggregate), which we refer to as Commitment Shares, that we issued to Tumim Stone on the date of this prospectus supplement as consideration for its commitment to purchase shares of our common stock at our direction from time to time, upon the terms and subject to the conditions and limitations set forth in the Purchase Agreement. We will not receive any cash proceeds from the issuance of Commitment Shares to Tumim Stone.

This prospectus supplement and the accompanying prospectus also cover the resale of these shares by Tumim Stone to the public. See “The Tumim Stone Committed Equity Facility” for a description of the Purchase Agreement and additional information regarding Tumim Stone. Tumim Stone is an “underwriter” within the meaning of Section 2(a)(11) of the Securities Act of 1933, as amended (the “Securities Act”).

The purchase prices to be paid by Tumim Stone for Purchase Shares that we may elect to sell to Tumim Stone pursuant to the Purchase Agreement will be determined by reference to the volume weighted average prices of our common stock at the time of sale, calculated in accordance with the Purchase Agreement. We will pay the expenses incurred in connection with the registration of the shares of our common stock that may be offered for sale under this prospectus supplement, including legal and accounting fees. See “Plan of Distribution.”

Maxim Group LLC is acting as placement agent (the “Placement Agent”) in connection with the transactions contemplated by the Purchase Agreement. The Placement Agent will receive a cash fee of \$100,000 upon the closing of the Initial Purchase under the Purchase Agreement on the date of this prospectus supplement, and 1.5% of gross proceeds from any additional sales of Purchase Shares that we elect, in our sole discretion, to make to Tumim Stone, if any, from time to time in the future under the Purchase Agreement as described herein. See “Plan of Distribution.”

Our common stock is listed on The Nasdaq Capital Market, or Nasdaq, under the symbol “IPDN.” On June 29, 2023, the last reported sale price of our common stock on Nasdaq was \$4.47 per share.

The aggregate market value of our outstanding common stock held by non-affiliates, or the public float, as of the date of this prospectus supplement pursuant to General Instruction I.B.6. of Form S-3, was approximately \$40,598,275, which was calculated based upon 7,394,950 shares of our outstanding common stock held by non-affiliates at a price of \$5.49 per share, the closing price of our common stock on Nasdaq on May 3, 2023. Pursuant to General Instruction I.B.6 of Form S-3, in no event will we sell our securities in a public primary offering with a value exceeding more than one-third of our public float in any 12-month period so long as our public float remains below \$75 million. We have not offered any securities pursuant to General Instruction I.B.6 of Form S-3 during the 12 calendar months prior to and including the date of this prospectus supplement.

**Investing in our securities involves a high degree of risk. Please read the information contained in and incorporated by reference under the heading “Risk Factors” beginning on page S-4 of this prospectus supplement and beginning on page 12 of the accompanying prospectus, the section captioned “Item 1A—Risk Factors” in our most recently filed Annual Report on Form 10-K and Quarterly Report on 10-Q, which are incorporated by reference into this prospectus supplement, and under similar headings in the other documents that are filed after the date hereof and incorporated by reference into this prospectus supplement.**

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement is truthful or complete. Any representation to the contrary is a criminal offense.**

*Placement Agent*

**Maxim Group LLC**

The date of this prospectus supplement is June 30, 2023.

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## ABOUT THIS PROSPECTUS SUPPLEMENT

This document consists of two parts. The first part is this prospectus supplement, which describes the specific terms of this offering and the securities offered hereby, and also adds to and updates information contained in the accompanying prospectus and the documents incorporated into each by reference. The second part is the accompanying prospectus, which provides more general information, some of which may not apply to this offering of common stock. This prospectus supplement is deemed to be incorporated by reference into the accompanying prospectus solely for the purpose of this offering. When we refer only to the “prospectus,” we are referring to both parts combined.

This prospectus supplement and the accompanying prospectus are part of a registration statement that we filed with the Securities and Exchange Commission (the “SEC”) utilizing a “shelf” registration process. Each time we conduct an offering to sell securities under the accompanying base prospectus we will provide a prospectus supplement that will contain specific information about the terms of that offering, including the price, the amount of securities being offered and the plan of distribution. The shelf registration statement (File No. 333-260316) was initially filed with the SEC on October 18, 2021 and was declared effective by the SEC on October 26, 2021. This prospectus supplement describes the specific details regarding this offering and may add, update or change information contained in the accompanying base prospectus. The accompanying base prospectus provides general information about us and our securities, some of which may not apply to this offering.

This prospectus supplement describes the specific terms of the securities we are offering and adds to, and updates information in the accompanying prospectus and the documents incorporated by reference into it or this prospectus supplement. If there is a conflict between the information contained in this prospectus supplement and the information contained in any document incorporated by reference into this prospectus supplement that was filed with the SEC before the date of this prospectus supplement, you should rely on the information in this prospectus supplement. If any statement in one of these documents is inconsistent with a statement in another document having a later date — for example, a document incorporated by reference into this prospectus supplement — the statement in the document having the later date modifies or supersedes the earlier statement.

Neither the delivery of this prospectus supplement or the accompanying prospectus, nor any sale made using this prospectus supplement or the accompanying prospectus, implies that there has been no change in our affairs or that information in this prospectus supplement or the accompanying prospectus is correct as of any date after their respective dates. You should assume that the information appearing in this prospectus supplement, the accompanying prospectus, the documents incorporated by reference into this prospectus supplement and the accompanying prospectus, and in any free writing prospectus that we may authorize for use in connection with this offering, is accurate only as of the date of those respective documents. Our business, financial condition, results of operations and prospects may have changed since those dates.

You should carefully read this prospectus supplement, the accompanying prospectus, the documents incorporated by reference into this prospectus supplement and the accompanying prospectus and any free writing prospectus that we may authorize for use in connection with this offering, in their entirety before making an investment decision. You should also read and consider the information in the documents to which we have referred you in the sections of this prospectus supplement entitled “Where You Can Find Additional Information” and “Incorporation of Certain Information by Reference.”

We are not making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. The distribution of this prospectus supplement and the offering of our securities in certain jurisdictions may be restricted by law. Persons outside the United States who come into possession of this prospectus supplement must inform themselves about, and observe any restrictions relating to, the offering of our securities and the distribution of this prospectus supplement outside the United States. This prospectus supplement does not constitute, and may not be used in connection with, an offer to sell, or a solicitation of an offer to buy, any securities offered by this prospectus supplement by any person in any jurisdiction in which it is unlawful for such person to make such an offer or solicitation.

You should rely only on the information contained in, or incorporated by reference into, this prospectus supplement, the accompanying prospectus and in any free writing prospectus that we may authorize for use in connection with this offering. We have not authorized any other person to provide you with different information.

We have filed or incorporated by reference exhibits to the registration statement of which this prospectus supplement is a part. You should read the exhibits carefully for provisions that may be important to you.

Unless otherwise indicated in this prospectus supplement or the context otherwise requires, all references to “we,” “us,” “our,” “the Company,” and “IPDN” refer to Professional Diversity Network, Inc.

## PROSPECTUS SUPPLEMENT SUMMARY

*This summary highlights certain information about us, this offering and selected information contained elsewhere in or incorporated by reference into this prospectus supplement and in the accompanying prospectus. This summary is not complete and does not contain all of the information that you should consider before deciding whether to invest in our securities. For a more complete understanding of our Company and this offering, we encourage you to read and consider carefully the more detailed information in this prospectus supplement and in the accompanying prospectus, including the information incorporated by reference into this prospectus supplement and in the accompanying prospectus, and the information referred to under the heading "Risk Factors" in these documents and in the documents incorporated by reference into this prospectus supplement and in the accompanying prospectus.*

### Professional Diversity Network, Inc.

#### Overview

The Company is a dynamic operator of professional networks with a focus on diversity. We use the term "diversity" (or "diverse") to describe communities ("affinities") that are distinctly based on a wide array of criteria, which may change from time-to-time, including ethnic, national, cultural, racial, religious or gender classification. We serve a variety of such communities, including Women, Hispanic-Americans, African-Americans, Asian-Americans, persons with disabilities, Military Professionals, and Lesbian, Gay, Bisexual, Transgender and Queer (LGBTQ+). Our goal is to (i) assist our registered users and members in their efforts to connect with like-minded individuals and identify career opportunities within the network and (ii) connect members with prospective employers while helping the employers address their workforce diversity needs.

We currently operate in three business segments. Professional Diversity Network, or PDN Network, our primary business segment, includes online professional job seeking communities with career resources tailored to the needs of various diverse cultural groups and employers looking to hire members of such groups. Our second business segment consists of the National Association of Professional Women, or NAPW Network, a women-only professional networking organization. Our third business segment consists of RemoteMore, which connects companies with reliable, cost-efficient developers with less effort and friction, and empowers software developers to find meaningful jobs regardless of their location.

We believe that the combination of our solutions allows us to approach recruiting and professional networking in a unique way and thus create enhanced value for our members and clients.

#### Recent Events

Effective January 5, 2023, we filed a certificate of amendment to our Amended and Restated Certificate of Incorporation in order to implement a 2-for-1 reverse stock split, through which each two shares of common stock issued and outstanding was combined and changed into one share of common stock. All share amounts and share prices in this prospectus have been adjusted to give effect to the reverse stock split.

On January 9, 2023, we entered into an asset purchase agreement through which we acquired substantially all of the assets of Expo Experts, LLC, an Ohio limited liability company engaged in the business of hosting career expos across North America (the "Seller"). At the closing, the two principals of the Seller received 99,339 shares of the Company's common stock equivalent in value to \$200,000 based on the volume weighted average price as of twenty days prior to the closing date. The shares were issued as restricted securities in a transaction exempt from registration under the Securities Act of 1933 and represented approximately 1% of our outstanding shares of common stock.

#### Corporate History and Information

We were incorporated in Illinois in October 2003, under the name of IH Acquisition, LLC and changed our name to iHispano.com LLC in February 2004. In 2007, we changed our business platform and implemented technology to become the operator of communities of professional networking sites for diverse professionals. In March 2012, we changed our name to Professional Diversity Network, LLC. In March 2013, we completed our initial public offering and converted from an Illinois LLC to a Delaware corporation. We acquired the NAPW Network in September 2014.

Our principal executive offices are located at 55 E. Monroe Street, Suite 2120, Chicago, Illinois, 60603 and our telephone number is (312) 614-0950. Our Corporate website address is [www.ipdnusa.com](http://www.ipdnusa.com). References to our website addressed in this report are provided as a convenience and do not constitute and should not be viewed as an incorporation by reference of the information contained on, or available through, the website. Therefore, such information should not be considered part of this prospectus.

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## THE OFFERING

- Common stock being offered by us
- Up to \$12,775,000 Purchase Shares, consisting of:
    - 469,925 Initial Purchase Shares that we issued and sold to Tumim Stone, at a price of \$4.256 per share (representing the average official closing price of our common stock on Nasdaq for the five consecutive trading days ending on the trading day immediately prior to the date of this prospectus supplement), for aggregate gross proceeds of \$2,000,000, in the Initial Purchase on the date of this prospectus supplement pursuant to the Purchase Agreement, and
    - up to \$10,775,000 of Purchase Shares (excluding the Initial Purchase Shares we issued and sold to Tumim Stone on the date of this prospectus supplement) that we may elect, in our sole discretion, to issue and sell to Tumim Stone pursuant to the Purchase Agreement, from time to time from and after July 31, 2023, subject to the continued satisfaction (or, where legally permissible, the waiver) of specified conditions set forth in the Purchase Agreement; and
  - 176,222 Commitment Shares (valued at \$4.256 per share, or \$750,000 in the aggregate) that we issued to Tumim Stone on the date of this prospectus supplement as consideration for its commitment to purchase shares of our common stock at our direction from time to time, upon the terms and subject to the conditions and limitations set forth in the Purchase Agreement. We will not receive any cash proceeds from the issuance of the Commitment Shares to Tumim Stone.

Common stock to be outstanding immediately after the closing of this offering 13,326,191 shares, which number of shares (i) gives effect to the issuance and sale of 469,925 Initial Purchase Shares to Tumim Stone in the Initial Purchase and the issuance of 176,222 Commitment Shares to Tumim Stone, each on the date of this prospectus supplement, and (ii) with respect to the up to \$10,775,000 of Purchase Shares (excluding the Initial Purchase Shares we issued and sold on the date of this prospectus supplement) that we may elect, in our sole discretion, to issue and sell to Tumim Stone pursuant to the Purchase Agreement, from time to time from and after July 31, 2023, assumes the sale of such Purchase Shares to Tumim Stone at a price of \$4.47 per share, which was the closing price of our common stock on Nasdaq on June 29, 2023, resulting in the issuance of approximately 2,410,514 Purchase Shares, in addition to the 469,925 Initial Purchase Shares issued on the date of this prospectus supplement. The actual number of shares of common stock issued under the Purchase Agreement will vary depending on the actual prices at which up to \$10,775,000 of Purchase Shares that we may elect, in our sole discretion, to issue and sell to Tumim Stone pursuant to the Purchase Agreement, from time to time from and after July 31, 2023, are sold. Under applicable Nasdaq rules, we are precluded from issuing and selling more than 2,052,879 shares of our common stock (including the Commitment Shares), which number of shares equals 19.99% of the shares of common stock issued and outstanding immediately prior to the execution of the Purchase Agreement, which we refer to as the Exchange Cap, unless we obtain stockholder approval to issue shares of common stock in excess of the Exchange Cap, or unless the average per share purchase price paid by Tumim Stone for all Purchase Shares sold under the Purchase Agreement equals or exceeds \$4.656 per share, in which case the Exchange Cap will not apply to issuance of our common stock to Tumim Stone under the Purchase Agreement.

Use of proceeds We may receive aggregate gross proceeds of up to \$12,775,000 from sales of the Purchase Shares that we elect to make to Tumim Stone pursuant to the Purchase Agreement, including \$2,000,000 in gross proceeds from the sale of 469,925 Initial Purchase Shares to Tumim Stone in the Initial Purchase on the date of this prospectus supplement. We will not receive any cash proceeds from our issuance of the 176,222 Commitment Shares to Tumim Stone on the date of this prospectus supplement. We currently intend to use the net proceeds from the sale of the Purchase Shares to Tumim Stone in the Initial Purchase, and any net proceeds from the sale of additional Purchase Shares to Tumim Stone in the future under the Purchase Agreement, if any, for working capital and general corporate purposes. See “Use of Proceeds” beginning on page S-13 of this prospectus supplement for additional detail.

Risk Factors Investing in our securities involves a high degree of risk. See the information under the caption “Risk Factors” in this prospectus supplement and the accompanying prospectus and the other information contained or incorporated by reference in this prospectus supplement for a discussion of factors you should carefully consider before deciding to invest in our securities.

Nasdaq Trading Symbol Our common stock is listed on The Nasdaq Capital Market under the symbol “IPDN.”

The number of shares of common stock to be outstanding immediately after this offering is based on 10,269,530 shares of common stock outstanding as of June 29, 2023. All share amounts and share prices in this prospectus supplement have been adjusted to give effect to the reverse stock split that we conducted earlier this year.

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## RISK FACTORS

*Investing in our securities involves a high degree of risk. You should consider carefully the risks and uncertainties and all other information contained in or incorporated by reference into this prospectus supplement and the accompanying prospectus, including the risks and uncertainties described below and under the caption “Risk Factors” in the accompanying prospectus and in our most recently filed Annual Report on Form 10-K and Quarterly Report on 10-Q filed with the SEC, in each case as these risk factors are amended or supplemented by subsequent Annual Reports on Form 10-K or Quarterly Reports on Form 10-Q that have been or will be incorporated by reference in this prospectus supplement, including any amendments thereto. The risks set forth below and incorporated herein by reference are those which we believe are the material risks that we face. The occurrence of any of such risks may materially and adversely affect our business, financial condition, results of operations and future prospects. In such an event, the market price of our common stock could decline, and you could lose part or all of your investment.*

### Risks Related to Our Common Stock and this Offering

***It is not possible to predict the actual number of shares we will sell under the Purchase Agreement to Tumim Stone, or the actual gross proceeds resulting from those sales.***

On June 30, 2023, we entered into the Purchase Agreement with Tumim Stone, pursuant to which Tumim Stone committed to purchase 469,925 Initial Purchase Shares that we issued and sold to Tumim Stone, at a price of \$4.256 per share, for aggregate gross proceeds of \$2,000,000, in the Initial Purchase on the date of this prospectus supplement, and up to \$10,775,000 of additional Purchase Shares (excluding the Initial Purchase Shares) that we may elect, in our sole discretion, to issue and sell to Tumim Stone pursuant to the Purchase Agreement, from time to time from and after July 31, 2023, subject to the continued satisfaction (or, where legally permissible, the waiver) of specified conditions set forth in the Purchase Agreement. We generally have the right to control the timing and amount of any sales of additional Purchase Shares to Tumim Stone under the agreement. Sales of our Common Stock, if any, to Tumim Stone will depend upon market conditions and other factors to be determined by us. Other than the Initial Purchase Shares, we may ultimately decide to sell to Tumim Stone all, some, or none of the shares of our Common Stock that may be available for us to sell as Purchase Shares pursuant to the agreement.

Moreover, although the Purchase Agreement provides that we may sell up to an aggregate of \$12,775,000 of our Common Stock to Tumim Stone, we are precluded from issuing and selling more than 2,052,879 shares of our Common Stock (including the Commitment Shares), which number of shares equals 19.99% of the number of shares of our Common Stock issued and outstanding immediately prior to the execution of the Purchase Agreement (the “Exchange Cap”), unless we obtain stockholder approval to issue shares of Common Stock in excess of the Exchange Cap, or unless the average per share purchase price paid by Tumim Stone for all shares of Common Stock sold under the Common Stock Purchase Agreement equals or exceeds the Base Price (as defined in the Common Stock Purchase Agreement), in which case the Exchange Cap limitation will not apply under applicable Nasdaq rules. If, after the Commencement Date, we elect to sell to Tumim Stone all of the Purchase Shares permitted under the agreement, the actual gross proceeds from the sale of all such shares may be substantially less than the \$12,775,000 total commitment in light of the Exchange Cap limitation, which could materially adversely affect our liquidity.

Further, because the purchase price per share to be paid by Tumim Stone for any Purchase Shares that we may elect to sell to it under the Purchase Agreement after the date of this prospectus supplement will fluctuate based on the market prices of our Common Stock during the three consecutive trading day period immediately following the exercise date for such purchase made pursuant to the agreement, it is not possible for us to predict, as of the date of this prospectus and prior to any such sales, the number of shares of Common Stock that we will sell to Tumim Stone thereunder, if any, the purchase price per share that Tumim Stone will pay for such shares, or the aggregate gross proceeds that we will receive from those purchases,

***We may allocate the net proceeds from this offering in ways that you or other shareholders may not approve.***

We currently intend to use the net proceeds of the sale of the Initial Purchase Shares and the sale of any additional Purchase Shares after the date of this prospectus supplement, if any, for general corporate and working capital purposes. We may also use a portion of the net proceeds to acquire or invest in complementary businesses, products and technologies. Although we have no specific agreements, commitments or understandings with respect to any acquisition, we evaluate acquisition opportunities and engage in related discussions with other companies from time to time. This expected use of the net proceeds from this offering represents our intentions based upon our current plans and business conditions. Because the number and variability of factors that will determine our use of the proceeds from this offering, their ultimate use may vary substantially from their currently intended use. As a result, our management will retain broad discretion over the allocation of the net proceeds from this offering and could spend the proceeds in ways that do not necessarily improve our operating results or enhance the value of our common stock. See “Use of Proceeds.”

***The sale or issuance of our common stock to Tumim Stone may cause dilution and the sale of the shares of common stock by Tumim Stone that it acquires pursuant to the Purchase Agreement, or the perception that such sales may occur, could cause the price of our common stock to decrease.***

On June 30, 2023, we entered into the Purchase Agreement with Tumim Stone, pursuant to which Tumim Stone has committed to purchase 469,925 Initial Purchase Shares that we issued and sold to Tumim Stone, at a price of \$4.256 per share, for aggregate gross proceeds of \$2,000,000, in the Initial Purchase on the date of this prospectus supplement, and up to \$10,775,000 of additional Purchase Shares (excluding the Initial Purchase Shares) that we may elect, in our sole discretion, to issue and sell to Tumim Stone pursuant to the Purchase Agreement, from time to time from and after July 31, 2023, subject to the continued satisfaction (or, where legally permissible, the waiver) of specified conditions set forth in the Purchase Agreement. Upon the execution of the Purchase Agreement, we issued 176,222 Commitment Shares to Tumim Stone as a fee for its commitment to purchase shares of our common stock from time to time at our direction from time to time under the Purchase Agreement. The shares of our common stock that may be issued under the Purchase Agreement, other than the Commitment Shares and Initial Purchase Shares issued to Tumim Stone on the date of this prospectus supplement, may be sold by us to Tumim Stone at our sole discretion from time to time from and after July 31, 2023 and until July 1, 2025, subject to the satisfaction of certain conditions set forth in the Purchase Agreement. The purchase price for the Purchase Shares, other than the Initial Purchase Shares, that we may sell to Tumim Stone under the Purchase Agreement will fluctuate based on the market price of our common stock. Depending on market liquidity at the time, sales of such shares may cause the trading price of our common stock to decrease. We generally have the right to control the timing and amount of any future sales of our shares to Tumim Stone. Additional sales of our common stock, if any, to Tumim Stone will depend upon market conditions and other factors to be determined by us. We may ultimately decide to sell to Tumim Stone all, some or none of the additional shares of our common stock that may be available for us to sell pursuant to the Purchase Agreement. If and when we do sell shares to Tumim Stone, after Tumim Stone has acquired the shares, Tumim Stone may resell all, some or none of those shares at any time or from time to time in its discretion. Therefore, sales to Tumim Stone by us could result in substantial dilution to the interests of other holders of our common stock. Additionally, the sale of a substantial number of shares of our common stock to Tumim Stone, or the anticipation of such sales, could make it more difficult for us to sell equity or equity-related securities in the future at a time and at a price that we might otherwise wish to effect sales.

***The terms of the Purchase Agreement limit the amount of shares of common stock we may issue to Tumim Stone, which may have an adverse effect on our liquidity.***

The Purchase Agreement includes restrictions on our ability to sell shares of our common stock to Tumim Stone, including the Exchange Cap and including, subject to specified limitations, if a sale would cause Tumim Stone and its affiliates to beneficially own more than 9.99% of our issued and outstanding common stock. Accordingly, we cannot guarantee that we will be able to sell all \$12,775,000 of Purchase Shares in this offering. If we cannot sell the full amount of the shares that Tumim Stone has committed to purchase because of these limitations, we may be required to utilize more costly and time-consuming means of accessing the capital markets, which could materially adversely affect our liquidity and cash position.

***The trading price of our common stock has been volatile and is likely to be volatile in the future.***

Our stock could be subject to wide fluctuation in response to many risk factors listed in this section or incorporated by reference into this prospectus, and others beyond our control, including the risks and uncertainties itemized below under “Cautionary Note Regarding Forward-Looking Statements”.

The stock markets have experienced extreme price and volume fluctuations that have affected and continue to affect the market prices of equity securities of many companies. These fluctuations often have been unrelated or disproportionate to the operating performance of those companies. These broad market and industry fluctuations, as well as general economic, political, and market conditions such as recessions, interest rate changes or international currency fluctuations, may negatively impact the market price of shares of our common stock. In addition, such fluctuations could subject us to securities class action litigation, which could result in substantial costs and divert our management’s attention from other business concerns, which could seriously harm our business. If the market price of shares of our common stock after this offering does not exceed the price at which you obtain shares of our common stock, you may not realize any return on your investment in us and may lose some or all of your investment.

***Future sales of substantial amounts of our common stock, or the possibility that such sales could occur, could adversely affect the market price of our common stock.***

In order to raise additional capital, we may in the future offer additional shares of our common stock or other securities convertible into or exchangeable for our common stock at prices that may not be the same as the price per share in this offering. We may sell shares or other securities in any other offering at a price per share that is less than the price per share paid by investors in this offering, and investors purchasing shares or other securities in the future could have rights superior to existing shareholders. The price per share at which we sell additional shares of our common stock, or securities convertible or exchangeable into common stock, in future transactions may be higher or lower than the price per share paid by investors in this offering.

***We have not paid cash dividends in the past and do not expect to pay dividends in the future. Any return on investment may be limited to the value of our common stock.***

We have never paid cash dividends on our common stock and do not anticipate doing so in the foreseeable future. The payment of dividends on our common stock will depend on earnings, financial condition and other business and economic factors affecting us at such time as our board of directors may consider relevant. Further, any agreements we may enter into relating to the incurrence of indebtedness may limit our ability to make dividends on our common stock. If we do not pay dividends, our common stock may be less valuable because a return on your investment will only occur if our stock price appreciates.

***Investors who buy shares at different times will likely pay different prices and may experience different levels of return on their investments.***

Investors who purchase shares of our common stock at different times will likely pay different prices, and thus may experience different levels of dilution and different outcomes in their investment results. We will have discretion, subject to market demand, to vary the timing, prices, and numbers of shares of common stock sold. Investors may experience a decline in the value of their shares of common stock as a result of share sales made at prices lower than the prices they paid.

#### CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus supplement contains “forward-looking statements” within the meaning of Section 27A of the Securities Act, Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and the Private Securities Litigation Reform Act of 1995. Forward-looking statements include, but are not limited to, statements that express our intentions, beliefs, expectations, strategies, predictions or any other statements relating to our future activities or other future events or conditions. These statements are based on current expectations, estimates and projections about our business based, in part, on assumptions made by management. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions that are difficult to predict. Therefore, actual outcomes and results may, and are likely to, differ materially from what is expressed or forecasted in the forward-looking statements due to numerous factors discussed from time to time in this prospectus and in other documents which we file with the SEC. In addition, such statements could be affected by risks and uncertainties related to:

- our beliefs regarding our ability to capture and capitalize on market trends;
- our expectations on the future growth and financial health of the online diversity recruitment industry and the industry participants, and the drivers of such growth;

- our expectations regarding continued membership growth;
- our beliefs regarding the increased value derived from the synergies among our segments;
- our beliefs regarding our liquidity requirements, the availability of cash and capital resources to fund our business in the future and intended use of liquidity;
- our ability to raise funds in the future to support operations;
- failure to realize synergies and other financial benefits from mergers and acquisitions within expected time frames, including increases in expected costs or difficulties related to integration of merger and acquisition partners;
- inability to identify and successfully negotiate and complete additional combinations with potential merger or acquisition partners;
- our history of operating losses;
- our limited operating history in a new and unproven market;
- increasing competition in the market for online professional networks;
- our ability to comply with increasing governmental regulation and other legal obligations related to privacy;

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- our ability to adapt to changing technologies and social trends and preferences;
- our ability to attract and retain a sales and marketing team, management and other key personnel and the ability of that team to execute on the Company's business strategies and plans;
- our ability to obtain and maintain intellectual property protection for our intellectual property;
- the outcome of current or future litigation regarding our business, including intellectual property claims;
- general and economic business conditions; and
- legal and regulatory developments.

You should read this prospectus supplement, the accompanying prospectus and the documents that we incorporate by reference herein and therein completely and with the understanding that our actual future results may be materially different from what we currently expect. You should assume that the information appearing in this prospectus supplement, the accompanying prospectus and any document incorporated by reference herein and therein is accurate as of its date only. Because the risks referred to above could cause actual results or outcomes to differ materially from those expressed in any forward-looking statements made by us or on our behalf, you should not place undue reliance on any forward-looking statements. Further, any forward-looking statement speaks only as of the date on which it is made, and we undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events. New factors emerge from time to time, and it is not possible for us to predict which factors may arise. In addition, we cannot assess the impact of each factor on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. We qualify all of the information presented in this prospectus supplement, the accompanying prospectus, any other prospectus supplement and any document incorporated herein or therein by reference, and particularly our forward-looking statements, by these cautionary statements.

## THE TUMIM STONE COMMITTED EQUITY FACILITY

### General

On June 30, 2023, we entered into the Purchase Agreement with Tumim Stone. Pursuant to the terms of the Purchase Agreement, Tumim Stone has agreed to purchase from us up to \$12,775,000 of shares of our common stock, which we refer to as Purchase Shares, that we may issue and sell to Tumim Stone from time to time pursuant to the Purchase Agreement, consisting of:

- 469,925 Purchase Shares, which we refer to as the Initial Purchase Shares, that we issued and sold to Tumim Stone at a price of \$4.256 per share (representing the average official closing price of our common stock on Nasdaq for the five consecutive trading days ending on the trading day immediately prior to the date of this prospectus supplement), for aggregate gross proceeds of \$2,000,000, in an initial purchase under the Purchase Agreement on the date of this prospectus supplement, which we refer to as the Initial Purchase; and
- up to \$10,775,000 of Purchase Shares (excluding the Initial Purchase Shares) that we may elect, in our sole discretion, to issue and sell to Tumim Stone pursuant to the Purchase Agreement, from time to time from and after July 31, 2023, subject to the continued satisfaction (or, where legally permissible, the waiver) of specified conditions set forth in the Purchase Agreement; and

We also are issuing to Tumim Stone, on the date of this prospectus supplement, 176,222 shares of our common stock (valued at \$4.256 per share, or \$750,000 in the aggregate), which we refer to as Commitment Shares, as consideration for its commitment to purchase shares of our common stock at our direction from time to time, upon the terms and subject to the conditions and limitations set forth in the Purchase Agreement. We will not receive any cash proceeds from the issuance of Commitment Shares to Tumim Stone.

Pursuant to the terms of the Purchase Agreement, we have filed with the SEC this prospectus supplement regarding the offer and sale under the Securities Act of the shares issuable to Tumim Stone under the Purchase Agreement.

Commencing July 31, 2023, subject to the satisfaction (or, where legally permissible, the waiver) of the conditions set forth in the Purchase Agreement, we will have the right, but not the obligation, from time to time at our sole discretion over a 24-month period beginning on June 30, 2023, to direct Tumim Stone to purchase up to a specified maximum amount of Purchase Shares in one or more purchases, which we refer to as VWAP Purchases, by timely delivering to Tumim Stone a written purchase notice for each purchase in accordance with the Purchase Agreement on any trading day we select, with the maximum number of shares determined by the lowest of: (i) 100% of the average daily trading volume in the Common Stock on Nasdaq (or, in the event the Common Stock is then listed on an Eligible Market, 100% of the average daily trading volume in the Common Stock on such Eligible Market) for the five-consecutive Trading Day period ending on (and including) the Trading Day immediately preceding the applicable VWAP Purchase Exercise Date for such VWAP Purchase; (ii) the product (rounded up or down to the nearest whole number) obtained by multiplying (A) the daily trading volume in the Common Stock on the Nasdaq (or Eligible Market, as applicable) on the applicable VWAP Purchase Exercise Date for such VWAP Purchase by (B) 0.40; and (iii) the quotient (rounded up or down to the nearest whole number) obtained by dividing (A) \$3,000,000 by (B) the VWAP on the Nasdaq (or Eligible Market, as applicable) on the Trading Day immediately preceding the applicable VWAP Purchase Exercise Date for such VWAP Purchase (in each case to be appropriately adjusted for any reorganization,

recapitalization, non-cash dividend, stock split, reverse stock split or other similar transaction during the applicable period); provided, however, the Company and Tumim Stone can mutually agree in writing to increase the maximum number of shares of Common Stock to be purchased in connection with a particular VWAP Purchase (relative to the VWAP Purchase Maximum Amount calculated in accordance with clauses (i), (ii) and (iii) of this sentence), which mutual written agreement shall be executed by the Company and Tumim Stone and delivered to the other party as outlined in the Purchase Agreement, at any time prior to the Company's delivery to Tumim Stone of a VWAP Purchase Notice reflecting the increased VWAP Purchase Maximum Amount for such VWAP Purchase. There is no upper limit on the price per share that Tumim Stone could be obligated to pay for Purchase Shares (other than the Initial Purchase Shares) we may elect to sell to it in any purchase under the Purchase Agreement. In the case of sales effected by us under the Purchase Agreement, if any, all share and dollar amounts used in determining the purchase price per share of any Purchase Shares to be purchased by Tumim Stone in a purchase, or in determining the applicable maximum Purchase Share amounts or VWAP in connection with any such purchase, in each case, will be equitably adjusted for any reorganization, recapitalization, non-cash dividend, stock split, reverse stock split or other similar transaction occurring during any period used to calculate such per share purchase price, maximum Purchase Share amounts or VWAP.

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The purchase price per share of our common stock that we may elect to sell to Tumim Stone in a VWAP Purchase will be equal to the product obtained by multiplying (i) the lowest daily VWAP during the three-consecutive trading day period commencing on the trading day immediately following our timely delivery to Tumim Stone of the VWAP Purchase Notice for such VWAP Purchase in accordance with the Purchase Agreement, by (ii) 0.97.

We will control the timing and amount of any sales of Purchase Shares, other than the Initial Purchase Shares, to Tumim Stone. Actual sales of such Purchase Shares to Tumim Stone under the Purchase Agreement will depend on a variety of factors to be determined by us from time to time, including, among other things, market conditions, the trading price of our common stock and determinations by us as to the appropriate sources of funding for our business and operations. The net proceeds to us from sales that we elect to make to Tumim Stone under the Purchase Agreement, if any, will depend on the frequency and prices at which we sell shares of our stock to Tumim Stone.

Pursuant to the applicable Nasdaq listing rules, in no event may we issue to Tumim Stone under the Purchase Agreement more than 2,052,879 shares of our common stock, which number of shares is equal to 19.99% of the shares of our common stock outstanding immediately prior to the execution of the Purchase Agreement, which we refer to as the Exchange Cap, unless the average price per share paid by Tumim Stone for all of the shares of our common stock that we direct Tumim Stone to purchase from us pursuant to the Purchase Agreement, if any, equals or exceeds \$4.656 per share (representing the lower of the official closing price of our common stock on Nasdaq on the trading day immediately preceding the date of the Purchase Agreement and the average official closing price of our common stock on Nasdaq for the five consecutive trading days ending on the trading day immediately preceding the date of the Purchase Agreement, as adjusted pursuant to applicable Nasdaq rules), which we refer to as the Base Price, such that the Exchange Cap will not apply to issuances and sales of our common stock under the Purchase Agreement.

Aside from the Exchange Cap, we may not issue or sell any shares of our common stock to Tumim Stone under the Purchase Agreement which, when aggregated with all other shares of our common stock then beneficially owned by Tumim Stone and its affiliates (as calculated pursuant to Section 13(d) of the Securities Exchange Act of 1934, as amended, or the Exchange Act, and Rule 13d-3 thereunder), would result in Tumim Stone beneficially owning more than 9.99% of the outstanding shares of our common stock, which we refer to as the Beneficial Ownership Limitation. Upon delivery of a written notice to the Company, Tumim Stone may from time to time increase or decrease the Beneficial Ownership Limitation to any other amount of Common Stock not less than 4.99% or greater than 9.99% of the outstanding shares of Common Stock as specified in such notice; provided that any such increase in the Beneficial Ownership Limitation will not be effective until the 61st day after such written notice is delivered to the Company.

Issuances of our common stock to Tumim Stone under the Purchase Agreement will not affect the rights or privileges of our existing shareholders, except that the economic and voting interests of each of our existing shareholders will be diluted as a result of any such issuance. Although the number of shares of our common stock that our existing shareholders own will not decrease, the shares of our common stock owned by our existing shareholders will represent a smaller percentage of our total outstanding shares of our common stock after any such issuance of shares of our common stock to Tumim Stone under the Purchase Agreement.

The Purchase Agreement contains customary representations, warranties, conditions and indemnification obligations of the parties. The representations, warranties and covenants contained in such agreements were made only for purposes of such agreements and as of specific dates, were solely for the benefit of the parties to such agreements and may be subject to limitations agreed upon by the contracting parties.

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## **Purchase of Shares under the Purchase Agreement**

### *Initial Purchase*

On the date of this prospectus supplement, we issued and sold 469,925 Purchase Shares to Tumim Stone in the Initial Purchase at an aggregate price of \$2.0 million before expenses, representing a price of \$4.256 per share, the average closing price on Nasdaq over the five trading days preceding the execution of the Purchase Agreement.

### *VWAP Purchases*

Under the Purchase Agreement, upon the satisfaction or waiver of the conditions to Tumim Stone's purchase obligation set forth in the Purchase Agreement, we may, from time to time from and after July 31, 2023, and at our sole discretion, direct Tumim Stone to purchase a specified number of additional Purchase Shares up to a certain maximum amount (described below) in a "VWAP Purchase," by our timely delivery of a written purchase notice, or a VWAP Purchase Notice, to Tumim Stone, between 4:00 p.m., New York time, and 6:30 p.m., New York time, on any trading day selected by us as the "VWAP Purchase Exercise Date" for such VWAP Purchase, so long as:

- the closing sale price of our common stock on such VWAP Purchase Exercise Date (as defined below) is not less than \$0.25 (as may be adjusted pursuant to the Purchase Agreement);
- the Company may not deliver more than one VWAP Purchase Notice to Tumim Stone on any single Trading Day;
- at least three (3) Trading Days has elapsed since the most recent prior VWAP Purchase Exercise Date on which the Company has delivered a VWAP Purchase Notice to Tumim Stone pursuant to this Agreement; and
- all Purchase Shares subject to all prior VWAP Purchase Notices delivered by us to Tumim Stone pursuant to the Purchase Agreement have been received by Tumim Stone in accordance with the Purchase Agreement prior to our delivery to Tumim Stone of such VWAP Purchase Notice for such VWAP Purchase on such VWAP Purchase Exercise Date;

provided that Tumim Stone may, in its sole discretion, elect to waive satisfaction of any one or more of the above conditions on any VWAP Purchase Exercise Date on which we have notified Tumim Stone, via email correspondence, that we intend to deliver a VWAP Purchase Notice to Tumim Stone on such VWAP Purchase Exercise Date, by Tumim Stone's delivery to us of a written waiver prior our delivery to Tumim Stone of a VWAP Purchase Notice for such VWAP Purchase.

The maximum number of shares of our common stock that we may elect to sell to Tumim Stone in any single VWAP Purchase, or the VWAP Purchase Maximum Amount, will be equal to the lowest of:

- 100% of the average daily trading volume in the Common Stock on Nasdaq (or, in the event the Common Stock is then listed on an Eligible Market, 100% of the average daily trading volume in the Common Stock on such Eligible Market) for the five (5) consecutive Trading Day period ending on (and including) the Trading Day immediately preceding the applicable VWAP Purchase Exercise Date for such VWAP Purchase;
- the product (rounded up or down to the nearest whole number) obtained by multiplying (A) the daily trading volume in the Common Stock on Nasdaq (or Eligible Market, as applicable) on the applicable VWAP Purchase Exercise Date for such VWAP Purchase by (B) 0.40; and
- the quotient (rounded up or down to the nearest whole number) obtained by dividing (A) \$3,000,000 by (B) the VWAP on Nasdaq (or an Eligible Market, as applicable) on the Trading Day immediately preceding the applicable VWAP Purchase Exercise Date for such VWAP Purchase (in each case to be appropriately adjusted for any reorganization, recapitalization, non-cash dividend, stock split, reverse stock split or other similar transaction during the applicable period);

provided that we and Tumim Stone can mutually agree in writing to increase the maximum number of shares of our common stock to be purchased by Tumim Stone in connection with a particular VWAP Purchase, at any time prior to our delivery to Tumim Stone of a VWAP Purchase Notice reflecting the increased VWAP Purchase Maximum Amount for such VWAP Purchase.

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The purchase price per share of our common stock that we may elect to sell to Tumim Stone in a VWAP Purchase will be equal to the product obtained by multiplying (i) the lowest daily VWAP during the three-consecutive trading day period commencing on the trading day immediately following our timely delivery to Tumim Stone of the VWAP Purchase Notice for such VWAP Purchase in accordance with the Purchase Agreement, by (ii) 0.97.

#### **Conditions to Commencement and for Delivery of Purchase Notices**

The Company's ability to deliver VWAP Purchase Notices to Tumim Stone under the Purchase Agreement is subject to the satisfaction (or, where legally permissible, the waiver), both at the time of Commencement and at the time of delivery by the Company of any VWAP Purchase Notice a to Tumim Stone, of certain conditions, including the following:

- the accuracy in all material respects of the representations and warranties of the Company included in the Purchase Agreement;
- the Company having performed, satisfied and complied in all material respects with all covenants, agreements and conditions required by the Purchase Agreement to be performed, satisfied or complied with by the Company;
- the registration statement to which this prospectus supplement relates remains effective under the Securities Act, and Tumim Stone being able to utilize this prospectus supplement to resell all of the shares of common stock included in this prospectus supplement;
- the SEC shall not have issued any stop order suspending the effectiveness of the registration statement to which this prospectus supplement relates or prohibiting or suspending the use of this prospectus supplement;
- this prospectus supplement, in final form, shall have been filed with the SEC under Rule 424(b) under the Securities Act within the applicable time period under Rule 424(b), and all reports, schedules, registrations, forms, statements, information and other documents required to have been filed by the Company with the SEC pursuant to the reporting requirements of the Exchange Act, shall have been filed with the SEC;
- trading in the common stock shall not have been suspended by the SEC or Nasdaq, trading in securities generally as reported on Nasdaq shall not have been suspended or limited, nor shall a banking moratorium have been declared either by the United States or New York State authorities, nor shall there have occurred any material outbreak or escalation of hostilities or other national or international calamity or crisis of such magnitude in its effect on, or any material adverse change in, any financial, credit or securities market which, in each case, in the reasonable judgment of Tumim Stone, makes it impracticable or inadvisable to purchase shares of our common stock;
- the absence of any statute, regulation, order, decree, writ, ruling or injunction by any court or governmental authority of competent jurisdiction which (i) prohibits the consummation of or which would materially modify or delay any of the transactions contemplated by the Purchase Agreement, (ii) requires us to pay material damages, or (iii) finds or concludes that we, any of our subsidiaries or any of our officers, directors or affiliates has violated any U.S. federal securities laws or rules, including, without limitation, any provision of the Securities Act or the Exchange Act, or any state securities or "Blue Sky" laws, or any U.S federal or state antifraud laws or rules;
- the absence of any action, suit or proceeding before any arbitrator or any court or governmental entity, or any inquiry or investigation by any governmental entity (i) seeking to restrain, prevent or change the transactions contemplated by the Purchase Agreement, (ii) seeking material damages from us or any subsidiary or (iii) other than as publicly disclosed as of the date of the Purchase Agreement, involving any claims or causes of action alleging any violations of any U.S. federal securities laws or rules, including, without limitation, the Securities Act and the Exchange Act, or any state securities ("Blue Sky") laws, or any U.S federal or state antifraud laws or rules;
- all of the shares of common stock that may be issued pursuant to the Purchase Agreement shall have been approved for listing or quotation on Nasdaq, subject only to notice of issuance;
- there shall not have occurred any event which would allow Tumim Stone to terminate the Purchase Agreement in accordance with its terms; and
- the receipt by Tumim Stone of the opinions, bring-down opinions and negative assurances from outside counsel to the Company in the forms mutually agreed to by the Company and Tumim Stone prior to the date of the Purchase Agreement.

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#### **Termination of the Purchase Agreement**

Unless earlier terminated as provided in the Purchase Agreement, the Purchase Agreement will terminate automatically on the earliest to occur of:

- July 1, 2025;
- the date on which Tumim Stone shall have purchased an aggregate of \$12,775,000 of shares of common stock pursuant to the Purchase Agreement;
- the date on which our common stock shall have failed to be listed or quoted on The Nasdaq Stock Market or any other eligible market under the Purchase Agreement;



- the 30<sup>th</sup> trading day next following the date on which we commence a voluntary bankruptcy case or any third party commences an involuntary bankruptcy proceeding against us that is not discharged or dismissed prior to such 30<sup>th</sup> trading day, the date on which a custodian is appointed for us in a bankruptcy proceeding for all or substantially all of our assets or property, or the date on which we make a general assignment for the benefit of our creditors; and
- the date on which, pursuant to or within the meaning of any Bankruptcy Law, a Custodian is appointed for the Company or for all or substantially all of its property, or the Company makes a general assignment for the benefit of its creditors

The Purchase Agreement may be terminated at any time by the mutual written consent of the parties, effective as of the date of such mutual written consent unless otherwise provided in such written consent. In addition, we have the right to terminate the Purchase Agreement at any time, at no cost or penalty, effective upon five trading days' prior written notice to Tumim Stone.

Tumim Stone may terminate the Purchase Agreement effective upon five trading days' prior written notice to us if:

- any condition, occurrence, state of facts or event constituting a "Material Adverse Effect" (as defined in the Purchase Agreement) has occurred and is continuing;
- a "Fundamental Transaction" (as defined in the Purchase Agreement) shall have occurred;
- the effectiveness of the registration statement to which this prospectus supplement relates, or any post-effective amendment thereto, lapses for any reason (including, without limitation, the issuance of a stop order by the SEC) or the registration statement or any post-effective amendment thereto, or any prospectus supplement otherwise becomes unavailable to Tumim Stone for the sale of all of the securities included therein, and such lapse or unavailability continues for a period of 20 consecutive trading days or for more than an aggregate of 60 trading days in any 365-day period, other than due to acts of Tumim Stone;
- trading in our common stock on The Nasdaq Stock Market (or an eligible market under the Purchase Agreement) shall have been suspended and such suspension continues for a period of three consecutive trading days; or
- we are in material breach or default of the Purchase Agreement, and, if such breach or default is capable of being cured, such breach or default is not cured within 10 trading days after notice of such breach or default is delivered to us.

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Notwithstanding the foregoing, no termination of the Purchase Agreement by any party shall become effective prior to the fifth trading day immediately following the applicable settlement date related to any pending VWAP Purchase that has not been fully settled in accordance with the terms and conditions of the Purchase Agreement, and no termination of the Purchase Agreement shall limit, alter, modify, change or otherwise affect any of the parties' rights or obligations under the Purchase Agreement with respect to any pending VWAP Purchase, and the parties shall fully perform their respective obligations with respect to any such pending VWAP Purchase under the Purchase Agreement.

#### **No Short-Selling or Hedging by Tumim Stone**

Tumim Stone has agreed that neither it nor any of its affiliates or any entity managed or controlled by Tumim Stone shall, directly or indirectly, (i) engage in or effect any "short sales" (as such term is defined in Rule 200 of Regulation SHO of the Exchange Act) of our common stock or (ii) execute any stock pledge, forward sales contract, option, put, call, swap or similar hedging arrangement (including on a total return basis), which establishes a net short position with respect to our common stock, during the term of the Purchase Agreement.

#### **Prohibition on Variable Rate Transactions**

Subject to specified exceptions included in the Purchase Agreement, we are limited in our ability to enter into specified "Variable Rate Transactions" (as such term is defined in the Purchase Agreement) during the term of the Purchase Agreement. Such transactions include, among others, the issuance of convertible securities with a conversion or exercise price that is based upon or varies with the trading price of our common stock after the date of issuance, or our effecting or entering into an agreement to effect an "equity line of credit" or other substantially similar continuous offering with a third party, in which we may offer, issue or sell common stock or any securities exercisable, exchangeable or convertible into common stock at a future determined price.

#### **Effect of Performance of the Purchase Agreement on our Shareholders**

All shares registered in this offering that have been or may be issued or sold by us to Tumim Stone under the Purchase Agreement are expected to be freely tradable. Shares registered in this offering may be sold by us to Tumim Stone commencing on the date of this prospectus supplement and ending on July 1, 2025, or earlier termination of the Purchase Agreement in accordance with its terms. The sale by Tumim Stone of a significant amount of shares registered in this offering at any given time, could cause the market price of our common stock to decline and to be highly volatile. Sales of our common stock to Tumim Stone, if any, will depend upon market conditions and other factors to be determined by us, in our sole discretion. We may ultimately decide to sell to Tumim Stone all, some or none of the additional shares of our common stock that may be available for us to sell pursuant to the Purchase Agreement. If and when we do sell shares to Tumim Stone, after Tumim Stone has acquired the shares, Tumim Stone may resell all, some or none of those shares at any time or from time to time in its discretion. Therefore, sales to Tumim Stone by us under the Purchase Agreement may result in substantial dilution to the interests of other holders of our common stock. In addition, if we sell a substantial number of shares to Tumim Stone under the Purchase Agreement, or if investors expect that we will do so, the actual sales of shares or the mere existence of our arrangement with Tumim Stone may make it more difficult for us to sell equity or equity-related securities in the future at a time and at a price that we might otherwise wish to effect such sales. However, we have the right to control the timing and amount of any additional sales of our shares to Tumim Stone and the Purchase Agreement may be terminated by us at any time at our discretion without any cost to us.

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Pursuant to the terms of the Purchase Agreement, we have the right, but not the obligation, to direct Tumim Stone to purchase up to \$12,775,000 of our common stock, exclusive of the 176,222 Commitment Shares to be issued to Tumim Stone as consideration for its commitment to purchase shares of our common stock under the Purchase Agreement, but inclusive of the 469,925 Initial Purchase Shares we sold to Tumim Stone on the date of this prospectus supplement at an aggregate purchase price of \$2,000,000, or a per share price of \$4.256, representing the average of the closing prices on the five trading days immediately preceding the execution of the Purchase Agreement. Under the applicable Nasdaq listing rules, in no event may we issue to Tumim Stone under the Purchase Agreement more than the Exchange Cap of 2,052,879 shares of our common stock, unless (i) we obtain shareholder approval to issue shares of our common stock in excess of the Exchange Cap in accordance with applicable Nasdaq listing rules, or (ii) the average price per share paid by Tumim Stone for all of the shares of our common stock that we direct Tumim Stone to purchase from us pursuant to the Purchase Agreement, if any, equals or exceeds \$4.656 per share, such that the Exchange Cap will not apply to issuances and sales of our common stock under the Purchase Agreement. Moreover, we may not issue or sell any shares of our common stock to Tumim Stone under the Purchase Agreement which, when aggregated with all other shares of our common stock then beneficially owned by Tumim Stone and its affiliates (as calculated pursuant to Section 13(d) of the Exchange Act, and Rule 13d-3 thereunder), would result in Tumim Stone beneficially owning more than the 9.99% Beneficial Ownership Limitation.

The following table sets forth the amount of gross proceeds we would receive from Tumim Stone from our sale of shares of common stock to Tumim Stone under the Purchase Agreement at varying purchase prices:

Assumed Average Purchase Price Per Share	Number of Purchase Shares to be Issued if Full Purchase <sup>(1)</sup>	Percentage of Outstanding Shares After Giving Effect to the Issuance to Tumim Stone <sup>(2)</sup>
\$ 3.50	3,548,496	25.4%
\$ 4.00	3,163,675	23.2%
\$ 4.47 <sup>(3)</sup>	2,880,439	21.6%
\$ 4.50	2,864,369	21.5%
\$ 5.00	2,624,925	20.1%
\$ 5.50	2,429,016	18.9%

- (1) Includes the total number of Purchase Shares that we would have sold under the Purchase Agreement (i) with respect to the 469,925 Initial Purchase Shares sold on the date of this prospectus supplement, at the purchase price of \$4.256 per share, or \$2,000,000 in the aggregate and (ii) with respect to the remaining \$10,775,000 Purchase Shares that we may elect, in our sole discretion and subject to the terms of the Purchase Agreement, to sell to Tumim Stone from time to time from and after July 31, 2023, at the corresponding assumed average purchase price set forth in the first column, up to the aggregate purchase price of \$10,775,000 for such additional Purchase Shares, without regard for the Exchange Cap or the Beneficial Ownership Limitation, and excludes the Commitment Shares.
- (2) The denominator is based on 10,269,530 shares outstanding as of June 29, 2023 adjusted to include the issuance of (i) 176,222 Commitment Shares to be issued to Tumim Stone as consideration for its commitment to purchase shares of our common stock under the Purchase Agreement and (ii) the number of Purchase Shares set forth in the adjacent column that we would have sold to Tumim Stone, assuming the purchase price described in footnote (1). The numerator is based on the number of Purchase Shares issuable under the Purchase Agreement at the corresponding assumed purchase price set forth in footnote (1), and excludes the Commitment Shares.
- (3) The closing sale price of our common stock on June 29, 2023.

#### USE OF PROCEEDS

We may receive gross proceeds of up to \$12,775,000 from sales of the Purchase Shares that we elect to make to Tumim Stone pursuant to the Purchase Agreement, including \$2,000,000 in gross proceeds from the sale of 469,925 Initial Purchase Shares to Tumim Stone in the Initial Purchase on the date of this prospectus supplement. We estimate that the net proceeds to us from the sale of our common stock to Tumim Stone pursuant to the Purchase Agreement will be up to \$12,325,000, assuming that we sell the full amount of our common stock that we have the right, but not the obligation, to sell to Tumim Stone under the Purchase Agreement, without regard to the Exchange Cap or the Beneficial Ownership Limitation, and after other estimated fees and expenses. We may sell fewer than all of the shares offered by this prospectus supplement, in which case our net offering proceeds will be less. Because we are not obligated to sell any shares of our common stock under the Purchase Agreement, the actual total offering amount and proceeds to us, if any, are not determinable at this time. See “Plan of Distribution” elsewhere in this prospectus supplement for more information.

We currently intend to use the net proceeds from sale of shares of our common stock for general corporate and working capital purposes. We may also use a portion of the net proceeds to acquire or invest in complementary businesses, products and technologies. Although we have no specific agreements, commitments or understandings with respect to any acquisition, we evaluate acquisition opportunities and engage in related discussions with other companies from time to time.

The timing and amount of our actual expenditures will be based on many factors, including cash flows from operations and the anticipated growth of our business. As of the date of this prospectus, we cannot specify with certainty all of the particular uses for the net proceeds to us from this offering. As a result, our management will have broad discretion regarding the timing and application of the net proceeds from this offering.

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#### DIVIDEND POLICY

We have never declared or paid any cash dividends on our capital stock. We currently intend to use the net proceeds from any offerings of our securities and our future earnings, if any, to finance the further development and expansion of our business and do not intend or expect to pay cash dividends in the foreseeable future. Payment of future cash dividends, if any, will be at the discretion of our board of directors after taking into account various factors, including our financial condition, operating results, current and anticipated cash needs, outstanding indebtedness and plans for expansion and restrictions imposed by lenders, if any.

#### PLAN OF DISTRIBUTION

This prospectus supplement relates to the offer and sale of:

- Up to \$12,775,000 of shares of our common stock that we may elect, in our sole discretion, to issue and sell to Tumim Stone from time to time pursuant to the Purchase Agreement, consisting of:
  - 469,925 Initial Purchase Shares that we issued and sold to Tumim Stone, at a price of \$4.256 per share (representing the average official closing price of our common stock on Nasdaq for the five consecutive trading days ending on the trading day immediately prior to the date of this prospectus supplement), for aggregate gross proceeds of \$2,000,000, in the Initial Purchase under the Purchase Agreement on the date of this prospectus supplement; and
  - up to \$10,775,000 of Purchase Shares (excluding the Initial Purchase Shares we issued and sold to Tumim Stone on the date of this prospectus supplement) that we may elect, in our sole discretion, to issue and sell to Tumim Stone pursuant to the Purchase Agreement, from time to time from and after July 31, 2023, subject to the continued satisfaction (or, where legally permissible, the waiver) of specified conditions set forth in the Purchase Agreement; and
- 176,222 Commitment Shares (valued at \$4.256 per share, or \$750,000 in the aggregate) that we issued to Tumim Stone on the date of this prospectus supplement as consideration for its commitment to purchase shares of our common stock at our direction from time to time, upon the terms and subject to the conditions and limitations set forth in the Purchase Agreement.

This prospectus supplement and the accompanying prospectus also cover the resale of these shares by Tumim Stone to the public.

Tumim Stone is an “underwriter” within the meaning of Section 2(a)(11) of the Securities Act.

Tumim Stone has informed us that it intends to use one or more registered broker-dealers to effectuate all sales, if any, of our common stock that it has acquired and may in the future acquire from us pursuant to the Purchase Agreement. Such sales will be made at prices and at terms then prevailing or at prices related to the then current market price. The shares of our common stock may be sold in one or more of the following manners:

- Ordinary brokerage transactions and transactions in which the broker solicits purchasers; or
- A block trade in which the broker-dealer so engaged will attempt to sell the shares as agent, but may position and resell a portion of the block as principal to facilitate the transaction.

Each such registered broker-dealer will be an underwriter within the meaning of Section 2(a)(11) of the Securities Act. Tumim Stone has informed us that each such broker-dealer will receive commissions from Tumim Stone that will not exceed customary brokerage commissions.

Brokers, dealers, underwriters or agents participating in the distribution of the shares of our common stock offered by this prospectus supplement may receive compensation in the form of commissions, discounts, or concessions from the purchasers, for whom the broker-dealers may act as agent, of the shares sold by Tumim Stone through this prospectus supplement. The compensation paid to any such particular broker-dealer by any such purchasers of shares of our common stock sold by Tumim Stone may be less than or in excess of customary commissions. Neither we nor Tumim Stone can presently estimate the amount of compensation that any agent will receive from any purchasers of shares of our common stock sold through this prospectus supplement.

We may from time to time file with the SEC one or more supplements to this prospectus supplement or amendments to the registration statement to which this prospectus supplement relates to amend, supplement or update information contained in this prospectus supplement, including, if and when required under the Securities Act, to disclose certain information relating to a particular sale of shares offered by this prospectus supplement, including the names of any brokers, dealers, underwriters or agents participating in the distribution of such shares, any compensation paid to any such brokers, dealers, underwriters or agents, and any other required information.

As consideration for its commitment to purchase shares of our common stock at our direction from time to time under the Purchase Agreement, we issued 176,222 Commitment Shares (valued at \$4.256 per share, or \$750,000 in the aggregate) to Tumim Stone on the date of this prospectus supplement. Upon our execution of the Purchase Agreement, we also paid Tumim Stone \$75,000 in cash as reimbursement for the fees and disbursements of its counsel incurred in connection with the transactions contemplated by the Purchase Agreement.

We also have agreed to indemnify Tumim Stone and certain other persons against certain liabilities in connection with the offering of shares of our common stock offered hereby, including liabilities arising under the Securities Act or, if such indemnity is unavailable, to contribute amounts required to be paid in respect of such liabilities. Tumim Stone has agreed to indemnify us against liabilities under the Securities Act that may arise from certain written information furnished to us by Tumim Stone specifically for use in this prospectus supplement or, if such indemnity is unavailable, to contribute amounts required to be paid in respect of such liabilities. Insofar as indemnification for liabilities arising under the Securities Act may be permitted to our directors, officers, and controlling persons, we have been advised that in the opinion of the SEC this indemnification is against public policy as expressed in the Securities Act and is therefore, unenforceable.

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We have entered into an agreement with Maxim Group LLC (“Maxim”), a registered broker-dealer and member of the Financial Industry Regulatory Authority, Inc. (“FINRA”), pursuant to which Maxim agreed to act as the placement agent in connection with the transactions contemplated by the Purchase Agreement. Pursuant to such placement agent agreement, we have agreed to pay Maxim a cash placement fee of (a) 5% of the initial \$2 million of shares sold to Tumim Stone under the Purchase Agreement, or \$100,000, and (b) thereafter, 1.5% of any additional amounts sold to Tumim Stone under the Purchase Agreement, or up to \$161,625 assuming the maximum amount is sold, in each case subject to receipt of written confirmation from the Financial Industry Regulatory Authority (“FINRA”) to the effect that FINRA’s Corporate Finance Department has determined not to raise any objection with respect to the fairness or reasonableness of the terms of compensation to be received by Maxim. We have also agreed to pay Maxim its out of pocket expenses, including reasonable expenses of counsel, up to \$30,000. We have also agreed to provide indemnification and contribution to Maxim with respect to certain civil liabilities, including liabilities under the Securities Act.

We estimate that the total expenses for the offering, including compensation payable to Maxim under the terms of the placement agent agreement, will be approximately \$450,000, assuming the sale of the entire \$12,775,000 under the Purchase Agreement.

Tumim Stone has agreed that neither it nor any of its affiliates or any entity managed or controlled by Tumim Stone shall, directly or indirectly, (i) engage in or effect any “short sales” (as such term is defined in Rule 200 of Regulation SHO of the Exchange Act) of our common stock or (ii) execute any stock pledge, forward sales contract, option, put, call, swap or similar hedging arrangement (including on a total return basis), which establishes a net short position with respect to our common stock, during the term of the Purchase Agreement.

We have advised Tumim Stone that it is required to comply with Regulation M promulgated under the Exchange Act. With certain exceptions, Regulation M precludes Tumim Stone, any affiliated purchasers, and any broker-dealer or other person who participates in the distribution from bidding for or purchasing, or attempting to induce any person to bid for or purchase any security which is the subject of the distribution until the entire distribution is complete. Regulation M also prohibits any bids or purchases made in order to stabilize the price of a security in connection with the distribution of that security. All of the foregoing may affect the marketability of the securities offered by this prospectus supplement.

This offering will terminate on the date that all shares offered by this prospectus supplement have been issued and sold by us to Tumim Stone and have been resold by Tumim Stone. We may suspend the sale of shares to Tumim Stone pursuant to this prospectus supplement for certain periods of time for certain reasons, including if this prospectus supplement is required to be supplemented or amended to include additional material information.

Our common stock is currently listed on The Nasdaq Capital Market under the symbol “IPDN.”

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## LEGAL MATTERS

The validity of the issuance of the securities offered by this prospectus supplement will be passed upon for us by Locke Lord LLP, Chicago, Illinois. Tumim Stone is being represented by Reed Smith LLP, New York, New York.

## EXPERTS

The financial statements of Professional Diversity Network, Inc. as of and for the year ended December 31, 2022, appearing in Professional Diversity Network, Inc.’s annual report on Form 10-K for the year ended December 31, 2022, have been audited by Sassetti LLC, an independent registered public accounting firm, as set forth in their report included therein, and incorporated herein by reference. Such financial statements are incorporated herein by reference in reliance upon such report given on the authority of such firm as experts in accounting and auditing.

The financial statements of Professional Diversity Network, Inc. as of and for the year ended December 31, 2021, appearing in Professional Diversity Network, Inc.’s annual report on Form 10-K for the year ended December 31, 2022, have been audited by Ciro E. Adams, CPA, LLC. Ciro E. Adams, CPA, LLC has ceased operations and has not reissued its report with respect to those financial statements, and we have not been able to obtain, after reasonable efforts, Ciro E. Adams, CPA, LLC’s written consent to the inclusion in this prospectus of said report. The SEC has granted the Company’s application to dispense with the consent requirements of Section 7 of the Securities Act. Division of Corporation Finance, Financial Reporting Manual Section 4820—Accountant’s Inability to Reissue Reports (AI 23, Interpretation 15; Regulation C, Rule 437). As a result, you may not have an effective remedy against Ciro E. Adams, CPA, LLC in connection with any material misstatement or omission in the financial statements to which its audit report relates. In addition, even if you were to assert such a claim, as a result of its ceasing operations, Ciro E. Adams, CPA, LLC may fail or otherwise have insufficient assets to satisfy claims made by investors that might arise under federal securities laws or otherwise with respect to its audit report.

## WHERE YOU CAN FIND ADDITIONAL INFORMATION

We file annual, quarterly and other reports, proxy statements and other information with the SEC. The SEC maintains a web site that contains reports, proxy and information statements and other information about issuers, such as us, who file electronically with the SEC. The address of that website is <http://www.sec.gov>. Our SEC filings are available there.

Our website address is [www.ipdnusa.com](http://www.ipdnusa.com). General information about us, including our annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K, as well as any amendments and exhibits to those reports, are also available free of charge through our website as soon as reasonably practicable after we file them with, or furnish them to, the SEC. The information on our website, however, is not, and should not be deemed to be, a part of this prospectus.

This prospectus and any prospectus supplement are part of a registration statement that we filed with the SEC and do not contain all of the information in the registration statement. We have also filed exhibits and schedules to the registration statement and you should refer to such applicable exhibits or schedules for a complete description or statements pertaining to any contract or other document. The full registration statement may be obtained from the SEC or us, as provided below.

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### INCORPORATION OF CERTAIN INFORMATION BY REFERENCE

The SEC allows us to “incorporate by reference” information that we file with it. Incorporation by reference allows us to disclose important information to you by referring you to those other documents. The information incorporated by reference is an important part of this prospectus supplement and accompanying prospectus, and information that we file later with the SEC will automatically update and supersede this information. We filed a registration statement on Form S-3 under the Securities Act of 1933, as amended (the “Securities Act”), with the SEC with respect to the securities being offered pursuant to this prospectus supplement and accompanying prospectus. This prospectus supplement omits certain information contained in the registration statement, as permitted by the SEC. You should refer to the registration statement, including the exhibits, and accompanying prospectus for further information about us and the securities being offered pursuant to this prospectus supplement and accompanying prospectus. Statements in this prospectus supplement and accompanying prospectus regarding the provisions of certain documents filed with, or incorporated by reference in, the registration statement are not necessarily complete and each statement is qualified in all respects by that reference. Copies of all or any part of the registration statement, including the documents incorporated by reference or the exhibits, may be obtained upon payment of the prescribed rates at the offices of the SEC listed above in “Where You Can Find Additional Information.” The documents we are incorporating by reference into this prospectus supplement are:

- Our Annual Report on Form [10-K](#) for the fiscal year ended December 31, 2022, as filed on March 31, 2023, including portions of our Definitive Proxy Statement on [Schedule 14A](#) filed with the SEC on May 1, 2023, incorporated by reference therein;
- Our Quarterly Report on Form [10-Q](#) for the quarter ended March 31, 2023, as filed on May 15, 2023;
- Our Current Reports on Form 8-K filed with the SEC on [January 4, 2023](#), [January 11, 2023](#), [January 23, 2023](#), [March 15, 2023](#), [March 31, 2023](#), [May 15, 2023](#), [June 21, 2023](#) and [June 30, 2023](#); and
- The description of our common stock contained in our Registration Statement on [Form S-3](#) filed October 18, 2021 (File No. 333-260316), as updated by any amendment or report filed for the purpose of updating such description.

In addition, all documents subsequently filed by us pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act before the date any offering is terminated or completed are deemed to be incorporated by reference into, and to be a part of, this prospectus supplement. In no event, however, will any of the information, including exhibits, that we disclose under Item 2.02 and Item 7.01 of any Current Report on Form 8-K that has been or may, from time to time, be furnished to the SEC be incorporated into or otherwise become a part of this prospectus supplement.

Any statement contained in this prospectus supplement or in a document incorporated or deemed to be incorporated by reference into this prospectus supplement will be deemed to be modified or superseded for purposes of this prospectus supplement to the extent that a statement contained in this prospectus supplement or any other subsequently filed document that is deemed to be incorporated by reference into this prospectus supplement modifies or supersedes the statement. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this prospectus supplement.

We will furnish without charge to you, on written or oral request, a copy of any or all of the documents incorporated by reference, including exhibits to these documents. You should direct any requests for documents to Professional Diversity Network, Inc., 55 E. Monroe Street, Suite 2120, Chicago, Illinois 60603, (312) 614-0950. Copies of these filings are also available through the “Investors” section of our website at <https://www.prodivnet.com>. For other ways to obtain a copy of these filings, please refer to “Where You Can Find Additional Information” above.

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### PROSPECTUS

**Professional Diversity Network, Inc.**

**\$25,000,000**

**Common Stock, par value \$0.01**

**Preferred Stock, par value \$0.01**

**Warrants**

**Rights**

**Units**

We may offer and sell from time to time, in one or more offerings, together or separately, any combination of the securities described in this prospectus, which we refer to as the “**securities**.” The aggregate offering price of the securities will not exceed \$25,000,000. This prospectus describes some of the general terms that may apply to the securities and the general manner in which they may be offered. We will describe the specific terms of the securities that we offer, and the specific manner in which they may be offered, in one or more supplements to this prospectus at the time of each offering and sale.

We may offer and sell the securities described in this prospectus and any prospectus supplement to or through one or more underwriters, dealers and agents, or directly to purchasers, or through a combination of these methods. If any underwriters, dealers or agents are involved in the sale of any of the securities, their names and any applicable purchase price, fee, commission or discount arrangement between or among them will be set forth, or will be calculable from the information set forth, in the applicable prospectus supplement. See the sections of this prospectus entitled “About this Prospectus” and “Plan of Distribution” for more information. No securities may be sold without delivery of this prospectus and the applicable prospectus supplement describing the method and terms of the offering of such securities.

**INVESTING IN OUR SECURITIES INVOLVES RISKS. SEE THE “RISK FACTORS” ON PAGE 12 OF THIS PROSPECTUS AND ANY SIMILAR SECTION CONTAINED IN THE APPLICABLE PROSPECTUS SUPPLEMENT CONCERNING FACTORS YOU SHOULD CONSIDER BEFORE INVESTING IN OUR SECURITIES.**

Our common stock is listed on the Nasdaq Capital Market under the symbol “IPDN.” On October 14, 2021, the closing price of our common stock was \$1.36 per share. You are urged to obtain current market quotations of our common stock.

**NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR PASSED UPON THE ADEQUACY OR ACCURACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.**

The date of this prospectus is October 26, 2021.

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## ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that we filed with the U.S. Securities and Exchange Commission, or the SEC, using a “shelf” registration process. By using a shelf registration statement, we may sell securities from time to time and in one or more offerings up to a total dollar amount of \$25,000,000 as described in this prospectus. Each time that we offer and sell securities, we will provide a prospectus supplement to this prospectus that contains specific information about the securities being offered and sold and the specific terms of that offering. The prospectus supplement may also add, update or change information contained in this prospectus with respect to that offering. If there is any inconsistency between the information in this prospectus and the applicable prospectus supplement, you should rely on the prospectus supplement. Before purchasing any securities, you should carefully read both this prospectus and the applicable prospectus supplement, together with the additional information described under the heading “Where You Can Find More Information” and “Incorporation of Certain Information by Reference.”

We have not authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We will not make an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus and the applicable prospectus supplement to this prospectus is accurate as of the date on its respective cover, and that any information incorporated by reference is accurate only as of the date of the document incorporated by reference, unless we indicate otherwise. Our business, financial condition, results of operations and prospects may have changed since those dates.

When used in this prospectus, the terms the “**Company**,” “**we**,” “**our**” and “**us**” refer to Professional Diversity Network, Inc. and its consolidated subsidiaries, unless otherwise specified or the context otherwise requires.

## WHERE YOU CAN FIND MORE INFORMATION

We file reports, proxy statements and other information with the SEC. The SEC maintains a web site that contains reports, proxy and information statements and other information about issuers, such as us, who file electronically with the SEC. The address of that website is <http://www.sec.gov>. Our SEC filings are available there.

Our website address is [www.prodivnet.com](http://www.prodivnet.com). The information on our website, however, is not, and should not be deemed to be, a part of this prospectus.

This prospectus and any prospectus supplement are part of a registration statement that we filed with the SEC and do not contain all of the information in the registration statement. The full registration statement may be obtained from the SEC or us, as provided below. Forms of the documents establishing the terms of the offered securities are or may be filed as exhibits to the registration statement. Statements in this prospectus or any prospectus supplement about these documents are summaries and each statement is qualified in all respects by reference to the document to which it refers. You should refer to the actual documents for a more complete description of the relevant matters. You may inspect a copy of the registration statement through the SEC’s website, as provided above.

## INCORPORATION OF CERTAIN INFORMATION BY REFERENCE

The SEC’s rules allow us to “incorporate by reference” information into this prospectus. This means that we can disclose important information to you by referring you to another document. Any information referred to in this way is considered part of this prospectus from the date we file that document. Any reports filed by us with the SEC after the date of this prospectus and before the date that the offering of securities by means of this prospectus and a prospectus supplement is terminated will automatically update and, where applicable, supersede any information contained in this prospectus or incorporated by reference in this prospectus.

We incorporate by reference into this prospectus the following documents or information filed with the SEC (other than, in each case, documents or information deemed to have been furnished and not filed in accordance with the SEC’s rules):

- Our Annual Report on Form 10-K for the year ended December 31, 2020 filed with the SEC on April 9, 2021.

- Our Quarterly Report on Form 10-Q for the period ended March 31, 2021, filed with the SEC on May 17, 2021.
- Our Quarterly Report on Form 10-Q for the period ended June 30, 2021, filed with the SEC on August 16, 2021.
- Our Current Reports on Form 8-K filed with the SEC on February 2, March 26, April 26, April 29, May 17, May 25, June 15, 2021, July 8, 2021, July 15, 2021, August 16, 2021, August 30, 2021 and September 23, 2021.
- The description of our common stock contained in our Registration Statement on Form S-1 filed December 30, 2016 (File No. 333-215388), as updated by any amendment or report filed for the purpose of updating such description.

All reports and other documents we subsequently file pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act prior to the termination of this offering, including all such documents we may file with the SEC after the date of the initial registration statement and prior to the effectiveness of the registration statement, but excluding any information furnished to, rather than filed with, the SEC, will also be incorporated by reference into this prospectus and deemed to be part of this prospectus from the date of the filing of such reports and documents.

We will provide, without charge, copies of all documents incorporated by reference in this prospectus, other than exhibits to those documents that have not been specifically incorporated by reference into this prospectus. You may obtain documents incorporated by reference in this prospectus on our website at [www.prodivnet.com](http://www.prodivnet.com) or by requesting them in writing or by telephone from us at the following address and telephone number:

Professional Diversity Network, Inc.  
55 E. Monroe Street, Suite 2120  
Chicago, Illinois 60603  
(312) 614-0950

The information on our website is not incorporated by reference in this prospectus or any prospectus supplement and you should not consider it a part of this prospectus or any prospectus supplement.

### SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements that involve risks and uncertainties, principally in the sections entitled “Risk Factors.” All statements other than statements of historical fact contained in this prospectus, including statements regarding future events, our future financial performance, business strategy and plans and objectives of management for future operations, are forward-looking statements. We have attempted to identify forward-looking statements by terminology including “anticipates,” “believes,” “can,” “continue,” “could,” “estimates,” “expects,” “intends,” “may,” “plans,” “potential,” “predicts,” “should,” or “will” or the negative of these terms or other comparable terminology. Although we do not make forward looking statements unless we believe we have a reasonable basis for doing so, we cannot guarantee their accuracy. These statements are only predictions and involve known and unknown risks, uncertainties and other factors, including the risks outlined under “Risk Factors” or elsewhere in this prospectus, which may cause our or our industry’s actual results, levels of activity, performance or achievements expressed or implied by these forward-looking statements.

Forward-looking statements should not be read as a guarantee of future performance or results, and will not necessarily be accurate indications of the times at, or by which, that performance or those results will be achieved. Forward-looking statements are based on information available at the time they are made and/or management’s good faith belief as of that time with respect to future events, and are subject to risks and uncertainties that could cause actual performance or results to differ materially from what is expressed in or suggested by the forward-looking statements.

Forward-looking statements speak only as of the date they are made. You should not put undue reliance on any forward-looking statements. We assume no obligation to update forward-looking statements to reflect actual results, changes in assumptions or changes in other factors affecting forward-looking information, except to the extent required by applicable securities laws. If we do update one or more forward-looking statements, no inference should be drawn that we will make additional updates with respect to those or other forward-looking statements

## ABOUT THE COMPANY

### Overview

The Company is a dynamic operator of professional networks with a focus on diversity. We use the term “diversity” (or “diverse”) to describe communities, or “affinities,” that are distinctly based on a wide array of criteria which may change from time to time, including ethnic, national, cultural, racial, religious or gender classification. We serve a variety of such communities, including Women, Hispanic-Americans, African-Americans, Asian-Americans, Disabled, Military Professionals, and Lesbian, Gay, Bisexual, Transgender and Queer (LGBTQ). Our goal is (i) to assist our registered users and members in their efforts to connect with like-minded individuals, identify career opportunities within the network and (ii) connect members with prospective employers while helping the employers address their workforce diversity needs. We believe that the combination of our solutions allows us to approach recruiting and professional networking in a unique way and thus create enhanced value for our members and clients.

### Our Strategy

We provide services for employers who want to hire diverse talent, to individuals seeking to network on a professional level and to job seekers who desire to improve their professional situation.

Our diversity recruitment business provides additional value for our other business segments by providing our registered users and members with access to employment opportunities at leading companies. Efforts have been focused on placing talent in IT, Finance, and similarly related fields. The core diversity recruitment business also includes executive placement services for leading companies seeking to hire diverse talent. This business line addresses a need for employers who want to secure leading diverse talent in management, senior management and executive capacities.

Our strategy encompasses the following key elements:

- Grow and diversify our member and client base;
- Improve branding and brand awareness;
- Utilize social media to effectively engage with the community;
- Maximize revenue through synergies among the segments;
- Launch new products and services;
- Streamline infrastructure to capture efficiency; and
- Continue to expand in diversity recruitment by growing our core offerings of recruitment advertising, Office of Federal Contract Compliance Programs (“OFCCP”) compliance offerings and our new diversity placement services.

We remain interested in pursuing acquisition and/or development opportunities that would increase returns of capital to our shareholders, such as the recent purchase of a significant equity stake in RemoteMore USA, Inc. The timing, size, success and associated potential future capital commitments, are unknown at this time. Accordingly, a material acceleration of our growth strategy could require us to obtain additional capital through debt and/or equity financings. There can be no assurance that adequate debt

and equity financing will be available on satisfactory terms.

## Industry Overview

The diversity recruitment market is highly fragmented and is characterized by the following trends:

- *Regulatory Environment Favorable to Promoting Diversity in the Workplace.* In August 2011, President Obama signed Executive Order 13583 to establish a coordinated government-wide initiative to promote diversity and inclusion in the federal workforce. This Executive Order requires companies considering contracting with the federal government to be prepared to demonstrate the diversity of their workforce. Certain companies that have federal contracts are subject to this Executive Order. In the public sector, the Dodd–Frank Wall Street Reform and Consumer Protection Act (the “**Dodd-Frank Act**”) mandated that each of the eight U.S. financial agencies, including the Department of the Treasury, the Securities and Exchange Commission, the Federal Deposit Insurance Corporation and the Office of the Comptroller of the Currency, and twelve Federal Reserve banks create Offices of Minority and Women Inclusion (“**OMWI**”) to be responsible for all agency matters relating to diversity in management, employment and business activities. The OMWI monitor diversity within their ranks as well as within the pool of contractors who provide goods and services to the government.
- *Growing Ethnic Diversity of the U.S. Population and Labor Force.* Multicultural groups are the fastest growing segment of the U.S. population. Hispanics, African-Americans, Asian-Americans, and all other multicultural groups were estimated by the U.S. Census Bureau to make up 39.6% of the U.S. population in 2018, with census projections showing that multicultural populations will become a numeric majority by 2044. According to the U.S. Census Bureau, 2014 National Projections, the multicultural population is expected to increase 95% between 2014 and 2060. In sheer numbers, Hispanic-Americans are expected to experience the most growth among diversity groups, growing from 17% of the total population in 2014 to 29% by 2060. African-American population is expected to increase from 14% in 2014 to 18% in 2060, and Asian-American population from 6% in 2014 to 12% in 2060. Not surprisingly, diversity recruitment is increasingly becoming a common, if not standard, business practice by major employers. According to the Current Population Survey conducted by the Bureau of Census for the Bureau of Labor Statistics, of the 2015 annual average of approximately 149 million employees nationwide, approximately 47% were women and approximately 34% were Hispanic, African American or Asian American. According to a job report on private sector hiring published by the U.S. Equal Employment Opportunity Commission in July 2015, the percentage of minority employment in the U.S. compared to overall employment grew from 11% in 1966 to 37% in 2014. In the U.S., Hispanic-Americans had the fastest growth rate in the U.S. private sector, with employment of Hispanic-Americans increasing from 2.5% to 13.9% between 1966 and 2013. The share of the labor force that is Hispanic-American is projected to increase from 16.3% in 2014 to 19.8% in 2024, according to the Bureau of Labor Statistics.
- *Demographic Trend Toward Women’s Career Advancement.* According to the U.S. Bureau of Labor Statistics, there were over 74 million women 16 years old and over in the workforce as of January 2016. The number of women in the labor force is expected to increase to 77.2 million by 2024. In 2019, women accounted for 57.4% of all workers employed in management, professional, and related occupations. According to the Current Population Survey conducted by the Bureau of Census for the Bureau of Labor Statistics, in 2018 women also made up the majority of healthcare support occupations (74%) and financial activities (53%).
- *Rising Spending Power of Diverse Population.* IPDN US segments are focused on providing professional enhancement tools to diverse Americans including women. We believe diverse professionals are underserved and represents a very strong opportunity to enhance our shareholders value. Published by the Selig Center for Economic Growth, the report estimates the nation’s total buying power reached \$13.9 trillion in 2016 and predicts it will hit \$16.6 trillion by 2021, with minority groups making the fastest gains. For example, African-American buying power, estimated at \$1.2 trillion in 2016, will grow to \$1.5 trillion by 2021, making it the largest racial minority consumer market.
- *Increasing Socialization of the Internet.* The Internet has revolutionized how information is created and communicated - a wealth of information is readily accessible by browsing the Internet anonymously. However, we believe the social aspect of the Internet is emerging as an increasingly powerful influence on our lives. While an individual’s interpersonal connections traditionally have not been visible to others, social and professional networking websites enable members to share, and thereby unlock, the value of their connections by making them visible. Today, personal connections and other information, such as online social and professional networking websites, are increasingly becoming a powerful tool for a growing population of users to connect with one another.

## Our Solutions

We currently operate in two major business segments: (i) Professional Diversity Network (“**PDN Network**”), which includes online professional networking communities with career resources tailored to the needs of various diverse cultural groups and (ii) National Association of Professional Women (“**NAPW Network**”), a women-only professional networking organization. In 2020, our PDN Network, and NAPW Network represented 70%, and 30% of our revenues, respectively. In 2018, we started transacting new memberships under the International Association of Women brand in the USA.

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In March 2020, our Board of Directors decided to discontinue all operations in China. The resolution approved by the Board does not contemplate a sale of the business unit or a sale of any assets to a third-party for its China operations, but to effectively cease operations, which commenced during the second quarter of 2020. Accordingly, all historical financial results associated with the China operations have been reclassified to discontinued operations and current and prior period financial results have been reclassified. China operations were previously disclosed as a reportable operating segment as “China Operations.”

For financial information about our operating segments please see Note 13 of our Consolidated Financial Statements included in our Annual Report on Form 10-K for the year ended December 31, 2020, as well as our Quarterly Reports for the periods ended March 31, 2021 and June 30, 2021, each of which is incorporated by reference into this prospectus.

### **PDN Network**

*Recruitment Solutions.* The PDN Network consists of several online professional networking communities dedicated to serving diverse professionals in the United States and employers seeking to hire diverse talent. We use the word “professional” to describe any person interested in the Company’s websites 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. Our networking communities harness our relationship recruitment methodology to facilitate and empower professional networking within common affinities. We believe that those within a common affinity often are more aggressive in helping others within their affinity progress professionally. We operate these relationship recruitment affinity groups within the following sectors: Women, Hispanic-Americans, African-Americans, Asian-Americans, Disabled, Military Professionals, Lesbians, Gay, Bisexual, Transgender and Queer (LGBTQ), and Students and Graduates seeking to transition from education to career.

Our PDN Network has registered users for our recruitment services. We use the term “registered user” to describe a consumer who has affirmatively visited one of our properties, opted into an affinity group and provided us with demographic or contact information enabling us to match them with employers and/or jobs, and to sell them ancillary products and services. We expect that continued registered user growth of the PDN Network will enable us to further develop our list of online professional diversity networking and career placement solutions. We currently provide access to our PDN Network websites to registered users at no cost. The Company is always exploring various partnerships with other service providers to increase their offerings to both job seekers and employers. Our goal is to use an asset light approach to provide quality products and services, to increase our value to those we serve and drive additional capital without significant capital investments. For example, we announced our partnership with Web



Scribble, the leading provider of career technology for professional and trade associations. Leveraging our existing assets through relationships with other technology firms such as Web Scribble allows us to grow our relationships with employers without investing in sophisticated, proprietary resources.

We offer employers of all sizes seeking to diversify their employment ranks, and to third party recruiters (i) real-time solutions that deliver diverse talent, (ii) advertising and promotion of their job opportunities to our networks of diverse professionals and (iii) assistance with posting their job opportunities to career agencies in a manner compliant with the regulations and requirements of the Equal Employment Opportunity, OFCCP, and state and local governments. Our recruitment advertising solutions promote hiring and retention success by providing job seekers with information that we believe allows them to look beyond a corporate brand, deeper into employers' core values. We use sophisticated technology to deliver recruitment advertising using internet banner ads and email marketing targeted by geography and occupation, based upon data from our audiences' profiles and job searches on our websites. As of December 31, 2020, we had approximately 1,250 companies utilizing our products and services.

*Career Fairs.* Through our events business, a part of our PDN Network business segment, we produce premier face-to-face and virtual recruiting events we call Professional & Technical Diversity Career Fairs. The Company's diversity events help employers connect with a new marketplace of diverse professionals. Our events are the only events of their type endorsed by leading organizations such as the NAACP, Urban League, BDPA and others. Participating employers range from Fortune 500 companies to federal, state and local agencies and from smaller employers to non-profit organizations, all of which seek a proactive approach to diversity recruiting. We also produce virtual and in-person career fairs as part of high-profile national events such as the NAACP National Convention, the Urban League National Conference and HBCU sorority and fraternity conferences. Since 2017 we host and produce virtual career fairs serving veterans, women and STEAM professionals.

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*PDN (Recruits).* We use matching and targeting technology to match members with our partners on a renewing license basis, designed to provide the Company with increasing residual income as we add new partners and sell additional licenses. This product meets the increased demand of entry level and hourly workforce needs of our clients. The product is a solution for America's shrinking unemployment rate which has decreased the amount of readily available hourly/part-time workers but driven demand higher for growing employers. The product utilizes SMS texting technology to reach interested candidates which creates very little lag time and increased savings and efficiencies for both PDN and our clients.

*PDN Diversity Placement.* In 2018, the Company launched a diversity placement service that has initially focused on high demand positions in digital transformation and finance. We are currently recruiting for leading employers who pay a monthly license fee and a percentage of the first year's annual salary plus bonus for candidates we source and they hire. We believe our superior brand positioning, large network of diverse talent and our vast employer relationships position us well for continued growth in this segment.

#### ***NAPW Networking***

The NAPW Network is a professional networking organization for women. We use the term "member or membership" to describe a consumer who has viewed our marketing material, opted into membership with the NAPW Network, provided demographic information and engaged in an onboarding call with a membership coordinator. Paid memberships provide greater access to networking opportunities and other membership perks, including access to upgraded packages. Members of the NAPW Network enjoy a wealth of resources dedicated to developing their professional networks, furthering their education and skills and promoting their businesses and career accomplishments.

We provide NAPW Network members with opportunities to network and develop valuable business relationships with other professionals through NAPW's website, as well as at events hosted at approximately 50 local chapters across the United States. In March 2020, due to the Covid-19 pandemic, all events shifted to a virtual format hosted on Zoom platforms. We anticipate that we will be able to host a mix of live and virtual events beginning in the second quarter of 2022. PDN Network products and services are being deployed to provide enhanced value to the NAPW membership experience, which we believe will be an important component in increasing both the number of new memberships and renewals of existing memberships.

*NAPW eChapter.* NAPW operates a series of virtual national chapter meetings. The events are held online monthly, and include presentations by guest speakers including NAPW management, chapter presidents, or prominent members, and a panel discussion often including NAPW members on topics focused on inspiring professional women to tackle and overcome challenges encountered in their careers and businesses. Topics are aligned with NAPW's content strategy and include discussions on finding and igniting your passion, turning passion into opportunity, building confidence and professional growth through taking on new challenges. The on-line events also include the opportunity for members to network with other participants in the live chat room. The events often attract approximately 500 registrants and 100-200 participants. We define registrants as those who enroll in an eChapter meeting but for some reason fail to attend, and participants as those who both enroll and attend. We track registrants, though they do not attend, because they are an indicator of our marketing reach and membership engagement.

*IAW Leadership Lab.* In 2020, IAW launched the Leadership Lab platform as an enhancement to the NAPW eCoaching platform. IAW also offers virtual networking roundtable events throughout the month where members who are established experts in their field provide participants insight and tips on how to overcome career and business challenges. Hosted by NAPW's VP of Marketing & Membership Experience, our unique platform connects our members with professional life and career coaches from within the NAPW membership base. Through these events, members gain insight, guidance and inspiration to help them maximize their personal and professional potential. Topics include the Power of Intentionality-Turning Good Intentions Into Actions, The Power of Authentic Communication, and Confident Steps To Create a Thriving Life. The on-line events also include the opportunity for members to network with other participants in the live chat room. The events have attracted approximately 500 registrants and 150 - 300 participants.

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*Professional Identity Management.* Through the NAPW Network website, NAPW Network members are able to create, manage and share their professional identity online and promote themselves and their businesses. NAPW Network members can also promote their career achievements and their businesses through placement on the NAPW Network website's home page, in proprietary press releases, in the online Member Marketplace and in monthly newsletter publications. In addition, the PDN Network provides members with direct access to employers seeking to hire professional women at a high level of connectivity and efficiency. Our synergies enable us to match members with our employment partners and then converse with the member to confirm such member's desire to take the position to which we matched them, confirm that member is qualified for the position and directly notify the employer about a member that we have qualified and confirmed has competed an application within the employer's recruitment system.

*Networking Events.* Historically, NAPW Network's offline networking opportunities included monthly local chapter events and a large National Networking Conference. Because PDN Network networking career events are already being conducted we have the ability to add an additional event for NAPW at the same venue, one hour after the PDN Network event ends, at a substantially lower cost compared to hosting a stand-alone NAPW event. Employers who sponsor the PDN Network career networking events will have the opportunity to participate in the NAPW event and meet with members to discuss employment opportunities in what we believe is an inviting and upscale networking environment. We believe that providing the opportunity for NAPW Registered Users to meet, outside of the monthly local chapter events and the single national event, will add value to all NAPW Registered Users through allowing them to attend any or all of our PDN Network events. Non-members may also attend, subject to certain restrictions.

*Access to Knowledge.* In addition to networking and promotional opportunities, NAPW Network also provides to its members the ability to further develop their skills and expand their knowledge base through monthly newsletters, online and in-person seminars, webinars and certification courses.



*Upgraded Memberships and Ancillary Products.* Upgraded packages include additional promotional and publicity tools as well as free access for the member to National Summits and continuing education programs and the press release package, which provides members with the opportunity to work with professional writers to publish personalized press releases and thereby secure valuable online presence.

*Partner Discounts.* We also offer to NAPW Network members exclusive discounts on third-party products and services.

*IAW Global Women's Network.* This network offers in-person and online networking with like-minded women to foster enhanced career connections and opportunities. Members can promote their brands, identify new career opportunities, and build lasting relationships at monthly meetings and events. These interactive events allow members to improve their verbal resumes, expand their networks, and hear from inspiring speakers. Regional and National Conferences provide inspirational panels, unique networking opportunities, and the chance for members to promote their business or services. Our partners allow members to explore events outside the US and create opportunities to network with women around the world.

## **Operations: Sales, Marketing and Customer Support**

### ***Sales and Marketing***

We sell NAPW/IAW Network membership subscriptions offline through our NAPW/IAW Network sales force, which currently includes 3 sales professionals, all of whom sell initial membership services. We also support online membership subscriptions through online sales via our website. We developed a secure, work-from-home technology along with a training and supervision platform aimed at reducing the overhead costs, increasing per-representative profitability, and offering our sales professionals flexible working arrangements. All sales representatives are capable of selling upgraded memberships and ancillary products.

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Our PDN sales resources for recruitment and recruitment advertising products and services include a sales force with 7 sales professionals, third-party strategic partners who deliver employers with demand for our products, and technology, which facilitates e-commerce transactions. We market directly to employers and third-party recruiters. Our sales team uses a combination of telephone, email and face-to-face marketing, including personal visits to companies or their recruitment agencies, as well as appearances at industry and trade group events where diversity recruitment recruiters are in attendance. We have also formed strategic alliances with parties who are able to help extend our organic reach. In addition, we are developing purely online marketing channels to bring recruiters to us in bulk and use products based on a matching and targeting technology to facilitate sales. We have specialty units within our sales force dedicated to serving: (i) federal, state and local governments and companies and contractors who serve these governmental entities, (ii) small and medium sized businesses as defined by companies with less than 2,500 employees and (iii) large enterprises with greater than 2,500 employees.

### ***Customer Support, Compliance and Testing***

In addition to our sales professionals, we also employ support teams to provide customer support, compliance and testing. Our customer support teams work together to improve engagement with our members and to ensure a high degree of member satisfaction and retention. Our compliance team focuses on ensuring the integrity of the NAPW Network sales process. The team works closely with customer support and sales management to ensure that sales are conducted in an ethical manner and to identify sales representatives who would benefit from enhanced training. Our testing team consists of representatives who work with our Development and Executive teams to identify new lead-generation, sales and membership product opportunities, and to test those as well as new approaches to our current sales.

## **Our Strengths**

We believe the following elements give us a competitive advantage to accomplish our mission:

- *Dedicated Focus on Diverse Professionals.* Our focus on providing career opportunities for diverse professionals differentiates us from other online social networking websites, such as Facebook. We believe our websites have a distinctly career-oriented feel and utility when compared with other online social networking websites. We believe that users prefer to manage their professional and social identities and contacts separately. While other online professional networking websites, such as LinkedIn, also have a professional focus, we are singularly focused on diverse professionals in the United States. We believe that we communicate effectively with each of our diverse communities and create environments that harness a natural affinity among members of common culture, ethnicity, gender, orientation, nationality and experience to stimulate increased member trust, networking and engagement.
- *Online and Offline Diversity Career Services.* The Company has a comprehensive and coordinated method of connecting diverse job seekers with companies seeking to hire diverse employees. Our advantage comes through our call center operations which facilitate timely, accurate matching of job seekers and employers. Many competitors do not have such a service in-house. Additionally, we operate live and virtual job fairs which allow job seekers and employers to meet one-on-one. Many competitors also have to outsource this service. We provide a wide continuum of contact points to facilitate employers' desire to identify and hire diverse talent in an OFCCP-compliant manner.
- *Platform That Harnesses the Power of Web Socialization.* We believe that our membership base will continue to grow and that our platform will be an increasingly powerful tool that enables our members to leverage their connections and shared information for the collective benefit of all of the participants on our platform. We believe that we are the first online professional network to focus on the diversity recruitment sector.
- *Relationships with Strategic Partners.* We believe that our relationships with strategic partners are difficult to replicate and give us a competitive advantage in the networking opportunities, career tools and resources we can offer to our members, as well as the diverse audiences we can access for employers and advertisers.
- *Relationships with Professional Entities & Organizations.* Our team has experience working with multicultural professional organizations. We partner with a number of leading minority professional organizations, including:
  - DisabledPersons.com;

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- Ebony Magazine
- The Griot
- HireVeterans.com
- IT Diversity Careers
- Greek Diversity
- Kappa Alpha Psi
- Phi Beta Sigma
- Latinos in Information Science and Technology Association (TechLatino)
- Job Opportunities for Disabled American Veterans (JOFDAV)
- Veterans Exchange

- National Association for the Advancement of Colored People (NAACP)
  - The National Urban League
  - VFW Veterans Job Board Vetjobs
  - Women in Technology International (WITI)
- *Customized Technology Platform.* Our technology platform has been custom-designed and built to facilitate networking engagement, job searching, real-time job qualification and matching, and text-based communications.

We believe that the following elements give us a competitive advantage with respect to the NAPW Network:

- *Exclusive Focus on Professional Women.* As a result of the NAPW Network’s exclusive focus on professional women, we believe that through the NAPW Network we provide a secure and less intimidating environment within which our members can successfully network and establish new and lasting business relationships.
- *Attractive Industry Demographic Trends.* Favorable demographic trends regarding women’s participation in the labor force will further the growth in the NAPW Network’s membership base and we have first-mover advantage with respect to generalized professional networking for women.
- *Large, growing and diverse national membership base.* We believe that the NAPW Network is the largest women-only networking organization in the United States by number of members. The membership base of the NAPW Network is diverse in terms of ethnicity, age, income, experience, industry and occupation. It includes members from small and large corporations, as well as entrepreneurs and business owners. We believe the diversity of the NAPW Network membership base is a key component of its value.
- *Comprehensive Product and Service Offerings to Deliver Value to Members.* We believe that our comprehensive product offerings provide women valuable tools to help them advance their careers and expand their businesses. Through networking opportunities online and at local chapter events in their communities, regional events and the NAPW Network national Networking Conference, discounts provided on seminars, webinars and educational certification courses, and opportunities to promote themselves and their businesses, NAPW members are provided the opportunities and tools for their professional development.
- *Business Model with Efficient Member Acquisition and Recurring Cash Flow.* We believe that NAPW Network’s direct marketing lead generation efforts, which utilize a combination of digital strategies, are among the most efficient in the industry as measured by our internal response and click-through rates. This efficiency, combined with our effective call center operations, results in what we believe to be our market leading members acquisition process and direct variable contribution. Additionally, in addition to an evolving eCommerce model, the company has been actively growing a member-to-member acquisition model as we strive to move to an organic growth model. We have implemented web -technologies to assist our members recruit colleagues and friends to the organization. Further, NAPW Network memberships renew annually, providing a valuable recurring stream of cash flow.

## Strategic Alliances

We consider our partner alliances to be a key value to our clients because it enables us to expand our job distribution and outreach efforts. We continue to expand our relationships with key strategic partners that we believe are valuable to our core clients, as noted in the section captioned “*Our Strengths*” above.

## Operations: Geography

Our headquarters is located in Chicago, Illinois, and houses our key executives, as well as many of our sales, marketing and IT personnel. We also have an office in Minnetonka, MN where an inside sales team for our Events business is located. Websites for the PDN Network are hosted by Web Scribble, who provides hosting and customization for the Company’s job boards. Web Scribble also provides sales resources to help promote our PDN Network and our partners’ products. Our websites have backup and contingency plans in place in the event that an unexpected circumstance occurs.

## Intellectual Property

To protect our intellectual property rights, we rely on a combination of federal, state and common law rights, as well as contractual restrictions. We rely on trade secret, copyright and trademark rights to protect our intellectual property. We pursue the registration of our domain names and trademarks in the United States. Our registered trademarks in the United States include the “iHispano” mark with stylized logo, the “Black Career Network” mark with stylized logo, the “Professional Diversity Network” mark with our tagline “the power of millions for the benefit of one,” the name “National Association of Professional Women” and “NAPW,” and the name “International Association of Women” and “IAW.” We also own the copyrights to certain articles in NAPW publications. We strive to exert control over access to our intellectual property and customized technology by entering into confidentiality and invention assignment agreements with our employees and contractors and confidentiality agreements with third parties in the ordinary course of our business.

Our efforts to protect our proprietary rights may not be successful. Any significant impairment of our intellectual property rights could adversely impact our business or our ability to compete. In addition, protecting our intellectual property rights is costly and time-consuming. Any unauthorized disclosure or use of our intellectual property could make it more expensive to do business and adversely affect our operating results.

## Competition

We face significant competition in all aspects of our business. Specifically, with respect to our members and our recruitment consumer advertising and marketing solutions, we compete with existing general market online professional networking websites, such as LinkedIn and Monster Worldwide, Inc., as well as ethnic minority focused social networking websites, such as Black Planet and LatPro, and other companies such as Facebook, Google, Microsoft and Twitter that are developing or could develop competing solutions. We also generally compete with online and offline enterprises, including newspapers, television and direct mail marketers that generate revenue from recruiters, advertisers and marketers, and professional organizations. With respect to our hiring solutions, we also compete with traditional online recruiting companies such as Career Builder, talent management companies such as Taleo, and traditional recruiting firms.

Larger, more well-established companies may focus on professional networking and could directly compete with us. Other companies might also launch new competing services that we do not offer. Nevertheless, we believe that our focus on diverse online professional networking communities and the number of registered users or members, as the case may be, overall and within each affinity that we serve, are competitive strengths in our market.

## Government Regulation

We are subject to a number of federal, state and foreign laws and regulations that affect companies conducting business on the Internet. These laws are still evolving and could be amended or interpreted in ways that could be detrimental to our business. In the United States and abroad, laws relating to the liability of providers of online services for activities of their users and other third parties are currently being tested by a number of claims, including actions based on invasion of privacy and other torts, unfair

competition, copyright and trademark infringement and other theories based on the nature and content of the materials searched, the advertisements posted or the content provided by users. Any court ruling or other governmental action that imposes liability on providers of online services for the activities of their users and other third parties could materially harm our business. In addition, rising concern about the use of social networking technologies for illegal conduct, such as the unauthorized dissemination of national security information, money laundering or supporting terrorist activities may in the future produce legislation or other governmental action that could require changes to our products or services, restrict or impose additional costs upon the conduct of our business or cause users to abandon material aspects of our service.

In the area of information security and data protection, many states have passed laws requiring notification to users when there is a security incident, or security breach for personal data, or requiring the adoption of minimum information security standards that are often unclear and difficult to implement. The costs of compliance with these laws are significant and may increase in the future. Further, we may be subject to significant liabilities if we fail to comply with these laws.

We are also subject to federal, state and foreign laws regarding privacy and protection of member data. We post on our websites our privacy policy and terms of use. Compliance with privacy-related laws may be costly. However, any failure by us to comply with our privacy policy or privacy-related laws could result in proceedings against us by governmental authorities or private parties, which could be detrimental to our business. Further, any failure by us to protect our members' privacy and data could result in a loss of member confidence in us and ultimately in a loss of members and customers, which could adversely affect our business.

Because our services are accessible worldwide, certain foreign jurisdictions may claim that we are required to comply with their laws, including in jurisdictions where we have no local entity, employees or infrastructure.

Our direct marketing operations with respect to the NAPW Network are subject to various federal and state "do not call" list requirements. The Federal Trade Commission has created a national "do not call" registry. Under these federal regulations, consumers may have their phone numbers added to the national "do not call" registry. Generally, we are prohibited from calling anyone on that registry. In September 2003, telemarketers were granted access to the registry and are now required to compare their call lists against the national "do not call" registry at least once every 31 days. Telemarketers are required to pay a fee to access the registry. Enforcement of the "do not call" provisions began in late 2003, and the rule provides for fines of up to \$16,000 per violation and other possible penalties. These rules may be construed to limit our ability to market our products and services to new customers. Further, we may incur penalties if we do not conduct our telemarketing activities in compliance with these rules.

## **Employees**

As of December 31, 2020, we had a total of 39 employees; 36 were full time employees in various U.S. locations. We also regularly engage independent contractors to perform various services. As of December 31, 2020, we engaged 3 independent contractors. None of our employees are covered by a collective bargaining agreement. We believe that we have good relationships with our employees.

## **Corporate History**

We were incorporated in Illinois in October 2003 under the name of IH Acquisition, LLC and changed our name to iHispano.com LLC in February 2004. In 2007, we changed our business platform and implemented technology to become the operator of communities of professional networking sites for diverse professionals. In March 2012, we changed our name to Professional Diversity Network, LLC. In March 2013, we completed our initial public offering and converted from an Illinois LLC to a Delaware corporation. In September 2014 we acquired the NAPW Network through a merger of NAPW, Inc., a New York corporation ("Old NAPW") with and into NAPW Merger Sub, Inc., a Delaware corporation and our wholly-owned subsidiary ("Merger Sub"). Upon the closing of the merger under the Agreement and Plan of Merger, between Merger Sub, Old NAPW and Matthew B. Proman, the sole shareholder of Old NAPW, dated July 11, 2014 (the "Merger Agreement"), Old NAPW ceased to exist and Merger Sub continued as the surviving corporation, and a wholly-owned subsidiary of the Company, which was renamed to NAPW, Inc.

We commenced operations in China in March 2017. We established two entities in Hong Kong, PDN (Hong Kong) International Education Ltd and PDN (Hong Kong) International Education Information Co., Ltd in January 2017, and the Company established its China subsidiary, PDN (China) International Culture Development Co. Ltd in March 2017. On March 4, 2020, the Company's Board of Directors approved a motion decided to discontinue all China operations. Accordingly, all historical operating results for the Company's China operations are now reflected in loss from discontinued operations, net of tax, in the accompanying consolidated statement of operations. Please refer to Note 3 - *Operating Results of Discontinued Operations* to our Consolidated Financial Statements included in our Annual Report for the year ended December 31, 2020, which is incorporated by reference into this prospectus, for more details.

Our principal executive office is located at 55 E. Monroe Street, Suite 2120, Chicago, Illinois, 60603 and our telephone number is (312) 614-0950. Our website address is [www.ipdnusa.com](http://www.ipdnusa.com). References to our website address in this prospectus are provided as a convenience and do not constitute, and should not be viewed as an incorporation by reference of the information contained on, or available through, the website. Therefore, such information should not be considered part of this prospectus.

## **RISK FACTORS**

*Investing in our securities involves a high degree of risk. You should carefully consider the risks described below before making an investment decision. The risks described below are not the only ones we face. Additional risks we are not presently aware of or that we currently believe are immaterial may also impair our business operations. Our business could be harmed by any of these risks. The trading price of our common stock or other securities could decline due to any of these risks, and you may lose all or part of your investment. In assessing these risks, you should also refer to the other information contained or incorporated by reference into this prospectus and any accompanying prospectus supplement, including our financial statements and related notes.*

### **Risks Related to Our Business and Financial Condition**

***We have incurred net losses, our liquidity has been significantly reduced and we could continue to incur losses and negative cash flow in the future.***

We recorded a net loss from continuing operations of approximately \$4.2 million for the year ended December 31, 2020 and \$2.8 million for the year ended December 31, 2019. Our revenues declined from \$5.0 million to \$4.5 million during 2020; however, our costs and expenses increased from \$8.0 million during the year ended December 31, 2019, to \$9.3 million during the year ended December 31, 2020. In addition, we used \$2.7 million in cash flow from continuing operations during the year ended December 31, 2020. Our independent registered public accounting firm has included in its audit report for the year ended December 31, 2020, an explanatory paragraph expressing substantial doubt about our ability to continue as a going concern. We also recorded a net loss from continuing operations of over \$1.3 million during the six month period ended June 30, 2021. We will need to increase revenues, or find other sources of revenues through mergers and acquisitions, and/or continue to reduce our corporate operating expenses to achieve profitability and positive cash flow from operations. Despite our efforts, including our restructuring and cost-cutting program, we may not achieve profitability or positive cash flow in the future, and even if we do, we may not be able to sustain being profitable.

***The market for online professional networks is highly competitive, and if we are unable to compete effectively our sales and results of operations will suffer.***

We face significant competition in all aspects of our business, and we expect such competition to increase, particularly in the market for online professional networks.

Our industry is rapidly evolving and is becoming increasingly competitive. Larger and more established online professional networking companies, such as LinkedIn and Monster Worldwide, may focus on the online diversity professional networking market and could directly compete with us. Rival companies or smaller companies, including application developers, could also launch new products and services that could compete with us and gain market acceptance quickly. Individual employers have and may continue to create and maintain their own network of diverse candidates.

We also expect that our existing competitors will focus on professional diversity recruiting. A number of these companies may have greater resources than we do, which may enable them to compete more effectively. For example, our competitors with greater resources may partner with wireless telecommunications carriers or other Internet service providers that may provide Internet users, especially those that access the Internet through mobile devices, incentives to visit our competitors' websites. Such tactics or similar tactics could decrease the number of our visits, unique visitors and number of users and members, which would materially and adversely affect our business, operating results and financial condition.

Additionally, users of online social networks, such as Facebook, may choose to use, or increase their use of, those networks for professional purposes, which may result in those users decreasing or eliminating their use of our specialized online professional network. Companies that currently do not focus on online professional diversity networking could also expand their focus to diversity networking. LinkedIn may develop its own proprietary online diversity network and compete directly against us. To the extent LinkedIn develops its own network or establishes alliances and relationships with others, our business, operating results and financial condition could be materially harmed. Finally, other companies that provide content for professionals could develop more compelling offerings that compete with us and adversely impact our ability to keep our members, attract new members or sell our solutions to customers.

***If we do not attract new members to the NAPW Network, or if existing NAPW Network members do not renew their subscriptions, renew at lower levels or on less favorable terms, or fail to purchase additional offerings, we may not achieve our revenue projections, and our operating results would be harmed.***

Membership fees and related services from NAPW have declined in recent periods. In order to grow the NAPW Network, we must continually attract new members to the NAPW Network, sell additional product and service offerings to existing NAPW Network members and increase the level of renewals. Our ability to do so depends in large part on the success of our sales and marketing efforts. Unlike companies that provide more tangible products, the nature of our product and service offerings is such that members may decide to terminate or not renew their agreements because they do not see their cancellation as causing significant disruptions to their own businesses.

We must demonstrate to NAPW Network members that our product and service offerings provide them with access to an audience of influential, affluent and highly-educated women. However, potential members may not be familiar with our product and service offerings or may prefer other more traditional products and services for their professional advancement and networking needs. The rate at which we expand the NAPW Network's membership base or increase its members' renewal rates may decline or fluctuate because of several factors, including the prices of product and service offerings, the prices of products and services offered by competitors or reductions in their professional advancement and networking spending levels due to macroeconomic or other factors and the efficacy and cost-effectiveness of our offerings. If we do not attract new members to the NAPW Network or if NAPW Network members do not renew their agreements for our product and service offerings, renew at lower levels or on less favorable terms or do not purchase additional offerings, our revenue from the segment may fall short of our projections.

***We may not be able to successfully identify and complete sufficient acquisitions to meet our growth strategy, and even if we are able to do so, we may not realize the anticipated benefits of these acquisitions.***

Part of our growth strategy is to acquire companies that we believe will add to and/or expand our service offerings.

Identifying suitable acquisition candidates can be difficult, time-consuming and costly, and we may not be able to identify suitable candidates or complete acquisitions in a timely manner, on a cost-effective basis or at all. Even if we complete an acquisition, we may not realize the anticipated benefits of such acquisition. Actual cost savings and synergies which may be achieved from an acquired entity may be lower than expected and may take a longer time to achieve than we anticipate. Our acquisitions have previously required, and any similar future transactions may also require, significant efforts and expenditures, in particular with respect to integrating the acquired business with our historical business. We may encounter unexpected difficulties, or incur unexpected costs, in connection with acquisition activities and integration efforts, which include:

- conflicts and inconsistencies in information technology and infrastructures;

- inconsistencies in standards, controls, procedures and policies, business cultures and compensation structures between us and an acquired entity;
- difficulties in the retention of existing customers and attraction of new customers;
- overlap of users and members of an acquired entity and one of our websites;
- difficulties in retaining key employees;
- the identification and elimination of redundant and underperforming operations and assets;
- diversion of management's attention from ongoing business concerns;
- the possibility of tax costs or inefficiencies associated with the integration of the operations; and
- loss of customer goodwill.

If we fail to successfully complete the integration of an acquired entity, or to realize the anticipated benefits of the integration of an acquired entity, our financial condition and results of operations could be materially and adversely affected.

***We rely heavily on our information systems and if our access to this technology is impaired, or we fail to further develop our technology, our business could be significantly harmed.***

Our success depends in large part upon our ability to store, retrieve, process and manage substantial amounts of information, including our database of our members. To achieve our strategic objectives and to remain competitive, we must continue to develop and enhance our information systems. Our future success will depend on our ability to adapt to rapidly changing technologies, to adapt our information systems to evolving industry standards and to improve the performance and reliability of our information systems. This may require the acquisition of equipment and software and the development, either internally or through independent consultants, of new proprietary software. Our inability to design, develop, implement and utilize, in a cost-effective manner, information systems that provide the capabilities necessary for us to compete effectively would materially and adversely affect our business, financial condition and operating results.

***Our direct sales strategy, which requires personal interaction with employers and third-party recruiters, may limit our ability to grow recruitment revenue and recruitment advertising revenue.***

As part of our strategy to market our products and services directly to employers and third-party recruiters, we rely on our direct sales force for recruitment revenue and recruitment advertising revenue. We currently employ professionals in sales, sales support and marketing who are trained in selling our products and services. Since its creation

in 2013, we have been optimizing the direct sales team and refining the manner in which our products and services are sold. While the Company made progress in growing its direct sales, we have not matured the sales force to the point of predictability, nor have we sold enough services to achieve profitability. There is no assurance that our direct sales strategy will yield sufficient recruitment revenue and recruitment advertising revenue in the future.

***We may not timely and effectively scale and adapt our existing technology and network infrastructure to ensure that our websites are accessible within an acceptable load time.***

An element that is key to our continued growth is the ability of our members and other users that we work with to access any of our websites within acceptable load times. We call this website performance. We have experienced, and may in the future experience, website disruptions, outages and other performance problems due to a variety of factors, including infrastructure changes, human or software errors, capacity constraints due to an overwhelming number of users accessing our websites simultaneously, and denial of service or fraud or security attacks. In some instances, we may not be able to identify the cause or causes of these website performance problems within an acceptable period of time.

If any of our websites are unavailable when users attempt to access them or they do not load as quickly as users expect, users may seek other websites to obtain the information or services for which they are looking, and may not return to our websites as often in the future, or at all. This would negatively impact our ability to attract members and other users and increase engagement on our websites. To the extent that we do not effectively address capacity constraints, upgrade our systems as needed and continually develop our technology and network architecture to accommodate actual and anticipated changes in technology, our business, operating results and financial condition may be materially and adversely affected.

***Our systems are vulnerable to natural disasters, acts of terrorism and cyber-attacks.***

Our systems are vulnerable to damage or interruption from catastrophic occurrences such as earthquakes, floods, fires, power loss, telecommunication failures, terrorist attacks, cyber-attacks and similar events. For systems which are not based in cloud storage, we have implemented a disaster recovery program, maintained by a third-party vendor, which allows us to move production to a back-up data center in the event of a catastrophe. Although this program is functional, it does not yet provide a real-time back-up data center, so if our primary data center shuts down, there will be a period of time that such website will remain shut down while the transition to the back-up data center takes place. Despite any precautions we may take, the occurrence of a natural disaster or other unanticipated problems at our hosting facilities could result in lengthy interruptions in our services. Although we carry cyber security insurance our claims may exceed the insurance coverage, and we may not be fully compensated by third party insurers in the event of service interruption or cyber-attack. Furthermore, our business may never recover from such an event.

***If our security measures are compromised, or if any of our websites are subject to attacks that degrade or deny the ability of members or customers to access our solutions, members and customers may curtail or stop use of our solutions.***

Our members provide us with information relevant to their professional networking and/or career-seeking experience with the option of having their information become public or remain private. If we experience compromises to our security that result in website performance or availability problems, the complete shutdown of our websites or the loss or unauthorized disclosure of confidential information, our members may lose trust and confidence in us, and will use our websites less often or stop using our websites entirely. Further, outside parties may attempt to fraudulently induce employees, members or customers to disclose sensitive information in order to gain access to our information or our members' or customers' information. Because the methods used to obtain unauthorized access, disable or degrade service, or sabotage systems change frequently, often are not recognized until launched against a target and may originate from less regulated and remote areas around the world, we may be unable to proactively address these methods or to implement adequate preventative measures. Any or all of these issues could negatively impact our ability to attract new members and increase engagement by existing members, cause existing members to close their accounts or existing customers to cancel their contracts, subject us to lawsuits, regulatory fines or other action or liability, thereby materially and adversely affecting our reputation, our business, operating results and financial condition.

***The widespread adoption of different smart phones, smart phone operating systems and mobile applications, or apps, could require us to make substantial expenditures to modify or adapt our websites, applications and services.***

The number of people who access the Internet through devices other than personal computers, including personal digital assistants, smart phones and handheld tablets or computers, has increased dramatically in the past few years and we believe this number will continue to increase. Each manufacturer or distributor of these devices may establish unique technical standards, and our services may not work or be viewable on these devices as a result. Furthermore, as new devices and new platforms are continually released, it is difficult to predict the problems we may encounter in developing versions of our services for use on these alternative devices and we may need to devote significant resources to the creation, support and maintenance of such devices. Our websites are designed using responsive technology and are built to provide a positive user experience on a user's Internet device, whether a mobile phone, and tablet, laptop or personal computer. If we are slow to develop products and technologies that are compatible with such devices, we might fail to capture a significant share of an increasingly important portion of the market for our services.

***If Internet search engines' methodologies are modified or our search result page rankings decline for other reasons, our member engagement and number of members and users could decline.***

We depend in part on various Internet search engines, such as Google, Bing and Yahoo!, to direct a significant amount of traffic to our websites. Our ability to maintain the number of visitors directed to our websites is not entirely within our control. Our competitors' search engine optimization ("SEO") efforts may result in their websites receiving a higher search result page ranking than ours, or Internet search engines could revise their methodologies in an attempt to improve their search results, which could adversely affect the placement of our search result page ranking. If search engine companies modify their search algorithms in ways that are detrimental to our new user growth or in ways that make it harder for our members to use our websites, or if our competitors' SEO efforts are more successful than ours, overall growth in our member base could slow, member engagement could decrease, and we could lose existing members. These modifications may be prompted by search engine companies entering the online professional networking market or aligning with competitors. Our websites have experienced fluctuations in search result rankings in the past, and we anticipate similar fluctuations in the future. Any reduction in the number of users directed to our websites would materially harm our business and operating results. Our platform includes connectivity across the social graph, including websites such as Facebook, Google+, LinkedIn and Twitter. If for any reason these websites discontinue or alter their current open platform policy it could have a negative impact on our user experience and our ability to compete in the same manner we do today.

***Wireless communications providers may give their customers greater access to our competitors' websites.***

Wireless communications providers may provide users of mobile devices greater access to websites that compete with our websites at more favorable rates or at faster download speeds. This could have a material adverse effect on the Company's business, operating results and financial condition. Creation of an unequal playing field in terms of Internet access could significantly benefit larger and better capitalized companies competing with us.

***The effect of significant declines in our ability to generate revenue may not be reflected in our short-term results of operations.***

We recognize revenue from sales of our hiring solutions over the life of a contract (typically 12 months) beginning the first month after the contract is signed. As a result, a significant portion of the revenue we report in each quarter is generated from agreements entered into during previous quarters. In addition, we may be unable to adjust

our fixed costs in response to reduced revenue. Accordingly, the effect of significant declines in our ability to generate revenue may not be reflected in our short-term results of operations.

***The existing global economic and financial market environment has had, and may continue to have, a negative effect on our business and operations.***

Demand for our services is sensitive to changes in the level of economic activity. Many companies hire fewer employees when economic activity is slow. Following the financial crisis in 2008, and again following the development of the COVID-19 pandemic in 2020, unemployment in the U.S. increased and hiring activity was limited. Although the economy has begun to recover and unemployment in the U.S. has improved, if the economy does not continue to recover or worsens, or unemployment returns to high levels, demand for our services and our revenue may be reduced. In addition, lower demand for our services may lead to lower prices for our services. The volatility in global financial markets may also limit our ability to access the capital markets at a time when we would like, or need, to raise capital, which could have an impact on our ability to react to changing economic and business conditions. Accordingly, if the economy does not fully recover or worsens, our business, results of operations and financial condition could be materially and adversely affected.

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***Our growth strategy may fail as a result of changing social trends.***

Our business is dependent on the continuity of certain social trends, such as the increasing socialization of the Internet, the demographic trend towards women's career advancement, the growing ethnic diversity of the United States population and labor force, a regulatory environment that promotes diversity in the workplace, the growing ethnic population's spending power and the acceptance and growth of online recruitment and advertising. Some or all of these trends may change overtime. For example, increased privacy concerns may jeopardize the growth of online social and professional network websites. Furthermore, it is possible that people may not want to identify in online social or professional networks with a focus on diversity at all. Or alternatively, people who belong to more than one diversity group (such as Hispanic-American females, among others) may not be drawn to our websites, which singularly focus on one specific diversity group. Our strategy may fail as a result of these changing social trends, and if we do not timely adjust our strategy to adapt to changing social trends, we will lose members, and our business, operating results and financial condition would be materially and adversely affected.

***The regulatory environment favorable to promoting diversity in the workplace may change.***

Federal and state laws and regulations require certain companies engaged in business with governmental entities to report and promote diverse hiring practices. Repeal or modification of such laws and regulations could decrease the incentives for employers to actively seek diverse employee candidates through networks such as ours and materially affect our revenues.

***If our member profiles are out-of-date, inaccurate or lack the information that users and customers want to see, we may not be able to realize the full potential of our networks, which could adversely impact our future growth.***

We do not impose any selective or qualification criteria on membership and do not verify that any member of a particular Company website qualifies as a member of the ethnic, cultural or other group identified by that website. If our members do not update their information or provide accurate and complete information when they join our networks or do not establish sufficient connections, the value of our networks may be negatively impacted because our value proposition as diversity professional networks and as a source of accurate and comprehensive data will be weakened. For example, our hiring solutions customers may find that certain members misidentify their ethnic, national, cultural, racial, religious or gender classification, which could result in mismatches that erode customer confidence in our solutions. Similarly, incomplete or outdated member information would diminish the ability of our marketing solutions customers to reach their target audiences and our ability to provide research data to our customers. Therefore, we must provide features and products that demonstrate the value of our networks to our members and motivate them to add additional, timely and accurate information to their profile and our networks. If we fail to successfully motivate our members to do so, our business, operating results and financial condition could be materially and adversely affected.

***Our business depends on strong brands, and any failure to maintain, protect and enhance our brands would hurt our ability to retain or expand our base of members, enterprises and professional organizations, or our ability to increase their level of engagement.***

We have devoted significant resources to develop our brands, particularly NAPW. That brand is predicated on the idea that professional women will trust it and find value in building and maintaining their professional identities and reputations on the NAPW Network platform. Maintaining, protecting and enhancing all of our brands is critical to expanding the base of members for the NAPW Network and PDN Network and increasing their engagement with the product and services offerings of the Company, and will depend largely on our ability to maintain member trust, be a technology leader and continue to provide high-quality offerings, which we may not do successfully in the future. Despite our efforts to protect our brands and prevent their misuse, if others misuse any of our brands or pass themselves off as being endorsed or affiliated with the NAPW Network or the PDN Network, it could harm our reputation and our business could suffer. If members of any of our networks or potential members determine that they can use other platforms, such as social networks, for the same purposes as or as a replacement for the NAPW Network or the PDN Network, or if they choose to blend their professional and social networking activities, our brands and the business of the Company could be harmed. Members of any of our networks could find that new product or service offerings that are introduced are difficult to use or may feel that they degrade their experience with our organization, which could harm the reputation of the networks and the Company for delivering high-quality offerings. Our brands are also important in attracting and maintaining high performing employees. If we do not successfully maintain strong and trusted brands for our networks, our business can be materially and adversely affected.

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***Failure to protect or enforce our intellectual property rights could materially harm our business and operating results.***

We regard the protection of our intellectual property as critical to our success. In particular, we must maintain, protect and enhance our brands. We strive to protect our intellectual property rights by relying on federal, state and common law rights, as well as contractual restrictions. In the ordinary course, we enter into confidentiality and invention assignment agreements with our employees and contractors, and confidentiality agreements with parties with whom we conduct business in order to limit access to, and disclosure and use of, our proprietary information and customized technology platform. However, these contractual arrangements and the other steps we have taken to protect our intellectual property may not prevent the misappropriation of our proprietary information or deter independent development of similar technologies by others.

We pursue the registration of our domain names, trademarks and service marks in the United States and in certain locations outside the United States. Effective trademark, trade dress and domain names are expensive to develop and maintain, both in terms of initial and ongoing registration requirements and the costs of defending our rights. We are seeking to protect our trademarks and domain names, a process that is expensive and may not be successful.

Litigation may be necessary to enforce our intellectual property rights or determine the validity and scope of proprietary rights claimed by others. Any litigation of this nature, regardless of outcome or merit, could result in substantial costs and diversion of management and technical resources, any of which could adversely affect our business and operating results. We may incur significant costs in enforcing our trademarks against those who attempt to imitate our brands. If we fail to maintain, protect and enhance our intellectual property rights, our business and financial condition could be materially and adversely affected.

***We process, store and use personal information and other data, which subjects us to governmental regulation, enforcement actions and other legal obligations or liability related to data privacy and security, and our actual or perceived failure to comply with such obligations could materially and adversely affect our business.***

We receive, store and process personal information and other member data, and we enable our members to share their personal information with each other and with third parties. There are numerous federal, state, local and foreign laws regarding privacy and the storing, sharing, use, processing, disclosure and protection of personal information and other member data, the scope of which are changing, subject to differing interpretations and may be inconsistent between countries or conflict with other rules. We generally comply with industry standards and adhere to the terms of our privacy policies and privacy-related obligations to third parties (including voluntary third-party certification bodies such as TRUSTe). We strive to comply with all applicable laws, policies, legal obligations and industry codes of conduct relating to privacy and data protection. However, it is possible that these obligations may be interpreted and applied in a manner that is inconsistent from one jurisdiction to another and may conflict with other rules or our practices. Any failure or perceived failure by us to comply with our privacy policies, our privacy-related obligations to users or other third parties, or our privacy-related legal obligations, or any compromise of security that results in the unauthorized release or transfer of personally identifiable information or other member data, may result in governmental enforcement actions, litigation or public statements against us by consumer advocacy groups or others and could cause our members and customers to lose trust in us, which could have an adverse effect on our business. Additionally, if third parties we work with, such as customers, vendors or developers, violate applicable laws or our policies, such violations may also put our members' information at risk and could in turn have an adverse effect on our business.

***Public scrutiny of Internet privacy issues may result in increased regulation and different industry standards, which could deter or prevent us from providing our current products and solutions to our members and customers, thereby materially harming our business.***

The regulatory framework for privacy issues worldwide is currently in flux and is likely to remain so for the foreseeable future. Practices regarding the collection, use, storage, transmission and security of personal information by companies operating over the Internet have recently come under increased public scrutiny. The U.S. government, including the Federal Trade Commission and the Department of Commerce, has announced that it is reviewing the need for greater regulation for the collection of information concerning consumer behavior on the Internet, including regulation aimed at restricting certain on-line tracking and targeted advertising practices. In addition, various government and consumer agencies have also called for new regulations and changes in industry practices.

Our business could be adversely affected if legislation or regulations are adopted, interpreted or implemented in a manner that is inconsistent with our current business practices or that require changes to these practices, the design of our websites, products, features or our privacy policy. In particular, the success of our business has been, and we expect will continue to be, driven by our ability to use the data that our members share with us in accordance with each of our website privacy policies and terms of use. Therefore, our business, operating results and financial condition could be materially and adversely affected by any significant change to applicable laws, regulations or industry practices regarding the use or disclosure of data our members choose to share with us, or regarding the manner in which the express or implied consent of consumers for such use and disclosure is obtained. Such changes may require us to modify our products and features, possibly in a material manner, and may limit our ability to develop new products and features that make use of the data that our members voluntarily share with us.

***Our business is subject to a variety of U.S. laws and regulations, many of which are unsettled and still developing and which could subject us to claims or otherwise materially harm our business.***

We are subject to a variety of laws and regulations in the United States, including laws regarding data retention, privacy and consumer protection, which are continually evolving and developing. The scope and interpretation of the laws that are or may be applicable to us are often uncertain and may be conflicting. For example, laws relating to the liability of providers of online services for activities of their users and other third parties are currently being tested by a number of claims, including actions based on invasion of privacy and other torts, unfair competition, copyright and trademark infringement, and other theories based on the nature and content of the materials searched, the ads posted or the content provided by users. In addition, regulatory authorities are considering a number of legislative and regulatory proposals concerning data protection and other matters that may be applicable to our business. It is difficult to predict how existing laws will be applied to our business and the new laws to which we may become subject. See the discussion included in "About the Company—Government Regulation" elsewhere in this prospectus.

If we are not able to comply with these laws or regulations or if we become liable under these laws or regulations, we could be harmed, and we may be forced to implement new measures to reduce our exposure to this liability. This may require us to expend substantial resources or to discontinue certain solutions, which would materially and adversely affect our business, financial condition and results of operations. In addition, the increased attention focused upon liability issues as a result of lawsuits and legislative proposals could materially harm our reputation or otherwise impact the growth of our business. Any costs incurred as a result of this potential liability could materially and adversely affect our business, financial condition and results of operations.

***We are currently party to litigation and may in the future be subject to additional legal proceedings and litigation which may be costly to defend and could materially and adversely affect our business results or operating and financial condition.***

We are currently party to litigation and may be party to additional lawsuits in the normal course of business. Results of the litigation to which we are a party cannot be predicted with certainty and there can be no assurance that this litigation will be resolved in our favor. These matters are described in more detail under the heading "Legal Proceedings" in our periodic filings with the SEC. Litigation in general is often expensive and disruptive to normal business operations. We may face in the future allegations and lawsuits that we have infringed the intellectual property and other rights of third parties, including patents, privacy, trademarks, copyrights and other rights. Litigation, particularly intellectual property and class action matters, may be protracted and expensive, and the results are difficult to predict. Adverse outcomes may result in significant settlement costs or judgments, require us to modify our products and features while we develop non-infringing substitutes or require us to stop offering certain features.

From time to time, we may face claims against companies that incorporate open source software into their products, claiming ownership of, or demanding release of, the source code, the open source software and/or derivative works that were developed using such software, or otherwise seeking to enforce the terms of the applicable open source license. These claims could also result in litigation, require us to purchase a costly license or require us to devote additional research and development resources to change our solutions, any of which could have a negative effect on our business and operating results.

***Our success depends in large part upon our management and key personnel. Our inability to attract and retain these individuals could materially and adversely affect our business, results of operations and financial condition.***

We are highly dependent on our management and other key employees. The skills, knowledge and experience of our management team, are critical to the growth of our business. In particular, Mr. Adam He, our Chief Executive Officer, provides significant leadership in every aspect of our business operations and strategic direction. Mr. He is supported by a talented group of knowledgeable executives in business operations, sales and marketing, and information technology including Larry Aichler, our Chief Financial Officer, and Chad Hoersten, our Chief Technology Officer. Our future performance will be dependent upon the continued successful service of members of our management and key employees. We do not maintain life insurance for any of the members of our management team or other key personnel. Competition for management in our industry is intense, and although we have entered into employment agreements with certain members of our management team, we may not be able to retain our management and key personnel or attract and retain new management and key personnel in the future, which could materially and adversely affect our business, results of operations and financial condition.

***The impact of the COVID-19 pandemic has had, and is expected to continue to have, an adverse effect on our business and our financial results.***

The COVID-19 pandemic has negatively impacted the global economy, disrupted consumer spending and global supply chains and created significant volatility and

disruption of financial markets. The COVID-19 pandemic may have an adverse effect on our business and financial performance. The extent of the impact of the COVID-19 pandemic, including our ability to execute our business strategies as planned, will depend on future developments, including the duration and severity of the pandemic, which are highly uncertain and cannot be predicted. In response to mandates and recommendations from federal, state and local authorities, as well as decisions we have made to protect the health and safety of our employees with respect to the COVID-19 pandemic, we temporarily closed our offices and had our employees work remotely. We may face more closure requirements and other operation restrictions for prolonged periods of time due to, among other factors, evolving and stringent public health directives, quarantine policies, social distancing measures, or other governmental restrictions, which could have a further material impact on our sales and profits. The COVID-19 pandemic could also adversely affect our liquidity and ability to access the capital markets. Uncertainty regarding the duration of the COVID-19 pandemic may adversely impact our ability to raise additional capital, or require additional capital, or require additional reductions in capital expenditures that are otherwise needed to implement our strategies.

The extent of the impact of COVID-19 on our business and financial results will also depend on future developments, including the duration and spread of the pandemic, the implementation or recurrence of shelter in place or similar orders in the future.

#### **Risks Related to Our Common Stock**

***Our significant stockholder and our directors and executive officers have substantial control over the Company and could limit your ability to influence the outcome of key transactions, including changes of control.***

Cosmic Forward Limited (“CFL”) beneficially owned approximately 27.4% of our common stock as of September 30, 2021. As a result of its ownership CFL is able to influence significantly all matters requiring approval by our stockholders, including the election of directors. In addition, our directors and executive officers and their affiliated entities, in the aggregate, beneficially own approximately 1.70% of our outstanding common stock as of June 30, 2021. Stockholders other than these principal stockholders are therefore likely to have little influence on decisions regarding such matters. These stockholders may have interests that differ from yours, and they may vote in a way with which you disagree and that may be adverse to your interests. The concentration of ownership of our common stock may have the effect of delaying, preventing or deterring a change of control of our Company, could deprive our stockholders of an opportunity to receive a premium for their common stock as part of a sale of our Company and may affect the market price of our common stock. This concentration of ownership also limits the number of shares of stock likely to be traded in public markets and therefore will adversely affect liquidity in the trading of our common stock. This concentration of ownership of our common stock may also have the effect of influencing the completion of a change in control that may not necessarily be in the best interests of all of our stockholders.

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***The market price for our securities may be subject to wide fluctuations and the value of an investment in our common stock may decline.***

The trading price of our common stock has been, and is likely to continue to be, volatile. Since shares of our common stock were sold in our initial public offering at a price of \$64.00 per share, our stock price has ranged from \$0.76 to \$5.56 during fiscal year 2020. In addition to the factors discussed in this Annual Report, the trading price of our common stock may fluctuate significantly in response to numerous factors, many of which are beyond our control, including:

- price and volume fluctuations in the stock market, including as a result of trends in the economy as a whole or relating to companies in our industry;
- actual or anticipated fluctuations in our revenue, operating results or key metrics, including our number of members and unique visitors;
- investor sentiment with respect to our competitors, our business partners and our industry in general;
- announcements by us or our competitors of significant products or features, technical innovations, strategic partnerships, joint ventures or acquisitions;
- additional shares of our common stock being sold into the market by us or our existing stockholders or the anticipation of such sales; and
- other events or factors, including those resulting from war or incidents of terrorism, or responses to these events.

The securities of technology companies, especially Internet companies, have experienced wide fluctuations subsequent to their initial public offerings, including trading at prices below the initial public offering prices. Factors that could affect the price of our common stock include risk factors described in this section. In addition, the securities markets have from time to time experienced significant price and volume fluctuations that are not related to the operating performance of particular industries or companies. These market fluctuations may also have a material adverse effect on the market price of our common stock.

***Substantial future sales of shares of our common stock could cause the market price of our common stock to decline.***

The market price of our common stock could decline as a result of (i) substantial sales of our common stock, particularly sales by CFL and/or our directors, executive officers, employees, or other significant stockholders, (ii) a large number of shares of our common stock becoming available for sale, or (iii) the perception in the market that holders of a large number of shares intend to sell their shares. CFL owns approximately 27.4% of our outstanding common stock as of September 30, 2021, with respect to which CFL has the right to require the Company to register the public resale under a registration statement filed with the SEC. The eventual resale of some or all of such shares, or the perception that such sale or sales could be imminent, could result in a material decline in the market value of our common stock. In addition, sales of securities under this registration statement, which provides for the issuance of shares of our common stock, preferred stock, rights, warrants, and units up to an aggregate amount of \$25,000,000, may cause the market price of our stock to decline.

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The Company’s 2013 Equity Compensation Plan (the “2013 Plan”) was adopted for the purpose of providing equity incentives to employees, officers, directors and consultants including options, restricted stock, restricted stock units, stock appreciation rights, other equity awards, annual incentive awards and dividend equivalents. Following amendments approved by the Company’s stockholders in June 2017, November 2018 and June 2021, the Company is now authorized to issue 1,500,000 shares under the amended 2013 Plan. For more information about our 2013 Equity Compensation Plan, please see Note 11 of our Consolidated Financial Statements included in our Annual Report for the year ended December 31, 2020, which is incorporated by reference in this prospectus.

***Anti-takeover provisions in our charter documents and under Delaware law could make an acquisition of our Company more difficult, limit attempts by our stockholders to replace or remove our current management and limit the market price of our common stock.***

Provisions in our amended and restated certificate of incorporation and amended and restated bylaws may have the effect of delaying or preventing a change of control or changes in our management. Our amended and restated certificate of incorporation and amended and restated bylaws include provisions that:

- authorize our board of directors to issue, without further action by the stockholders, up to 1,000,000 shares of undesignated preferred stock;
- establish an advance notice procedure for stockholder proposals to be brought before an annual meeting, including proposed nominations of persons for election to our board of directors, and also specify requirements as to the form and content of a stockholder’s notice;



- provide that our directors may be removed only for cause and only by the affirmative vote of at least a majority of the total voting power of our outstanding capital stock, voting as a single class; and
- do not provide for cumulative voting rights (therefore allowing the holders of a majority of the shares of common stock voting in any election of directors to elect all of the directors standing for election, if they should so choose).

These provisions may frustrate or prevent attempts by our stockholders to replace or remove our current management by making it more difficult for stockholders to replace members of our board of directors, which is responsible for appointing the members of our management. In addition, because we are incorporated in Delaware, we are governed by the provisions of Section 203 of the Delaware General Corporation Law, which generally prohibits a Delaware corporation from engaging in any of a broad range of business combinations with any “interested” stockholder for a period of three years following the date on which the stockholder became an “interested” stockholder. Finally, because CFL holds over 27% of our outstanding shares of common stock, CFL’s approval may for practical purposes be necessary to effect any change in control.

***Our failure to implement and maintain effective internal control over financial reporting could result in material misstatements in our financial statements, which could require us to restate financial statements, cause investors to lose confidence in our reported financial information and could have an adverse effect on our stock price or our debt ratings.***

Our management determined that as of December 31, 2020, our internal controls over financial reporting had material weaknesses. Specifically, (i) policies and procedures were not implemented to recognize revenue equal to the amount allocated from revenue sharing agreements with partners, (ii) accounting policies and procedures associated with its revenue sharing agreement were not implemented to properly estimate allowance for doubtful accounts and bad debt expense, and (iii) accounting procedures were not sufficiently formal that management can determine whether the control objective is met, documentation supporting the procedures is in place, and personnel routinely know the procedures that need to be performed. During 2020, we completed certain measures to remediate material weaknesses related to our internal control over financial reporting that had been identified as of December 31, 2019. Specifically, we (i) improved the use of relevant operating information to adequately develop accounting and financial information to serve as our basis for reliable financial reporting, (ii) hired experienced staff and utilized third party consultants to provide technical competencies necessary for the nature and complexity of the entity’s activities, and (iii) performed supporting analysis for each non-routine event or transaction that required management’s judgement and/or estimate. Although these measures improved our internal controls over financial reporting, they did not fully remediate deficiencies in controls.

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Additional material weaknesses in our internal control over financial reporting may be identified in the future. Any failure to maintain existing or implement required new or improved controls, or any difficulties we encounter in their implementation, or in remediating identified weakness, could result in additional control deficiencies, cause us to fail to meet our periodic reporting obligations or result in material misstatements in our financial statements. The existence of a material weakness could result in errors in our financial statements that could result in a restatement of financial statements and cause us to fail to meet our reporting obligations. If we are unable to effectively remediate material weaknesses in a timely manner, investors could lose confidence in the accuracy and completeness of our financial reports, which could have an adverse effect on our stock price.

***We do not intend to pay dividends in the foreseeable future.***

We do not intend to declare or pay any cash dividends in the foreseeable future. We anticipate that we will retain all of our future earnings for use in the development of our business and for general corporate purposes. Any determination to pay dividends in the future will be at the discretion of our board of directors. Accordingly, investors must rely on sales of their common stock after price appreciation, which may never occur, as the only way to realize any future gains on their investments.

***CFL holds participation rights and other rights that could affect our ability to raise funds.***

Under our stockholders agreement with CFL and each of its shareholders (collectively, the “CFL Shareholders”), we granted to CFL and the CFL Shareholders a participation right with respect to any future issuances of common stock by the Company, such that CFL and the CFL Shareholders may purchase an amount of shares necessary to maintain CFL’s then-current beneficial ownership interest, up to a maximum of 54.64% of our then-outstanding common stock, on a fully-diluted basis, subject to certain exceptions. This participation right could limit our ability to enter into equity financings and to raise funds from third parties.

In connection with the stockholders agreement with CFL and the CFL Shareholders, we also granted to CFL and the CFL Shareholders unlimited demand, shelf and piggyback registration rights, effective upon the expiration of CFL’s initial lock-up period, to require us to effect a registration under the Securities Act of a resale of the shares of common stock held by CFL. This may create the perception of a large number of shares of our common stock becoming available for sale or the perception in the market that holders of a large number of shares intent to sell their shares, especially if CFL were to exercise its registration rights, thereby potentially further limiting our ability to enter into equity financings and to raise funds from third parties.

***Techniques employed by short sellers may drive down the market price of the Company’s common stock.***

Short selling is the practice of selling securities that the seller does not own, but rather has borrowed from a third party with the intention of buying identical securities back at a later date to return to the lender. The short seller hopes to profit from a decline in the value of the securities between the sale of the borrowed securities and the purchase of the replacement shares, as the short seller expects to pay less in that purchase than it received in the sale. As it is therefore in the short seller’s best interests for the price of the stock to decline, many short sellers (sometime known as “disclosed shorts”) publish, or arrange for the publication of, negative opinions regarding the relevant issuer and its business prospects in order to create negative market momentum and generate profits for themselves after selling a stock short. While traditionally these disclosed shorts were limited in their ability to access mainstream business media or to otherwise create negative market rumors, the rise of the Internet and technological advancements regarding document creation, videotaping and publication by weblog (“blogging”) or social media have allowed many disclosed shorts to publicly attack a company’s credibility, strategy and veracity by means of so-called research reports that mimic the type of investment analysis performed by large Wall Street firm and independent research analysts.

These short attacks have, in the past, led to selling of shares in the market, on occasion in large scale and broad base. Issuers who have limited trading volumes and are susceptible to higher volatility levels than U.S. domestic large-cap stocks can be particularly vulnerable to such short attacks.

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Reports and information have been published about us which have occasionally been followed by a decline in our stock price. It is not clear what additional effects the negative publicity will have on the Company, if any, other than potentially affecting the market price of our common stock. Additionally, such allegations against the Company could negatively impact its business operations and stockholders’ equity, and the value of any investment in the Company’s stock could be reduced.

#### USE OF PROCEEDS

We intend to use the net proceeds from the sale of any securities offered under this prospectus for general corporate purposes and/or as indicated in the applicable prospectus supplement. Such purposes may include working capital, capital expenditures, repayment and refinancing of debt, the acquisition of companies, businesses, technology or other assets, or any other purpose set forth in the applicable prospectus supplement. We have not determined the amount of net proceeds to be used specifically for any such purposes. As a result, management will retain broad discretion over the allocation of the net proceeds. We expect to temporarily invest the net proceeds in short-

term investments until they are used for their intended purpose.

## DILUTION

We will set forth in a prospectus supplement the following information regarding any material dilution of the equity interests of investors purchasing securities in an offering under this prospectus, if required at that time:

- the net tangible book value per share of our equity securities before and after the offering;
- the amount of the increase in such net tangible book value per share attributable to the cash payments made by purchasers in the offering; and
- the amount of immediate dilution from the public offering price which will be absorbed by such purchasers.

## DESCRIPTION OF OUR CAPITAL STOCK

*The following summary is a description of the material terms of our capital stock. This summary is not meant to be complete and is qualified by reference to the applicable provisions of the Delaware General Corporation Law (“DGCL”) and our certificate of incorporation and bylaws, each as amended. You are urged to read those documents carefully. Copies of our certificate of incorporation and bylaws are incorporated by reference in this prospectus. See “Where You Can Find More Information” and “Incorporation of Certain Information by Reference”.*

### Authorized Capitalization

Our authorized capital stock consists of 45,000,000 shares of common stock, par value \$0.01 per share, and 1,000,000 shares of undesignated preferred stock, par value \$0.01 per share. As of October 14, 2021, 15,069,485 shares of our common stock are issued and outstanding. No shares of preferred stock are issued and outstanding as of the date of this prospectus.

### Common Stock

**General.** We may issue and offer shares of our common stock. Shares of common stock that we may issue will be validly issued, fully paid and non-assessable.

**Dividends.** Subject to preferential dividend rights of any other class or series of stock, the holders of shares of our common stock are entitled to receive dividends, including dividends of our stock, if, as and when declared by our board of directors, subject to any limitations applicable by law and to the rights of the holders, if any, of our preferred stock.

**Liquidation.** In the event we are liquidated, dissolved or our affairs are wound up, after we pay or make adequate provision for all of our known debts and liabilities, each holder of our common stock will be entitled to share ratably in all assets that remain, subject to any rights that are granted to the holders of any class or series of preferred stock.

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**Voting Rights.** For all matters submitted to a vote of stockholders, each holder of our common stock is entitled to one vote for each share registered in the holder’s name. Holders of our common stock vote together as a single class. There is no cumulative voting in the election of our directors, which means that, subject to any rights to elect directors that are granted to the holders of any class or series of Preferred Stock, a majority of the votes cast at a meeting of stockholders at which a quorum is present is sufficient to elect a director.

**Other Rights and Restrictions.** Subject to the preferential rights of any other class or series of stock, all shares of our common stock have equal dividend, distribution, liquidation and other rights, and have no preference, appraisal or exchange rights, except for any appraisal rights provided by Delaware law. Furthermore, holders of our common stock have no conversion, sinking fund or redemption rights, or preemptive rights to subscribe for any of our securities. Our Amended & Restated Certificate of Incorporation and Amended & Restated Bylaws do not restrict the ability of a holder of our common stock to transfer the holder’s shares of our common stock.

The rights, powers, preferences and privileges of holders of our common stock are subject to, and may be adversely affected by, the rights of holders of shares of any series of preferred stock which we may designate and issue in the future.

### Preferred Stock

**General.** We may offer shares of any series of preferred stock that our board of directors, without first obtaining approval of our stockholders, may designate and issue in the future. Under our certificate of incorporation, our board of directors has the authority to classify the unissued shares of preferred stock into one or more series of preferred stock and, with respect to each such series, to fix the designation, powers, preferences, relative rights, qualifications and restrictions of each such series. In particular, our board of directors has authority with respect to each series of preferred stock to determine the number of shares constituting such series and the distinctive designation of such series, dividend rate and relative rights of priority of payment of dividends, voting rights, conversion rights, terms of redemption, terms and amount of any sinking fund, rights upon liquidation, dissolution or winding up, and relative rights of priority of payment and any other relative rights, preferences and limitations of the shares of such series.

Our board of directors may from time to time increase or decrease the number of shares of any series of preferred stock, but not below the number of shares of such series then outstanding, by providing that any unissued shares previously assigned to such series shall no longer constitute part thereof and restoring such unissued shares to the status which they had prior to the adoption of the resolution originally fixing the number of shares of such series. Unless required by law or by any stock exchange on which our common stock is listed, the authorized shares of preferred stock will be available for issuance without further action by our stockholders.

**Preferred Stock Offered Hereby.** If we offer preferred stock pursuant to this prospectus, the applicable prospectus supplement will describe the terms of such preferred stock, including the following, where applicable:

- the distinctive designation of the series and the number of shares that constitute the series;
- the purchase price;
- the dividend rate, if any, of the series, the conditions and dates upon which any dividends shall be payable, the relation which the dividends payable on the series shall bear to the dividends payable on any other class or classes of stock or any other series of preferred stock, and whether the dividends shall be cumulative, non-cumulative or partially cumulative;
- whether the shares of the series will be subject to redemption by us and whether such redemption is at our option, the holders of the shares of the series or any other person and, if made subject to redemption, the times, prices and other terms and conditions of the redemption;
- the rights of the holders of the shares of the series upon dissolution of, or upon the distribution of assets of the Company, and the amount payable on the shares of the series in the event of voluntary or involuntary liquidation of the Company;

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- the relative ranking and preferences of the preferred stock of the series as to dividend rights and rights if we liquidate, dissolve or wind up our affairs;
- the terms and amount of any sinking fund provided for the purchase or redemption of the shares of the series;
- whether or not the shares of the series shall be convertible into or exchangeable for shares of any other classes or of any other series of any class or classes of our stock and, if provision is made for such conversion or exchange, the times, prices, rates, adjustments and other terms and conditions of the conversion or exchange;
- the extent of any preemptive rights to which the holders of the shares of the series will be entitled;
- the extent, if any, to which the holders of the shares of the series shall be entitled to vote with respect to the election of directors or otherwise;
- whether the preferred stock of the series will be listed on a national securities exchange or quoted on an automated quotation system;
- federal income tax considerations; and
- the other material terms, rights and privileges, and any qualifications, limitations or restrictions of the rights or privileges of the series.

The description in the prospectus supplement will not necessarily be complete, and reference will be made to our certificate of incorporation and the certificate of designations relating to the particular series of preferred stock, which will be filed with the SEC.

#### **Anti-Takeover Effects of Our Certificate of Incorporation and Bylaws and Certain Provisions of Law**

Some provisions of Delaware law, our Amended & Restated Certificate of Incorporation and our Amended & Restated Bylaws contain provisions that could make the following transactions more difficult: acquisitions of us by means of a tender offer, a proxy contest or otherwise or removal of our incumbent officers and directors. These provisions may also have the effect of preventing changes in our management. It is possible that these provisions could make it more difficult to accomplish or could deter transactions that stockholders may otherwise consider to be in their best interest or in our best interests, including transactions that might result in a premium over the market price for our shares.

These provisions are expected to discourage coercive takeover practices and inadequate takeover bids. These provisions are also designed to encourage persons seeking to acquire control of us to first negotiate with us. We believe that the benefits of increased protection and our potential ability to negotiate with the proponent of an unfriendly or unsolicited proposal to acquire or restructure us outweigh the disadvantages of discouraging these proposals because, among other things, negotiation of these proposals could result in an improvement of their terms.

##### *Delaware Law*

Section 203 of the DGCL prohibits a Delaware corporation from engaging in any business combination with any interested stockholder for a period of three years following the date that the stockholder became an interested stockholder, unless:

- the transaction is approved by the board of directors before the date the interested stockholder attained that status;
- upon consummation of the transaction that resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced; or
- on or after such time the business combination is approved by the board of directors and authorized at a meeting of stockholders by at least two-thirds of the outstanding voting stock that is not owned by the interested stockholder.

An interested stockholder is defined as a person who, together with any affiliates or associates of such person, beneficially owns, directly or indirectly, 15% or more of the outstanding voting shares of a Delaware corporation. The term “business combination” is broadly defined to include a broad array of transactions, including mergers, consolidations, sales or other dispositions of assets having a total value in excess of 10% of the consolidated assets of the corporation or all of the outstanding stock of the corporation, and some other transactions that would increase the interested stockholder’s proportionate share ownership in the corporation.

##### *Our Amended & Restated Certificate of Incorporation and Our Amended & Restated Bylaws*

Provisions of our Amended & Restated Certificate of Incorporation and our Amended & Restated Bylaws may delay or discourage transactions involving an actual or potential change in control or change in our management, including transactions in which stockholders might otherwise receive a premium for their shares, or transactions that our stockholders might otherwise deem to be in their best interests. Therefore, these provisions could adversely affect the price of our common stock.

Among other things, our Amended & Restated Certificate of Incorporation and Bylaws:

- provide that all vacancies, including newly created directorships, may, except as otherwise required by law or, if applicable, the rights of holders of a series of preferred stock, be filled by a majority of directors then in office, even if less than a quorum, or by the sole remaining director;
- provide that our Amended & Restated Certificate of Incorporation may be amended by the affirmative vote of the holders of a majority of our then outstanding voting stock;
- provide that special meetings of our stockholders may only be called by a chairperson, a majority of the directors then in office, our Chief Executive Officer (or our President in the absence of our Chief Executive Officer), or stockholders holding at least 25% or more of the total voting power of the outstanding shares of capital stock of the Company entitled to vote; and
- provide that our Amended & Restated Bylaws can be amended by our board of directors.

#### **Limitations of Liability and Indemnification Matters**

Our Amended & Restated Certificate of Incorporation limits the liability of our directors for monetary damages for breach of their fiduciary duty as directors, except for liability that cannot be eliminated under the DGCL. Delaware law provides that directors of a company will not be personally liable for monetary damages for breach of their fiduciary duty as directors, except for liabilities:

- for any breach of their duty of loyalty to us or our stockholders;
- for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law;
- for unlawful payment of dividend or unlawful stock repurchase or redemption, as provided under Section 174 of the DGCL; or
- for any transaction from which the director derived an improper personal benefit.

Any amendment, repeal or modification of these provisions will be prospective only and would not affect any limitation on liability of a director for acts or omissions that occurred prior to any such amendment, repeal or modification.

Our Amended & Restated Certificate of Incorporation and our Amended & Restated Bylaws also provide that we will indemnify our directors and officers to the fullest extent permitted by Delaware law. If Delaware law is amended to authorize corporate action further eliminating or limiting the personal liability of a director, then the liability of our directors will be eliminated or limited to the fullest extent permitted by Delaware law, as so amended. Our Amended & Restated Certificate of Incorporation and our Amended & Restated Bylaws also permit us to purchase insurance on behalf of any officer, director, employee or other agent for any liability arising out of that person's actions as our officer, director, employee or agent, regardless of whether Delaware law would permit indemnification. We believe that the limitation of liability provision in our Amended & Restated Certificate of Incorporation and the indemnification provisions of our Amended & Restated Certificate of Incorporation and our Amended & Restated Bylaws facilitate our ability to continue to attract and retain qualified individuals to serve as directors and officers.

The limitation of liability and indemnification provisions in our Amended & Restated Certificate of Incorporation and Amended & Restated Bylaws may discourage stockholders from bringing a lawsuit against directors for breach of their fiduciary duties. They may also reduce the likelihood of derivative litigation against directors and officers, even though an action, if successful, might benefit us and our stockholders. A stockholder's investment may be harmed to the extent we pay the costs of settlement and damage awards against directors and officers pursuant to these indemnification provisions. Insofar as indemnification for liabilities arising under the Securities Act may be permitted to our directors, officers and controlling persons pursuant to the foregoing provisions, or otherwise, we have been advised that, in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act, and is, therefore, unenforceable. There is no pending litigation or proceeding naming any of our directors or officers as to which indemnification is being sought, nor are we aware of any pending or threatened litigation that may result in claims for indemnification by any director or officer.

#### **Transfer Agent and Registrar**

The transfer agent and registrar for our common stock is Continental Stock Transfer & Trust Company.

#### **Listing**

Our common stock is listed on NASDAQ under the symbol "IPDN."

### **DESCRIPTION OF WARRANTS**

#### **General**

We may issue warrants to purchase shares of our common stock and preferred stock in one or more series together with other securities or separately, as described in the applicable prospectus supplement. Below is a description of certain general terms and provisions of the warrants that we may offer. Particular terms of the warrants will be described in the warrant agreements to be entered into by us, a warrant agent to be named by us, and the holders from time to time of the warrants, and the prospectus supplement relating to the warrants. Copies of the form agreement for each warrant and the warrant certificate, if any, reflecting the provisions to be included in such agreements that will be entered into with respect to a particular offering of each type of warrant, will be filed with the SEC and incorporated by reference as exhibits to the registration statement of which this prospectus forms a part. You should read the applicable warrant agreement for additional information before you purchase any of our warrants.

The prospectus supplement relating to any warrants we offer will describe the specific terms relating to the offering. These terms may include some or all of the following:

- the specific designation and aggregate number of, and the price at which we will issue, the warrants;
- the currency or currency units in which the offering price, if any, and the exercise price are payable;
- the designation, amount and terms of the securities purchasable upon exercise of the warrants;
- if applicable, the exercise price for shares of our common stock and the number of shares of common stock to be received upon exercise of the warrants;
- if applicable, the exercise price for shares of our preferred stock, the number of shares of preferred stock to be received upon exercise, and a description of that series of our preferred stock;

- the date on which the right to exercise the warrants will begin and the date on which that right will expire or, if you may not continuously exercise the warrants throughout that period, the specific date or dates on which you may exercise the warrants;
- whether the warrants will be issued in fully registered form or bearer form, in definitive or global form or in any combination of these forms, although, in any case, the form of a warrant included in a unit will correspond to the form of the unit and of any security included in that unit;
- any applicable material U.S. federal income tax consequences;
- the identity of the warrant agent for the warrants and of any other depositaries, execution or paying agents, transfer agents, registrars or other agents;
- the proposed listing, if any, of the warrants or any securities purchasable upon exercise of the warrants on any securities exchange;
- if applicable, the date from and after which the warrants and the common stock and preferred stock will be separately transferable;
- if applicable, the minimum or maximum amount of the warrants that may be exercised at any one time;
- the procedures and conditions relating to the exercise of the warrants;
- information with respect to book-entry procedures, if any;
- the triggering event and the terms upon which the exercise price and the number of underlying securities that the warrants are exercisable into may be adjusted;
- the anti-dilution provisions of the warrants, if any;
- any redemption or call provisions;

- whether the warrants may be sold separately or with other securities as parts of units; and
- any additional terms of the warrants, including terms, procedures and limitations relating to the exchange and exercise of the warrants.

Until the warrants are exercised, holders of the warrants will not have any rights of holders of the underlying securities.

## Outstanding Warrants

As of October 14, 2021, we have 125,000 outstanding warrants to purchase our common stock.

### DESCRIPTION OF RIGHTS

We may issue rights to our stockholders to purchase shares of our common stock or preferred stock described in this prospectus. We may offer rights separately or together with one or more additional rights, preferred stock, common stock, warrants or any combination of those securities in the form of units, as described in the applicable prospectus supplement. Each series of rights will be issued under a separate rights agreement to be entered into between us and a bank or trust company, as rights agent. The rights agent for any rights we offer will be set forth in the applicable prospectus supplement. The rights agent will act solely as our agent in connection with the certificates relating to the rights of the series of certificates and will not assume any obligation or relationship of agency or trust for or with any holders of rights certificates or beneficial owners of rights. The following description sets forth certain general terms and provisions of the rights to which any prospectus supplement may relate. The particular terms of the rights to which any prospectus supplement may relate and the extent, if any, to which the general provisions may apply to the rights so offered will be described in the applicable prospectus supplement. To the extent that any particular terms of the rights, rights agreement or rights certificates described in a prospectus supplement differ from any of the terms described below, then the terms described below will be deemed to have been superseded by that prospectus supplement. We encourage you to read the applicable rights agreement and rights certificate for additional information before you decide whether to purchase any of our rights.

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The prospectus supplement relating to any rights that we offer will include specific terms relating to the offering, including, among other matters:

- the date of determining the stockholders entitled to the rights distribution;
- the aggregate number of shares of common stock, preferred stock or other securities purchasable upon exercise of the rights;
- the exercise price;
- the aggregate number of rights issued;
- whether the rights are transferrable and the date, if any, on and after which the rights may be separately transferred;
- the date on which the right to exercise the rights will commence, and the date on which the right to exercise the rights will expire;
- the method by which holders of rights will be entitled to exercise them;
- the conditions to the completion of the offering;
- the withdrawal, termination and cancellation rights;
- whether there are any backstop or standby purchaser or purchasers and the terms of their commitment;
- whether stockholders are entitled to an oversubscription right;
- any U.S. federal income tax considerations; and
- any other terms of the rights, including terms, procedures and limitations relating to the distribution, exchange and exercise of the rights.

If less than all of the rights issued in any rights offering are exercised, we may offer any unsubscribed securities directly to persons other than stockholders, to or through agents, underwriters or dealers or through a combination of such methods, including pursuant to standby arrangements, as described in the applicable prospectus supplement. In connection with any rights offering, we may enter into a standby underwriting or other arrangement with one or more underwriters or other persons pursuant to which such underwriters or other persons would purchase any offered securities remaining unsubscribed for after such rights offering.

### DESCRIPTION OF UNITS

We may issue units consisting of any combination of the other types of securities offered under this prospectus in one or more series. We may evidence each series of units by unit certificates that we will issue under a separate agreement. We may enter into unit agreements with a unit agent. We will indicate the name and address of the unit agent in the applicable prospectus supplement relating to a particular series of units.

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The following description, together with the additional information included in any applicable prospectus supplement, summarizes the general features of the units that we may offer under this prospectus. You should read any prospectus supplement and any free writing prospectus that we may authorize to be provided to you related to the series of units being offered, as well as the complete unit agreements that contain the terms of the units. Specific unit agreements will contain additional important terms and provisions and we will file as an exhibit to the registration statement of which this prospectus is a part, or will incorporate by reference from another report that we file with the SEC, the form of each unit agreement relating to units offered under this prospectus.

If we offer any units, certain terms of that series of units will be described in the applicable prospectus supplement, including, without limitation, the following, as applicable:

- the title of the series of units;
- identification and description of the separate constituent securities comprising the units;
- the price or prices at which the units will be issued;

- the date, if any, on and after which the constituent securities comprising the units will be separately transferable;
- a discussion of certain United States federal income tax considerations applicable to the units; and
- any other terms of the units and their constituent securities.

## PLAN OF DISTRIBUTION

### General

We may sell the securities from time to time pursuant to underwritten public offerings, negotiated transactions, block trades or a combination of these methods or through underwriters or dealers, through agents and/or directly to one or more purchasers. The securities may be distributed from time to time in one or more transactions:

- at a fixed price or prices, which may be changed;
- at market prices prevailing at the time of sale;
- at prices related to such prevailing market prices; or
- at negotiated prices.

Each time that we sell securities covered by this prospectus, we will provide a prospectus supplement or supplements that will describe the method of distribution and set forth the terms and conditions of the offering of such securities, including the offering price of the securities and the proceeds to us, if applicable.

Offers to purchase the securities being offered by this prospectus may be solicited directly. Agents may also be designated to solicit offers to purchase the securities from time to time. Any agent involved in the offer or sale of our securities will be identified in a prospectus supplement.

If a dealer is utilized in the sale of the securities being offered by this prospectus, the securities will be sold to the dealer, as principal. The dealer may then resell the securities to the public at varying prices to be determined by the dealer at the time of resale.

If an underwriter is utilized in the sale of the securities being offered by this prospectus, an underwriting agreement will be executed with the underwriter at the time of sale and the name of any underwriter will be provided in the prospectus supplement that the underwriter will use to make resales of the securities to the public. In connection with the sale of the securities, we or the purchasers of securities for whom the underwriter may act as agent, may compensate the underwriter in the form of underwriting discounts or commissions. The underwriter may sell the securities to or through dealers, and those dealers may receive compensation in the form of discounts, concessions or commissions from the underwriters and/or commissions from the purchasers for which they may act as agent. Unless otherwise indicated in a prospectus supplement, an agent will be acting on a best efforts basis and a dealer will purchase securities as a principal, and may then resell the securities at varying prices to be determined by the dealer.

Any compensation paid to underwriters, dealers or agents in connection with the offering of the securities, and any discounts, concessions or commissions allowed by underwriters to participating dealers will be provided in the applicable prospectus supplement. Underwriters, dealers and agents participating in the distribution of the securities may be deemed to be underwriters within the meaning of the Securities Act of 1933, as amended, and any discounts and commissions received by them and any profit realized by them on resale of the securities may be deemed to be underwriting discounts and commissions. We may enter into agreements to indemnify underwriters, dealers and agents against civil liabilities, including liabilities under the Securities Act, or to contribute to payments they may be required to make in respect thereof and to reimburse those persons for certain expenses.

Any common stock will be listed on the Nasdaq Capital Market, but any other securities may or may not be listed on a national securities exchange. To facilitate the offering of securities, certain persons participating in the offering may engage in transactions that stabilize, maintain or otherwise affect the price of the securities. This may include over-allotments or short sales of the securities, which involve the sale by persons participating in the offering of more securities than were sold to them. In these circumstances, these persons would cover such over-allotments or short positions by making purchases in the open market or by exercising their over-allotment option, if any. In addition, these persons may stabilize or maintain the price of the securities by bidding for or purchasing securities in the open market or by imposing penalty bids, whereby selling concessions allowed to dealers participating in the offering may be reclaimed if securities sold by them are repurchased in connection with stabilization transactions. The effect of these transactions may be to stabilize or maintain the market price of the securities at a level above that which might otherwise prevail in the open market. These transactions may be discontinued at any time.

We may engage in at the market offerings into an existing trading market in accordance with Rule 415(a)(4) under the Securities Act.

In addition, we may enter into derivative transactions with third parties, or sell securities not covered by this prospectus to third parties in privately negotiated transactions. If the applicable prospectus supplement so indicates, in connection with those derivatives, the third parties may sell securities covered by this prospectus and the applicable prospectus supplement, including in short sale transactions. If so, the third party may use securities pledged by us or borrowed from us or others to settle those sales or to close out any related open borrowings of stock, and may use securities received from us in settlement of those derivatives to close out any related open borrowings of stock. The third party in such sale transactions will be an underwriter and, if not identified in this prospectus, will be named in the applicable prospectus supplement (or a post-effective amendment). In addition, we may otherwise loan or pledge securities to a financial institution or other third party that in turn may sell the securities short using this prospectus and an applicable prospectus supplement. Such financial institution or other third party may transfer its economic short position to investors in our securities or in connection with a concurrent offering of other securities.

We do not make any representation or prediction as to the direction or magnitude of any effect that the transactions described above might have on the price of the securities. In addition, we do not make any representation that underwriters will engage in such transactions or that such transactions, once commenced, will not be discontinued without notice.

The specific terms of any lock-up provisions in respect of any given offering will be described in the applicable prospectus supplement.

To comply with applicable state securities laws, the securities offered by this prospectus will be sold, if necessary, in such jurisdictions only through registered or licensed brokers or dealers. In addition, securities may not be sold in some states unless they have been registered or qualified for sale in the applicable state or an exemption from the registration or qualification requirement is available and is complied with.

The underwriters, dealers and agents may engage in transactions with us, or perform services for us, in the ordinary course of business for which they receive compensation.

## LEGAL MATTERS

The validity of the securities registered hereunder will be passed upon for us by Locke Lord LLP, Chicago, Illinois.

## EXPERTS

The financial statements of Professional Diversity Network, Inc., appearing in Professional Diversity Network, Inc.'s annual report on Form 10-K for the year ended December 31, 2020, have been audited by Ciro E. Adams, CPA, LLC, an independent registered public accounting firm, as set forth in their report included therein, and incorporated herein by reference. Such financial statements are incorporated herein by reference in reliance upon such report given on the authority of such firm as experts in accounting and auditing.