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

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**FORM 8-K**

CURRENT REPORT

Pursuant to Section 13 or 15(d) of  
The Securities Exchange Act of 1934

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Date of Report (Date of earliest event reported): March 25, 2020

**PROPHASE LABS, INC.**

(Exact name of Company as specified in its charter)

**Delaware**  
(State or other  
jurisdiction of incorporation)

**000-21617**  
(Commission  
File Number)

**23-2577138**  
(I.R.S. Employer  
Identification No.)

**621 N. Shady Retreat Road**  
**Doylestown, PA**  
(Address of principal executive offices)

**18901**  
(Zip Code)

Company's telephone number, including area code: **(215) 345-0919**

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

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

Securities Registered Pursuant to Section 12(b) of the Exchange Act:

Title of Each Class	Trading Symbol	Name of Each Exchange on Which Registered
Common Stock, par value \$0.0005	PRPH	Nasdaq Capital Market

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

Emerging growth company

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

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**Item 2.02 Results of Operations and Financial Condition.**

On March 25, 2020, ProPhase Labs, Inc. (the “Company”) issued a press release announcing its financial results for the year ended December 31, 2019. A copy of the press release is furnished as Exhibit 99.1 to this Form 8-K.

The information in this Item 2.02 and Exhibit 99.1 shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, nor shall it be incorporated by reference in any registration statement filed under the Securities Act of 1933, as amended, unless specifically identified therein as being incorporated by reference therein.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits

<u>No.</u>	<u>Description</u>
99.1	<a href="#">Press Release dated March 25, 2020</a>

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

**ProPhase Labs, Inc.**

By: /s/ Monica Brady  
Monica Brady  
Chief Financial Officer

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Date: March 27, 2020

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**ProPhase Labs Reports Financial Results  
for the Year Ended December 31, 2019**

DOYLESTOWN, Pennsylvania, March 25, 2020 – ProPhase Labs, Inc. (NASDAQ: PRPH, [www.ProPhaseLabs.com](http://www.ProPhaseLabs.com)) today announced its net sales were \$9.9 million for the year ended December 31, 2019, as compared to net sales of \$13.1 million for the year ended December 31, 2018.

The Company incurred a net loss from continuing operations for the year ended December 31, 2019 of \$3.1 million, or (\$0.27) per share, as compared to a loss of \$1.6 million, or (\$0.14) per share, for the year ended December 31, 2018. The Company incurred loss from discontinued operations for the year ended December 31, 2019 of \$40,000, or (\$0.00) per share, as compared to loss of \$170,000, or (\$0.01) per share, for the year ended December 31, 2018. The Company incurred net loss for the year ended December 31, 2019, of \$3.1 million, or (\$0.27) per share, as compared to a loss of \$1.7 million, or (\$0.15) per share, for the year ended December 31, 2018.

The financial results for the year ended December 31, 2019 as compared to the year ended December 31, 2018 principally reflect the net effect of (i) a decrease in net sales of \$3.2 million principally due to a decrease in demand of third party customer orders, (ii) a decrease in administration costs of \$430,000 due principally to a decrease in professional and legal costs, (iii) a decrease in sales and marketing expenses of \$65,000 as a consequence of a reduction in marketing initiatives and (iv) a decrease in research and development expenditures of \$66,000.

**About the Company**

We are a manufacturing and marketing company with deep experience with OTC consumer healthcare products and dietary supplements. We are engaged in the research, development, manufacture, distribution, marketing and sale of OTC consumer healthcare products and dietary supplements in the United States. This includes the development and marketing of dietary supplements under the TK Supplements® brand.

In addition, the Company also continues to actively pursue acquisition opportunities for other companies, technologies and products inside and outside the consumer products industry. For more information visit us at [www.ProPhaseLabs.com](http://www.ProPhaseLabs.com).

**Forward Looking Statements**

Except for the historical information contained herein, this document contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements relating to potential acquisition opportunities. Management believes that these forward-looking statements are reasonable as and when made. However, such forward-looking statements involve known and unknown risks, uncertainties, and other factors that may cause actual results to differ materially from those projected in the forward-looking statements. These risks and uncertainties include, but are not limited to: the difficulty of predicting the acceptance and demand for our products, the impact of competitive products and pricing, costs involved in the manufacture and marketing of products, the timely development and launch of new products, and the risk factors listed from time to time in our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and any subsequent SEC filings.

**Investor Contact**

Ted Karkus, Chairman and CEO  
ProPhase Labs, Inc.  
(267) 880-1111

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**ProPhase Labs, Inc. and Subsidiaries**  
**Condensed Consolidated Statements of Operations**  
(in thousands, except per share amounts)

	For the Years Ended	
	December 31, 2019	December 31, 2018
Net sales	\$ 9,876	\$ 13,126
Cost of sales	7,261	8,345
Gross profit	<u>2,615</u>	<u>4,781</u>
Operating expenses:		
Sales and marketing	1,042	1,107
Administration	4,480	4,910
Research and development	332	398
Total operating expenses	<u>5,854</u>	<u>6,415</u>
Loss from operations	<u>(3,239)</u>	<u>(1,634)</u>
Interest income, net	133	167
Loss from continuing operations before income taxes	<u>(3,106)</u>	<u>(1,467)</u>
Income tax liability from continuing operations	-	(103)
Loss from continuing operations	<u>(3,106)</u>	<u>(1,570)</u>
Discontinued operations:		
Loss on discontinued operations, net of taxes	(40)	(170)
Loss from discontinued operations	<u>(40)</u>	<u>(170)</u>
<b>Net loss</b>	<b><u>\$ (3,146)</u></b>	<b><u>\$ (1,740)</u></b>
Other comprehensive income (loss):		
Unrealized gain on marketable debt securities	22	54
Total comprehensive loss	<u>\$ (3,124)</u>	<u>\$ (1,686)</u>
Basic and diluted loss per share:		
Loss from continuing operations	\$ (0.27)	\$ (0.14)
Loss from discontinued operations	-	(0.01)
Net loss	<u>\$ (0.27)</u>	<u>\$ (0.15)</u>
Weighted average common shares outstanding:		
Basic and diluted	<u>11,564</u>	<u>11,396</u>

**ProPhase Labs, Inc. and Subsidiaries**  
**Condensed Consolidated Balance Sheets**  
**(in thousands)**

	<u>December 31 2019</u>	<u>December 31 2018</u>
Cash and cash equivalents	\$ 434	\$ 1,554
Marketable debt securities, available for sale	\$ 926	\$ 6,687
Accounts receivable, net	\$ 2,010	\$ 2,968
Inventory	\$ 1,459	\$ 1,903
Total current assets	\$ 9,945	\$ 18,238
Total assets	\$ 12,274	\$ 20,737
Total current liabilities	\$ 933	\$ 4,233
Total non-current liabilities	\$ 110	\$ -
Total stockholders' equity	\$ 11,231	\$ 16,504

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