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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 12, 2020

**PROPHASE LABS, INC.**

(Exact name of Company as specified in its charter)

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

**0-21617**  
(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 May 12, 2020, ProPhase Labs, Inc. (the "Company") issued a press release announcing its financial results for the three months ended March 31, 2020. 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

No.	Description
99.1	<a href="#">Press Release dated May 12, 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: May 13, 2020

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**ProPhase Labs Reports Financial Results  
for the Three Months Ended March 31, 2020**

DOYLESTOWN, Pennsylvania, May 12, 2020 – ProPhase Labs, Inc. (NASDAQ: PRPH, [www.ProPhaseLabs.com](http://www.ProPhaseLabs.com)) today announced net sales of \$1.9 million for the three months ended March 31, 2020, compared to net sales of \$2.3 million for the three months ended March 31, 2019.

The Company incurred a net loss for the three months ended March 31, 2020 of \$809,000, or (\$0.07) per share, compared to a net loss of \$1.0 million or (\$0.09) per share, for the three months ended March 31, 2019.

The financial results for the first quarter of 2020 compared to the first quarter of 2019 principally reflect the net effect of a decrease in net sales of \$430,000 due to a decrease in demand of third party customer orders, offset by (i) a decrease in administrative costs of \$206,000 due principally to a decrease in professional fees, (ii) a decrease in sales and marketing expenses of \$96,000 as a consequence of a reduction in marketing initiatives and (iii) a decrease in research and development expenditures of \$35,000.

In addition on May 4, 2020, the Company resolved the final pending claim against the Company's escrow account with Mylan and as a result the remaining funds, totaling \$4.8 million, were released from the escrow account to the Company on May 7, 2020.

**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).

**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)  
(unaudited)

	<b>For the Three Months Ended</b>	
	<b>March 31, 2020</b>	<b>March 31, 2019</b>
Net sales	\$ 1,888	\$ 2,318
Cost of sales	\$ 1,473	\$ 1,798
Gross profit	<u>415</u>	<u>520</u>
Operating expenses:		
Sales and marketing	170	266
Administration	998	1,204
Research and development	59	94
Total operating expenses	<u>1,227</u>	<u>1,564</u>
Loss from operations	<u>(812)</u>	<u>(1,044)</u>
Interest income, net	3	31
<b>Net loss</b>	<b><u>\$ (809)</u></b>	<b><u>\$ (1,013)</u></b>
Other comprehensive income:		
Unrealized gain on marketable debt securities	11	15
Total comprehensive loss	<u>\$ (798)</u>	<u>\$ (998)</u>
Basic and diluted loss per share:	<u>\$ (0.07)</u>	<u>\$ (0.09)</u>
Weighted average common shares outstanding:		
Basic and diluted	<u>11,582</u>	<u>11,557</u>

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

	<u>March 31, 2020</u>	<u>December 31, 2019</u>
		(audited)
Cash and cash equivalents	\$ 697	\$ 434
Marketable debt securities, available for sale	\$ 840	\$ 926
Accounts receivable, net	\$ 1,213	\$ 2,010
Inventory	\$ 1,703	\$ 1,459
Total current assets	\$ 9,505	\$ 9,945
Total assets	\$ 11,868	\$ 12,274
Total current liabilities	\$ 1,125	\$ 933
Total non-current liabilities	\$ 112	\$ 110
Total stockholders' equity	\$ 10,631	\$ 11,231

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