UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported): March 12, 2020

	PROPHASE LAE			
(Ex	act name of Company as specifi	ied in its charter)		
Delaware				
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)		
621 N. Shady Retreat Ros	ad	40004		
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 Formunder any of the following provisions (see Ge	_	nultaneously satisfy the filing obligation of the Company		
[] Written communications pursuant to	Rule 425 under the Securities A	Act (17 CFR 230.425)		
[] Soliciting material pursuant to Rule	14a-12 under the Exchange Act	(17 CFR 240.14a-12)		
[] Pre-commencement communications	s pursuant to Rule 14d-2(b) und	er the Exchange Act (17 CFR 240.14d-2(b))		
[] Pre-commencement communications	s pursuant to Rule 13e-4(c) unde	er 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		
ndicate by check mark whether the registrant §230.405 of this chapter) or Rule 12b-2 of th		ny as defined in Rule 405 of the Securities Act of 1933 934 (§240.12b-2 of this chapter).		
		Emerging growth company []		
		has elected not to use the extended transition period for bursuant to Section 13(a) of the Exchange Act. []		

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.

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No.	Description
99.1	Press Release dated May 12, 2020

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

Date: May 13, 2020



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

DOYLESTOWN, Pennsylvania, May 12, 2020 – ProPhase Labs, Inc. (NASDAQ: PRPH, <u>www.ProPhaseLabs.com</u>) 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.

Investor Contact

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

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

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

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

	March 31, 2020		De	December 31, 2019	
				(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	