

Emerging growth company ☐

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On April 4, 2023, Robert A. Morse, Jr. was promoted to the position of Chief Financial Officer of ProPhase Labs, Inc. (the “Company”). Mr. Morse has served as the Company’s Controller since July 2022 and as its principal financial officer and principal accounting officer since January 2023. Mr. Morse will continue to serve as the Company’s principal financial officer and principal accounting officer.

Robert A. Morse, Jr., age 48, joined the Company in July 2022 as Controller. Prior to joining the Company, Mr. Morse served as Global Controller and Chief Accounting Officer at Infinite Reality, Inc. from August 2021 to July 2022; Senior Vice President and Corporate Controller of Trilogy Education Services, LLC (which was acquired by 2U, Inc. (Nasdaq: TWOU) in 2019) from December 2018 to April of 2021; and Controller of GPB Capital Holdings, LLC from December 2016 to December 2018. Prior to that, Mr. Morse spent four years at MasterCard Worldwide and 10 years at The McGraw-Hill Companies and Standard & Poor’s, serving in various capacities. Mr. Morse began his career with four years in public accounting including two years with Ernst & Young LLP. He gained broad domestic and international experience throughout his career, managing significant growth in each organization he served, including strategic planning, mergers and acquisitions, tax compliance and organizational development, implementing best practices in the finance and accounting functions regarding financial reporting, long range planning, technology automation and process improvements, and strengthening internal control environments.

In connection with his appointment as Chief Financial Officer, Mr. Morse’s base salary was increased to \$275,000. He was also granted a stock option to purchase up to 50,000 shares of the Company’s common stock, at an exercise price of \$9.00 per share.

There are no family relationships between Mr. Morse and any of the officers or directors of the Company, and there are no related party transactions with Mr. Morse that are reportable under Item 404(a) of Regulation S-K.

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/ Ted Karkus
Ted Karkus
Chairman of the Board and Chief Executive Officer

Date: April 6, 2023
