

**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 19, 2020

**PERMA-FIX ENVIRONMENTAL SERVICES, INC.**

(Exact name of registrant as specified in its charter)

<u>Delaware</u> (State or other jurisdiction of incorporation)	<u>1-11596</u> (Commission File Number)	<u>58-1954497</u> (IRS Employer Identification No.)
<u>8302 Dunwoody Place, Suite 250, Atlanta, Georgia</u> (Address of principal executive offices)		<u>30350</u> (Zip Code)

Registrant's telephone number, including area code: (770) 587-9898

Not applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

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

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of Each Class</u>	<u>Trading Symbol</u>	<u>Name of each exchange on which registered</u>
Common Stock, Par Value \$.001 Per Share	PESI	NASDAQ Capital Markets
Preferred Stock Purchase Rights	PESI	NASDAQ Capital Markets

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

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

Section 2 – Financial Information

Item 2.02 – Results of Operations and Financial Condition

On March 19, 2020 at 11:00 AM ET, Perma-Fix Environmental Services, Inc. (the “Company”) will hold a conference call broadcast live over the Internet. A press release dated March 19, 2020, announcing the conference is attached hereto as Exhibit 99.1. A transcript of the conference call will also be available on the Company’s web page at [www.perma-fix.com](http://www.perma-fix.com).

On March 19, 2020, the Company issued a press release to report its financial results for the three and twelve months ended December 31, 2019. The press release is attached hereto as Exhibit 99.2 and is incorporated herein by reference.

The information combined in this Item 2.02 of this Form 8-K and the Exhibits attached hereto are being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Act of 1934 (as amended), or otherwise subject to the liabilities of such section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 (as amended), except as shall be expressly set forth by specific reference in such filing.

Section 9 – Financial Statements and Exhibits

Item 9.01 – Financial Statements and Exhibits

(d) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
99.1	<a href="#">Press release dated March 17, 2020</a>
99.2	<a href="#">Press release dated March 19, 2020</a>

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SIGNATURES

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.

PERMA-FIX ENVIRONMENTAL SERVICES, INC.

By: /s/ Ben Naccarato

Ben Naccarato  
Vice President, Chief Financial Officer  
and Chief Accounting Officer

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Dated: March 19, 2020



#### Perma-Fix Schedules Fourth Quarter and Fiscal 2019 Conference Call

**ATLANTA – March 17, 2019 — Perma-Fix Environmental Services, Inc. (NASDAQ: PESI)**, a nuclear services company, today announced that it will host a conference call at 11:00 a.m. Eastern Time on Thursday, March 19, 2020. The call will be available on the Company’s website at [www.perma-fix.com](http://www.perma-fix.com), or by calling 844-369-8770 for U.S. callers, or +1 862-298-0840 for international callers. The conference call will be led by Mark J. Duff, Chief Executive Officer, Dr. Louis F. Centofanti, Executive Vice President of Strategic Initiatives, and Ben Naccarato, Executive Vice President and Chief Financial Officer of Perma-Fix Environmental Services, Inc.

A webcast will also be archived on the Company’s website and a telephone replay of the call will be available approximately one hour following the call, through 11:00 a.m. Eastern Time on March 26, 2020, and can be accessed by calling: 877-481-4010 for U.S. callers, or +1 919-882-2331 for international callers and entering conference ID: 33561.

#### About Perma-Fix Environmental Services

Perma-Fix Environmental Services, Inc. is a nuclear services company and leading provider of nuclear and mixed waste management services. The Company’s nuclear waste services include management and treatment of radioactive and mixed waste for hospitals, research labs and institutions, federal agencies, including the U.S. Department of Energy (DOE), the U.S. Department of Defense (DOD), and the commercial nuclear industry. The Company’s nuclear services group provides project management, waste management, environmental restoration, decontamination and decommissioning, new build construction, and radiological protection, safety and industrial hygiene capability to our clients. The Company operates three nuclear waste treatment facilities and provides nuclear services at DOE, DOD, and commercial facilities, nationwide. Please visit us at <http://www.perma-fix.com>.

#### Contacts:

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**Perma-Fix Reports 88% Increase in Revenue to \$22.1 Million  
and \$930,000 of Net Income Attributable to Common Stockholders  
for the Fourth Quarter of 2019**

ATLANTA – March 19, 2020 – Perma-Fix Environmental Services, Inc. (NASDAQ: PESI) (the “Company”) today announced results for the fourth quarter and full year ended December 31, 2019.

**Fourth Quarter 2019 Financial Highlights:**

- Revenue for the fourth quarter of 2019 increased 88.1% to \$22.1 million versus \$11.7 million for the same period last year
- Services Segment revenue for the fourth quarter of 2019 increased 341.0% to \$11.8 million versus \$2.7 million for the same period last year
- Treatment Segment revenue for the fourth quarter of 2019 increased 13.5% to \$10.3 million versus \$9.0 million for the same period last year
- Gross profit for the fourth quarter of 2019 increased to \$4.7 million versus \$1.3 million for the same period last year; gross profit for the fourth quarter of 2018 included \$1.0 million of closure costs related to the East Tennessee Material and Energy Corporation (“M&EC”) facility
- Achieved net income attributable to common stockholders of \$930,000, or \$0.08 per share for the fourth quarter of 2019, compared to a loss of \$2.4 million, or (\$0.20) per share for the same period last year
- Generated adjusted EBITDA (defined below) of \$1.7 million compared to a loss of \$167,000 for the same period last year (see reconciliation to GAAP below)

Mark Duff, Chief Executive Officer, stated, “2019 was a transformative year for the Company, as we more closely aligned our nuclear services and waste treatment capabilities, which has allowed us to provide a truly unique and integrated offering for our customers. At the same time, we are realizing the benefits of our recently implemented strategic plan and business development initiatives. This is best illustrated by the fact we’ve been awarded over \$65 million in new contracts since the beginning of 2019. We achieved this revenue growth despite the federal government’s continuing resolutions, which temporarily reduced spending. Moreover, we have increased our sales pipeline and our Services Segment backlog.”

“In respect to COVID-19, we have seen certain field projects temporarily suspended and waste shipments delayed into the second quarter. We continue to monitor the situation carefully, but believe we are well positioned to weather such disruptions given our current backlog and balance sheet. Most importantly, Perma-Fix is a safety driven organization, committed to our employees, and we will keep investors apprised of any developments.”

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## Financial Results

Revenue for the fourth quarter of 2019 was \$22.1 million versus \$11.7 million for the same period last year. Revenue from the Services Segment increased by \$9.1 million to \$11.8 million from \$2.7 million for the same period in 2018. The increase in revenue within our Services Segment was primarily due to the awards of several contracts/task orders for project work since the latter part of the first quarter of 2019, the result of successful implementation of our strategic plan in winning contract bids. Revenue for the Treatment Segment increased approximately \$1.3 million to \$10.3 million in the fourth quarter of 2019 from \$9.0 million for the corresponding period of 2018 primarily due to higher averaged price waste resulting from revenue mix.

Gross profit for the fourth quarter of 2019 was \$4.7 million and \$1.3 million for the fourth quarter of 2018. Gross profit for the fourth quarter of 2018 included additional closure costs recorded in the amount of approximately \$1.0 million in connection with the closure of the Company's M&EC facility.

Operating income for the fourth quarter of 2019 was \$1.2 million versus an operating loss of \$2.1 million for the fourth quarter of 2018. Net income from continuing operations for the fourth quarter of 2019 was approximately \$1.0 million as compared to net loss from continuing operations of \$2.4 million for the corresponding period of 2018. Net income attributable to common stockholders for the fourth quarter of 2019 was \$930,000 as compared to net loss attributable to common stockholders of \$2.4 million for the fourth quarter of 2018. Earnings per share (both basic and diluted) attributable to common stockholders was \$0.08 for the fourth quarter of 2019 as compared to loss per share (both basic and diluted) of \$0.20 for the corresponding period of 2018.

The Company's Adjusted EBITDA at December 31, 2019 was approximately \$5.2 million from continuing operations as compared to approximately \$2.0 million for the corresponding period of 2018. The Company defines EBITDA as earnings before interest, taxes, depreciation and amortization. Adjusted EBITDA is defined as EBITDA before research and development costs related to the Medical Isotope project, closure costs accrued for M&EC subsidiary and net gain on exchange offer of Series B Preferred Stock of M&EC. Both EBITDA and Adjusted EBITDA are not measures of performance calculated in accordance with Accounting Principles Generally Accepted in the United States of America ("GAAP"), and should not be considered in isolation of, or as a substitute for, earnings as an indicator of operating performance or cash flows from operating activities as a measure of liquidity. The Company believes the presentation of EBITDA and Adjusted EBITDA is relevant and useful by enhancing the readers' ability to understand the Company's operating performance. The Company's management utilizes EBITDA and Adjusted EBITDA as a means to measure performance. The Company's measurements of EBITDA and Adjusted EBITDA may not be comparable to similar titled measures reported by other companies. The table below reconciles EBITDA and Adjusted EBITDA, both non-GAAP measures, to GAAP numbers for income (loss) from continuing operations for the three and twelve months ended December 31, 2019 and 2018.

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(In thousands)	Quarter Ended December 31, (Unaudited)		Twelve Months Ended December 31, (Unaudited)	
	2019	2018	2019	2018
Income (loss) from continuing operations	\$ 1,014	\$ (2,432)	\$ 2,732	\$ (1,074)
<b>Adjustments:</b>				
Depreciation & amortization	373	360	1,342	1,455
Interest income	(72)	(83)	(337)	(295)
Interest expense	139	74	432	251
Interest expense - financing fees	69	10	208	38
Income tax expense (benefit)	58	337	157	(936)
<b>EBITDA</b>	<b>1,581</b>	<b>(1,734)</b>	<b>4,534</b>	<b>(561)</b>
Research and development costs related to medical				
Isotope project	87	552	314	811
Closure costs accrued for M&EC subsidiary	—	1,015	330	3,323
Net gain on exchange offer of Series B Preferred Stock of M&EC	—	—	—	(1,596)
<b>Adjusted EBITDA</b>	<b>\$ 1,668</b>	<b>\$ (167)</b>	<b>\$ 5,178</b>	<b>\$ 1,977</b>

The tables below present certain financial information for the business segments, which exclude allocation of corporate expenses:

(In thousands)	Three Months Ended December 31, 2019 (Unaudited)			Twelve Months Ended December 31, 2019 (Unaudited)		
	Treatment	Services	Medical	Treatment	Services	Medical
Net revenues	\$ 10,285	\$ 11,796	\$ —	\$ 40,364	\$ 33,095	\$ —
Gross profit (loss)	3,326	1,329	—	12,248	3,336	—
Segment (loss) profit	2,189	478	(87)	7,820	795	(314)

(In thousands)	Three Months Ended December 31, 2018 (Unaudited)			Twelve Months Ended December 31, 2018 (Audited)		
	Treatment	Services	Medical	Treatment	Services	Medical
Net revenues	\$ 9,063	\$ 2,675	\$ —	\$ 36,271	\$ 13,268	\$ —
Gross profit (loss)	1,331	(58)	—	7,197	1,264	—
Segment (loss) profit	(62)	(563)	(552)	5,493	(756)	(811)

#### COVID-19

As a result of COVID-19, the Company has been informed that certain field projects for remediation work are being suspended until further notice due to precautions associated with the risk of potential virus spread among staff and client. Additionally, at this time, certain customers have delayed waste shipments to the Company into the second quarter of 2020 that were originally scheduled for the first quarter of 2020. In the event that work is suspended or halted on further remediation projects and/or waste shipments from our clients are further suspended or halted, such impact could have a material impact to our results of operation. Additionally, the Company may, among other things, temporarily cease/limit waste treatment operations and/or temporarily cease/limit field project operations due to COVID-19.

## Conference Call

Perma-Fix will host a conference call at 11:00 a.m. ET on Thursday, March 19, 2020. The call will be available on the Company's website at [www.perma-fix.com](http://www.perma-fix.com), or by calling 844-369-8770 for U.S. callers, or +1 862-298-0840 for international callers. The conference call will be led by Mark J. Duff, Chief Executive Officer, Dr. Louis F. Centofanti, Executive Vice President of Strategic Initiatives, and Ben Naccarato, Executive Vice President and Chief Financial Officer of Perma-Fix Environmental Services, Inc.

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## About Perma-Fix Environmental Services

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Please visit us at <http://www.perma-fix.com>.

*This press release contains "forward-looking statements" which are based largely on the Company's expectations and are subject to various business risks and uncertainties, certain of which are beyond the Company's control. Forward-looking statements generally are identifiable by use of the words such as "believe", "expects", "intends", "anticipate", "plans to", "estimates", "projects", and similar expressions. Forward-looking statements include, but are not limited to: well positioned to weather such disruptions given current backlog and balance sheet; temporarily cease/limit waste treatment operations and/or field project operations due to COVID-19; and suspend/delay project work and waste shipments by clients. These forward-looking statements are intended to qualify for the safe harbors from liability established by the Private Securities Litigation Reform Act of 1995. While the Company believes the expectations reflected in this news release are reasonable, it can give no assurance such expectations will prove to be correct. There are a variety of factors which could cause future outcomes to differ materially from those described in this release, including, without limitation, future economic conditions; industry conditions; competitive pressures; our ability to apply and market our new technologies; the government or such other party to a contract granted to us fails to abide by or comply with the contract or to deliver waste as anticipated under the contract; inability to win bid projects; Congress fails to provides continuing funding for the DOD's and DOE's remediation projects; inability to obtain new foreign and domestic remediation contracts; inability to meet financial covenants; impact of the COVID-19; and the "Risk Factors" discussed in, and the additional factors referred to under "Special Note Regarding Forward-Looking Statements" of, our 2018 Form 10-K. The Company makes no commitment to disclose any revisions to forward-looking statements, or any facts, events or circumstances after the date hereof that bear upon forward-looking statements.*

Please visit us on the World Wide Web at <http://www.perma-fix.com>.

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**FINANCIAL TABLES FOLLOW**

**Contacts:**

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**PERMA-FIX ENVIRONMENTAL SERVICES, INC.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**

(Amounts in Thousands, Except for Per Share Amounts)	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2019	2018	2019	2018
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Net revenues	\$ 22,081	\$ 11,738	\$ 73,459	\$ 49,539
Cost of goods sold	17,426	10,465	57,875	41,078
Gross profit	4,655	1,273	15,584	8,461
Selling, general and administrative expenses	3,314	2,680	11,862	10,741
Research and development	135	690	750	1,370
(Gain) loss on disposal of property and equipment	—	(12)	3	(46)
Income (loss) from operations	1,206	(2,085)	2,969	(3,604)
Other income (expense):				
Interest income	72	83	337	295
Interest expense	(139)	(74)	(432)	(251)
Interest expense-financing fees	(69)	(10)	(208)	(38)
Other	2	(9)	223	(8)
Net gain on exchange offer of Series B Preferred Stock of subsidiary	—	—	—	1,596
Income (loss) from continuing operations before taxes	1,072	(2,095)	2,889	(2,010)
Income tax expense (benefit)	58	337	157	(936)
Income (loss) from continuing operations, net of taxes	1,014	(2,432)	2,732	(1,074)
Loss from discontinued operations, net of taxes	(118)	(173)	(541)	(667)
Net income (loss)	896	(2,605)	2,191	(1,741)
Net loss attributable to non-controlling interest	(34)	(218)	(124)	(320)
Net income (loss) attributable to Perma-Fix Environmental Services, Inc. common stockholders	\$ 930	\$ (2,387)	\$ 2,315	\$ (1,421)
Net income (loss) per common share attributable to Perma-Fix Environmental Services, Inc. stockholders - basic and diluted:				
Continuing operations	\$ .09	\$ (.19)	\$ .24	\$ (.06)
Discontinued operations	(.01)	(.01)	(.05)	(.06)
Net income (loss) per common share	\$ .08	\$ (.20)	\$ .19	\$ (.12)
Number of common shares used in computing net (loss) income per share:				
Basic	12,094	11,937	12,046	11,855
Diluted	12,273	11,937	12,060	11,855

**PERMA-FIX ENVIRONMENTAL SERVICES, INC.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(Unaudited)

(Amounts in Thousands, Except for Share and Per Share Amounts)	December 31, 2019	December 31, 2018
<b>ASSETS</b>		
Current assets:		
Cash	\$ 390	\$ 810
Account receivable, net of allowance for doubtful accounts of \$487 and \$105, respectively	13,178	7,735
Unbilled receivables	7,984	3,105
Other current assets	3,470	3,001
Assets of discontinued operations included in current assets	104	107
Total current assets	<u>25,126</u>	<u>14,758</u>
Net property and equipment	16,576	15,739
Property and equipment of discontinued operations	81	81
Operating lease right-of-use assets	2,545	—
Intangibles and other assets	22,151	26,746
Other assets related to discontinued operations	36	118
Total assets	<u>\$ 66,515</u>	<u>\$ 57,442</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities		
Current liabilities related to discontinued operations	\$ 24,106	\$ 21,155
Total current liabilities	<u>994</u>	<u>356</u>
Long-term liabilities	25,100	21,511
Long-term liabilities related to discontinued operations	11,935	8,835
Total liabilities	<u>244</u>	<u>963</u>
Commitments and Contingencies	37,279	31,309
Stockholders' equity:		
Preferred Stock, \$.001 par value; 2,000,000 shares authorized, no shares issued and outstanding	—	—
Common Stock, \$.001 par value; 30,000,000 shares authorized, 12,123,520 and 11,944,215 shares issued, respectively; 12,115,878 and 11,936,573 shares outstanding, respectively	12	12
Additional paid-in capital	108,457	107,548
Accumulated deficit	(77,315)	(79,630)
Accumulated other comprehensive loss	(211)	(214)
Less Common Stock held in treasury, at cost: 7,642 shares	(88)	(88)
Total Perma-Fix Environmental Services, Inc. stockholders' equity	<u>30,855</u>	<u>27,628</u>
Non-controlling interest in subsidiary	(1,619)	(1,495)
Total stockholders' equity	<u>29,236</u>	<u>26,133</u>
Total liabilities and stockholders' equity	<u>\$ 66,515</u>	<u>\$ 57,442</u>