United States
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the quarterly period ended September 30, 2019

Commission file number: 0-11104

NOBLE ROMAN'S, INC.

(Exact name of registrant as specified in its charter)

Indiana	35-1281154
(State or other jurisdiction of organization)	*(I.R.S. Employer Identification No.)*
6612 E. 75th Street, Suite 450	
Indianapolis, Indiana	46250
(Address of principal executive offices)	*(Zip Code)*

(317) 634-3377
(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
N/A	N/A	N/A

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes _X_ No ___

Indicate by check mark whether the registrant has submitted electronically, every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes _X_ No___

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See definition of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer __	Accelerated Filer __
Non-Accelerated Filer __	Smaller Reporting Company X
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.

Indicate by check mark whether the registrant is a shell company(as defined in Rule 12b-2 of the Exchange Act).   Yes___ No_X_

As of November 10, 2019, there were 22,015,413 shares of Common Stock, no par value, outstanding.

PART I - FINANCIAL INFORMATION

ITEM 1. Financial Statements

The following unaudited condensed consolidated financial statements are included herein:

Noble Roman's, Inc. and Subsidiaries
Condensed Consolidated Balance Sheets
(Unaudited)

Assets	December 31, 2018	September 30, 2019
Current assets:		
Cash	$ 76,194	$ 274,404
Accounts receivable - net	1,573,600	841,034
Inventories	962,783	990,059
Prepaid expenses	688,259	726,459
Total current assets	3,300,836	2,831,956
Property and equipment:		
Equipment	2,872,494	2,886,246
Leasehold improvements	1,180,050	1,180,637
Construction and equipment in progress	119,340	292,203
	4,171,884	4,359,086
Less accumulated depreciation and amortization	1,399,435	1,607,689
Net property and equipment	2,772,449	2,751,397
Deferred tax asset	4,817,309	4,481,550
Deferred contract cost	698,935	843,000
Goodwill	278,466	278,466
Operating lease right of use assets	-	4,291,625
Other assets including long-term portion of receivables - net	3,808,957	5,383,019
Total assets	$15,676,952	$20,861,013
Liabilities and Stockholders' Equity		
Current liabilities:		
Current portion of term loan payable to bank	$ 871,429	$ 871,429
Accounts payable and accrued expenses	523,315	368,351
Current portion of operating lease liability	-	333,763
Total current liabilities	1,394,744	1,573,543
Long-term obligations:		
Term loans payable to bank (net of current portion)	3,898,733	3,285,100
Convertible notes payable	1,539,204	1,468,918
Operating lease liabilities	-	4,098,912
Deferred contract income	698,935	843,000
Total long-term liabilities	6,136,872	9,695,930
Stockholders' equity:		
Common stock – no par value (40,000,000 shares authorized, 21,583,032 issued and outstanding as of December 31, 2018 and 21,915,413 as of September 30, 2019)	24,739,482	24,852,998
Accumulated deficit	(16,594,146)	(15,261,458)
Total stockholders' equity	8,145,336	9,591,540
Total liabilities and stockholders' equity	$15,676,952	$ 20,861,013

See accompanying notes to condensed consolidated financial statements (unaudited).

Noble Roman's, Inc. and Subsidiaries
Condensed Consolidated Statements of Operations
(Unaudited)

	Three months ended September 30, 2018	Three months ended September 30, 2019	Nine months ended September 30, 2018	Nine months ended September 30, 2019
Revenue:				
Restaurant revenue - company-owned restaurants	$1,308,890	$1,221,843	$3,663,255	$3,693,922
Restaurant revenue - company-owned non-traditional	283,135	169,422	862,777	499,944
Franchising revenue	1,656,074	1,681,951	4,831,305	4,895,173
Administrative fees and other	26,548	6,059	47,177	33,789
Total revenue	3,274,647	3,079,275	9,404,514	9,122,828
Operating expenses:				
Restaurant expenses - company-owned restaurants	1,048,566	1,077,856	2,877,957	3,209,709
Restaurant expenses - company-owned non-traditional	279,079	157,652	851,766	464,470
Franchising expenses	673,468	509,029	2,007,706	1,548,555
Total operating expenses	2,001,113	1,744,537	5,737,429	5,222,734
Depreciation and amortization	125,399	66,872	298,155	236,918
General and administrative expenses	434,457	432,920	1,252,781	1,273,960
Total expenses	2,560,970	2,244,329	7,288,365	6,733,612
Operating income	713,676	834,946	2,116,149	2,389,217
Interest expense	172,639	219,674	486,292	566,845
Adjust valuation of receivables	1,295,805	-	1,295,805	-
Income (loss) before income taxes	(754,768)	615,272	334,052	1,822,369
Income tax expense	(192,491)	147,665	81,632	437,369
Net income (loss)	$ (562,277)	$ 467,607	$ 252,420	$ 1,385,003
Earnings (loss) per share – basic:				
Net income (loss) before income tax	$(.04)	$ .03	$ .02	$ .08
Net income (loss)	$(.03)	$ .02	$ .01	$ .06
Weighted average number of common shares outstanding	21,428,684	21,976,283	21,153,728	21,797,946
Diluted earnings (loss) per share:				
Net income (loss) before income tax	$(.03)	$ .03	$ .01	$ .08
Net income (loss)	$(.02)	$ .02	$ .01	$ .06
Weighted average number of common shares outstanding	26,294,754	23,547,037	26,294,274	23,368,701

See accompanying notes to condensed consolidated financial statements (unaudited).

Noble Roman's, Inc. and Subsidiaries
Condensed Consolidated Statements of Changes in Stockholders' Equity
(Unaudited)

	Common Stock Shares	Common Stock Amount	Accumulated Deficit	Total
Nine Months Ended September 30, 2019:				
Balance at December 31, 2018	21,583,032	$24,739,482	$(16,594,146)	$8,145,336
Adjustment for the adoption of ASU 2016-02 accounting for leases			(52,315)	(52,315)
Net income for nine months ended September 30, 2019			1,385,003	1,385,003
Amortization of value of employee stock options		13,516		13,516
Cashless exercise of warrants	232,381			
Conversion of convertible note to common stock	200,000	100,000	-	100,000
Balance at September 30, 2019	22,015,413	$24,852,998	$(15,261,458)	$ 9,591,540

Three Months Ended September 30, 2019:

	Common Stock Shares	Common Stock Amount	Accumulated Deficit	Total
Balance at June 30, 2019	21,915,413	$24,797,569	$(15,729,065)	$9,068,504
Amortization of value of employee stock options		5,429		5,429
Net income for three months ended September 30, 2019			467,607	467,607
Conversion of convertible note to common stock	100,000	50,000	-	50,000
Balance at September 30, 2019	22,015,413	$24,852,998	$(15,261,458)	$9,591,540

See accompanying notes to condensed consolidated financial statements (unaudited

Nine Months Ended September 30, 2018:

	Common Stock Shares	Amount	Accumulated Deficit	Total
Balance at December 31, 2017	20,783,032	$24,322,885	$(13,674,794)	$10,648,091
Remove derivatives in accordance with ASU 2017-11			142,857	142,857
Net income for nine months ended September 30, 2018			252,420	252,420
Amortization of value of employee stock options		16,597		16,597
Conversion of convertible note to common stock	800,000	400,000	-	400,000
Balance at September 30, 2018	21,583,032	$24,739,482	$(13,279,517)	$11,459,965

Three Months Ended September 30, 2018:

	Common Stock Shares	Amount	Accumulated Deficit	Total
Balance at June 30, 2018	21,183,032	$24,537,043	$(12,717,240)	$11,819,803
Net loss for three months ended September 30, 2018			(562,277)	(562,277)
Amortization of value of employee stock options		2,439		2,439
Conversion of convertible notes to common stock	400,000	200,000	-	200,000
Balance at September 30, 2018	21,583,032	$24,739,482	$(13,279,517)	$11,459,965.

See accompanying notes to condensed consolidated financial statements (unaudited).

Noble Roman's, Inc. and Subsidiaries
Condensed Consolidated Statements of Cash Flows
(Unaudited)

	Nine Months Ended September 30, 2018	Nine Months Ended September 30, 2019
OPERATING ACTIVITIES		
Net income	$ 252,420	$ 1,385,000
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	433,139	334,138
Amortization of lease cost in excess of cash paid	-	85,668
Deferred income taxes	81,632	437,369
Changes in operating assets and liabilities:		
(Increase) in:		
Accounts receivable	(50,925)	(239,778)
Inventories	(56,479)	(27,276)
Prepaid expenses	(63,332)	(38,200)
Other assets including long-term portion of receivables	812,526	(512,981)
(Decrease) in:		
Accounts payable and accrued expenses	(40,220)	(154,963)
NET CASH PROVIDED BY OPERATING ACTIVITIES	1,368,761	1,268,997
INVESTING ACTIVITIES		
Purchase of property and equipment	(1,125,886)	(272,870)
NET CASH (USED) IN INVESTING ACTIVITIES	(1,125,886)	(272,870)
FINANCING ACTIVITIES		
Net proceeds from First Financial term loans	500,000	-
Payment of principal - First Financial Bank	(594,434)	(797,897)
Additional loan closing cost	(332,110)	-
NET CASH (USED) BY FINANCING ACTIVITIES	(426,544)	(797,897)
DISCONTINUED OPERATIONS		
Payment of obligations from discontinued operations	(45,000)	-
Increase (decrease) in cash	(228,669)	198,210
Cash at beginning of period	461,068	76,194
Cash at end of period	$ 232,399	$ 274,404

Supplemental schedule of investing and financing activities

	2018	2019
Cash paid for interest	$ 367,905	$ 460,931

See accompanying notes to condensed consolidated financial statements (unaudited).

Notes to Condensed Consolidated Financial Statements (Unaudited)

Note 1 - The accompanying unaudited interim condensed consolidated financial statements, included herein, have been prepared by the Company pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC"). Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to such rules and regulations. These condensed consolidated statements have been prepared in accordance with the Company's accounting policies described in the Company's Annual Report on Form 10-K for the year ended December 31, 2018 and should be read in conjunction with the audited consolidated financial statements and the notes thereto included in that report. Unless the context indicates otherwise, references to the "Company" mean Noble Roman's, Inc. and its subsidiaries.

Significant Accounting Policies

There have been no significant changes in the Company's accounting policies from those disclosed in its Annual Report on Form 10-K except for those policies described below in relation to the adoption of Accounting Standards Update ("ASU") 2016-02, Leases (Topic 842).

The Company determines if an arrangement is a lease at inception. Operating leases are included in right-of-use assets ("ROU"), and lease liability obligations are included in the Company's balance sheets. ROU assets represent the Company's right to use an underlying asset for the lease term and lease liability obligations represent its obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. As the Company's leases typically do not provide an implicit rate, the Company estimates its incremental borrowing rate based on the information available at the commencement date in determining the present value of lease payments. The Company uses the implicit rate when readily determinable. The ROU asset also includes in the lease payments made and excludes lease incentives and lease direct costs. The Company's lease term may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option. Lease expense is recognized on a straight-line basis over the lease term.

In the opinion of the management of the Company, the information contained herein reflects all adjustments necessary for a fair presentation of the results of operations and cash flows for the interim periods presented and the financial condition as of the dates indicated, which adjustments are of a normal recurring nature. The results for the nine-month period ended September 30, 2019 are not necessarily indicative of the results to be expected for the full year ending December 31, 2019.

Note 2 – Franchising revenue included initial franchise fee amortization of $67,500 for the three-month period ended September 30, 2019 and $278,000 for the nine-month period ended September 30, 2019 compared to $97,000 and $216,500 for the respective three-month and nine-month periods ended September 30, 2018. Franchising revenue included equipment commissions of $29,500 and $57,500 for the respective three-month and nine-month periods ended September 30, 2019, and $22,000 and $62,500 for the respective three-month and nine-month periods ended September 30, 2018. Franchising revenue, less amortized initial franchise fees and equipment commissions, was $1.6 million and $4.6 million for the respective three-month and nine-month periods ended September 30, 2019, and $1.5 million and $4.6 for the respective three-month and nine-month periods ended September 30, 2018. Most of the cost for the services required to be performed by the Company are incurred prior to the franchise fee income being recorded, which is based on a contractual liability of the franchisee.

In accordance with ASU 2014-09, the Company adopted revenue and expense recognition as described in ASU 2014-09 effective January 2018. Initial franchise fees and related contract costs are deferred and amortized on a straight-line basis over the term of the franchise agreement, generally five to 10 years.

The effect on comparable periods within the financial statements is not material as the initial franchise fee for the non-traditional franchise is intended to defray the initial contract costs, and the franchise fees and contract costs initially incurred and paid approximate the relative amortized franchise fees and contract costs for those corresponding periods.

The deferred contract income and costs both approximated $843,000 on September 30, 2019.

At December 31, 2018 and September 30, 2019, the Company reported net accounts receivable from former franchisees of $4.4 million and $5.1 million, respectively, which were both net of allowances of $4.3 million and $4.0 million. Most of the accounts receivable from former franchisees in the net amount of $972,344 transferred from short-term to long-term as they are taking more than 12 months to collect.

There were 2,894 franchises/licenses in operation on December 31, 2018 and 2,911 franchises/licenses in operation on September 30, 2019. During the nine-month period ended September 30, 2019, there were 26 new outlets opened and nine outlets closed. In the ordinary course, grocery stores from time to time add the Company's licensed products, remove them and may subsequently re-offer them. Therefore, it is unknown how many of the 2,263 licensed grocery store units included in the counts above have left the system.

Note 3.

The following table sets forth the calculation of basic and diluted earnings (loss) per share for the three-month and nine-month periods ended September 30, 2018:

	Three Months Ended September 30, 2018		
	Loss (Numerator)	Shares (Denominator)	Per-Share Amount
Net loss	$ (562,279)	21,428,684	$ (.03)
Effect of dilutive securities			
Options and warrants		711,722	
Convertible notes	51,929	4,154,348	
Diluted loss per share	$ (510,350)	26,294,754	$ (.03)
Net loss			

	Nine Months Ended September 30, 2018		
	Income (Numerator)	Shares (Denominator)	Per-Share Amount
Net income	$ 252,420	21,153,728	$ .01
Effect of dilutive securities			
Options and warrants		711,722	
Convertible notes	166,099	4,429,304	
Diluted earnings per share			
Net income	$ 418,519	26,294,754	$ .02

The following table sets forth the calculation of basic and diluted earnings per share for the three-month and nine-month periods ended September 30, 2019:

	Three Months Ended September 30, 2019		
	Income (Numerator)	Shares (Denominator)	Per-Share Amount
Net income	$ 467,607	21,976,283	$ .02
Effect of dilutive securities			
Options and warrants		20,775	
Convertible notes	47,500	1,550,000	
Diluted earnings per share	$ 515,107	23,547,058	$ .02
Net loss			

	Nine Months Ended September 30, 2019		
	Income (Numerator)	Shares (Denominator)	Per-Share Amount
Net income	$ 1,385,000	21,797,946	$ .06
Effect of dilutive securities			
Options and warrants		20,755	
Convertible notes	145,000	1,550,000	
Diluted earnings per share			
Net income	$ 1,530,000	23,368,701	$ .07

Note 4 - Other assets as of September 30, 2019, include security deposits of $11,000, cash surrender value of life insurance in the amount of $199,000 and long-term franchisee receivables in the amount of $5.1 million which is net of a $3.6 million valuation allowance.

Long-term receivable from franchisees represent receivables from approximately 80 different non-traditional franchisees (Noble Roman's franchises located within a host facility). These receivables originated from a variety of circumstances, including where audits of a number of the non-traditional franchises' reporting of sales found them to be underreporting their sales and, therefore, underpaying their royalty obligations. In other instances, some franchisees were selling non-Noble Roman's products under the Noble Roman's trademark. In addition, some receivables arose from the Company incurring legal fees to enforce the franchise agreements and other collection costs totaling approximately $1.9 million which adds to the receivables in accordance with the agreements. Some of the receivables were generated by early termination of the franchise agreements. These receivables have been classified as long-term since collections are expected to extend over more than a one-year cycle.

Note 5 - The Company evaluated subsequent events through the date the financial statements were issued and filed with SEC. There were no subsequent events that required recognition or disclosure beyond what is disclosed in this report.

ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

General Information

Noble Roman's, Inc., an Indiana corporation incorporated in 1972, sells and services pizza-focused foodservice franchises and licenses under the trade name "Noble Roman's Craft Pizza & Pub," "Noble Roman's Pizza," "Noble Roman's Take-N-Bake," and "Tuscano's Italian Style Subs". It also currently operates one Company-owned non-traditional Noble Roman's Pizza and Tuscano's Subs location in a hospital and four Company-owned Craft Pizza & Pub restaurants. The Company's concepts' feature high quality fresh pizza, pasta and salads along with other related menu items, simple operating systems, fast service times, attractive food costs and overall affordability.

To facilitate accelerated growth in the future, the Company began adding Company-owned Craft Pizza & Pub locations to its business plan in 2017 and has now begun franchising Craft Pizza & Pub on a limited basis to qualified multi-unit operators. The Company opened two Craft Pizza & Pub locations in 2017 and added two additional locations in 2018. In 2018, the Company added $4.8 million in revenue from the Company-owned Craft Pizza & Pub locations which had an operating income contribution to Noble Roman's in excess of $900,000 in 2018. The first franchised Craft Pizza & Pub opened on May 2, 2019 in Lafayette, Indiana with record-breaking sales volumes. This franchisee purchased a franchise for a second location to be opened in West Lafayette, Indiana. One other franchise location is now under development with an anticipated opening occurring during the Fall of 2019. Since 1997, the Company has concentrated its efforts and resources primarily on franchising and licensing non-traditional locations and has awarded franchise and/or license agreements in all 50 states. The Company is continuing its focus on franchising and licensing non-traditional locations and currently has a significant backlog of franchises sold but not yet opened, combined with an active pipeline of qualified prospects for additional locations.

RH Roanoke, Inc. operates a Company-owned non-traditional location in a hospital and Noble Roman's, Inc. owns and operates four Craft Pizza & Pub locations. The Company intends to use its Craft Pizza & Pub locations as a base to support the franchising and continued future growth of that concept. The Company's growth plans contemplate refinancing its existing debt and accessing additional debt capital to fund development of five additional Company-owned Craft Pizza & Pub locations for a larger base to support continued franchising and, possibly, further growth.

References in this report to the "Company" and to "Noble Roman's" are to Noble Roman's, Inc. and its two wholly-owned subsidiaries, Pizzaco, Inc. and RH Roanoke, Inc., unless the context indicates otherwise.

Noble Roman’s Craft Pizza & Pub

Noble Roman's Craft Pizza & Pub is intended to provide a fun, pleasant atmosphere serving pizza and other related menu items, all made to order using high-quality ingredients in the view of the customers. In January 2017, the Noble Roman’s Craft Pizza & Pub opened its first Company-owned restaurant in Westfield, Indiana, a prosperous and growing community on the northwest side of Indianapolis. Since that time three additional Craft Pizza & Pubs have been opened as Company-owned restaurants and one franchised location opened. Noble Roman’s Craft Pizza & Pub is designed to harken back to the Company’s early history when it was known simply as “Pizza Pub.” Like then, and like the new full-service pizza concepts today, ordering takes place at the counter and food runners deliver orders to the dining room for dine-in guests. The Company believes that Noble Roman’s Craft Pizza & Pub features many enhancements over the current competitive landscape. The restaurant features two styles of hand-crafted, made-from-scratch pizzas with a selection of over 40 different toppings, cheeses and sauces from which to choose. Beer and wine are also featured, with 16 different beers on tap including both national and local craft selections. Wines include 16 high quality, affordably priced options by the bottle or glass in a range of varietals. Beer and wine service is provided at the bar and throughout the dining room.

The pizza offerings feature Noble Roman’s traditional hand-crafted thinner crust as well as its signature deep-dish Sicilian crust. After extensive research and development, the system has been designed to enable fast cook times, with oven speeds running approximately 2.5 minutes for traditional pies and 5.75 minutes for Sicilian pies. Traditional pizza favorites such as pepperoni are options on the menu, but also offered is a selection of Craft Pizza & Pub original creations like "Swims with the Fishes" and "Pizza Margherita". The menu also features a selection of contemporary and fresh, made-to-order salads and fresh-cooked pasta. In addition, the menu includes baked subs, hand-sauced wings and a selection of desserts, as well as Noble Roman’s famous Breadsticks with Spicy Cheese Sauce.

Additional enhancements include a glass enclosed “Dough Room” where Noble Roman’s Dough Masters hand make all pizza and breadstick dough from scratch in customer view. Also in the dining room is a “Dust & Drizzle Station” where guests can customize their pizzas after they are baked with a variety of condiments and drizzles, such as rosemary-infused olive oil, honey and Italian spices. Kids and adults enjoy Noble Roman’s self-serve root beer tap, which is also part of a special menu for customers 12 and younger. Throughout the dining room and the bar area there are a large number of giant screen television monitors for sports and the nostalgic black and white shorts featured in Noble Roman’s earlier days.

Noble Roman’s Pizza for Non-Traditional Locations

Noble Roman's franchised and licensed non-traditional locations are designed to bring high-quality, pizza-focused foodservice into underlying establishments that have a captive audience or high customer counts associated with their business. Examples of these venues include convenience stores, hospitals, entertainment facilities, military bases, bowling centers and other similar facilities. Noble Roman's, for non-traditional locations, range in scope from relatively small operations focused on quick meals and impulse food purchases to elaborate, full-scale restaurant operations depending on the facility and the goals of the individual franchisee or licensee.

The hallmark of Noble Roman's Pizza for non-traditional locations is "Superior quality that our customers can taste." Every ingredient and process has been designed with a view to produce superior results.

- A fully-prepared pizza crust that captures the made-from-scratch pizzeria flavor which gets delivered to non-traditional locations in a shelf-stable condition so that dough handling is no longer an impediment to a consistent product, which otherwise is a challenge in non-traditional locations.
- Fresh packed, uncondensed and never pre-cooked sauce made with secret spices and vine-ripened tomatoes in all venues.
- 100% real cheese blended from mozzarella and Muenster, with no soy additives or extenders.
- 100% real meat toppings, with no additives or extenders, a distinction compared to many pizza concepts.
- Vegetable and mushroom toppings are sliced and delivered fresh, never canned.
- An extended product line that includes breadsticks and cheesy stix with dip, pasta, baked sandwiches, salads, wings and a line of breakfast products.
- The fully-prepared crust also forms the basis for the Company's Take-N-Bake pizza for use as an add-on component for its non-traditional franchise base as well as an offering for its grocery store license venue.

Tuscano's Italian Style Subs

Tuscano's Italian Style Subs is a separate non-traditional location concept that focuses on sub sandwich menu items but only in locations that also have a Noble Roman's franchise. The ongoing royalty for a Tuscano's franchise is identical to that charged for a Noble Roman's Pizza franchise.

Business Strategy

The Company is focused on revenue expansion while continuing to minimize corporate overhead and other costs. To accomplish this the Company will continue owning and operating a core of Craft Pizza & Pub locations and develop what it believes to be a large growth opportunity by franchising with qualified multi-unit franchisees. At the same time, the Company will continue to focus on franchising/licensing for non-traditional locations, especially convenience stores and entertainment centers.

Business Operations

Distribution

The Company's proprietary ingredients are manufactured pursuant to the Company's recipes and specifications by third-party manufacturers under contracts between the Company and its various manufacturers. These contracts require the manufacturers to produce ingredients meeting the Company's specifications and to sell them to Company-approved third-party distributors at prices negotiated between the Company and the manufacturer.

At present, the Company utilizes third-party distributors strategically located throughout the United States. The agreements require the distributors to maintain adequate inventories of all ingredients necessary to meet the needs of the Company's franchisees and licensees in their distribution areas for weekly deliveries to the franchisee/licensee locations and to its grocery store distributors in their respective territories. Each of the primary distributors purchases the ingredients from the manufacturers at prices negotiated between the Company and the manufacturers, but under payment terms agreed upon by the manufacturers and the distributors, and distributes the ingredients to the franchisee/licensee at a price determined by the distributor agreement. Payment terms to the distributor are agreed upon between each franchisee/licensee and the respective distributor. In addition, the Company has agreements with various grocery store distributors around the country which agree to buy the Company's ingredients from one of the Company's primary distributors and to distribute those ingredients only to their grocery store customers who have signed license agreements with the Company.

Franchising

The Company sells franchises for both non-traditional and traditional locations.

The initial franchise fees are as follows:

Franchise Format	Non-Traditional, Except Hospitals	Hospitals	Craft Pizza & Pub
Noble Roman's Pizza	$ 7,500	$10,000	$30,000 (1)

(1) With the sale of multiple traditional stand-alone franchises to a single franchisee, the franchise fee for the first unit is $30,000, the franchise fee for the second unit is $25,000 and the franchise fee for the third unit and any additional unit is $20,000.

The franchise fees are paid upon signing the franchise agreement and, when paid, are non-refundable in consideration of the administration and other expenses incurred by the Company in granting the franchises and for the lost and/or deferred opportunities to grant such franchises to any other party.

Licensing

Noble Roman's Take-n-Bake Pizza licenses for grocery stores are governed by a supply agreement. The supply agreement generally requires the licensee to: (1) purchase proprietary ingredients only from a Noble Roman's-approved distributor; (2) assemble the products using only Noble Roman's approved ingredients and recipes; and (3) display products in a manner approved by Noble Roman's using Noble Roman's point-of-sale marketing materials. Pursuant to the distributor agreements, the primary distributors place an additional mark-up, as determined by the Company, above their normal selling price on the key ingredients as a fee for the Company in lieu of royalty. The distributors agree to segregate this additional mark-up upon invoicing the licensee, to hold the fees in trust for the Company and to remit them to the Company within ten days after the end of each month.

Financial Summary

The preparation of the consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results may differ from those estimates. The Company periodically evaluates the carrying values of its assets, including property, equipment and related costs, accounts receivable and deferred tax assets, to assess whether any impairment indications are present due to (among other factors) recurring operating losses, significant adverse legal developments, competition, changes in demand for the Company's products or changes in the business climate which affect the recovery of recorded value. If any impairment of an individual asset is evident, a charge will be provided to reduce the carrying value to its estimated fair value.

The following table sets forth the revenue, expense and margin contribution of the Company's Craft Pizza & Pub locations and the percent relationship to its revenue:

Description	Three Months ended September 30, 2018		2019		Nine Months ended September 30, 2018		2019	
Revenue	$ 1,308,890	100%	$1,221,843	100%	$3,663,255	100%	$3,693,922	100%
Cost of sales	284,075	21.7	261,922	21.4	806,653	22.0	777,646	21.1
Salaries and wages	400,926	30.6	361,138	29.6	1,127,124	30.8	1,106,815	29.9
Facility cost including rent, common area and utilities	191,553	14.6	216,268	17.7	473,895	12.9	625,968	16.9
Packaging	33,665	2.6	32,448	2.6	94,407	2.6	99,239	2.7
All other operating expenses	138,185	10.6	206,080	16.9	382,360	10.4	600,040	16.2
Total expenses	1,048,404	80.1	1,077,856	88.2	2,884,388	78.7	3,209,708	86.8
Margin contribution	$ 260,486	19.9%	$ 143,987	11.8%	$ 778,867	21.3%	$ 484,214	13.2%

Margin contribution from this venue for the nine-month period ended September 30, 2019 was decreased $35,636 for non-cash expense related to the adoption of ASU 2016-02 accounting for leases which became effective after January 1, 2019 for publicly reporting companies.

The following table sets forth the revenue, expense and margin contribution of the Company's franchising venue and the percent relationship to its revenue:

Description	Three Months ended September 30, 2018		2019		Nine Months ended September 30, 2018		2019	
Royalties and fees franchising	$1,344,813	81.2%	$1,437,685	84.5%	$3,730,449	77.2%	$4,060,160	82.9%
Royalties and fees grocery	311,261	18.8	263,281	15.5	1,100,856	22.8	835,013	17.1
Total royalties and fees	1,656,074	100.0	1,700,966	100.0	4,831,305	100.0	4,895,173	100.0
Salaries and wages	245,581	14.8	180,707	10.6	774,397	16.0	552,122	11.3
Trade show expense	121,200	7.3	105,000	6.2	361,200	7.5	315,000	6.4
Travel and auto	23,945	1.4	27,951	1.6	128,370	2.7	82,630	1.7
All other operating expenses	282,742	17.1	195,370	11.5	594,897	12.4	598,803	12.2
Total expenses	673,468	40.6	509,028	29.9	2,007,706	41.6	1,548,555	31.6
Margin contribution	$ 982,606	59.4%	$1,192,037	70.1%	$2,823,599	58.4%	$3,346,618	68.4%

The following table sets forth the revenue, expense and margin contribution of the Company-owned non-traditional venue and the percent relationship to its revenue:

Description	Three Months ended September 30, 2018		2019		Nine Months ended September 30, 2018		2019	
Revenue	$ 283,135	100%	$ 169,422	100%	$ 862,777	100%	$ 499,944	100%
Total expenses	279,079	98.6	157,652	93.1	851,766	98.7	464,470	92.9
Margin contribution	$ 4,056	1.4%	11,770	6.9%	$ 11,011	1.3%	$ 35,474	7.1%

Results of Operations

Company-Owned Craft Pizza & Pub

The revenue from this venue declined from $1.3 million to $1.2 million and grew from $3.66 million to $3.69 million for the respective three-month and nine-month periods ended September 30, 2019 compared to the comparable periods in 2018. The primary reason for the decrease in the three-month period was same store sales declined relative to the opening weeks in the latest two store openings. The increase in the nine-month period was the result of one additional restaurant which opened in June 2018, however that was partially offset by the unusually extreme winter weather conditions in Indiana during the months of January and February 2019.

Cost of sales improved to 21.4% and 21.1% from 21.7% and 22.0%, respectively, for the three-month and nine-month periods ended September 30, 2019 compared to the comparable periods in 2018. This improvement was the result of efficiency gained as the restaurants matured and as the staff gained experience.

Salaries and wages decreased to 29.6% and 29.9% from 30.6% and 30.8% for the respective three-month and nine-month periods ended September 30, 2019 compared to the comparable periods in 2018. This improvement was the result of improved efficiency as the restaurants matured and as the staff gained experience. This gain was partially offset in the first three months of 2019 by the unusually extreme winter weather conditions in Indiana during the months of January and February 2019.

Facility cost including rent, common area maintenance and utilities increased to 17.7% and 16.9% from 14.6% and 12.9% of revenue for the respective three-month and nine-month periods ended September 30, 2019 compared to the comparable periods in 2018. The primary reason for the significant increases was the increase in common area maintenance. In 2018, all four locations were operating in new strip centers based on the landlord's estimate of the common area maintenance costs. When the estimates were reconciled with the actual costs, the Company had to pay common area maintenance in 2019 based on the actual cost in 2018. In two cases, the actual common area maintenance costs were double the landlords' estimates. In addition, the non-cash expense related to the adoption of ASU 2016-02 increased reported rent costs by $35,636 for the nine-month period ended September 30, 2019.

All other costs and expenses increased to 16.9% and 16.2% from 10.6% and 10.4% of revenue for the respective three-month and nine-month periods ended September 30, 2019 compared to the comparable periods in 2018. For the nine-month period ended September 30, 2019 compared to the comparable period in 2018, the primary increases were insurance, advertising and delivery fees. The insurance increase was a combination of price increases and the effects of low sales in January and February due to the unusually extreme weather conditions. The increase in advertising was a more normal level from the reduced level in 2018 during the period of new openings. The delivery fees were the result of adding delivery service by use of outside vendors which began during the harsh winter weather.

Gross margin contribution decreased to 11.8% and 13.2% from 19.9% and 21.3% of total revenue for the respective three-month and nine-month periods ended September 30, 2019 compared to the comparable periods in 2018. A significant contributor to those margin decreases were the results of the impact of severe winter weather on revenue, as noted above. In addition, the margin contribution was also impacted by the unanticipated impact of facility costs primarily from an increase in common area maintenance fees and the addition of a non-cash expense as a result of the new accounting rules regarding leases.

Franchising Revenue and Expense

Total revenue from this venue increased to $1.70 million and $4.90 million from $1.66 million and $4.83 million for the three-month and nine-month periods ended September 30, 2019 compared to the comparable periods in 2018. Royalties and fees from franchising grew to $1.44 million and $4.06 from $1.34 million and $3.73 million for the three-month and nine-month periods ended September 30, 2019 compared to the comparable periods in 2018. These increases were partially offset by a decrease in royalties and fees from grocery store take-n-bake, which decreased to $263,000 and $835,000 from $311,000 and $1.10 million for the three-month and nine-month periods ended September 30, 2019 compared to the comparable periods in 2018. The increase in franchise fees and decrease in license fees from grocery stores reflected the change in emphasis on franchising over licensing to grocery stores to sell take-n-bake pizza because of the stronger economic conditions that exist today.

Total expenses for this venue, including salaries and wages, trade show expense and all other operating costs decreased to $509,000 and $1.55 million from $673,000 and $2.01 million for the three-month and nine-month periods ended September 30, 2019 compared to the comparable periods in 2018. In January, the Company reviewed this venue in depth to find ways to minimize costs and accomplish its objectives with fewer people and lower costs in general. These efforts resulted in the reduction of operating expenses, as discussed earlier in this paragraph. In addition, those reductions are expected to continue to benefit future results as well.

Gross margin increased to 70.1% and 68.5% from 59.4% and 58.4% for the three-month and nine-month periods ended September 30, 2019 compared to the comparable periods in 2018. These increased margins were the direct result of the Company's in-depth review of its operations to find ways to minimize costs but, at the same time, increase revenue. These higher margins are expected to continue in the future.

Company-Owned Non-Traditional Locations

Gross revenue from this venue decreased to $169,000 and $500,000 from $283,000 and $863,000 for the respective three-month and nine-month periods ended September 30, 2019 compared to the comparable periods in 2018. The primary reason for this decrease was the Company operating three non-traditional locations in the three-month and nine-month periods ended September 30, 2018 compared to one location in the three-month and nine-month periods ended September 30, 2019. The two locations vacated in December 2018 were locations that the Company was only operating to the end of their contract terms. Thereafter, Company does not intend to operate any more Company-owned non-traditional locations except the one location that it is currently operating.

Comparing the various expenses is not meaningful since they reflected different types of non-traditional venues. The total expenses were $158,000 and $464,000 for the three-month and nine-month periods ended September 30, 2019 compared to $279,000 and $852,000 for the comparable periods in 2018. The primary reason for this decrease was two fewer locations operated by the Company in the three-month and nine-month periods ended September 30, 2019 compared to the comparable periods in 2018.

Gross margin contribution from this venue increased to 6.9% and $7.1% from 1.4% and 1.3% in the three-month and nine-month periods ended September 30, 2019 compared to the comparable periods in 2018. As discussed above, two of the locations being operated in 2018 were only being operated to the end of their contract terms.

Depreciation and amortization decreased to 2.2% and 2.6% from 3.8% and 3.2% of total revenue for the three-month and nine-month periods ended September 30, 2019 compared to the corresponding periods in 2018.

General and administrative expenses remained approximately the same for the three-month and nine-month periods ended September 30, 2019 compared to the corresponding periods in 2018.

Operating income increased to $835,000 and $2.39 million from $714,000 and $2.12 million for the three-month and nine-month periods ended September 30, 2019 compared to the corresponding periods in 2018. Operating income increased primarily due to the improved margins from the franchising venue, partially offset by decreased margins from the Craft Pizza & Pub venue primarily attributable to unusually extreme winter weather conditions in Indiana during the months of January and February 2019, plus the cost increases in common area maintenance fees, insurance, advertising and the non-cash expense due to the new accounting rules for leases.

Interest expense increased to $220,000 and $567,000 from $173,000 and $486,000 for the three-month and nine-month periods ended September 30, 2019 compared to the comparable periods in 2018. The increase was the result of increased rate of interest on the Company's bank debt, partially offset by the decreased balance of the loans from the continued monthly amortization of principal.

Net income before income tax increased to $615,000 and $1.82 million from a loss of $755,000 and a net income of $334,000 for the three-month and nine-month periods ended September 30, 2019 compared to the corresponding periods in 2018. Net income before taxes is significant as the Company will not pay any income taxes on approximately the next $15 million of taxable income. The loss in 2018 was largely the result of an adjustment for valuation of receivables of $1.30 million in both the three-month and nine-month periods.

Net income increased to $468,000 and $1.40 million from a loss of $562,000 and net income of $252,000 for the three-month and nine-month periods ended September 30, 2019 compared to the corresponding periods in 2018. The loss in 2018 was largely the result of an adjustment for valuation of receivables before income tax effect of $1.30 million in both the three-month and nine-month periods.

Liquidity and Capital Resources

The Company’s strategy is to grow its business by concentrating on franchising/licensing non-traditional locations, franchising its updated stand-alone concept, Craft Pizza & Pub, and operating a limited number of Company-owned Craft Pizza & Pub restaurants. The Company currently owns and operates four Craft Pizza & Pub locations of which two were opened in 2017 and two were opened in 2018. The Company has plans to open five more Company-owned Craft Pizza & Pub locations over the next 15 months.

During 2018, the Company invested resources (approximately $300,000) to commence franchising of the Craft Pizza & Pub concept. The Company's first franchised Craft Pizza & Pub location opened on May 2, 2019, a second location is expected to open within the next two weeks and another franchise agreement has been signed and is expected to open within the next three months.

The Company is operating one non-traditional location in a hospital and has no plans for operating any additional non-traditional locations.

The Company’s current ratio was 1.8-to-1 as of September 30, 2019 compared to 2.4-to-1 as of December 31, 2018.

In January 2017, the Company completed the offering of $2.4 million principal amount of convertible subordinated notes convertible to common stock at $.50 per share and due three years after issue date (the "Notes") and warrants to purchase up to 2.4 million shares of the Company’s common stock at an exercise price of $1.00 per share, subject to adjustment (the "Warrants"). Notes in the principal amount of $500,000 have been converted to 1,000,000 shares of common stock and the holders of the Notes in the principal amount of $775,000 have extended the maturity of their Notes to January 2023. The remaining Notes, in the amount of $1.125 million, matured in November 2019. The Company's loan agreement with the Bank (as defined below) prohibits the Company from repaying any of the Notes until the senior debt is paid in full. However the extended Notes can be converted to common stock at any time prior to their maturity in accordance with the terms of the Notes. The Company currently has plans to refinance its banks loan with an expanded credit facility in the amount of $10 million. It is expected that borrowings under the new facility will be used to repay existing bank debt, to repay un-extended Notes and to fund the development of five additional Company-owned Craft Pizza & Pub locations. If this is completed as planned, the repayment of convertible debt will reduce future potential dilution by $4,175,000 shares underlying the debt.

In September 2017, the Company entered into a loan agreement (the “Loan Agreement”) with First Financial Bank (the “Bank”). The Loan Agreement provides for a senior credit facility (the “Credit Facility”) from the Bank consisting of: (1) a term loan in the amount of $4.5 million (the “Term Loan”); and (2) a development line of credit of up to $1.6 million (the “Development Line of Credit”) for the opening of three Craft Pizza & Pub restaurants. Borrowings under the Credit Facility bear interest at a variable annual rate equal to the London Interbank Offer Rate (“LIBOR”) plus 4.25%. All outstanding amounts owed under the Loan Agreement mature in September 2022. The balance of the Credit Facility as of September 30, 2019 was $4.5 million.

Prior to December 31, 2018, the Company had drawn the full $1.6 million available under the Development Line of Credit to develop three Craft Pizza & Pubs that opened in November 2017, January 2018 and June 2018, respectively. Repayment of the Development Line of Credit began four months following the final draw for each location in monthly installments on a seven-year principal amortization schedule plus interest at the rate of LIBOR plus 4.25%, with the balance due in September 2022.

The Loan Agreement contains affirmative and negative covenants, including, among other things, covenants requiring the Company to maintain certain financial ratios. The Company’s obligations under the Loan Agreement are secured by first priority liens on all of the Company’s assets and a pledge of all of the Company’s equity interest in its subsidiaries. In addition, Paul W. Mobley, the Company’s Executive Chairman and Chief Financial Officer, executed a limited guarantee only of borrowings under the Development Line of Credit which is to be released upon achieving certain financial ratios by the Company's Craft Pizza & Pub locations. The Company disagrees with the Bank regarding the interpretation of certain financial covenants in the Loan Agreement. As described above, the Company currently has plans to refinance this loan in the fourth quarter of 2019.

As a result of the financial arrangements described above, including the planned new financing and the Company's cash flow projections, the Company believes it will have sufficient cash flow to meet its obligations and to carry out its current business plan.

The Company does not anticipate that any of the recently issued Statement of Financial Accounting Standards will have a material impact on its Consolidated Statement of Operations or its Consolidated Balance Sheet. In February 2016, the FASB issued ASU 2016-02, its leasing standard for both lessees and lessors. Under its core principle, a lessee recognizes operating lease assets and liabilities on the balance sheet for all arrangements with terms longer than 12 months. This new standard took effect on January 1, 2019 for public business entities and are reflected in the financial statements included herein.

Forward-Looking Statements

The statements contained above in Management's Discussion and Analysis concerning the Company's future revenues, profitability, financial resources, market demand and product development are forward-looking statements (as such term is defined in the Private Securities Litigation Reform Act of 1995) relating to the Company that are based on the beliefs of the management of the Company, as well as assumptions and estimates made by and information currently available to the Company's management. The Company's actual results in the future may differ materially from those indicated by the forward-looking statements due to risks and uncertainties that exist in the Company's operations and business environment, including, but not limited to: the Company's successful completion of its proposed credit facility, resolution of a disagreement with the Bank over the interpretation of certain financial covenants and/or the Company's ability to service or refinance its debt, competitive factors and pricing pressures, non-renewal of franchise agreements, shifts in market demand, the success of new franchise programs, including the new Noble Roman's Craft Pizza & Pub format, the Company's ability to successfully operate and manage costs of an increased number of Company-owned restaurants, general economic conditions, changes in demand for the Company's products or franchises, the impact of franchise regulation, the success or failure of individual franchisees and changes in prices or supplies of food ingredients and labor as well as the factors discussed under "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2018. Should one or more of these risks or uncertainties materialize, or should underlying assumptions or estimates prove incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated, expected or intended.

ITEM 3. Quantitative and Qualitative Disclosures about Market Risk

The Company's exposure to interest rate risk relates primarily to its variable-rate debt. As of September 30, 2019, the Company had outstanding variable interest-bearing debt in the aggregate principal amount of $4.5 million. The Company's current borrowings are at a variable rate tied to LIBOR plus 4.25% per annum adjusted on a monthly basis. Based on its current debt structure, for each 1% increase in LIBOR the Company would incur increased interest expense of approximately $42,000 over the succeeding 12-month period.

ITEM 4. Controls and Procedures

Based on their evaluation as of the end of the period covered by this report, A. Scott Mobley, the Company's President and Chief Executive Officer, and Paul W. Mobley, the Company's Executive Chairman and Chief Financial Officer, have concluded that the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended) are effective. There have been no changes in internal controls over financial reporting during the period covered by this report that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II - OTHER INFORMATION

ITEM 1. Legal Proceedings.

The Company is not involved in material litigation against it.

ITEM 2. Unregistered Sales of Equity Securities and Use of Proceeds.

None.

ITEM 6. Exhibits.

Index to Exhibits

Exhibit Number
Description

3.1	Amended Articles of Incorporation of the Registrant, filed as an exhibit to the Registrant's Amendment No. 1 to the Post-Effective Amendment No. 2 to Registration Statement on Form S-1 filed July 1, 1985 (SEC File No.2-84150), is incorporated herein by reference.
3.2	Amended and Restated By-Laws of the Registrant, as currently in effect, filed as an exhibit to the Registrant's Form 8-K filed December 23, 2009, is incorporated herein by reference.
3.3	Articles of Amendment of the Articles of Incorporation of the Registrant effective February 18, 1992 filed as an exhibit to the Registrant's Registration Statement on Form SB-2 (SEC File No. 33-66850), ordered effective on October 26, 1993, is incorporated herein by reference.
3.4	Articles of Amendment of the Articles of Incorporation of the Registrant effective May 11, 2000, filed as Annex A and Annex B to the Registrant's Proxy Statement on Schedule 14A filed March 28, 2000, is incorporated herein by reference.
3.5	Articles of Amendment of the Articles of Incorporation of the Registrant effective April 16, 2001 filed as Exhibit 3.4 to Registrant's annual report on Form 10-K for the year ended December 31, 2005, is incorporated herein by reference.
3.6	Articles of Amendment of the Articles of Incorporation of the Registrant effective August 23, 2005, filed as Exhibit 3.1 to the Registrant's current report on Form 8-K filed August 29, 2005, is incorporated herein by reference.
3.7	Articles of Amendment of the Articles of Incorporation of the Registrant effective February 7, 2017, filed as Exhibit 3.7 to the Registrant's Registration Statement on Form S-1 (SEC File No. 33-217442) filed April 25, 2017, is incorporated herein by reference.
4.1	Specimen Common Stock Certificates filed as an exhibit to the Registrant's Registration Statement on Form S-18 filed October 22, 1982 and ordered effective on December 14, 1982 (SEC File No. 2-79963C), is incorporated herein by reference.
4.2	Warrant to purchase common stock, dated July 1, 2015, filed as Exhibit 10.11 to the Registrant's Form 10-Q filed on August 11, 2015, is incorporated herein by reference.

10.1* Employment Agreement with Paul W. Mobley dated January 2, 1999 filed as Exhibit 10.1 to Registrant’s annual report on Form 10-K for the year ended December 31, 2005, is incorporated herein by reference.

10.2* Employment Agreement with A. Scott Mobley dated January 2, 1999 filed as Exhibit 10.2 to Registrant’s annual report on Form 10-K for the year ended December 31, 2005, is incorporated herein by reference.

10.3 Loan Agreement dated as of September 13, 2017 by and between the Registrant and First Financial, filed as Exhibit 10.1 to the Registrant's Form 8-K filed September 19, 2017, is incorporated herein by reference.

10.4 Term note dated September 13, 2017 to First Financial Bank filed as Exhibit 10.4 to the Registrant's Form 10-Q filed November 14, 2017, is incorporated herein by reference.

10.5 Development line note dated September 13, 2017 to First Financial Bank filed as Exhibit 10.5 to the Registrant's Form 10-Q filed November 14, 2017, is incorporated herein by reference.

10.6 Agreement dated April 8, 2015, by and among the Registrant and the shareholder parties, filed as Exhibit 10.1 to Registrant’s Form 8-K filed on April 8, 2015, is incorporated herein by reference.

10.7 Form of 10% Convertible Subordinated Unsecured note filed as Exhibit 10.16 to the Registrant's Form 10-K filed on March 27, 2017, is incorporated herein by reference.

10.8 Form of Redeemable Common Stock Purchase Class A Warrant filed as Exhibit 10.21 to the Registrant's Registration Statement on Form S-1 (SEC File No. 33-217442) on April 25, 2017, is incorporated herein by reference.

10.9 Registration Rights Agreement dated October 13, 2016, by and among the Registrant and the investors signatory thereto, filed as Exhibit 10.22 to the Registrant's Registration Statement on Form S-1 (SEC File No. 33-217442) on April 25, 2017, is incorporated herein by reference.

10.10 First Amendment to the Registration Rights Agreement dated February 13, 2017, by and among the Registrant and the investors signatory thereto, filed as Exhibit 10.23 to the Registrant's Registration Statement on Form S-1 (SEC File No. 33-217442) on April 25, 2017, is incorporated herein by reference.

21.1 Subsidiaries of the Registrant filed in the Registrant’s Registration Statement on Form SB-2 (SEC File No. 33-66850) ordered effective on October 26, 1993, is incorporated herein by reference.

31.1 C.E.O. Certification under Rule 13a-14(a)/15d-14(a)

31.2 C.F.O. Certification under Rule 13a-14(a)/15d-14(a)

32.1 C.E.O. Certification under 18 U.S.C. Section 1350

32.2 C.F.O. Certification under 18 U.S.C. Section 1350

101 Interactive Financial Data

*Management contract or compensation plan.

SIGNATURES

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

NOBLE ROMAN'S, INC.

Date: November 14, 2019

By: /s/ Paul W. Mobley______________
Paul W. Mobley, Executive Chairman,
Chief Financial Officer and Principal
Accounting Officer (Authorized Officer and
Principal Financial Officer)

Exhibit 31.1

I, A. Scott Mobley, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Noble Roman's, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 14, 2019

/s/ A. Scott Mobley_________________
A. Scott Mobley
President and Chief Executive Officer

Exhibit 31.2

I, Paul W. Mobley, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Noble Roman's, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 14, 2019

/s/ Paul W. Mobley
Paul W. Mobley
Executive Chairman and Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Noble Roman's, Inc. (the "Company") on Form 10-Q for the quarterly period ended September 30, 2019, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, A. Scott Mobley, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ A. Scott Mobley______________
A. Scott Mobley
President and Chief Executive Officer
of Noble Roman's, Inc.

November 14, 2019

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Noble Roman's, Inc. (the "Company") on Form 10-Q for the quarterly period ended September 30, 2019, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Paul W. Mobley, Executive Chairman and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Paul W. Mobley___________________
Paul W. Mobley
Executive Chairman and Chief Financial
Officer of Noble Roman's, Inc.

November 14, 2019