NEWS BULLETIN

RE: NOBLE ROMAN'S, INC.
6612 E. 75th Street, Suite 450
Indianapolis, IN 46250

FOR ADDITIONAL INFORMATION, CONTACT:
For Media Information: Scott Mobley, President& CEO 317/634-3377
For Investor Relations: Paul Mobley, Executive Chairman 317/634-3377

Noble Roman's Announces 2019 Results

(Indianapolis, Indiana) – May 12, 2020 - Noble Roman's, Inc. (OTCQB: NROM), the Indianapolis based franchisor and licensor of Noble Roman's Pizza and Craft Pizza & Pub, today announced results for the three-month and twelve-month periods ended December 31, 2019 along with other strategic highlights for the company.

For the year ended December 31, 2019, the company reported total revenues of $11.7 million, an operating profit before interest, valuation adjustment and taxes of $2.6 million and a net loss of $378 thousand or ($.02) per share. This compared to the year ended December 31, 2018 when the company reported revenues of $12.4 million, an operating profit of $2.7 million and a net loss of $3.0 million or ($.14) per share.

For the three-month period ended December 31, 2019, the company reported total revenues of $2.6 million, an operating profit before interest, valuation adjustment and taxes of $224 thousand and a net loss of $1.8 million. This compared to the three-month period ended December 31, 2018 when the company reported revenues of $3.0 million, an operating profit of $541 thousand and a net loss of $3.3 million.

On March 25, 2020, in the midst of the COVID-19 pandemic, closed dining rooms and stay-at-home orders, the company opened its newest company-owned Craft Pizza & Pub location in Brownsburg, Indiana with record sales volume.

Impact of COVID-19 Pandemic

In the first quarter of 2020, a novel strain of coronavirus (COVID-19) emerged and spread throughout the United States. The World Health Organization recognized COVID-19 as a pandemic in March 2020. In response to the pandemic, the U.S. federal government and various state and local governments have, among other things, imposed travel and business restrictions, including stay-at-home orders and other guidelines that required restaurants and bars to close or disallow inside dining. The pandemic has resulted in significant economic volatility, uncertainty, disruption, reduced commercial activity and weakened economic conditions in the regions in which the company and its franchisees operate. However, the growth of Pizza Valet service has considerably minimized the negative effect to the company.

The pandemic and the governmental response are having a significant adverse impact on the company due to, among other things, governmental restrictions, reduced customer traffic, staffing challenges and supply difficulties. All company-owned Craft Pizza & Pub restaurants are located in the state of Indiana. On March 16, 2020, by order of the governor of the state of Indiana, all restaurants within Indiana were ordered to close for inside dining. Due to the order, all Craft Pizza & Pub restaurants have been open for carry-out only, primarily through the company's Pizza Valet system and third-party delivery providers. On May 1, 2020, the governor of Indiana issued another order allowing restaurants to be open for inside dining for up to 50% of table capacity as of May 11, 2020, and on June 14, 2020 up to 75% of capacity, plus bars may open up to 50% of capacity, and on July 4, 2020 restaurants and bars may resume at 100% capacity. As the duration and scope of the pandemic is uncertain, these orders were made subject to further modification, which could adversely affect the company. Further, the company can provide no assurance the phase-out of restrictions will have a positive effect on the company's business, or on what time frame based on the future uncertainties of consumer behavior.

Many other states and municipalities in the United States have also temporarily restricted travel, imposed stay at home orders and suspended the operation of dine-in restaurants in light of COVID-19, which has negatively affected the company's franchised operations. Most host facilities for the company's non-traditional franchises have been adversely impacted by these developments as well. The uncertainty and disruption in the U.S. economy caused by the pandemic are likely to adversely impact the volume and resources of potential franchisees for both the company's Craft Pizza & Pub and non-traditional venues. With the particular consideration of the COVID-19 pandemic's potential impact on the economic stability of the company's former franchisees, it was decided to take an additional reserve for possible non-collections of $1.3 million. The actual amount the company eventually collects, however, could be different than this estimate.

As a result of the $1.3 adjustment for valuation of receivables, the company showed a net loss before taxes for the fourth quarter of $1.3 million and a net income before tax for the year of $539,000. Net income before tax is an important measurement since the company will pay no income tax on the next $11.8 million in taxable income.

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 December 31, 2018		2019		Year Ended December 31, 2018		2019	
Royalties and fees franchising	$1,268,229	79.7%	$966,145	76.2%	$4,998,678	77.8%	$5,026,305	81.6%
Royalties and fees grocery	322,781	20.3	301,258	23.8	1,423,637	22.2	1,136,271	18.4
Total royalties and fees	1,591,010	100.0	1,267,403	100.0	6,422,315	100.0	6,162,576	100.0
Salaries and wages	222,614	14.0	199,839	15.8	997,011	15.5	751,961	12.2
Trade show expense	118,800	7.5	105,000	8.3	480,000	7.5	420,000	6.8
Travel and auto	65,747	4.1	25,745	2.0	194,117	3.0	108,375	1.8
All other op. expenses	361,720	22.7	212,862	16.8	956,617	14.9	811,665	13.2
Total expenses	768,881	48.3	543,446	42.9	2,627,745	40.9	2,092,001	33.9
Margin contribution	$ 822,129	51.7%	$ 723,957	57.1%	$3,794,570	59.1%	$4,070,575	66.1%

Total revenue from this venue declined to $1.3 million from $1.6 million and declined to $6.2 million from $6.4 million for the three-month and twelve-month periods ended December 31, 2019 compared to the comparable periods in 2018. Royalties and fees from franchising remained approximately the same at $5.0 million for the twelve-month period ended December 31, 2019 compared to the comparable period in 2018. Royalties and fees from grocery store take-n-bake decreased to $301,000 from $323,000 and to $1.1 million from $1.4 million for the three-month and twelve-month periods ended December 31, 2019 compared to the comparable periods in 2018. The increase in royalties and fees from franchising and the decrease in royalties and fees from grocery store take-n-bake reflected the change in emphasis on franchising over licensing grocery stores to sell take-n-bake pizza due to the general business conditions that existed in 2019.

Gross margin in this venue increased to 57.1% from 51.7% and to 66.1% from 59.1% for the three-month and twelve-month periods ended December 31, 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 to support revenue. The company expects these higher margins to continue in the future.

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

Description	Three Months ended December 31, 2018		2019		Year-Ended December 31, 2018		2019	
Revenue	$1,152,587	100%	$1,136,276	100%	$4,815,842	100%	$4,830,199	100%
Cost of sales	255,084	22.1	253,858	22.3	1,061,737	22.0	1,031,504	21.4
Salaries and wages	382,755	33.2	341,431	30.0	1,509,879	31.4	1,448,246	30.0
Facility cost including rent, common area and utilities	181,293	15.7	184,623	16.2	655,188	13.6	832,123	17.2
Packaging	30,000	2.6	31,469	2.8	124,407	2.6	130,708	2.7
All other operating expenses	182,053	15.8	207,819	18.3	557,931	11.6	807,825	16.7
Total expenses	1,031,185	89.5	1,019,200	89.7	3,909,142	81.2	4,250,406	88.0
Margin contribution	$ 121,402	10.5%	$ 117,076	10.3%	$ 906,700	18.8%	$ 579,793	12.0%

Margin contribution from this venue for the year ended December 31, 2019 was decreased $134,545 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 revenue from this venue declined from $1.2 million to $1.1 million for the fourth quarter and grew from $4.82 million to $4.83 million for the 12 months ended compared to the comparable periods in 2018. The primary reason for the decrease in the three-month period were same store sales decline relative to the grand opening weeks from the latest two store openings in 2018. The increase in the year was the result of one additional restaurant, which opened in June 2018, partially offset by the unusually extreme winter weather conditions in Indiana during the months of January and February 2019.

Cost of sales increased slightly from 22.1% to 22.3% in the fourth quarter but improved from 22.0% to 21.4% for the year compared to the comparable periods in 2018. This improvement was the result of efficiency gain as the restaurants matured and as the staff gained experience.

Salaries and wages improved to 30.0% from 33.2% and to 30.0% from 31.4% for the three-month and twelve-month periods ended December 31, 2019 compared to the comparable periods in 2018. This improvement was the results of improved efficiency as the restaurants matured and as the staff gained experience. These gains were 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 costs, including rent, common area maintenance and utilities, increased to 16.2% from 15.7% and to 17.2% from 13.6% of revenue for the respective three-month and twelve-month periods ended December 31, 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 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 costs in 2018. In two cases, the actual common area maintenance costs were double the landlord's estimate. In addition, the non-cash expense related to the adoption of ASU 2016-02 increased reported rent costs of $134,544 for the year 2019. The rent expense for existing locations will be less than the amount paid in some future years as the leases mature.

All other costs and expenses increased to 18.3% from 15.8% and to 16.7% from 11.6% of revenue for the respective three-month and twelve-month periods ended December 2019 compared to the comparable periods in 2018. The primary increases were insurance, advertising and delivery fees. The insurance increase was a combination of price increases and the effect of low sales in January and February due to the extreme winter 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 last year.

Gross margin contribution decreased to 10.3% from 10.5% and to 12.0% from 18.8% for the respective three-month and twelve-month periods ended December 31, 2019 compared to the comparable periods in 2018. A significant contributor of those margin decreases were the results of the impact of severe winter weather in 2019 on revenue, as noted above. In addition, the margin contribution was also impacted by the unanticipated effect of facility costs primarily due to an increase in common area maintenance fees, the addition of non-cash expense as a result of the new accounting rules regarding leases and the addition of delivery fees from adding delivery service by outside vendors that began during the harsh winter weather in January and February 2019.

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:

	Three Months ended December 31,				Year Ended December 31,			
Description	2018		2019		2018		2019	
Revenue	$293,570	100%	$173,703	100%	$1,156,347	100%	$ 673,647	100%
Total expenses	293,340	99.9	161,982	93.3	1,145,106	99.0	626,453	93.0
Margin contribution	$ 230	.1%	$ 11,721	6.7%	$ 11,241	1.0%	$ 47,194	7.0%

Gross revenue from this venue decreased to $174,000 from $294,000 and to $674,000 from $1.16 million for the respective three-month and twelve-month periods ended December 31, 2019 compared to the comparable periods in 2018. The primary reason for this decrease was the company operating three non-traditional locations in 2018 and only one in 2019. The two locations vacated in December 2018 were locations that the company was only operating to the end of their contract terms. The company does not intend to operate any more company-owned non-traditional locations except for the one location that is currently operating.

Comparing the various expenses is not meaningful since they reflected different types of non-traditional venues. Total expenses were $162,000 and $626,000 for the three-month and twelve-month periods ended December 31, 2019 compared to $293,000 and $1.15 million for the comparable periods in 2018. The primary reason for this decrease was two fewer locations operated by the company in 2019 compared to 2018.

Gross margin contribution from this venue increased to 6.7% and 7.0% from 0.1% and 1.0% for the three-month and twelve-month periods ended December 31, 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.

General and administrative expenses increased from $416,000 to $465,000 and from $1.67 million to $1.74 million for the three-month and twelve-month periods ended December 31, 2019.

Interest expense increased from $169,000 to $208,000 and from $655,000 to $775,000 the three-month and twelve-month periods ended December 31, 2019. 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 continued monthly amortization of principal.

Subsequent events since December 31, 2019

On February 7, 2020, the company entered into a Senior Secured Promissory Note and Warrant Purchase Agreement (the "Agreement") with Corbel Capital Partners SBIC, L.P. (the "Purchaser"). Pursuant to the Agreement, the company issued to the Purchaser a senior secured promissory note (the "Senior Note") in the initial principal amount of $8.0 million. The company has used or will use the net proceeds of the Agreement as follows: (i) $4.2 million was used to repay the company's then-existing bank debt which was in the original amount of $6.1 million; (ii) $1,275,000 was used to repay the portion of the company's existing subordinated convertible debt the maturity date of which most had not previously been extended; (iii) debt issuance costs; and (iv) the remaining net proceeds will be used for working capital or other general corporate purposes, including development of new company-owned Craft Pizza & Pub locations.

The Senior Note bears cash interest of LIBOR, as defined in the Agreement, plus 7.75%. In addition, the Senior Note requires payment-in-kind interest ("PIK Interest") of 3% per annum, which will be added to the principal amount of the Senior Note. Interest is payable in arrears on the last calendar day of each month. The Senior Note matures on February 7, 2025. The Senior Note does not require any fixed principal payments until February 28, 2023, at which time required monthly payments of principal in the amount of $33,333 begin and continue until maturity. The Senior Note requires the company to make additional payments on the principal balance of the Senior Note based on its consolidated excess cash flow, as defined in the agreement.

In conjunction with the borrowing under the Senior Note, the company issued to the Purchaser a warrant (the "Corbel Warrant") to purchase up to 2,250,000 shares of Common Stock. The Corbel Warrant entitles the Purchaser to purchase from the company, at any time or from time to time: (i) 1,200,000 shares of Common Stock at an exercise price of $0.57 per share ("Tranche 1"), (ii) 900,000 shares of Common Stock at an exercise price of $0.72 per share ("Tranche 2"), and (iii) 150,000 shares of Common Stock at an exercise price of $0.97 per share ("Tranche 3"). The Purchaser is required to exercise the Corbel Warrant with respect to Tranche 1 if the Common Stock is trading at $1.40 per share or higher for a specified period, and is further required to exercise the Corbel Warrant with respect to Tranche 2 if the Common Stock is trading at $1.50 per share or higher for a specified period. Cashless exercise of the Corbel Warrant is only permitted with respect to Tranche 3. The Purchaser has the right, within six months after the issuance of any shares under the Corbel Warrant, to require the company to repurchase such shares for cash or for Put Notes, at the company's discretion. The Corbel Warrant expires on the sixth anniversary of the date of its issuance.

Obtaining the above described financing certainly provided the liquidity and ability of the company to manage through the COVID-19 pandemic, as described earlier.

On March 16, 2020, by order of the governor of the state of Indiana (the "Governor"), all restaurants within Indiana were ordered to close for inside dining. Due to the order, all Craft Pizza & Pub restaurants have been open for carry-out only primarily through the company's Pizza Valet system and third-party delivery providers. Historically, the company's Craft Pizza & Pub locations did approximately 80% of their business as dine-in sales. On May 1, 2020, the Governor issued another order allowing restaurants to be open for inside dining for up to 50% of capacity as of May 11, 2020, and on June 14, 2020 up to 75% of capacity, plus bars may open up to 50% of capacity, and on July 4, 2020 restaurants and bars may resume at 100% capacity. As the duration and scope of the pandemic is uncertain, these orders are subject to further modification which could adversely affect the company.

On April 25, 2020, the company borrowed under the Payroll Protection Program in the amount of $715,000. The Company anticipates this note will be forgiven. The funds, according to the provision in the CARES Act, may be used for payroll costs including payroll benefits, interest on mortgage obligations incurred before February 15, 2020, rent under lease agreements in force before February 15, 2020 and utilities for which service began before February 15, 2020.

The statements contained in this press release 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 ability of the company to refinance its debt as currently planned, competitive factors, pricing pressures, non-renewal of franchise agreements, shifts in market demand, the success of new franchise programs, including 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 success or failure of individual franchisees and licensees, changes in prices or supplies of food ingredients and labor, and dependence on continued involvement of current management. Should one or more of these risks or uncertainties materialize, or should underlying assumptions or estimates prove incorrect, actual results may differ materially from those described herein as anticipated, believed, estimated, expected or intended. The company undertakes no obligations to update the information in this press release for subsequent events.*

-END-

Consolidated Balance Sheets
Noble Roman's, Inc. and Subsidiaries

Assets	December 31, 2018	December 31, 2019
Current assets:		
Cash	$ 76,194	$ 218,132
Accounts receivable - net	1,573,600	978,408
Inventories	962,783	880,660
Prepaid expenses	688,259	784,650
Total current assets	3,300,836	2,861,850
Property and equipment:		
Equipment	2,872,494	2,899,611
Leasehold improvements	1,180,050	1,187,100
Construction and equipment in progress	119,340	374,525
	4,171,884	4,461,236
Less accumulated depreciation and amortization	1,399,435	1,689,520
Net property and equipment	2,772,449	2,771,716
Deferred tax asset	4,817,309	3,900,221
Deferred contract costs	698,935	817,763
Goodwill	278,466	278,466
Operating lease right of use assets	-	4,242,416
Other assets including long-term portion of accounts receivable - net	3,808,957	4,232,655
Total assets	$ 15,676,952	$ 19,105,087
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	731,059
Current portion of operating lease liability	-	333,763
Total current liabilities	1,394,744	1,936,251
Long-term obligations:		
Term loans payable to bank (net of current portion)	3,898,733	2,999,275
Convertible notes payable	1,539,204	1,501,282
Operating lease liabilities	-	4,016,728
Deferred contract income	698,935	817,763
Total long-term liabilities	6,136,872	9,335,048
Stockholders' equity:		
Common stock – no par value (40,000,000 shares authorized, 21,783,131 issued and outstanding as of December 31, 2018 and 22,215,512 issued and outstanding as of December 31, 2019)	24,739,482	24,858,311
Accumulated deficit	(16,594,146)	(17,024,523)
Total stockholders' equity	8,145,336	7,833,788
Total liabilities and stockholders' equity	$ 15,676,952	$ 19,105,087

Consolidated Statements of Operations
Noble Roman's, Inc. and Subsidiaries

	Year Ended December 31,		
	2017	2018	2019
Restaurant revenue - company-owned restaurants	$1,820,737	$ 4,815,842	4,830,199
Restaurant revenue - company-owned non-traditional	1,173,728	1,156,347	673,647
Franchising revenue	6,798,213	6,422,315	6,162,576
Administrative fees and other	45,730	53,443	38,202
Total revenue	9,838,408	12,447,947	11,704,624
Operating expenses:			
Restaurant expenses - company-owned restaurants	1,389,410	3,909,142	4,250,406
Restaurant expenses - company-owned non-traditional	1,155,074	1,145,106	626,453
Franchising expenses	2,443,359	2,627,745	2,092,001
Total operating expenses	4,987,843	7,681,993	6,968,860
Depreciation and amortization	240,854	440,240	382,793
General and administrative	1,665,980	1,668,718	1,739,383
Total expenses	6,894,677	9,790,951	9,091,036
Operating income	2,943,732	2,656,996	2,613,588
Interest expense	1,474,027	655,203	774,565
Adjust valuation of receivables	440,000	4,095,805	1,300,000
Change in fair value of derivatives	174,737	-	-
Net income (loss) before income taxes	854,968	(2,094,012)	539,023
Income tax expense	4,146,459	930,397	917,088
Net loss from continuing operations	(3,291,491)	$(3,024,409)	(378,065)
Income (loss) from discontinued operations net of tax benefit of $57,431 for 2017 and $12,200 for 2018	(93,436)	(37,800)	-
Net loss	$(3,384,927)	$(3,062,209)	$ (378,065)
Earnings (loss) per share - basic:			
Net income (loss) from continuing operations	$ (.16)	$ (.14)	$ (.02)
Net loss from discontinued operations net of tax benefit	$ .00	$ .00	$ .00
Net income (loss)	$ (.16)	$ (.14)	$ (.02)
Weighted average number of common shares outstanding	20,783,032	21,249,607	22,052,859
Diluted earnings (loss) per share:			
Net income (loss) from continuing operations (1)	$ (.16)	$ (.14)	$ (.02)
Net loss from discontinued operations net of tax benefit	$ .00	$ .00	$ .00
Net income (loss) (1)	$ (.16)	$ (.14)	$ (.02)
Weighted average number of common shares outstanding	25,704,286	26,094,292	23,315,695

(1) Net loss per share is shown the same as basic loss per share because the underlying dilutive securities have anti-dilutive effect.