UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2026
or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission File Number 001-38787

CYCLERION THERAPEUTICS, INC.

(Exact Name of Registrant as Specified in its Charter)

Massachusetts	**83-1895370**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
245 First Street, 18th Floor, Cambridge, Massachusetts	**02142**
(Address of principal executive offices)	(Zip Code)

(857) 327-8778
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
Common Stock, no par value	CYCN	The Nasdaq Capital Market LLC

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 ☒ 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 ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions 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 ☒

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 ☒

As of July 31, 2026, the registrant had 4,681,351 shares of common stock, no par value, outstanding.

CYCLERION PHARMACEUTICALS, INC.
QUARTERLY REPORT ON FORM 10-Q
FOR THE QUARTER ENDED JUNE 30, 2026
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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of the federal securities laws, which statements involve substantial risks and uncertainties. All statements in this report, other than statements of historical facts, including statements about future events, financing plans, financial position, business strategy, budgets, projected costs, plans and objectives of management for future operations, are forward-looking statements that involve certain risks and uncertainties. Use of the words "may," "might," "will," "would," "could," "should," "believes," "estimates," "projects," "potential," "expects," "plans," "seeks," "intends," "aimed," "evaluates," "pursues," "anticipates," "continues," "designs," "impacts," "affects," "forecasts," "target," "outlook," "initiative," "objective," "designed," "priorities," "goal" or the negative of those words or other similar expressions may identify forward-looking statements that represent our current judgment about possible future events, but the absence of these words does not necessarily mean that a statement is not forward-looking.

Forward-looking statements are based on our current expectations and assumptions regarding our business, the economy and other future conditions. Because forward-looking statements relate to the future, by their nature, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. As a result, our actual results may differ materially from those contemplated by the forward-looking statements. Important factors that could cause actual results to differ materially from those in the forward-looking statements include regional, national, or global political, economic, business, competitive, market and regulatory conditions and the following:

- the risk that the conditions to the closing of the Merger (as defined below) with Korsana Biosciences, Inc. ("Korsana") are not satisfied, including the failure to obtain stockholder approval required to complete the Merger and transactions contemplated thereby;
- we may not be able to meet expectations regarding the timing and completion of the Merger;
- it is possible that the Korsana Pre-Closing Financing (as defined below) is not completed;
- there are uncertainties as to the timing and costs of the consummation of the Merger and the ability of each of us and Korsana to consummate the Merger and the transactions contemplated thereby, including the Korsana Pre-Closing Financing;
- there are uncertainties with obtaining the requisite approvals of the stockholders of each of Cyclerion and Korsana and the effectiveness of the registration statement to be filed with the SEC in connection with the Merger and the Pre-Closing Financing;
- the fact that Cyclerion is restrained from soliciting other acquisition proposals during the pendency of the Merger, except in certain circumstances;
- the possibility that the contingent value right (each, a "CVR") holders may never receive any proceeds pursuant to the CVR Agreement (as defined below);
- if we continue to progress the development of our product candidate for potential application in patients suffering from treatment resistant depression, we may not be successful in acquiring all license and other rights necessary to develop this technology, establish and successfully complete clinical studies, obtain necessary regulatory governmental approvals and successfully commercialize this product candidate;
- there is substantial doubt regarding our ability to continue as a going concern and we will need to raise capital in the near term in order to maintain our operations;
- if we continue to progress the development of our product candidates, we may be unable to access capital, capabilities, and transactions necessary to advance the development of the product candidate under evaluation and any future product candidates;
- there is substantial uncertainty regarding our future financial performance, potential revenues, expense levels, payments, cash flows, profitability, tax obligations, concentration of voting control, as well as the timing and drivers thereof;

- there is uncertainty regarding the impact of government funding and regulation in the life sciences industry, particularly with regard to funding for new drug development, staffing levels at government agencies and healthcare reform generally;
- if we continue to progress the development of our product candidates, there may be substantial delays to timing, investment and associated activities involved in developing, obtaining regulatory approval for, launching and commercializing the product candidate under evaluation and potential future product candidates;
- we may be unable to maintain our relationships with third parties, collaborators and our employees or execute our strategic priorities;
- we may fail to maintain our Nasdaq listing;
- there are significant risks in our investment in Tisento Therapeutics Inc. ("Tisento") tied to Tisento developing, obtaining regulatory approval for, launching and commercializing its product candidates and such risks may negatively impact our investment in Tisento;
- there is uncertainty regarding any liquidity or monetizable value of our equity interest in Tisento, which faces all the risks of an early-stage pharmaceutical development company;
- there is uncertainty as to whether any future development, regulatory, and commercialization milestones or royalty payments provided for in the license agreement with Akebia Therapeutics, Inc. will be achieved;
- we are seeking to out-license our olinciguat technology and we may be unsuccessful in identifying and entering into a licensing agreement in which event we would not be able to receive future royalty and milestone payments for olinciguat;
- in connection with our recent license agreement with the Massachusetts Institute of Technology (the "MIT License Agreement"), we must maintain minimum royalty payments and meet certain milestones and fulfill other obligations in order to retain rights under the license rights granted under the MIT License Agreement (the "MIT License");
- in connection with our recent Collaboration and Option to License Agreement with Medsteer SAS (the "Collaboration Agreement"), if we elect to exercise the right to license certain rights held by Medsteer, we must maintain minimum royalty payments and meet certain milestones and fulfill other obligations in order to retain rights under the license rights if exercised under the Collaboration Agreement;
- our product candidates and those we have sold to Tisento or out-licensed to Akebia have not been approved for sale by regulatory agencies and may not prove to meet safety and efficacy requirements and if Tisento, Akebia or any potential future licensees are unable to comply with U.S. and non-U.S. regulatory requirements, including any post-approval development and regulatory requirements, or our potential future product candidates are unable to comply with such requirements, our operating results may suffer;
- we, Tisento and our current licensee and potentially any future licensees may be unable to obtain reimbursement from the U.S. government and third-party payors for potential future product candidates if and when commercialized;
- if we are unable to attract and retain employees needed to execute our business plans and strategies and or manage the impact of any loss of key employees our financial condition and results of operations may suffer;
- our business may be negatively impacted if we are unable to obtain and maintain intellectual property protection for our own technology and licensed technology necessary for current and potential future product candidates;
- third parties may allege we infringe their intellectual property rights, or could seek to invalidate any intellectual property rights we own or have licensed to third parties, which could result in adverse outcomes;

- we may be impacted by trends and challenges in the markets affecting our potential future product candidates;
- we may be unable to compete with other companies that are or may be developing or selling products that are competitive with any potential future product candidates;
- a determination that we constitute an investment company under the Investment Company Act of 1940, as amended, and if we are required to register thereunder, could have a material adverse effect on us;
- a pandemic or natural disaster may disrupt our business, including our development activities, resulting in a material adverse effect on our financial condition and results of operations; and
- we may fail to maintain effective internal controls over financial reporting.

See the "Risk Factors" section in Part I, Item 1A of our Annual Report on Form 10-K for the fiscal year ended December 31, 2025, as filed with the Securities and Exchange Commission on March 30, 2026 for a further description of these and other factors. We caution you that the risks, uncertainties, and other factors referenced above may not contain all of the risks, uncertainties and other factors that are important to you. In addition, we cannot assure you that we will realize the results, benefits, or developments that we expect or anticipate or, even if substantially realized, that they will result in the consequences or affect us or our business in the way expected. There can be no assurance that (i) we have correctly measured or identified all of the factors affecting our business or the extent of these factors' likely impact, (ii) the available information with respect to these factors on which such analysis is based is complete or accurate, (iii) such analysis is correct or (iv) our strategy, which is based in part on this analysis, will be successful. All forward-looking statements in this report apply only as of the date of this report or as of the date they were made and, except as required by applicable law, we undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future developments or otherwise.

Cyclerion Therapeutics, Inc.
Condensed Consolidated Balance Sheets
(In thousands except share and per share data)
(Unaudited)

	June 30, 2026	December 31, 2025
ASSETS		
Current assets:		
Cash and cash equivalents	$ 1,391	$ 3,240
Accounts receivable	—	1,000
Prepaid expenses	112	384
Other current assets	11	11
Total current assets	1,514	4,635
Property and equipment, net	66	—
Other investment	5,350	5,350
Total assets	$ 6,930	$ 9,985
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 1,597	$ 508
Accrued research and development costs	26	198
Accrued expenses and other current liabilities	220	194
Total current liabilities	1,843	900
Commitments and contingencies (Note 6)	—	—
Stockholders' equity		
Preferred stock, no par value, 100,000,000 shares authorized and 351,037 shares of Series A convertible preferred stock issued and outstanding at June 30, 2026 and December 31, 2025	—	—
Common stock, no par value, 400,000,000 shares authorized at June 30, 2026 and December 31, 2025; 4,330,314 and 3,925,314 shares issued at June 30, 2026 and December 31, 2025, respectively; 4,256,284 and 3,821,236 shares outstanding at June 30, 2026 and December 31, 2025, respectively	—	—
Paid-in capital	281,039	280,105
Accumulated deficit	(275,952)	(271,020)
Total stockholders' equity	5,087	9,085
Total liabilities and stockholders' equity	$ 6,930	$ 9,985

The accompanying notes are an integral part of these condensed consolidated financial statements.

Cyclerion Therapeutics, Inc.
Condensed Consolidated Statements of Operations and Comprehensive Loss
(In thousands except per share data)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Revenues:				
Revenue from option agreement	$ —	$ 93	$ —	$ 174
Total revenues	—	93	—	174
Cost and expenses:				
Research and development	—	56	730	92
General and administrative	1,771	1,709	4,250	3,211
Total cost and expenses	1,771	1,765	4,980	3,303
Loss from operations	(1,771)	(1,672)	(4,980)	(3,129)
Other income, net				
Interest income	16	31	48	59
Gain from insurance recovery	—	1,317	—	1,317
Total other income, net	16	1,348	48	1,376
Net loss and other comprehensive loss	$ (1,755)	$ (324)	$ (4,932)	$ (1,753)
Net loss per share:				
Basic and diluted net loss per share	$ (0.41)	$ (0.11)	$ (1.17)	$ (0.62)
Weighted average shares used in calculating:				
Basic and diluted shares	4,251	3,071	4,228	2,842

The accompanying notes are an integral part of these condensed consolidated financial statements.

Cyclerion Therapeutics, Inc.
Condensed Consolidated Statements of Stockholders' Equity
(In thousands except share data)
(Unaudited)

	Common Stock		Preferred Stock		Paid-in capital	Accumulated deficit	Total Stockholders' equity
	Shares	Amount	Shares	Amount			
Balance at December 31, 2024	2,545,922	$ —	351,037	$ —	$ 276,342	$ (267,492)	$ 8,850
Net loss	—	—	—	—	—	(1,429)	(1,429)
Issuance of common stock - private placement, net of issuance cost	499,998	—	—	—	1,245	—	1,245
Vesting of restricted stock awards	15,024	—	—	—	—	—	—
Share-based compensation expense related to stock options and restricted stock awards	—	—	—	—	114	—	114
Balance at March 31, 2025	3,060,944	$ —	351,037	$ —	$ 277,701	$ (268,921)	$ 8,780
Net loss	—	—	—	—	—	(324)	(324)
Vesting of restricted stock awards	15,024	—	—	—	—	—	—
Share-based compensation expense related to stock options and restricted stock awards	—	—	—	—	114	—	114
Balance at June 30, 2025	3,075,968	$ —	351,037	$ —	$ 277,815	$ (269,245)	$ 8,570

	Common Stock		Preferred Stock		Paid-in capital	Accumulated deficit	Total Stockholders' equity
	Shares	Amount	Shares	Amount			
Balance at December 31, 2025	3,821,236	$ —	351,037	$ —	$ 280,105	$ (271,020)	$ 9,085
Issuance of common stock - ATM	405,000	—	—	—	825	—	825
Net loss	—	—	—	—	—	(3,177)	(3,177)
Vesting of restricted stock awards	15,024	—	—	—	—	—	—
Share-based compensation expense related to stock options and restricted stock awards	—	—	—	—	58	—	58
Balance at March 31, 2026	4,241,260	$ —	351,037	$ —	$ 280,988	$ (274,197)	$ 6,791
Net loss	—	—	—	—	—	(1,755)	(1,755)
Vesting of restricted stock awards	15,024	—	—	—	—	—	—
Share-based compensation expense related to stock options and restricted stock awards	—	—	—	—	51	—	51
Balance at June 30, 2026	4,256,284	$ —	351,037	$ —	$ 281,039	$ (275,952)	$ 5,087

The accompanying notes are an integral part of these condensed consolidated financial statements.

Cyclerion Therapeutics, Inc.
Condensed Consolidated Statements of Cash Flows
(In thousands)
(Unaudited)

	Six Months Ended June 30,	
	2026	**2025**
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (4,932)	$ (1,753)
Adjustments to reconcile net loss to net cash used in operating activities:		
Share-based compensation expense	109	228
Changes in operating assets and liabilities:		
Accounts receivable	1,000	31
Prepaid expenses	272	(41)
Other current assets	—	(11)
Accounts payable	1,089	72
Accrued research and development costs	(172)	20
Accrued expenses and other current liabilities	26	(17)
Net cash used in operating activities	(2,608)	(1,471)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property and equipment	(66)	—
Net cash used in investing activities	(66)	—
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from ATM	825	—
Proceeds from private placement	—	1,375
Issuance costs paid for private placement	—	(130)
Net cash provided by financing activities	825	1,245
Net decrease in cash and cash equivalents	(1,849)	(226)
Cash and cash equivalents, beginning of period	3,240	3,232
Cash and cash equivalents, end of period	$ 1,391	$ 3,006

The accompanying notes are an integral part of these condensed consolidated financial statements.

Cyclerion Therapeutics, Inc.
Notes to the Condensed Consolidated Financial Statements
(Unaudited)

1. Nature of Business

Nature of Operations

Cyclerion Therapeutics, Inc. ("Cyclerion", the "Company" or "we") became an independent public company on April 1, 2019 after Ironwood Pharmaceuticals, Inc. completed a tax-free spin-off of their sGC business. Cyclerion has one employee as of June 30, 2026 and also relies on a team of specialist consultants for its operations.

Cyclerion has historically focused on building a pipeline of innovative therapeutics to address serious neuropsychiatric disorders with significant unmet medical need. Prior to the proposed Merger, its strategic focus was centered on the development of a novel therapeutic approach for neuropsychiatric conditions, with the lead indication being treatment-resistant depression ("TRD"), which it believes represents a substantial clinical and commercial opportunity. Over the past year, the Company has refined our strategic direction toward programs that combine established pharmacologic agents with enabling technologies designed to improve precision, reproducibility, and patient outcomes. As part of this strategy, The Company has evaluated multiple opportunities and prioritized CYC-126, an individualized therapy for TRD as its foundational development program.

In September 2025, the Company entered into a license agreement with the Massachusetts Institute of Technology ("MIT") for intellectual property supporting this TRD program. In January 2026, the Company also entered into a collaboration and option-to-license agreement with Medsteer SAS ("Medsteer"), a developer of anesthesia delivery and monitoring technologies. This agreement provides the Company with access to Medsteer's technical expertise, data assets, and intellectual property relating to technology-enabled drug delivery and physiological monitoring, and grants the Company the right, but not the obligation, to obtain additional rights under specified conditions. The Company intends to evaluate these capabilities as part of our broader development strategy for our TRD program. Given the substantial unmet medical need in TRD, the stage of clinical development, and the potential commercial opportunity, the Company believe this program is well positioned to serve as the foundation of our future development efforts. The program team is currently advancing an integrated clinical, regulatory, and commercial strategy for this TRD program.

In parallel with the advancement of our neuropsychiatric strategy, the Company continues to evaluate opportunities related to potentially monetizing its legacy soluble guanylate cyclase ("sGC") stimulator assets, including potential collaborations, monetization opportunities, or other strategic transactions intended to maximize shareholder value.

Praliciguat is an orally administered, once-daily systemic sGC stimulator. On June 3, 2021, Cyclerion entered into a license agreement with Akebia Therapeutics Inc. ("Akebia") relating to the exclusive worldwide license to Akebia of our rights to the development, manufacture, medical affairs and commercialization of pharmaceutical products containing praliciguat and other related products and forms thereof enumerated in such agreement. In 2021, Akebia paid a $3.0 million upfront payment to the Company upon signing of the license agreement.

On December 13, 2024, Cyclerion announced that Cyclerion and Akebia had re-negotiated a mutually beneficial amendment to their exclusive license agreement for praliciguat, a systemic sGC stimulator. Under this new license amendment, Cyclerion received $1.75 million in amendment payments, of which $1.25 million was paid in December 2024 and the remaining additional payment of $0.5 million was received in September 2025. In addition, Akebia is responsible for all intellectual property expenses associated with praliciguat. On December 1, 2025, Akebia publicly announced that it has recently initiated (defined as first patient dosed) Phase 2 clinical trials for the treatment of focal segmental glomerulosclerosis ("FSGS") using praliciguat. Pursuant to the terms of amendment, upon initiation of a Phase 2 clinical trial in the U.S. for a product, a $1.0 million development milestone payment was received in February 2026. The Company is eligible to receive additional milestone cash payments of up to approximately $557.5 million in total potential future development, regulatory, and commercialization milestone payments for praliciguat. In exchange for a reduction in certain development milestone payments, Cyclerion is eligible to receive certain higher-tiered sales-based royalties ranging from mid-single-digits to twenty

percent. Payment of these sums are reserved for Cyclerion stockholders under the "Cyclerion CVR Agreement" described below.

Olinciguat is a Phase 2, orally administered, once-daily, vascular sGC stimulator. On July 22, 2024, the Company entered into an Option to License Agreement (the "Option Agreement") with a third party (the "Optionee"), pursuant to which the Optionee had an option (the "Option") to enter into an exclusive license to olinciguat for human therapeutics, subject to certain carveouts. Under the terms of the Option Agreement, the Optionee paid the Company an Option fee of $150,000 in August 2024 and subsequent fees totaling $80,000 to extend the term of the Option Agreement. The Optionee originally could exercise the Option on or before March 20, 2025, which was ultimately extended through August 22, 2025. Thereafter, the parties had an additional 60 days to negotiate the terms of a definitive license agreement. The parties were unable to agree upon the terms of a license agreement and the Company provided notice on October 23, 2025 that it was terminating the Option Agreement. The Company is currently exploring potential license opportunities for olinciguat.

Zagociguat is a clinical-stage CNS-penetrant sGC stimulator that has shown rapid improvement in cerebral blood flow, functional brain connectivity, brain response to visual stimulus, cognitive performance, and biomarkers associated mitochondrial function and inflammation in clinical studies. CY3018 is a CNS-targeted sGC stimulator that preferentially localizes to the brain and has a pharmacology profile that suggests its potential for the treatment of neuropsychiatric diseases and disorders. On July 28, 2023, the Company sold Zagociguat and CY3018 to Tisento Therapeutics, Inc. ("Tisento"), a newly formed private company focused on their development, in exchange for $8.0 million in cash consideration, $2.4 million as reimbursement for certain operating expenses related to zagociguat and CY3018 for the period between signing and closing of the transaction, and 10% of all of Tisento's parent's outstanding equity securities ("Tisento Parent").

2025 Equity Private Placement

On March 21, 2025, the Company entered into a Stock Purchase Agreement (the "2025 Equity Private Placement") for a private placement of 499,998 shares of the Company's common stock, at a purchase price of $2.75 per share for total gross proceeds of approximately $1.375 million. The closing of the 2025 Equity Private Placement occurred on March 25, 2025. The Company incurred transaction costs of $0.1 million for the 2025 Equity Private Placement. The Shares issued were not registered under the Securities Act of 1933, as amended, or any state securities laws and will be issued pursuant to the exemption from registration provided for under Section 4(a)(2) of the Securities Act as a transaction not involving a public offering.

In connection with the 2025 Equity Private Placement, the Company entered into a Registration Rights Agreement with the investors, dated March 21, 2025, pursuant to which the Company agreed to register the resale of the Shares pursuant to a registration statement which was filed with the SEC and declared effective by the SEC on May 15, 2025.

At-the-Market Offering

On February 4, 2025, the Company filed a Registration Statement on Form S-3 (the "Shelf") with the Securities and Exchange Commission (the "SEC") in relation to the registration of common stock, preferred stock, warrants and units of any combination thereof for an aggregate initial offering price not to exceed $25.0 million. The Registration Statement was declared effective by the SEC in February 2025.

On May 7, 2025, the Company and Guggenheim Securities, LLC ("Guggenheim Securities") entered into a Sales Agreement (the "Sales Agreement"), pursuant to which the Company may offer and sell shares of common stock, no par value per share (the "Shares"), having an aggregate offering price of up to $20,000,000 from time to time through or to Guggenheim Securities, acting as the Company's agent, subject to the application of General Instruction I.B.6 of Form S-3 ("Instruction I.B.6") pertaining to primary offerings by certain registrants, including the Company. The Company has provided Guggenheim Securities with customary indemnification rights, and the Company will pay Guggenheim Securities cash commission of 3.0% of the gross proceeds of the Shares sold under the Sales Agreement.

During the year ended December 31, 2025, the Company sold 715,220 shares of its common stock for net proceeds of $2.1 million under the Sales Agreement, after deducting commissions paid to Guggenheim Securities of

$0.1 million. In January 2026, the Company sold 405,000 shares of common stock under the Sales Agreement for net proceeds of approximately $0.8 million. The Company exhausted all sales under the 2025 Shelf.

The Merger Agreement

On April 1, 2026, Cyclerion entered into a Plan of Merger and Reorganization (as amended, the "Merger Agreement") with Korsana, a privately held biotechnology company discovering and developing novel therapies to reduce the burden of neurodegenerative diseases, pursuant to which among other matters, and subject to the satisfaction or waiver of the conditions set forth in the Merger Agreement, Cariboos Merger Sub Corp., a Delaware corporation ("First Merger Sub"), will merge with and into Korsana, with Korsana continuing as a wholly owned subsidiary of Cyclerion and the surviving corporation of the merger (the "First Merger"), and Korsana will merge with and into Cariboos Merger Sub II, LLC, a Delaware limited liability company ("Second Merger Sub" and together with First Merger Sub, "Merger Subs"), with Second Merger Sub being the surviving entity of the merger (the "Second Merger" and, together with the First Merger, the "Merger"). After the completion of the Merger, Second Merger Sub will change its corporate name to "Korsana Biosciences Operating Company, LLC" and Cyclerion will change its name to "Korsana Biosciences, Inc.". Cyclerion anticipates that the Merger will close in the third quarter of 2026, subject to certain closing conditions, along with the concurrent Korsana Pre-Closing Financing described below. Following the Merger, the current business of Korsana will become the primary business of Cyclerion.

At the closing of the First Merger (the "First Effective Time", and the date on which the closing of the Merger occurs, the "Closing Date"), upon the terms and subject to the conditions set forth in the Merger Agreement: (i) each then-outstanding share of common stock, $0.0001 par value per share, of Korsana (the "Korsana Common Stock") and Series A Preferred Stock, $0.0001 par value per share of Korsana ("Korsana Series A Preferred Stock") (including shares of Korsana Common Stock issued in the Korsana Pre-Closing Financing described below), excluding any shares to be cancelled pursuant to the Merger Agreement and excluding dissenting shares, will be automatically converted solely into the right to receive a number of shares of Cyclerion common stock, no par value per share (the "Cyclerion Common Stock"), equal to the exchange ratio as described in the Merger Agreement (the "Exchange Ratio"); provided, that in the event the aggregate number of shares of Cyclerion Common Stock issuable to a holder of Korsana capital stock (when aggregated with all of the shares of the Cyclerion Common Stock outstanding then beneficially owned by such person and its affiliates (as calculated pursuant to Section 13(d) of the Securities Exchange Act of 1934, as amended, and Rule 13d-3 promulgated thereunder) immediately after giving effect to the issuance of the merger consideration) would result in the issuance of shares of Cyclerion Common Stock to a holder in excess of a specified percentage (initially set at a percentage up to 9.99%) of the total outstanding shares of Cyclerion Common Stock (such specified percentage, a "Beneficial Ownership Limitation"), then Cyclerion will issue to any such holder (x) shares of Cyclerion Common Stock up to such holder's Beneficial Ownership Limitation and (y) in lieu of any shares in excess of such holder's Beneficial Ownership Limitation, pre-funded warrants ("Cyclerion Pre-Funded Warrants") to purchase a number of shares of Cyclerion Common Stock upon exercise of such Cyclerion Pre-Funded Warrants equal to such excess shares; (ii) each then-outstanding share of Korsana Series Seed Preferred Stock, $0.0001 par value per share ("Korsana Series Seed Preferred Stock" and, together with the Korsana Series A Preferred Stock, the "Korsana Preferred Stock"), excluding any shares of Korsana Series Seed Preferred Stock to be cancelled pursuant to the Merger Agreement and any dissenting shares, will be converted into the right to receive a number of shares of Cyclerion Series B non-voting convertible preferred stock, no par value per share ("Cyclerion Series B Preferred Stock"), equal to the Exchange Ratio divided by 1,000; (iii) each then-outstanding option (a "Korsana Option") to purchase shares of Korsana Common Stock will be converted into and become an option to purchase shares of Cyclerion Common Stock on the existing terms and conditions (including with respect to vesting and accelerated vesting), subject to adjustment as set forth in the Merger Agreement; (iv) each then-outstanding restricted stock unit for shares of Korsana Common Stock will be converted into and become a restricted stock unit for shares of Cyclerion Common Stock on the existing terms and conditions (including with respect to vesting and accelerated vesting), subject to adjustment as set forth in the Merger Agreement; and (v) each then-outstanding warrant to purchase shares of Korsana Common Stock will be converted into a warrant to purchase shares of Cyclerion Common Stock on the existing terms and conditions, subject to adjustment as set forth in the Merger Agreement.

Each share of Cyclerion Common Stock and Cyclerion Series A Preferred Stock that is issued and outstanding at the First Effective Time will remain issued and outstanding and such shares, subject to the proposed reverse stock split, will be unaffected by the Merger. Prior to the First Effective Time, the Cyclerion board of directors will accelerate the vesting of all options to purchase shares of Cyclerion Common Stock ("Cyclerion Options") and all restricted stock awards ("Cyclerion RSAs"). Each outstanding Cyclerion Option with an exercise

price per share equal to or less than the volume weighted average closing trading price of a share of Cyclerion Common Stock on The Nasdaq Stock Market LLC ("Nasdaq") for the five consecutive trading days ending three trading days prior to the Calculation Date (as defined in the Merger Agreement), as reported by Bloomberg L.P. (the "Cyclerion Closing Price"), will be cancelled at the First Effective Time and such holder thereof will receive an amount in cash, without interest, less any applicable tax withholding, equal to the product obtained by multiplying the excess of the Cyclerion Closing Price over the exercise price per share of the Cyclerion Common Stock underlying such Cyclerion Option by the number of shares of the Cyclerion Common Stock underlying such Cyclerion Option. Each Cyclerion Option with an exercise price greater than the Cyclerion Closing Price will be cancelled for no consideration. The vesting of each Cyclerion RSA will be accelerated in full.

Based on Cyclerion's and Korsana's capitalization as of June 30, 2026 and assuming Cyclerion's net cash as of closing being equal to $(2.5) million, each share of Korsana Common Stock and Korsana Series A Preferred Stock is currently estimated to be entitled to receive approximately 1.4735 shares of Cyclerion Common Stock. Each share of Korsana Series Seed Preferred Stock will be converted into the right to receive a number of shares of Cyclerion Series B Preferred Stock, equal to the Exchange Ratio divided by 1,000. The estimated Exchange Ratio does not give effect to the proposed Cyclerion reverse stock split and is subject to adjustment based on Cyclerion's estimated net cash at the closing of the First Merger.

In connection with the Merger, on April 1, 2026, Korsana entered into a securities purchase agreement (the "Securities Purchase Agreement") with certain institutional and accredited investors for the purchase of shares of Korsana Common Stock and Pre-Funded Warrants to purchase shares of Korsana Common Stock (the "Korsana Pre-Funded Warrants") for an aggregate purchase price of approximately $380.0 million, immediately prior to the closing of the Merger (referred to herein as the "Korsana Pre-Closing Financing"). The shares of Korsana Common Stock and Korsana Pre-Funded Warrants that are issued in the Korsana Pre-Closing Financing will be converted into the right to receive a number of shares of Cyclerion Common Stock and Cyclerion Pre-Funded Warrants, respectively, equal to the Exchange Ratio. Korsana and the investors participating in the Korsana Pre-Closing Financing have also agreed to enter into a registration rights agreement at the closing of the Korsana Pre-Closing Financing, pursuant to which, among other things, the Combined Company will agree to provide for the registration and resale of certain shares of Korsana Common Stock that are held by the investors participating in the Korsana Pre-Closing Financing from time to time pursuant to Rule 415 under the Securities Act.

Based on its current operating plan, Cyclerion expects that its current cash and cash equivalents will fund its operations until the closing of the contemplated Merger, which is subject to approval by its shareholders and the shareholders of Korsana and other customary closing conditions; however, Cyclerion has based this estimate on assumptions that may prove to be wrong, and Cyclerion could use its capital resources sooner than Cyclerion expects.

Cyclerion CVR Agreement

At or prior to the first merger, Cyclerion will enter into a Contingent Value Rights Agreement (the "CVR Agreement") with a designated rights agent (the "Rights Agent"), pursuant to which Cyclerion's pre-merger shareholders will receive one CVR for each outstanding share of Cyclerion Common Stock and Cyclerion Series A Preferred Stock held by such shareholder on such date. Each CVR will represent the contractual right to receive certain net proceeds, if any, derived from any consideration that is paid to Cyclerion as a result of the disposition of Cyclerion's pre-Merger legacy assets, net of any indemnity obligations, transaction costs and certain other expenses, during the period beginning on the date of the closing of the merger and ending (i) with respect to the sale, transfer, license or other disposition of all pre-merger legacy assets other than those pre-merger legacy assets described in the following clauses (ii) and (iii), upon the second (2nd) anniversary of the Closing Date, (ii) with respect to Cyclerion's right to receive payments under the Akebia License Agreement, the earlier of (A) the fifteenth (15th) anniversary of the date of entry into the CVR Agreement and (B) the expiration or earlier termination by Akebia Therapeutics, Inc. of the Akebia License Agreement pursuant to its terms, and (iii) with respect to the sale, transfer or other disposition of the equity interests of Tisento that were acquired by Cyclerion pursuant to that certain Asset Purchase Agreement, dated May 13, 2023, by and among Cyclerion, Tisento and JW Cycle, Inc., the earliest of (A) nine (9) months following the date of the consummation of Tisento's initial public offering pursuant to a registration statement filed with, and declared effective by, the Securities and Exchange Commission pursuant to the Securities Act, (B) the sale of Tisento, and (C) the seventh (7th) anniversary of the Closing Date.

The contingent payments under the CVR Agreement, if they become payable, will become payable to the Rights Agent for subsequent distribution to the holders of the CVRs. In the event that no such proceeds are received,

holders of the CVRs will not receive any payment pursuant to the CVR Agreement. There can be no assurance that any holders of CVRs will receive any payments with respect thereto.

Basis of Presentation

The condensed consolidated financial statements and the related disclosures are unaudited and have been prepared in accordance with accounting principles generally accepted in the U.S. Additionally, certain information and footnote disclosures normally included in the Company's annual financial statements have been condensed or omitted. Accordingly, these interim condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto contained in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2025, which was filed with the SEC on March 30, 2026.

In the opinion of management, the unaudited interim condensed consolidated financial statements reflect all normal recurring adjustments considered necessary for a fair presentation of the Company's financial position and the results of its operations for the interim periods presented. The results of operations for the three and six months ended June 30, 2026 and 2025 are not necessarily indicative of the results that may be expected for the full year or any other subsequent interim period.

The condensed consolidated financial statements include the financial statements of the Company and its wholly owned subsidiaries, Cyclerion Securities Corporation, Cyclerion Australia Pty Ltd., Cariboos Merger Sub Corp. and Cariboos Merger Sub II, LLC. All significant intercompany accounts and transactions have been eliminated in the preparation of the accompanying condensed consolidated financial statements.

Going Concern

At each reporting period, in accordance with Accounting Standards Codification ("ASC") 205-40, Going Concern, the Company evaluates whether there are conditions or events that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are issued. The Company's evaluation entails analyzing prospective operating budgets and forecasts for expectations of the Company's cash needs and comparing those needs to the current cash and cash equivalent balances. The Company is required to make certain additional disclosures if it concludes substantial doubt exists and it is not alleviated by the Company's plans or when its plans alleviate substantial doubt about the Company's ability to continue as a going concern.

This evaluation initially does not take into consideration the potential mitigating effect of management's plans that have not been fully implemented as of the date the financial statements are issued. When substantial doubt exists under this methodology, management evaluates whether the mitigating effect of its plans sufficiently alleviates substantial doubt about the Company's ability to continue as a going concern. The mitigating effect of management's plans, however, is only considered if both (1) it is probable that the plans will be effectively implemented within one year after the date that the financial statements are issued, and (2) it is probable that the plans, when implemented, will mitigate the relevant conditions or events that raise substantial doubt about the entity's ability to continue as a going concern within one year after the date that these condensed consolidated financial statements are issued. In performing its analysis, management excluded certain elements of its operating plan that cannot be considered probable. Under ASC 205-40, the future receipt of potential funding from future partnerships, license payments, equity or debt issuances, certain cost reduction measures and the achievement of potential milestone payments from Akebia cannot be considered probable at this time because these plans are not entirely within the Company's control and/or have not been approved by the Board of Directors as of the date of these condensed consolidated financial statements.

The Company expects that its cash and cash equivalents as of June 30, 2026, will be sufficient to fund its operating expenses through the anticipated closing date of the Merger, however the Company will need to obtain additional funding to sustain operations as it expects to continue to generate operating losses for the foreseeable future. The Company's expectation to generate negative operating cash flows in the future and the need for additional funding to support its planned operations, raise substantial doubt regarding the Company's ability to continue as a going concern. Management's plans to alleviate the conditions that raise substantial doubt include reduced spending, and the pursuit of additional capital. Management has concluded the likelihood that its plan to successfully obtain sufficient funding, or adequately reduce expenditures, while reasonably possible, is less than probable. Accordingly, the Company has concluded that substantial doubt exists about the Company's ability to continue as a going concern. The accompanying financial statements have been prepared on a going concern basis,

which contemplates the realization of assets and satisfaction of liabilities in the ordinary course of business. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might result from the outcome of the uncertainties described above.

The Company's future operations are highly dependent on the success of the Merger and there can be no assurances that the Merger will be successfully consummated. If the Merger is not consummated, the Company believes that its cash and cash equivalents as of June 30, 2026 would be adequate to fund its operating expenses through the anticipated closing date of the Merger. However, in order to continue development of its programs, the Company would need to secure substantial additional funding in the future, from one or more equity or debt financings, collaborations, or other sources. Additional funding may not be available to the Company on acceptable terms, or at all. The Company's Board of Directors may also decide to pursue a dissolution and liquidation in lieu of continuing program development in the event the Merger is not consummated.

2. Summary of Significant Accounting Policies

The accounting policies of the Company are set forth in Note 2. *Summary of Significant Accounting Policies* to the consolidated financial statements contained in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2025.

New Accounting Pronouncements

From time to time, new accounting pronouncements are issued by the Financial Accounting Standards Board ("FASB") or other standard setting bodies that are adopted by the Company as of the specified effective date. Except as discussed elsewhere in the notes to the interim condensed consolidated financial statements, the Company did not adopt any new accounting pronouncements during the six months ended June 30, 2026 that had a material effect on its condensed consolidated financial statements.

No other accounting standards known by the Company to be applicable to it that have been issued by the FASB or other standard-setting bodies and that do not require adoption until a future date are expected to have a material impact on the Company's condensed consolidated financial statements upon adoption.

3. Fair Value of Financial Instruments

The Company's cash equivalents are generally classified within Level 1 of the fair value hierarchy. The following tables present information about the Company's financial assets measured at fair value on a recurring basis and indicate the level of the fair value hierarchy used to determine such fair values as of June 30, 2026 and December 31, 2025 (in thousands):

	Fair Value Measurements as of June 30, 2026:			
	Level 1	Level 2	Level 3	Total
Cash equivalents:				
Money market funds	$ 1,253	$ —	$ —	$ 1,253
Cash equivalents	$ 1,253	$ —	$ —	$ 1,253

	Fair Value Measurements as of December 31, 2025:			
	Level 1	Level 2	Level 3	Total
Cash equivalents:				
Money market funds	$ 3,072	$ —	$ —	$ 3,072
Cash equivalents	$ 3,072	$ —	$ —	$ 3,072

During the three and six months ended June 30, 2026 and 2025, there were no transfers between levels. The fair value of the Company's cash equivalents, consisting of money market funds, is based on quoted market prices in active markets with no valuation adjustment.

The Company believes the carrying amounts of its accounts receivable, prepaid expenses and other current assets, accounts payable, and accrued expenses approximate their fair value due to the short-term nature of these amounts.

4. Other Investment

The Company has determined that the Company's investment in Tisento Parent is an equity security, whereby such investment does not give the Company a controlling financial interest or significant influence over the investee. Further, the Company assessed the accounting for its investment in Tisento Parent in accordance with ASC 810-10, Consolidation—Overall. After determining that no scope exception applies under the guidance of ASC 810-10-15-12 and ASC 810-10-15-17, the Company concluded that it has a variable interest in Tisento Parent through its investment in Tisento Parent common stock. Tisento Parent does not have sufficient equity to finance its activities without additional subordinated financial support as Tisento Parent is a startup entity in its early stages of raising funds and will require significant capital to advance its programs to commercial stage. Therefore, the Company concluded that its investment in Tisento Parent is a variable interest entity ("VIE") in accordance with ASC 810-10-15-14(a) and is subject to potential consolidation under the VIE model. However, all activities that most significantly impact Tisento Parent and its subsidiary's economic performance are directed by the Tisento Parent board and the board approves decisions by a simple majority. Based on the board composition, the Company determined that no one party has control over the Tisento Parent board and power is not shared because the activities that most significantly affect Tisento Parent and its subsidiary's economic performance do not require the consent of all of the parties. Rather, all decisions are made by a simple majority vote of the Tisento Parent board. Therefore, because the Company controls no director of Tisento Parent, the Company cannot unilaterally direct any of the activities that most significantly impact Tisento Parent and its subsidiary's economic performance. Accordingly, the Company does not hold a controlling financial interest in Tisento Parent. Because both criteria (a) and (b) above have to be met for the application of the guidance in ASC 810-10-25-44B and criteria (a) has not been met, the Company concluded that it should not consolidate Tisento under the VIE model.

Accordingly, the Company has accounted for the investment as a financial instrument without a readily determinable fair value. Such investment is recorded using the measurement alternative for investments without readily determinable fair values, whereby the investment is measured at cost less any impairment recorded or adjustments for observable price changes. An impairment loss is recognized in the consolidated statements of operations and comprehensive loss equal to the amount by which the carrying value exceeds the fair value of the investment. As of June 30, 2026, no impairment loss was recognized. The Company considers the cost of the investment to be the maximum exposure to loss as a result of its involvement with the non-affiliated entity.

5. Accrued Expenses and Other Current Liabilities

Accrued expenses and other current liabilities consisted of the following (in thousands):

	June 30, 2026	December 31, 2025
Professional fees	$ 144	$ 143
Employee compensation	12	13
Other	64	38
Accrued expenses and other current liabilities	$ 220	$ 194

6. Commitments and Contingencies

Other Funding Commitments

In the normal course of business, the Company enters into contracts with clinical research organizations and other third parties for clinical and preclinical research studies and other services and products for operating purposes. These contracts are generally cancellable, with notice, at the Company's option and do not have any significant cancellation penalties.

Indemnification Obligations

On September 6, 2018, Cyclerion was incorporated in Massachusetts and its officers and directors are indemnified for certain events or occurrences while they are serving in such capacity.

The Company enters into certain agreements with other parties in the ordinary course of business that contain indemnification provisions. These typically include agreements with directors and officers, business partners, contractors, clinical sites and customers. Under these provisions, the Company generally indemnifies and holds harmless the indemnified party for losses suffered or incurred by the indemnified party as a result of the Company's activities. These indemnification provisions generally survive termination of the underlying agreements. The maximum potential amount of future payments the Company could be required to make under these indemnification provisions is unlimited. However, to date the Company has not incurred material costs to defend lawsuits or settle claims related to these indemnification provisions. As a result, the estimated fair value of these obligations is minimal. Accordingly, the Company did not have any liabilities recorded for these obligations as of June 30, 2026 and December 31, 2025.

7. Share-based Compensation Plans

In 2019, Cyclerion adopted share-based compensation plans. Specifically, Cyclerion adopted the 2019 Employee Stock Purchase Plan ("2019 ESPP") and the 2019 Equity Incentive Plan ("2019 Equity Plan"). Under the 2019 ESPP, eligible employees may use payroll deductions to purchase shares of stock in offerings under the plan, and thereby acquire an interest in the future of the Company. The 2019 Equity Plan provides for stock options, restricted stock awards ("RSAs") and restricted stock units ("RSUs").

Cyclerion also mirrored two of Ironwood Pharmaceuticals, Inc. ("Ironwood") existing plans, the Amended and Restated 2005 Stock Incentive Plan ("2005 Equity Plan") and the Amended and Restated 2010 Employee, Director and Consultant Equity Incentive Plan ("2010 Equity Plan"). These mirror plans were adopted to facilitate the exchange of Ironwood equity awards for Cyclerion equity awards upon the Separation as part of the equity conversion. As a result of the Separation and in accordance with the EMA, employees of both companies retained their existing Ironwood vested options and received a pro-rata share of Cyclerion options, regardless of which company employed them post-Separation. For employees that were ultimately employed by Cyclerion, unvested Ironwood options and RSUs were converted to unvested Cyclerion options and RSUs.

The following table provides share-based compensation reflected in the Company's condensed consolidated statements of operations and comprehensive loss for the three and six months ended June 30, 2026 and 2025 (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Research and development	$ —	$ 12	$ —	$ 24
General and administrative	51	102	109	204
	$ 51	$ 114	$ 109	$ 228

Stock Options

Stock options granted under the Company's equity plans generally have a ten-year term and vest over a period of four years, provided the individual continues to serve at the Company through the vesting dates. Options granted under all equity plans are exercisable at a price per share not less than the fair market value of the underlying common stock on the date of grant. The estimated fair value of options, including the effect of estimated forfeitures, is recognized over the requisite service period, which is typically the vesting period of each option.

A summary of stock option activity for the six months ended June 30, 2026, is as follows:

	Number of Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (Years)	Average Intrinsic Value (in thousands)
Outstanding as of December 31, 2025	297,762	$ 149.73	4.9	$ —
Granted	—	$ —		
Exercised	—	$ —		
Cancelled or forfeited	(17,385)	$ 203.72		
Outstanding as of June 30, 2026	280,377	$ 146.38	4.7	$ 31
Exercisable at June 30, 2026	225,791	$ 177.20	4.0	$ 17

There were no options exercised during the three and six months ended June 30, 2026 and 2025. As of June 30, 2026, the unrecognized share-based compensation expense, net of estimated forfeitures, related to all unvested time-based stock options is $0.1 million and the weighted average period over which that expense is expected to be recognized is 2.67 years.

The Company has granted certain former employees performance-based options to purchase shares of common stock. These options are subject to performance-based milestone vesting. During the three and six months ended June 30, 2026 and 2025, there were no shares that vested as a result of performance milestone achievements. No share-based compensation expense related to these performance-based options was recognized during the three and six months ended June 30, 2026 and 2025, respectively.

Restricted Stock Awards

No RSA was granted during the three and six months ended June 30, 2026 and 2025. The fair value of all RSAs is based on the market value of the Company's common stock on the date of grant. Compensation expense, including the effect of estimated forfeitures, is recognized over the applicable service period.

A summary of RSA activity for the six months ended June 30, 2026, is as follows:

	Number of Shares	Weighted Average Grant Date Fair Value
Unvested as of December 31, 2025	104,078	$ 2.57
Granted	—	—
Vested	(30,048)	2.52
Forfeited	—	—
Unvested as of June 30, 2026	74,030	$ 2.60

As of June 30, 2026, the unrecognized share-based compensation expense, net of estimated forfeitures, related to all unvested RSAs is $0.2 million and the weighted average period over which that expense is expected to be recognized is 1.21 years.

8. Loss per share

Basic and diluted net loss per common share is computed by dividing net loss by the weighted average number of common shares outstanding during the period as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Numerator:				
Net loss (in thousands)	$ (1,755)	$ (324)	$ (4,932)	$ (1,753)
Denominator:				
Weighted average shares used in calculating net loss per share — basic and diluted (in thousands)	4,251	3,071	4,228	2,842
Net loss per share — basic and diluted	$ (0.41)	$ (0.11)	$ (1.17)	$ (0.62)

The Company excludes shares of common stock related to Preferred Stock, stock options and RSAs from the calculation of diluted net loss per share since the inclusion of such shares would be anti-dilutive. The following table sets forth potential shares that were considered anti-dilutive for the three and six months ended June 30, 2026 and 2025:

	Three and Six Months Ended June 30,	
	2026	2025
Preferred Stock	351,037	351,037
Stock Options	280,377	314,637
RSAs	74,030	134,126
	705,444	799,800

9. Option/License Agreement

Patent License Agreement

On September 19, 2025, the Company and MIT entered into a Patent License Agreement (the "MIT License Agreement") pursuant to which MIT granted to the Company an exclusive worldwide license to develop and commercialize products using certain technology for the treatment of neuropsychiatric disorders, such as depression, in humans. Under the MIT License Agreement, the Company paid a nominal upfront license fee and patent reimbursement fee. Thereafter, the Company is also required to pay MIT a nominal annual license maintenance fee. This annual license maintenance fee is nonrefundable; however, the license maintenance fee may be credited to royalties earned during the same calendar year, if any. License maintenance fees paid in excess of royalties due in such calendar year shall not be creditable to amounts due for future years. Under the terms of the MIT License Agreement, MIT will be eligible to receive up to $4.4 million upon the achievement of certain development, regulatory and sales milestone payments. MIT will also receive tiered royalties in a range of percentages in the low single digits based on future net sales of licensed products as set forth in the MIT License Agreement. Further, the Company is required to pay MIT varying percentages of income received as consideration for any sublicenses granted pursuant to the MIT License Agreement depending on the circumstances of the sublicense and the development milestones of sublicensed products. The term of the MIT License Agreement will expire in its entirety upon the expiration of certain patent rights for the licensed patents, unless earlier terminated by the parties in accordance with the terms of the MIT License Agreement.

No expense was recognized for the three and six months ended June 30, 2026 and 2025 related to the license.

Akebia License Agreement

On June 3, 2021, the Company and Akebia entered into a License Agreement (the "Akebia License Agreement") relating to the exclusive worldwide license by the Company to Akebia of its rights to the development, manufacture, medical affairs and commercialization of pharmaceutical products containing the pharmaceutical compound known as praliciguat and other related products and forms thereof enumerated in the License Agreement (collectively, the "Products"). Pursuant to the Akebia License Agreement, Akebia will be responsible for all future research, development, regulatory, and commercialization activities for the Products.

Akebia paid a $3.0 million up-front payment to the Company upon signing of the License Agreement. On December 13, 2024, the Company and Akebia entered into Amendment #1 to the License Agreement (the "2024 Amendment") to the original License Agreement between the parties dated June 3, 2021.

Under the terms of the 2024 Amendment, Akebia paid $1.75 million in amendment payments, of which $1.25 million was paid in December 2024 and an additional payment of $0.5 million was paid in September 2025. In addition, Akebia has agreed to assume control of the preparation, filing, prosecution and maintenance of certain Cyclerion patents, and the expenses associated therewith, at an earlier date than as originally agreed between the parties. The parties have agreed to the reduction of certain development milestones and the increase of certain royalty rates on net sales and sublicense income. On December 1, 2025, Akebia publicly announced that it has recently initiated Phase 2 clinical trials for the treatment of focal segmental glomerulosclerosis ("FSGS") using praliciguat. Pursuant to the terms of amendment, upon initiation of a Phase 2 clinical trial in the U.S. for a product, a $1.0 million development milestone payment would be due to the Company and which was received in February 2026. Pursuant to the terms of the Akebia License Agreement, as amended, Cyclerion is eligible to receive additional potential future development, regulatory, and commercialization milestone payments up to $557.5 million in total, and Akebia will pay Cyclerion tiered royalties ranging from mid-single digit to twenty percent of net sales. Cyclerion's obligations to deliver certain drug products have also ceased.

Pursuant to the Akebia License Agreement, the Company determined the Akebia License Agreement represents a service arrangement under the scope of ASC 606. Given the reversion of the rights under the Akebia License Agreement represents a penalty in substance for a termination by Akebia, the contract term would be the stated term of the License Agreement.

The Company determined that the grant of license to its patents and trademarks, know how transfer, the assignment of regulatory submissions and trademarks and additional knowledge transfer assistance obligations represent a single promise and performance obligation to be transferred to Akebia over time due to the nature of the promises in the contract. The provision of development materials on hand was identified as a separate performance obligation. However, it is immaterial in the context of the contract as the development materials are low value and do not have an alternative use to the Company.

The consideration related to sales-based milestone payments, including royalties, will be recognized when the related sales occur as these amounts have been determined to relate predominantly to the license. The Company will re-evaluate the probability of achievement of the milestones and any related constraints each reporting period.

Akebia Material Purchase Agreement

On September 3, 2025, the Company and Akebia entered into a Material Purchase Agreement (the "Purchase Agreement") relating to the purchase of additional development materials (the "Additional Development Materials") by Akebia for Akebia's use pursuant to the Akebia License Agreement. Akebia paid $0.8 million to the Company for the purchase during the year ended December 31, 2025 and the Additional Development Materials were delivered to Akebia as of December 31, 2025.

The Company determined the Purchase Agreement has stand-alone value under the scope of ASC 606 and should not be combined with the Akebia License Agreement or the Amendment. The delivery of the Additional Development Materials by the Company represents a single performance obligation and consideration was recognized upon delivery. No revenue was recognized under the Purchase Agreement during three and six months ended June 30, 2026 and 2025.

Option Agreement

On July 22, 2024, the Company entered into an Option to License Agreement (the "Option Agreement") with a third party (the "Optionee"), pursuant to which the Optionee had an option (the "Option") to enter into an exclusive license to olinciguat for human therapeutics, subject to certain carveouts. Under the terms of the Option Agreement, the Optionee paid the Company an Option fee of $150,000 in August 2024 and subsequent fees totaling $80,000 to extend the term of the Option Agreement. The Optionee originally could exercise the Option on or before March 20, 2025, which option period was ultimately extended through August 22, 2025. Thereafter, the parties had an additional 60 days to negotiate the terms of a definitive license agreement. The parties were unable to agree upon the terms of a license agreement and the Company provided notice on October 23, 2025 that it was terminating the Option Agreement. The Company recognized revenue of $0.1 million and $0.2 million related to the extension fee payment and expense reimbursement for the three and six months ended June 30, 2025, respectively.

Medsteer Collaboration Agreement

On January 3, 2026, the Company and the Medsteer, SAS ("Medsteer") entered into a Collaboration and Option Agreement (the "Collaboration Agreement") pursuant to which Medsteer granted to the Company (i) a non-exclusive, worldwide, royalty-free, sublicensable license of certain of Medsteer's technology, software and intellectual property to develop an anesthetic delivery system with Medsteer and (ii) an exclusive option (the "Option"), exercisable at the Company's sole discretion, to obtain an exclusive, worldwide, royalty-bearing, sublicensable license of certain of Medsteer's technology, software and intellectual property to develop or commercialize licensed products in any field of use except for sedation regulation for patients undergoing major surgery, in multi-bed or intensive unit wards, or in the context of medical transport. The Company may exercise the Option at any time until the earlier of the second anniversary of the effective date of the Collaboration Agreement, which period may be extended for an additional two years at the Company's option and upon payment of a nominal fee or by mutual agreement of the Company and Medsteer. Under the terms of the Collaboration Agreement, the Company recognized nil and $0.1 million research and development expense during the three and six months ended June 30, 2026, respectively, which is related to the upfront payment paid to Medsteer and other transaction costs. Medsteer will be eligible to receive up to $3.7 million upon the achievement of certain development, regulatory and sales milestone payments. Medsteer will also receive an annual royalty payment and royalties in a percentage in the low single digits based on future net sales of licensed products, subject to certain adjustments as set forth in the Collaboration Agreement.

10. Subsequent Events

On July 16, 2026, the Board approved the acceleration of vesting of all outstanding unvested options and RSAs held by the Company's officers and directors.

On July 16, 2026, the Company noted the holder of 351,037 shares of non-voting Series A Convertible Preferred Stock converted all of his 351,037 shares of the Company's Series A Convertible Preferred Stock into an equal number of shares of common stock.

On July 16, 2026, 110,984 vested options held by a director of the Company with an exercise price per share range between $24.20 and $369.40 were cancelled.

On July 24, 2026, the Securities and Exchange Commission (SEC) approved the effectiveness of the Form S-4 filing pursuant to the Merger Agreement with Korsana Biosciences, Inc.

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

Forward-Looking Information

The following discussion of our financial condition and results of operations should be read in conjunction with the unaudited condensed consolidated financial statements and the corresponding notes included in this Quarterly Report on Form 10-Q, as well as the audited condensed consolidated financial statements and notes thereto included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025. This discussion contains forward-looking statements that involve significant risks and uncertainties. As a result of many factors, such as those referenced or set forth under "Cautionary Note Regarding Forward-Looking Statements" and "Risk Factors" in Part II, Item 1A of this Quarterly Report on Form 10-Q, our actual results may differ materially from those anticipated in these forward-looking statements.

Overview and Recent Developments

We have focused on building a pipeline of innovative therapeutics to address serious neuropsychiatric disorders with significant unmet medical need. Our current strategic focus prior to the announcement of the Merger Agreement was centered on the development of a novel therapeutic approach for neuropsychiatric conditions, with the lead indication being treatment-resistant depression ("TRD"), which we believe represents a substantial clinical and commercial opportunity. Over the past year, we refined our strategic direction toward programs that combine established pharmacologic agents with enabling technologies designed to improve precision, reproducibility, and patient outcomes. As part of this strategy, Cyclerion has evaluated multiple opportunities and prioritized CYC-126, an individualized therapy for TRD as our foundational development program.

In September 2025, we entered into a license agreement with the Massachusetts Institute of Technology ("MIT") for intellectual property supporting this TRD program. In January 2026, we also entered into a collaboration and option-to-license agreement with Medsteer SAS ("Medsteer"), a developer of anesthesia delivery and monitoring technologies. This agreement provides Cyclerion with access to Medsteer's technical expertise, data assets, and intellectual property relating to technology-enabled drug delivery and physiological monitoring, and grants us the right, but not the obligation, to obtain additional rights under specified conditions. We intend to evaluate these capabilities as part of our broader development strategy for our TRD program. Given the substantial unmet medical need in TRD, the stage of clinical development, and the potential commercial opportunity, we believe this program has commercial promise. Due to cash limitations, we have suspended efforts advancing an integrated clinical, regulatory, and commercial strategy for this TRD program.

In parallel with the advancement of our neuropsychiatric strategy, Cyclerion continues to seek opportunities to monetize our legacy soluble guanylate cyclase ("sGC") stimulator assets, including potential collaborations, monetization opportunities, or other strategic transactions intended to maximize shareholder value.

The Merger Agreement

On April 1, 2026, Cyclerion entered into a Plan of Merger and Reorganization (as amended, the "Merger Agreement") with Korsana Biosciences, Inc. ("Korsana"), a privately held biotechnology company discovering and developing novel therapies to reduce the burden of neurodegenerative diseases, pursuant to which among other matters, and subject to the satisfaction or waiver of the conditions set forth in the Merger Agreement, Cariboos Merger Sub Corp., a Delaware corporation ("First Merger Sub"), will merge with and into Korsana, with Korsana continuing as a wholly owned subsidiary of Cyclerion and the surviving corporation of the merger (the "First Merger"), and Korsana will merge with and into Cariboos Merger Sub II, LLC, a Delaware limited liability company ("Second Merger Sub" and together with First Merger Sub, "Merger Subs"), with Second Merger Sub being the surviving entity of the merger (the "Second Merger" and, together with the First Merger, the "Merger"). After the completion of the Merger, Second Merger Sub will change its corporate name to "Korsana Biosciences Operating Company, LLC" and Cyclerion will change its name to "Korsana Biosciences, Inc." Cyclerion following the Merger is referred to herein as the "Combined Company." Cyclerion anticipates that the Merger will close in the third quarter of 2026, subject to certain closing conditions, along with the concurrent Korsana Pre-Closing Financing described below. Following the Merger, the current business of Korsana will become the primary business of Cyclerion.

At the closing of the First Merger (the "First Effective Time", and the date on which the closing of the Merger occurs, the "Closing Date"), upon the terms and subject to the conditions set forth in the Merger Agreement:

(i) each then-outstanding share of common stock, $0.0001 par value per share, of Korsana (the "Korsana Common Stock") and Series A Preferred Stock, $0.0001 par value per share of Korsana ("Korsana Series A Preferred Stock") (including shares of Korsana Common Stock issued in the Korsana Pre-Closing Financing described below), excluding any shares to be cancelled pursuant to the Merger Agreement and excluding dissenting shares, will be automatically converted solely into the right to receive a number of shares of Cyclerion common stock, no par value per share (the "Cyclerion Common Stock"), equal to the exchange ratio as described in the Merger Agreement (the "Exchange Ratio"); provided, that in the event the aggregate number of shares of Cyclerion Common Stock issuable to a holder of Korsana capital stock (when aggregated with all of the shares of the Cyclerion Common Stock outstanding then beneficially owned by such person and its affiliates (as calculated pursuant to Section 13(d) of the Securities Exchange Act of 1934, as amended, and Rule 13d-3 promulgated thereunder) immediately after giving effect to the issuance of the merger consideration) would result in the issuance of shares of Cyclerion Common Stock to a holder in excess of a specified percentage (initially set at a percentage up to 9.99%) of the total outstanding shares of Cyclerion Common Stock (such specified percentage, a "Beneficial Ownership Limitation"), then Cyclerion will issue to any such holder (x) shares of Cyclerion Common Stock up to such holder's Beneficial Ownership Limitation and (y) in lieu of any shares in excess of such holder's Beneficial Ownership Limitation, pre-funded warrants ("Cyclerion Pre-Funded Warrants") to purchase a number of shares of Cyclerion Common Stock upon exercise of such Cyclerion Pre-Funded Warrants equal to such excess shares; (ii) each then-outstanding share of Korsana Series Seed Preferred Stock, $0.0001 par value per share ("Korsana Series Seed Preferred Stock" and, together with the Korsana Series A Preferred Stock, the "Korsana Preferred Stock"), excluding any shares of Korsana Series Seed Preferred Stock to be cancelled pursuant to the Merger Agreement and any dissenting shares, will be converted into the right to receive a number of shares of Cyclerion Series B non-voting convertible preferred stock, no par value per share ("Cyclerion Series B Preferred Stock"), equal to the Exchange Ratio divided by 1,000; (iii) each then-outstanding option (a "Korsana Option") to purchase shares of Korsana Common Stock will be converted into and become an option to purchase shares of Cyclerion Common Stock on the existing terms and conditions (including with respect to vesting and accelerated vesting), subject to adjustment as set forth in the Merger Agreement; (iv) each then-outstanding restricted stock unit for shares of Korsana Common Stock will be converted into and become a restricted stock unit for shares of Cyclerion Common Stock on the existing terms and conditions (including with respect to vesting and accelerated vesting), subject to adjustment as set forth in the Merger Agreement; and (v) each then-outstanding warrant to purchase shares of Korsana Common Stock will be converted into a warrant to purchase shares of Cyclerion Common Stock on the existing terms and conditions, subject to adjustment as set forth in the Merger Agreement.

Each share of Cyclerion Common Stock and Cyclerion Series A Preferred Stock that is issued and outstanding at the First Effective Time will remain issued and outstanding and such shares, subject to the proposed reverse stock split, will be unaffected by the Merger. Prior to the First Effective Time, the Cyclerion board of directors will accelerate the vesting of all options to purchase shares of Cyclerion Common Stock ("Cyclerion Options") and all restricted stock awards ("Cyclerion RSAs"). Each outstanding Cyclerion Option with an exercise price per share equal to or less than the volume weighted average closing trading price of a share of Cyclerion Common Stock on The Nasdaq Stock Market LLC ("Nasdaq") for the five consecutive trading days ending three trading days prior to the Calculation Date (as defined in the Merger Agreement), as reported by Bloomberg L.P. (the "Cyclerion Closing Price"), will be cancelled at the First Effective Time and such holder thereof will receive an amount in cash, without interest, less any applicable tax withholding, equal to the product obtained by multiplying the excess of the Cyclerion Closing Price over the exercise price per share of the Cyclerion Common Stock underlying such Cyclerion Option by the number of shares of the Cyclerion Common Stock underlying such Cyclerion Option. Each Cyclerion Option with an exercise price greater than the Cyclerion Closing Price will be cancelled for no consideration. The vesting of each Cyclerion RSA will be accelerated in full.

Based on Cyclerion's and Korsana's capitalization as of June 30, 2026 and assuming Cyclerion's net cash as of closing being equal to $(2.5) million, each share of Korsana Common Stock and Korsana Series A Preferred Stock is currently estimated to be entitled to receive approximately 1.4735 shares of Cyclerion Common Stock. Each share of Korsana Series Seed Preferred Stock will be converted into the right to receive a number of shares of Cyclerion Series B Preferred Stock, equal to the Exchange Ratio divided by 1,000. The estimated Exchange Ratio does not give effect to the proposed Cyclerion reverse stock split and is subject to adjustment based on Cyclerion's estimated net cash at the closing of the First Merger.

In connection with the Merger, on April 1, 2026, Korsana entered into a securities purchase agreement (the "Securities Purchase Agreement") with certain institutional and accredited investors for the purchase of shares of Korsana Common Stock and Pre-Funded Warrants to purchase shares of Korsana Common Stock (the "Korsana Pre-Funded Warrants") for an aggregate purchase price of approximately $380.0 million, immediately prior to the

closing of the Merger (referred to herein as the "Korsana Pre-Closing Financing"). The shares of Korsana Common Stock and Korsana Pre-Funded Warrants that are issued in the Korsana Pre-Closing Financing will be converted into the right to receive a number of shares of Cyclerion Common Stock and Cyclerion Pre-Funded Warrants, respectively, equal to the Exchange Ratio. Korsana and the investors participating in the Korsana Pre-Closing Financing have also agreed to enter into a registration rights agreement at the closing of the Korsana Pre-Closing Financing, pursuant to which, among other things, the Combined Company will agree to provide for the registration and resale of certain shares of Korsana Common Stock that are held by the investors participating in the Korsana Pre-Closing Financing from time to time pursuant to Rule 415 under the Securities Act.

Based on its current operating plan, Cyclerion expects that its current cash and cash equivalents will fund its operating expenses until the closing of the contemplated Merger, which is subject to approval by its shareholders and the shareholders of Korsana and other customary closing conditions; however, Cyclerion has based this estimate on assumptions that may prove to be wrong, and Cyclerion could use its capital resources sooner than Cyclerion expects.

Cyclerion CVR Agreement

At or prior to the first merger, Cyclerion will enter into a Contingent Value Rights Agreement (the "CVR Agreement") with a designated rights agent (the "Rights Agent"), pursuant to which Cyclerion's pre-merger shareholders will receive one contingent value right (each a "CVR") for each outstanding share of Cyclerion Common Stock and Cyclerion Series A Preferred Stock held by such shareholder on such date. Each CVR will represent the contractual right to receive certain net proceeds, if any, derived from any consideration that is paid to Cyclerion as a result of the disposition of Cyclerion's pre-Merger legacy assets, net of any indemnity obligations, transaction costs and certain other expenses, during the period beginning on the date of the closing of the merger and ending (i) with respect to the sale, transfer, license or other disposition of all pre-merger legacy assets other than those pre-merger legacy assets described in the following clauses (ii) and (iii), upon the second (2nd) anniversary of the Closing Date, (ii) with respect to Cyclerion's right to receive payments under that certain License Agreement, dated June 3, 2021, between Cyclerion and Akebia Therapeutics, Inc. (the "Akebia License Agreement"), the earlier of (A) the fifteenth (15th) anniversary of the date of entry into the CVR Agreement and (B) the expiration or earlier termination by Akebia Therapeutics, Inc. of the Akebia License Agreement pursuant to its terms, and (iii) with respect to the sale, transfer or other disposition of the equity interests of Tisento that were acquired by Cyclerion pursuant to that certain Asset Purchase Agreement, dated May 13, 2023, by and among Cyclerion, Tisento and JW Cycle, Inc., the earliest of (A) nine (9) months following the date of the consummation of Tisento's initial public offering pursuant to a registration statement filed with, and declared effective by, the Securities and Exchange Commission pursuant to the Securities Act, (B) the sale of Tisento, and (C) the seventh (7th) anniversary of the Closing Date.

The contingent payments under the CVR Agreement, if they become payable, will become payable to the Rights Agent for subsequent distribution to the holders of the CVRs. In the event that no such proceeds are received, holders of the CVRs will not receive any payment pursuant to the CVR Agreement. There can be no assurance that any holders of CVRs will receive any payments with respect thereto.

Financial Overview

Research and Development Expense. Research and development expenses are incurred in connection with the discovery and development of our product candidates. These expenses consist primarily of the following costs: compensation, benefits and other employee-related expenses, research and development-related facilities, third-party contracts relating to manufacturing, nonclinical studies, clinical trial activities. All research and development expenses are charged to operations as incurred.

Praliciguat is an orally administered, once-daily systemic sGC stimulator. On June 3, 2021, we entered into a license agreement with Akebia relating to the exclusive worldwide license to Akebia of our rights to the development, manufacture, medical affairs and commercialization of pharmaceutical products containing praliciguat and other related products and forms thereof enumerated in such agreement. In 2021, Akebia paid a $3.0 million upfront payment to us upon signing of the license agreement.

On December 13, 2024, we announced that Cyclerion and Akebia re-negotiated a mutually beneficial amendment to Akebia's exclusive license agreement for praliciguat. Under this new license amendment, we received $1.75 million in amendment payments, of which $1.25 million was paid in December 2024 and an additional

payment of $0.5 million was paid in September 2025. In addition, Akebia is responsible for all intellectual property expenses associated with praliciguat at an earlier date than as originally agreed between the parties. On December 1, 2025, Akebia publicly announced that it has recently initiated Phase 2 clinical trials for the treatment of focal segmental glomerulosclerosis ("FSGS") using praliciguat. Pursuant to the terms of amendment, upon initiation (defined as first patient dosed) of a Phase 2 clinical trial in the U.S. for a product, a $1.0 million development milestone payment would be due to us and the payment was received in February 2026. We are eligible to receive additional milestone cash payments of up to approximately $557.5 million in total related to potential future development, regulatory, and commercialization milestone payments for praliciguat. In exchange for a reduction in certain development milestone payments, we are eligible to receive certain higher-tiered sales-based royalties ranging from mid-single-digits to twenty percent.

In September 2025, we entered in a Material Purchase Agreement (the "Purchase Agreement") with Akebia relating to purchase additional development materials (the "Additional Development Materials") by Akebia for Akebia's use pursuant to the license agreement. Akebia paid $0.8 million to us for the purchase during the year ended December 31, 2025 and the Additional Development Materials were delivered to Akebia as of December 31, 2025 and we recognized revenue of $0.8 million during the year ended December 31, 2025.

Olinciguat is a Phase 2, orally administered, once-daily, vascular sGC stimulator. On July 22, 2024, we entered into an Option to License Agreement (the "Option Agreement") with a third party (the "Optionee"), pursuant to which the Optionee had an option (the "Option") to enter into an exclusive license to olinciguat for human therapeutics, subject to certain carveouts. Under the terms of the Option Agreement, the Optionee paid us an Option fee of $150,000 in August 2024 and subsequent fees totaling $80,000 to extend the term of the Option Agreement. The Optionee originally could exercise the Option on or before March 20, 2025, which option period was ultimately extended through August 22, 2025. Thereafter, the parties had an additional 60 days to negotiate the terms of a definitive license agreement. The parties were unable to agree upon the terms of a license agreement and we were provided notice on October 23, 2025 that it was terminating the Option Agreement. We are currently exploring potential license opportunities for olinciguat.

Zagociguat and CY3018 are orally administered CNS-penetrant sGC stimulators. On July 28, 2023, Tisento purchased zagociguat and CY3018 in exchange for $8.0 million in cash consideration, $2.4 million as reimbursement for certain operating expenses related to zagociguat and CY3018 for the period between signing and closing of the transaction, and 10% of all of Tisento Parent's outstanding equity securities at the time of closing. Research and development expenses decreased significantly after July 28, 2023, due to sale of the Transferred Assets which resulted in a reduction of research and development efforts.

On January 27, 2025, Tisento announced that the first patient had been dosed in its global Phase 2b PRIZM study. The study is investigating the impact of once-daily oral zagociguat treatment on fatigue, cognitive impairment, and other key aspects of the rare mitochondrial disease MELAS (Mitochondrial Encephalomyopathy, Lactic Acidosis, and Stroke-like Episodes). On June 17, 2025, Tisento announced that the U.S. Food and Drug Administration (FDA) has granted Fast Track designation to zagociguat for the treatment of MELAS.

PRIZM – a Phase 2b Randomized, Placebo-Controlled Trial Investigating Zagociguat in MELAS – is evaluating the efficacy and safety of oral zagociguat 15 mg or 30 mg compared to placebo when administered once-daily for 12 weeks in participants with genetically and phenotypically defined MELAS. The PRIZM study has a crossover design, with two 12-week treatment periods separated by a 4-week washout period. All participants will receive zagociguat during one of the 12-week periods and placebo during the other. Participants who complete the study may be eligible for an open-label extension study. PRIZM is a global study with plans to enroll approximately 44 participants at mitochondrial disease centers of excellence in the U.S., Italy, Germany, United Kingdom, Australia, and Canada. Tisento announced its first patient was dosed in the study in January 2025. In August 2025, Tisento announced that the first patient was enrolled in Tisento's open-label extension study in MELAS and in January 2026, Tisento announced that it completed enrollment in PRIZM. Further information regarding the study is available at ClinicalTrials.gov (NCT06402123).

On September 19, 2025, Cyclerion and the Massachusetts Institute of Technology ("MIT") entered into a Patent License Agreement (the "MIT License Agreement") pursuant to which MIT granted to us an exclusive worldwide license to develop and commercialize products using certain technology for the treatment of neuropsychiatric disorders, such as depression, in humans. Under the MIT License Agreement, we paid a nominal upfront license fee and patent reimbursement fee. Thereafter, we are also required to pay MIT a nominal annual license maintenance fee. This annual license maintenance fee is nonrefundable; however, the license maintenance

fee may be credited to royalties earned during the same calendar year, if any. License maintenance fees paid in excess of royalties due in such calendar year shall not be creditable to amounts due for future years. Under the terms of the MIT License Agreement, MIT will be eligible to receive up to $4.4 million upon the achievement of certain development, regulatory and sales milestone payments. MIT will also receive tiered royalties in a range of percentages in the low single digits based on future net sales of licensed products as set forth in the MIT License Agreement. Further, we are required to pay MIT varying percentages of income received as consideration for any sublicenses granted pursuant to the MIT License Agreement depending on the circumstances of the sublicense and the development milestones of sublicensed products. The term of the MIT License Agreement will expire in its entirety upon the expiration of certain patent rights for the licensed patents, unless earlier terminated by the parties in accordance with the terms of the MIT License Agreement. We recorded research and development expense of $0.1 million for the year ended December 31, 2025, which consisted of upfront fees, patent reimbursement fees and transaction costs related to the license.

On January 3, 2026, we and Medsteer SAS ("Medsteer") entered into a Collaboration and Option Agreement (the "Collaboration Agreement") pursuant to which Medsteer granted to us (i) a non-exclusive, worldwide, royalty-free, sublicensable license of certain of Medsteer's technology, software and intellectual property to develop an anesthetic delivery system with Medsteer and (ii) an exclusive option (the "Option"), exercisable at our sole discretion, to obtain an exclusive, worldwide, royalty-bearing, sublicensable license of certain of Medsteer's technology, software and intellectual property to develop or commercialize licensed products in any field of use except for sedation regulation for patients undergoing major surgery, in multi-bed or intensive unit wards, or in the context of medical transport. We may exercise the Option at any time until the earlier of the second anniversary of the effective date of the Collaboration Agreement, which period may be extended for an additional two years at our option and upon payment of a nominal fee or by mutual agreement of us and Medsteer.

Under the terms of the Collaboration Agreement, the Company will pay to Medsteer a nominal upfront payment, a payment upon exercise of the Option, and Medsteer will be eligible to receive up to $3.7 million upon the achievement of certain development, regulatory and sales milestone payments. Medsteer will also receive an annual royalty payment and royalties in a percentage in the low single digits based on future net sales of licensed products, subject to certain adjustments as set forth in the Collaboration Agreement.

We continue to evaluate other activities aimed at enhancing shareholder value, which may potentially include collaborations, licenses, mergers, acquisitions, and/or other targeted investments.

The following table summarizes our research and development expenses, employee and facility related costs allocated to research and development expense, and discovery and pre-clinical phase programs, for the three and six months ended June 30, 2026 and 2025. The product pipeline expenses relate primarily to external costs associated with nonclinical studies.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
	(in thousands)		(in thousands)	
Personnel and related internal costs	$ —	$ 12	$ 7	$ 24
Others	—	44	723	68
Total research and development expenses	$ —	$ 56	$ 730	$ 92

Securing regulatory approvals for new drugs is a lengthy and costly process. Any failure by us or our partners to obtain, or any delay in obtaining, regulatory approvals would materially adversely affect our product candidate development efforts and our business overall.

Given the inherent uncertainties of pharmaceutical product development, we cannot estimate with any degree of certainty how our programs will evolve, and therefore the amount of time or money that would be required to obtain regulatory approval to market them. As a result of these uncertainties surrounding the timing and outcome of any approvals, we are currently unable to estimate precisely when, if ever, our discovery and development candidates will be approved.

If we continue to progress the development of our product candidates, the successful development of any current or potential future product candidates is highly uncertain and subject to a number of risks.

We are unable to determine the duration and costs to complete current or future nonclinical and clinical stages of any current or potential future product candidates, including as licensed to third parties, or when, or to what extent, we may generate revenues from the commercialization and sale of any current or potential future product candidates. Development timelines, probability of success and development costs vary widely. We anticipate that we will make determinations as to which additional programs to pursue and how much funding to direct to each program on an ongoing basis in response to the data from the studies of each product candidate, the competitive landscape and ongoing assessments of such product candidate's commercial potential.

General and Administrative Expense. General and administrative expenses consist primarily of compensation, benefits and other employee and non-employee related expenses for personnel in our administrative, finance, legal, information technology, business development, and human resource functions. Other costs include the legal costs of pursuing patent protection of our intellectual property, insurance costs and professional fees for accounting and legal services. We record all general and administrative expenses as incurred.

Critical Accounting Policies and Estimates

Our discussion and analysis of our financial condition and results of operations is based upon our consolidated financial statements prepared in accordance with GAAP. The preparation of these financial statements requires us to make certain estimates and assumptions that may affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the amounts of expenses during the reported periods. We base our estimates on our historical experience and on various other assumptions that are believed to be reasonable, the results of which form the basis for making judgments about the carrying values of assets and liabilities. Actual results may differ materially from our estimates under different assumptions or conditions. Changes in estimates are reflected in reported results in the period in which they become known.

We believe that our application of accounting policies requires significant judgments and estimates on the part of management and is the most critical to aid in fully understanding and evaluating our reported financial results. Our significant accounting policies are more fully described in Note 2, *Summary of Significant Accounting Policies*, of the consolidated financial statements elsewhere in Annual Report on Form 10-K for the fiscal year ended December 31, 2025.

All research and development expenses are expensed as incurred. We defer and capitalize nonrefundable advance payments we make for research and development activities until the related goods are received or the related services are performed. A discussion of our critical accounting policies and estimates may be found in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025 in Item 7, *Management's Discussion and Analysis of Financial Condition and Results of Operations* under the heading *Critical Accounting Policies and Estimates.*

Results of Operations

The revenue and expenses reflected in the consolidated financial statements may not be indicative of revenue and expenses that will be incurred by us in the future. The following discussion summarizes the key factors we believe are necessary for an understanding of our consolidated financial statements.

	Three Months Ended June 30,		Change		Six Months Ended June 30,		Change	
	2026	2025	$	%	2026	2025	$	%
	(dollars in thousands)				(dollars in thousands)			
Revenues:								
Revenue from option agreement	$ —	$ 93	$ (93)	(100)%	$ —	$ 174	$ (174)	(100)%
Total revenues	—	93	(93)	(100)%	—	174	(174)	(100)%
Cost and expenses:								
Research and development	—	56	(56)	(100)%	730	92	638	693%
General and administrative	1,771	1,709	62	4%	4,250	3,211	1,039	32%
Total cost and expenses	1,771	1,765	6	0%	4,980	3,303	1,677	51%
Loss from operations	(1,771)	(1,672)	(99)	6%	(4,980)	(3,129)	(1,851)	59%
Other income, net								
Interest income	16	31	(15)	(48)%	48	59	(11)	(19)%
Gain from insurance recovery	—	1,317	(1,317)	(100)%	—	1,317	(1,317)	(100)%
Total other income, net	16	1,348	(1,332)	(99)%	48	1,376	(1,328)	(97)%
Net loss and other comprehensive loss	$ (1,755)	$ (324)	$ (1,431)	442%	$ (4,932)	$ (1,753)	$ (3,179)	181%

Revenue

Revenue from option agreement. On July 22, 2024, we entered into the Option Agreement with the Optionee, which the Optionee had the Option to enter into an exclusive license to olinciguat for human therapeutics, subject to certain carveouts. We recognized revenue of $0.1 million and $0.2 million related to the Option extension fee and expense reimbursement during the three and six months ended June 30, 2025, respectively. The Option Agreement was terminated in October 2025 and no revenue was recognized during the three and six months ended June 30, 2026.

Expenses

Research and development expense. The decrease in research and development expense of approximately $0.1 million for the three months ended June 30, 2026 compared to the three months ended June 30, 2025, was primarily our termination of research and development efforts in the first half of 2026.

The increase in research and development expense of approximately $0.6 million for the six months ended June 30, 2026 compared to the six months ended June 30, 2025, was primarily driven by increases of approximately $0.5 million in professional consulting and approximately $0.1 million in license option fee.

General and administrative expense. The increase in general and administrative expenses of approximately less than $0.1 million for the three months ended June 30, 2026 compared to the three months ended June 30, 2025 was primarily driven by increases of approximately $0.4 million in corporate legal fees, offset by a decrease of $0.1 million in patent fees, $0.1 million in professional consulting, $0.1 million in outside service fees and $0.1 million in audit services fees.

The increase in general and administrative expenses of approximately $1.0 million for the six months ended June 30, 2026 compared to the six months ended June 30, 2025 was primarily driven by increases of approximately $0.2 million in professional consulting and $1.3 million in corporate legal fees, offset by a decrease of $0.1 million in patent fees, $0.1 million in audit service fees, $0.1 million in stock compensation expense and $0.1 million in insurance expense.

Interest income. Interest income was not changed significantly for the three and six months ended June 30, 2026, compared to the three and six months ended June 30, 2025.

Liquidity and Capital Resources

To date, we have been funded primarily from sales of our equity securities, payments received in connection with the sale of assets to Tisento, milestone payments from Akebia and an option to license payment.

On February 4, 2025, we filed a Registration Statement on Form S-3 (the "2025 Shelf") with the securities and Exchange Commission (the "SEC") in relation to the registration of common stock, preferred stock, warrants and units of any combination thereof for an aggregate initial offering price not to exceed $25.0 million. The amount we can sell under the 2025 Shelf, which was declared effective in February 2025, cannot exceed one-third of the value of our public float.

On March 21, 2025, we closed on a private placement of 499,998 shares of our common stock, pursuant to a Stock Purchase Agreement, for total gross proceeds of approximately $1.375 million. We also incurred transaction costs of $0.1 million during the six months ended June 30, 2026.

On May 7, 2025, we entered into an "at the market" equity offering program (the "ATM Program") pursuant to a Sales Agreement (the "2025 Sales Agreement") by and between us and Guggenheim Securities LLC ("Guggenheim Securities"). Pursuant to the terms of the 2025 Sales Agreement, we could sell, from time to time, shares of our common stock, having an aggregate offering price of up to $20,000,000 from time to time through or to Guggenheim Securities, acting as our agent, subject to the application of General Instruction I.B.6 of Form S-3 ("Instruction I.B.6") pertaining to primary offerings by certain registrants, including shares of common stock offered directly by the Company (the "ATM Shares"). To date, we have sold all ATM shares available under Instruction I.B.6. In light of the proposed Merger, we do not anticipate selling any additional ATM shares between now and the anticipated date of the first closing of the Merger. If the Merger is not consummated, we may consider recommencing sales of ATM Shares although there can no assurance that any such sales may be completed.

We intend to use the remaining net proceeds from the ATM Program for general corporate purposes until such time as the Merger is consummated.

In the event that the Merger is not consummated, and subject to the terms and conditions of the Sales Agreement, Guggenheim Securities will use its commercially reasonable efforts to sell the ATM Shares from time to time, based upon our instructions. We have provided Guggenheim Securities with customary indemnification rights, and Guggenheim Securities will be entitled to a commission of 3.0% of the gross proceeds of the ATM Shares sold under the Sales Agreement.

Future sales of the ATM Shares, if any, will be made pursuant to a previously filed and effective registration statement on Form S-3 (File No. 333-284690). ATM Shares may be offered only by means of a prospectus, including a prospectus supplement, forming a part of the effective registration statement. Sales of the ATM Shares, if any, will be made at market prices by any method that is deemed to be an "at the market" offering as defined in Rule 415 under the Securities Act of 1933, as amended, including sales made directly on the Nasdaq Capital Market or any other trading market for our common stock. We have no obligation to sell any of the ATM Shares and may at any time suspend offers under the Sales Agreement or terminate the Sales Agreement.

Pursuant to Instruction I.B.6, in no event will we sell ATM Shares with a value exceeding more than one-third of our "public float" (the aggregate market value of our outstanding common stock held by non-affiliates) in any twelve-month period so long as our public float remains below $75.0 million. During the year ended December 31, 2025, we sold 715,220 ATM Shares for net proceeds of $2.1 million. On January 6, 2026, we sold 405,000 ATM Shares for net proceeds of $0.8 million. These sales exhausted our ability to sell additional ATM Shares during the first quarter of 2026 due to the limitations set forth in Instruction I.B.6.

On May 19, 2023, we sold 225,000 shares of our common stock, pursuant to a Common Stock Purchase Agreement, and 351,037 shares of Series A Preferred Stock, to our former CEO, for total gross proceeds of approximately $5 million. There were no material fees or commissions related to the transaction. Such Series A Convertible Preferred Stock is convertible into shares of our common stock on a one-to-one basis. Our shareholders approved such convertibility on July 19, 2023.

On July 28, 2023, we closed the transactions contemplated by the Asset Purchase Agreement receiving proceeds of $8.0 million as cash consideration, approximately $2.4 million as reimbursement for certain operating expenses related to zagociguat and CY3018 programs for the period between signing and closing of the transaction, and 10% of all of Tisento Parent's outstanding equity securities.

If we are unable to complete the Merger, our ability to continue to fund our operations and meet capital needs will depend on our ability to generate cash from operations and access to capital markets and other sources of capital, as further described below. We anticipate that, if we continue to progress the development of our product candidates, our principal uses of cash in the future will be primarily to fund our operations, working capital needs, capital expenditures and other general corporate purposes. However, there can be no assurance that we would be successful in raising such funding.

On June 30, 2026, we had approximately $1.4 million of unrestricted cash and cash equivalents. Our cash equivalents include amounts held in U.S. government money market funds. We invest cash in excess of immediate requirements in accordance with our investment policy, which requires all investments held by us to be at least "AAA" rated or equivalent, with a remaining final maturity when purchased of less than twelve months, so as to primarily achieve liquidity and capital preservation.

Going Concern

We evaluated whether there are conditions and events considered in the aggregate, which raise substantial doubt about our ability to continue as a going concern within one year after the date that these consolidated financial statements are issued. This evaluation initially does not take into consideration the potential mitigating effect of management's plans that have not been fully implemented as of the date the financial statements are issued. When substantial doubt exists under this methodology, management evaluates whether the mitigating effect of our plans sufficiently alleviates substantial doubt about our ability to continue as a going concern. The mitigating effect of management's plans, however, is only considered if both (1) it is probable that the plans will be effectively implemented within one year after the date that the financial statements are issued, and (2) it is probable that the plans, when implemented, will mitigate the relevant conditions or events that raise substantial doubt about the entity's ability to continue as a going concern within one year after the date that these consolidated financial statements are issued. In performing our analysis, management excluded certain elements of our operating plan that cannot be considered probable. Under ASC 205-40, the future receipt of potential funding from future partnerships, equity or debt issuances, and the potential milestones from the Akebia agreement cannot be considered probable at this time because these plans are not entirely within our control and/or have not been approved by the Board of Directors as of the date of these consolidated financial statements.

We have incurred recurring losses since our inception, including a net loss of $4.9 million for the six months ended June 30, 2026. In addition, as of June 30, 2026, we had an accumulated deficit of $276.0 million. We expect that our cash and cash equivalents as of June 30, 2026, will be sufficient to fund our operating expenses through the anticipated closing of the Merger, however we will need to obtain additional funding to sustain operations as we expect to continue to generate operating losses for the foreseeable future. Accordingly, we have concluded that substantial doubt exists about our ability to continue as a going concern.

The accompanying condensed consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and satisfaction of liabilities in the ordinary course of business. The condensed consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might result from the outcome of the uncertainties described above.

Cash Flows

The following is a summary of cash flows for the six months ended June 30, 2026 and 2025:

	Six Months Ended June 30,		Change	
	2026	2025	$	%
	(dollars in thousands)			
Net cash used in operating activities	$ (2,608)	$ (1,471)	$ (1,137)	77%
Net cash used in investing activities	$ (66)	$ —	$ (66)	—
Net cash provided by financing activities	$ 825	$ 1,245	$ (420)	(34)%

Cash Flows used in Operating Activities

Net cash used in operating activities of $2.6 million for the six months ended June 30, 2026 was primarily a result of our $4.9 million net loss from operations. The net loss was offset by non-cash stock-based compensation expense of $0.1 million, a decrease in accounts receivable of $1.0 million, a decrease in prepaid expense of $0.3 million and an increase in accounts payable of $1.1 million. The net loss was also adjusted by a decrease in accrued research and development costs of $0.2 million.

Net cash used in operating activities of $1.5 million for the six months ended June 30, 2025 was primarily a result of our $1.8 million net loss from operations. The net loss was offset by non-cash stock-based compensation expense of $0.2 million.

Cash Flows used in Investing Activities

Net cash used in investment activities of $0.1 million for the six months ended June 30, 2026 was due to purchase of lab equipment acquired during the six months ended June 30, 2026. There was no investing activity in the six months ended June 30, 2025.

Cash Flows provided by Financing Activities

Net cash provided by financing activities for the six months ended June 30, 2026 of $0.8 million was due to the net proceeds received from ATM related to the issuance of 405,000 shares of our common stock under the ATM. Net cash provided by financing activities for the six months ended June 30, 2025 of $1.2 million was due to cash received from the 2025 Equity Private Placement related to issuance of 499,998 shares common stock at a purchase price of $2.75 per share.

Funding Requirements

If we are unable to complete the Merger, we expect our expenses to fluctuate as we continue to maintain out-license opportunities and potentially seek to broaden our portfolio through in-licensing of complementary assets. We expect that our cash and cash equivalents as of June 30, 2026, will be sufficient to fund operations through the anticipated closing date of the Merger. As a result, if we are unable to complete the Merger, we will need to obtain additional funding to sustain operations as we expect to continue to generate operating losses for the foreseeable future. Failure to obtain necessary capital when needed would likely delay development of any current or potential future product candidates, and would likely make it difficult for us to continue our operations. Because there is substantial doubt about our ability to continue as a going concern for a reasonable period of time, an investment in our common stock is highly speculative; holders of our common stock could suffer a total loss of their investment.

Because of the many risks and uncertainties associated with research, development and commercialization of product candidates, we are unable to estimate the exact amount of our working capital requirements if the Merger is not consummated. If the Merger is not consummated and if we are thereafter unable to raise additional capital, we expect we would cease operations and seek to dissolve the Corporation. In the event we were able to raise additional capital, our expenses will fluctuate, and our future funding requirements will depend on, and could increase or decrease significantly as a result of many factors, including the:

- scope, progress, results and costs of researching and developing our current and any potential future product candidates, and any preclinical studies and clinical trials we may conduct;
- costs, timing and outcome of regulatory review of any current and any potential future product candidates;
- costs of future activities, including medical affairs, manufacturing and distribution, of any current or potential future product candidates for which we receive marketing approval;
- cost and timing of necessary actions to support our strategic objectives;
- costs of preparing, filing and prosecuting patent applications, maintaining and enforcing our intellectual property rights and defending intellectual property-related claims; and
- timing, receipt and amount of sales of, or milestone payments related to or royalties on, our current or potential future product candidates, if any.

A change in any of these or other variables with respect to the development of any current or potential future product candidates could significantly change the costs and timing of the development of that product candidate.

Our future capital requirements will depend primarily on our ability to complete the Merger. If we do not complete the Merger and until such time, if ever, as we can generate substantial product revenue, we expect to finance our cash needs through a combination of public or private equity offerings, debt financings, collaborations, strategic alliances or licensing arrangements with third parties, of which there can be no assurance. To the extent that we raise additional capital through the sale of equity or convertible debt securities, outstanding equity ownership may be materially diluted, and the terms of securities sold in such transactions could include liquidation and other preferences and rights that adversely affect the rights of holders of common stock. Debt financing and preferred equity financing, if available, may involve agreements that include restrictive covenants that limit our ability to take specified actions, such as incurring additional debt, making capital expenditures or declaring dividends. In addition, debt financing would result in increased fixed payment obligations.

If we raise funds through collaborations, strategic alliances or licensing arrangements with third parties, as to which raise there can be no assurance, we may have to relinquish rights to our technologies, future revenue streams, research programs or product candidates or grant licenses on terms that may not be favorable to us. If we do not complete the Merger and are unable to raise funds, we may need to cease operations.

Contractual Commitments and Obligations

Tax-related Obligations

We exclude assets, liabilities or obligations pertaining to uncertain tax positions from our summary of contractual commitments and obligations as we cannot make a reliable estimate of the period of cash settlement with the respective taxing authorities. As of June 30, 2026, we had no uncertain tax positions.

Off-Balance Sheet Arrangements

We do not have any relationships with unconsolidated entities or financial partnerships, such as entities often referred to as structured finance or special purpose entities, that would have been established for the purpose of facilitating off-balance sheet arrangements (as that term is defined in Item 303(a)(4)(ii) of Regulation S-K) or other contractually narrow or limited purposes. As such, we are not exposed to any financing, liquidity, market or credit risk that could arise if we had engaged in those types of relationships. We enter into guarantees in the ordinary course of business related to the guarantee of our own performance.

New Accounting Pronouncements

For a discussion of new accounting pronouncements see Note 2, *Summary of Significant Accounting Policies*, of the consolidated financial statements appearing elsewhere in this Quarterly Report on Form 10-Q.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

We are a smaller reporting company as defined by Rule 12b-2 of the Securities Exchange Act of 1934, as amended (the "Exchange Act") and are not required to provide the information required under this item.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

The term "disclosure controls and procedures," as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act refers to controls and procedures that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the company's management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. Because there are inherent limitations in all control systems, a control system, no matter how well conceived and operated, can provide only reasonable, as opposed to absolute, assurance that the objectives of the control system are met. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the control. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Our management, with the participation of our chief executive officer and chief financial officer, evaluated the effectiveness of our disclosure controls and procedures as of the end of the period covered by this report. Based on that evaluation, our chief executive officer and chief financial officer concluded that our disclosure controls and procedures were effective, at the reasonable assurance level, as of the end of the period covered by this report. However, our management does not expect that our disclosure controls and procedures or our internal control over financial reporting will prevent all errors and all fraud.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during the period covered by this Quarterly Report on Form 10-Q which have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II

Item 1. ***Legal Proceedings***

We are not a party to any material legal proceedings at this time. From time to time, we may be subject to various legal proceedings and claims, which may have a material adverse effect on our financial position or results of operations.

Item 1A. ***Risk Factors***

You should carefully review and consider the information regarding certain factors which could materially affect our business, financial condition or future results set forth under the heading "Risk Factors" in Part I, Item 1A of our Annual Report on Form 10-K for the fiscal year ended December 31, 2025 and Part 1, Item 1A of our Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2026. There have been no material changes in our risk factors since our Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2026.

Item 5. ***Other Information***

During the 2026 second quarter, no director or Section 16 officer adopted or terminated any Rule 10b5-1 plans or non-Rule 10b5-1 trading arrangements.

Item 6. ***Exhibits***

See the Exhibit Index on the following page of this Quarterly Report on Form 10-Q.

EXHIBIT INDEX

Exhibit No.	Description
31.1	Certificate of Chief Executive Officer (Principal Executive Officer) pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certificate of Chief Financial Officer (Principal Financial Officer) pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	Certificate of Chief Executive Officer (Principal Executive Officer) pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2	Certificate of Chief Financial Officer (Principal Financial Officer) pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS	Inline XBRL Instance Document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document.
104	Cover Page Interactive Data File.

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.

CYCLERION THERAPEUTICS, INC.

By: /s/ Regina Graul
Name: Regina Graul
Title: *President and Chief Executive Officer (Principal Executive Officer)*

By: /s/ Rhonda Chicko
Name: Rhonda Chicko
Title: *Chief Financial Officer (Principal Financial and Accounting Officer)*

Date: August 4, 2026

Exhibit 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Regina Graul, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Cyclerion Therapeutics, 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 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 (the registrant's fourth fiscal quarter in the case of an annual report) 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 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: August 4, 2026

By: /s/ Regina Graul
Name: Regina Graul
Title: President and Chief Executive Officer (Principal Executive Officer)

Exhibit 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Rhonda Chicko, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Cyclerion Therapeutics, 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 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 (the registrant's fourth fiscal quarter in the case of an annual report) 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 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: August 4, 2026

By: /s/ Rhonda Chicko
Name: Rhonda Chicko
Title: Chief Financial Officer (Principal Financial and Accounting Officer)

Exhibit 32.1

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

I, Regina Graul, certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge, the Quarterly Report on Form 10-Q of Cyclerion Therapeutics, Inc. for the period ended June 30, 2026 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and the information contained in such Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of Cyclerion Therapeutics, Inc.

Date: August 4, 2026

By: /s/ Regina Graul
Name: Regina Graul
Title: President and Chief Executive Officer (Principal Executive Officer)

Exhibit 32.2

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

I, Rhonda Chicko, certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge, the Quarterly Report on Form 10-Q of Cyclerion Therapeutics, Inc. for the period ended June 30, 2026 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and the information contained in such Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of Cyclerion Therapeutics, Inc.

Date: August 4, 2026

By: /s/ Rhonda Chicko
Name: Rhonda Chicko
Title: Chief Financial Officer (Principal Financial and Accounting Officer)