

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, 2025

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

(State or other jurisdiction of
incorporation or organization)

245 First Street, 18th Floor, Cambridge, Massachusetts
(Address of principal executive offices)

83-1895370

(I.R.S. Employer
Identification No.)

02142

(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 August 1, 2025, the registrant had 3,337,436 shares of common stock, no par value, outstanding.

CYCLERION PHARMACEUTICALS, INC.
QUARTERLY REPORT ON FORM 10-Q
FOR THE QUARTER ENDED JUNE 30, 2025
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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:

- We are currently considering a new potential product candidate and we may not be successful in acquiring 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;
- 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;
- 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 agreement with Akebia Therapeutics, Inc. will be achieved;

- we are seeking to out-license our olinciguat technology to a third party which holds an option to negotiate a license to this technology and if the third party elects not to exercise the option or if we are unable to reach agreement on license terms, we may not be able to commercialize or receive future royalty and milestone payments for olinciguat;
- our product candidates and those we have sold or out-licensed have not been approved for sale by regulatory agencies and may not prove to meet safety and efficacy requirements and if we 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 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 current and potential future product candidates;
- third parties may allege we infringe their intellectual property rights, which could result in adverse outcomes;
- we may fail to maintain effective internal controls over financial reporting;
- we may be impacted by trends and challenges in the market affecting our 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;
- 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; and
- 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.

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, 2024, as filed with the Securities and Exchange Commission on March 4, 2025 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, 2025	December 31, 2024
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 3,006	\$ 3,232
Accounts receivable	525	556
Prepaid expenses	462	421
Other current assets	27	16
Total current assets	4,020	4,225
Other investment	5,350	5,350
Total assets	\$ 9,370	\$ 9,575
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 462	\$ 390
Accrued research and development costs	72	52
Accrued expenses and other current liabilities	266	283
Total current liabilities	800	725
Commitments and contingencies (Note 7)	—	—
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, 2025 and December 31, 2024	—	—
Common stock, no par value, 400,000,000 shares authorized at June 30, 2025 and December 31, 2024; 3,210,094 and 2,710,096 shares issued at June 30, 2025 and December 31, 2024, respectively; 3,075,968 and 2,545,922 shares outstanding at June 30, 2025 and December 31, 2024, respectively	—	—
Paid-in capital	277,815	276,342
Accumulated deficit	(269,245)	(267,492)
Total stockholders' equity	8,570	8,850
Total liabilities and stockholders' equity	\$ 9,370	\$ 9,575

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,	
	2025	2024	2025	2024
Revenues:				
Revenue from option agreement	\$ 93	\$ —	\$ 174	\$ —
Total revenues	93	—	174	—
Cost and expenses:				
Research and development	56	105	92	149
General and administrative	1,709	1,279	3,211	2,853
Total cost and expenses	1,765	1,384	3,303	3,002
Loss from operations	(1,672)	(1,384)	(3,129)	(3,002)
Other income, net				
Interest income	31	62	59	138
Gain from insurance recovery	1,317	—	1,317	—
Total other income, net	1,348	62	1,376	138
Net loss	\$ (324)	\$ (1,322)	\$ (1,753)	\$ (2,864)
Net loss per share:				
Basic and diluted net loss per share	\$ (0.11)	\$ (0.53)	\$ (0.62)	\$ (1.14)
Weighted average shares used in calculating:				
Basic and diluted shares	3,071	2,510	2,842	2,502
Other comprehensive loss:				
Net loss	\$ (324)	\$ (1,322)	\$ (1,753)	\$ (2,864)
Other comprehensive loss:				
Foreign currency translation adjustment loss	—	(2)	—	(6)
Comprehensive loss	\$ (324)	\$ (1,324)	\$ (1,753)	\$ (2,870)

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	Accumulated other comprehensive loss	Total Stockholders' equity
	Shares	Amount	Shares	Amount				
Balance at December 31, 2023	2,474,159	\$ —	351,037	\$ —	\$ 275,717	\$ (264,417)	\$ (12)	\$ 11,288
Net loss	—	—	—	—	—	(1,542)	—	(1,542)
Vesting of restricted stock awards	25,442	—	—	—	—	—	—	—
Share-based compensation expense related to issuance of stock options and restricted stock awards	—	—	—	—	181	—	—	181
Foreign currency translation adjustment	—	—	—	—	—	—	(4)	(4)
Balance at March 31, 2024	<u>2,499,601</u>	<u>\$ —</u>	<u>351,037</u>	<u>\$ —</u>	<u>\$ 275,898</u>	<u>\$ (265,959)</u>	<u>\$ (16)</u>	<u>\$ 9,923</u>
Net loss	—	—	—	—	—	(1,322)	—	(1,322)
Vesting of restricted stock awards	16,273	—	—	—	—	—	—	—
Share-based compensation expense related to issuance of stock options and restricted stock awards	—	—	—	—	184	—	—	184
Foreign currency translation adjustment	—	—	—	—	—	—	(2)	(2)
Release of foreign currency translation adjustment upon liquidation of a subsidiary	—	—	—	—	—	(18)	18	—
Balance at June 30, 2024	<u>2,515,874</u>	<u>\$ —</u>	<u>351,037</u>	<u>\$ —</u>	<u>\$ 276,082</u>	<u>\$ (267,299)</u>	<u>\$ —</u>	<u>\$ 8,783</u>

	Common Stock		Preferred Stock		Paid-in capital	Accumulated deficit	Accumulated other comprehensive loss	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 issuance of stock options and restricted stock awards	—	—	—	—	114	—	—	114
Balance at March 31, 2025	<u>3,060,944</u>	<u>\$ —</u>	<u>351,037</u>	<u>\$ —</u>	<u>\$ 277,701</u>	<u>\$ (268,921)</u>	<u>\$ —</u>	<u>\$ 8,780</u>
Net loss	—	—	—	—	—	(324)	—	(324)
Vesting of restricted stock awards	15,024	—	—	—	—	—	—	—
Share-based compensation expense related to issuance of stock options and restricted stock awards	—	—	—	—	114	—	—	114
Balance at June 30, 2025	<u>3,075,968</u>	<u>\$ —</u>	<u>351,037</u>	<u>\$ —</u>	<u>\$ 277,815</u>	<u>\$ (269,245)</u>	<u>\$ —</u>	<u>\$ 8,570</u>

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,	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	\$ (1,753)	\$ (2,864)
Adjustments to reconcile net loss to net cash used in operating activities:		
Share-based compensation expense	228	365
Changes in operating assets and liabilities:		
Accounts receivable	31	—
Prepaid expenses	(41)	326
Other current assets	(11)	—
Accounts payable	72	(547)
Accrued research and development costs	20	7
Accrued expenses and other current liabilities	(17)	(264)
Net cash used in operating activities	(1,471)	(2,977)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Gross proceeds from private placement	1,375	—
Issuance costs paid for private placement	(130)	—
Net cash provided by financing activities	1,245	—
Effect of exchange rate changes on cash and cash equivalents	—	(6)
Net decrease in cash and cash equivalents	(226)	(2,983)
Cash and cash equivalents, beginning of period	3,232	7,571
Cash and cash equivalents, end of period	\$ 3,006	\$ 4,588

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 is focused on building a new pipeline with therapeutics to treat certain neuropsychiatric diseases. Cyclerion has prioritized an individualized therapy for treatment resistant depression (“TRD”) as its foundational product candidate and has entered into a non-binding option to license agreement for the intellectual property associated with this product. With the large unmet medical need in TRD, the clinical development stage of this asset, and the strong commercial opportunity, the Company believes that this product is well suited to be its foundation moving forward. The Company is currently developing an integrated development and commercial strategy in TRD. Cyclerion has one employee as of June 30, 2025.

At inception, Cyclerion was a biopharmaceutical company focused on the treatment of serious diseases with novel soluble guanylate cyclase (“sGC”) stimulators in both the central nervous system (“CNS”) and the periphery. The Company’s strategy changed and Cyclerion’s sGC assets have either been sold, out-licensed or has plans to be out-licensed to a third party. The Company’s prior strategy to conduct research and development on sGC stimulators has been discontinued and Cyclerion does not intend to internally pursue research and development or commercialization with any sGC asset. The Company is leveraging its legacy sGC stimulator assets to generate revenues which, in the near-term will be used to implement its strategic building plan in TRD.

Praliguat 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 praliguat and other related products and forms thereof enumerated in such agreement.

On December 13, 2024, Cyclerion announced that Cyclerion and Akebia have re-negotiated a mutually beneficial amendment to their exclusive license agreement for praliguat, a systemic sGC stimulator. Under this new license amendment, Cyclerion will receive \$1.75 million in amendment payments, of which \$1.25 million was paid in December 2024 and an additional payment of \$0.5 million is due in September 2025. In addition, Akebia is responsible for all intellectual property expenses associated with praliguat. The Company is eligible to receive additional milestone cash payments of up to approximately \$558.5 million in total potential future development, regulatory, and commercialization milestone payments for praliguat. 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. In 2021, Akebia paid a \$3.0 million upfront payment to the Company upon signing of the license agreement.

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 has 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. The Optionee originally could exercise the Option on or before March 20, 2025, which may be extended for an additional two-month period for an additional fee of \$25,000 (the “Option Period”). The Option Period was extended for two months by the Optionee in March 2025. If the Optionee exercises the Option during the Option Period, the Optionee and the Company shall promptly commence negotiations of the definitive license agreement. The terms of the license agreement will be negotiated in good faith within a period not to exceed 90 days after the date of exercise of the Option. If the parties cannot reach agreement, all rights revert to the Company. In addition, the Optionee has agreed to reimburse the Company for certain patent expenses incurred during the Option period.

In May 2025, the Optionee and the Company entered into an amendment (the “Amendment”) to the Option Agreement to extend the Option Period for an additional three months beginning May 22, 2025 by paying to us an additional extension fee of \$55,000 (the “Second Extension Period”), which was received in June 2025. The negotiation period under the Amendment was also reduced from 90 days to 60 days.

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”).

Cyclerion GmbH, a wholly owned subsidiary, was incorporated in Zug, Switzerland on May 3, 2019. The functional currency is the Swiss franc. Cyclerion GmbH was liquidated and de-registered in May 2024.

Cyclerion Securities Corporation, a wholly owned subsidiary, was incorporated in Massachusetts on November 15, 2019 and was granted securities corporation status in Massachusetts.

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.

No shares of common stock have been issued or sold under the Sales Agreement during the three and six months ended June 30, 2025.

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, 2024, which was filed with the SEC on March 4, 2025.

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, 2025 and 2024 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 GmbH (prior to its deregistration in May 2024), and Cyclerion Securities Corporation. 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, 2025, will be sufficient to fund operations into the first quarter of 2026, 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.

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, 2024.

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 consolidated financial statements, the Company did not adopt any new accounting pronouncements during the six months ended June 30, 2025 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, 2025 and December 31, 2024 (in thousands):

	Fair Value Measurements as of June 30, 2025:			
	Level 1	Level 2	Level 3	Total
Cash equivalents:				
Money market funds	\$ 2,856	\$ —	\$ —	\$ 2,856
Cash equivalents	\$ 2,856	\$ —	\$ —	\$ 2,856

	Fair Value Measurements as of December 31, 2024:			
	Level 1	Level 2	Level 3	Total
Cash equivalents:				
Money market funds	\$ 3,025	\$ —	\$ —	\$ 3,025
Cash equivalents	\$ 3,025	\$ —	\$ —	\$ 3,025

During the six months ended June 30, 2025 and 2024, 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, 2025, 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. Property and Equipment

Property and equipment, net consisted of the following (in thousands):

	June 30, 2025	December 31, 2024
Software	\$ 126	\$ 126
Property and equipment, gross	126	126
Less: accumulated depreciation and amortization	(126)	(126)
Property and equipment, net	<u>\$ —</u>	<u>\$ —</u>

During the six months ended June 30, 2025 and 2024, the Company did not record depreciation and amortization expenses.

6. Accrued Expenses and Other Current Liabilities

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

	June 30, 2025	December 31, 2024
Professional fees	\$ 206	\$ 220
Other	60	63
Accrued expenses and other current liabilities	<u>\$ 266</u>	<u>\$ 283</u>

7. 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, Cycleron 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, 2025 and December 31, 2024.

Separation Benefits

As part of the separation benefit of the former Chief Financial Officer, the Company paid \$0.1 million each in May 2024 and August 2024, as the former Chief Financial Officer had not secured full-time employment prior to the six-month anniversary and nine-month anniversary of November 15, 2023, her last day of employment with the Company. The Company has no further separation benefits obligation to this former employee as of June 30, 2025.

Insurance Recoveries

The Company has several policies with third-party insurers that provide for the recovery of certain costs incurred by the Company. The Company records its rights to insurance recoveries as a receivable when the respective costs are reimbursable under applicable insurance policies, it is probable that such costs will be reimbursed, and reimbursement can be reasonably estimated.

The Company recorded approximately \$1.3 million of insurance recoveries related to loss of advanced intermediated GMP finished materials in other income during the three and six months ended June 30, 2025. There were no insurance recoveries during the three and six months ended June 30, 2024.

8. Share-based Compensation Plans

In 2019, Cycleron adopted share-based compensation plans. Specifically, Cycleron 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").

Cycleron 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 Cycleron 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 Cycleron options, regardless of which company employed them post-Separation. For employees that were ultimately employed by Cycleron, unvested Ironwood options and RSUs were converted to unvested Cycleron 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 six months ended June 30, 2025 and 2024 (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Research and development	\$ 12	\$ 24	\$ 24	\$ 50
General and administrative	102	160	204	315
	<u>\$ 114</u>	<u>\$ 184</u>	<u>\$ 228</u>	<u>\$ 365</u>

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, 2025, 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, 2024	335,448	\$ 158.98	4.7	\$ —
Granted	—	\$ —		
Exercised	—	\$ —		
Cancelled or forfeited	(20,811)	\$ 173.94		
Outstanding as of June 30, 2025	<u>314,637</u>	<u>\$ 157.99</u>	<u>4.4</u>	<u>\$ —</u>
Exercisable at June 30, 2025	<u>251,301</u>	<u>\$ 192.99</u>	<u>3.5</u>	<u>\$ —</u>

There were no options exercised during the three and six months ended June 30, 2025 and 2024. As of June 30, 2025, the unrecognized share-based compensation expense, net of estimated forfeitures, related to all unvested time-based stock options is \$0.2 million and the weighted average period over which that expense is expected to be recognized is 3.45 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, 2025 and 2024, 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, 2025 and 2024, respectively.

Restricted Stock Awards

No RSA was granted during the three and six months ended June 30, 2025 and three months ended June 30, 2024. The Company granted 65,000 RSAs during the six months ended June 30, 2024. 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, 2025 is as follows:

	Number of Shares	Weighted Average Grant Date Fair Value
Unvested as of December 31, 2024	164,174	\$ 2.56
Granted	—	—
Vested	(30,048)	2.52
Forfeited	—	—
Unvested as of June 30, 2025	<u>134,126</u>	<u>\$ 2.56</u>

As of June 30, 2025, the unrecognized share-based compensation expense, net of estimated forfeitures, related to all unvested RSAs is \$0.3 million and the weighted average period over which that expense is expected to be recognized is 2.18 years.

9. 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,	
	2025	2024	2025	2024
Numerator:				
Net loss (in thousands)	\$ (324)	\$ (1,322)	\$ (1,753)	\$ (2,864)
Denominator:				
Weighted average shares used in calculating net loss per share — basic and diluted (in thousands)	3,071	2,510	2,842	2,502
Net loss per share — basic and diluted	<u>\$ (0.11)</u>	<u>\$ (0.53)</u>	<u>\$ (0.62)</u>	<u>\$ (1.14)</u>

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, 2025 and 2024:

	Three and Six Months Ended June 30,	
	2025	2024
Preferred Stock	351,037	351,037
Stock Options	314,637	291,350
RSAs	134,126	194,222
	<u>799,800</u>	<u>836,609</u>

10. Option/License Agreement

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 has 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. The Optionee originally could exercise the Option on or before March 20, 2025, which may be extended for an additional two-month period for an additional fee of \$25,000. The Option Period was extended for two months by the Optionee in March 2025. If the Optionee exercises the Option during the Option Period, the Optionee and the Company shall promptly commence negotiations of the definitive license agreement. The terms of the license agreement will be negotiated in good faith within a period not to exceed 60 days after the date of exercise of the Option. If the parties cannot reach

agreement, all rights revert to the Company. In addition, the Optionee has agreed to reimburse the Company for certain patent expenses incurred during the Option period.

In May 2025, the Optionee and the Company entered into an amendment (the “Amendment”) to the Option Agreement to extend the Option Period for an additional three months beginning May 22, 2025 by paying an additional extension fee of \$55,000 (the “Second Extension Period”), which was paid in June 2025. The negotiation period under the Amendment shall be reduced from 90 days to 60 days. The Company recognized revenue of \$93,000 and \$174,000 related to the Option extension fees and reimbursement of certain patent expenses during the three and six months ended June 30, 2025, respectively. No revenues were recognized during the three and six months ended June 30, 2024.

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 pralicipuat 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 “Amendment”) to the original License Agreement between the parties dated June 3, 2021.

Under the terms of the Amendment, Akebia paid the Company \$1.25 million in December 2024 and is obligated to pay an additional \$0.5 million on or before September 30, 2025. In addition, Akebia has agreed to assume control of the preparation, filing, prosecution and maintenance of certain Cycleron 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. Pursuant to the terms of the Akebia License Agreement, as amended, Cycleron is eligible to receive up to \$558.5 million in total potential future development, regulatory, and commercialization milestone payments, and Akebia will pay Cycleron tiered royalties ranging from mid-single digit to twenty percent of net sales. Cycleron’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.

11. Subsequent Events

From July 1, 2025 through August 4, 2025 the Company issued 129,246 shares of common stock under the Sales Agreement for net proceeds of approximately \$0.4 million.

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, 2024. 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

Our strategy for Cycleron is to build a new pipeline with therapeutics to treat certain neuropsychiatric diseases. Over the past year, Cycleron's diligence team which is composed of committed external experts and internal personnel in their respective fields, have been conducting asset evaluations in many therapeutic areas. Throughout this process, the team identified and assessed dozens of products and other opportunities directed at addressing patients' needs and increasing shareholder value. The team prioritized an individualized therapy for treatment resistant depression ("TRD") as our foundational product candidate and we have entered into a non-binding option to license agreement for the intellectual property associated with this product. With the large unmet medical need in TRD, the clinical development stage of this asset, and the strong commercial opportunity, we believe that this product is well suited to be the foundation moving forward for Cycleron. The program team is currently developing an integrated development and commercial strategy in TRD.

In addition to significantly reducing operating expenses and the potential to obtain revenues from our legacy soluble guanylate cyclase (sGC) stimulator clinical assets, we intend to raise funds to support the execution of the product plans in TRD. As such, we have developed a financing strategy plan and recently filed a registration statement on Form S-3 (the "Shelf Registration") with the Securities and Exchange Commission (the "SEC") which would allow us to sell registered shares of our common stock if we choose to do so. The Shelf Registration was declared effective by the SEC in February 2025.

We continue to build our infrastructure, and Regina Graul, Ph.D. was promoted to Chief Executive Officer (CEO) and Director to our Board in August of 2024 after she was hired as President in late 2023. Dr. Graul has significant experience in research and development, product search and evaluation and has extensive knowledge growing and leading integrated high-functioning teams. We also hired Rhonda Chicko, an independent contractor, as our Chief Financial Officer in 2024, who has extensive experience working with early and later-stage drug development companies. To limit our operating expenses, we have used consultants rather than hiring additional full-time employees; Dr. Graul is the only current employee to date. Our goal is to hire additional C-suite executives later this year.

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.

On December 13, 2024, we announced that Cycleron and Akebia re-negotiated a mutually beneficial amendment to Akebia's exclusive license agreement for praliciguat. Under this new license amendment, we will

receive \$1.75 million in amendment payments, of which \$1.25 million was paid in December 2024 and an additional payment of \$0.5 million is due in September 2025. In addition, Akebia is responsible for all intellectual property expenses associated with praligiquat at an earlier date than as originally agreed between the parties. We are eligible to receive additional milestone cash payments of up to approximately \$558.5 million in total related to potential future development, regulatory, and commercialization milestone payments for praligiquat. 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 2021, Akebia paid a \$3.0 million upfront payment to us upon signing of the Akebia License Agreement, and subsequently paid us an additional \$1.25 million in December 2024 and is obligated to pay us an additional \$0.5 million in September 2025.

Oliniquat 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 has an option (the "Option") to enter into an exclusive license to oliniquat 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. The Optionee originally could exercise the Option on or before March 20, 2025, which may be extended for an additional two-month period for an additional fee of \$25,000. The Option Period was extended for two months by the Optionee in March 2025. If the Optionee exercises the Option during the Option Period, the Parties shall promptly commence negotiations of the definitive license agreement. The terms of the license agreement will be negotiated in good faith within a period not to exceed 90 days after the date of exercise of the Option. If the parties cannot reach agreement, all rights revert to us. In addition, the Optionee has agreed to reimburse us for certain patent expenses incurred during the Option period.

In May 2025, we entered into an amendment to the Option Agreement with the Optionee (the "Amendment") to extend the Option Period for an additional three months beginning May 22, 2025 by paying to us an additional extension fee of \$55,000 (the "Second Extension Period"), which was received in June 2025. The negotiation period under the Amendment was also reduced from 90 days to 60 days.

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 has 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 that will enroll approximately 44 participants at mitochondrial disease centers of excellence in the U.S., Italy, Germany, United Kingdom, Australia, and Canada. [ClinicalTrials.gov \(NCT06402123\)](https://clinicaltrials.gov/ct2/show/study/NCT06402123) for more information.

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, 2025 and 2024. The product pipeline expenses relate primarily to external costs associated with nonclinical studies.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
	(in thousands)		(in thousands)	
Personnel and related internal costs	\$ 12	\$ 24	\$ 24	\$ 61
Others	44	81	68	88
Total research and development expenses	\$ 56	\$ 105	\$ 92	\$ 149

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.

The successful development of any current or potential future product candidates is highly uncertain and subject to a number of risks. Please refer to Item 1A, Risk Factors, in this Annual Report on Form 10-K for the fiscal year ended December 31, 2024.

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, 2024.

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, 2024 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	
	2025	2024	\$	%	2025	2024	\$	%
	(dollars in thousands)				(dollars in thousands)			
Revenues:								
Revenue from option agreement	\$ 93	\$ —	\$ 93	100%	\$ 174	\$ —	\$ 174	100%
Total revenues	93	—	—	100%	174	—	174	100%
Cost and expenses:								
Research and development	56	105	(49)	(47)%	92	149	(57)	(38)%
General and administrative	1,709	1,279	430	34%	3,211	2,853	358	13%
Total cost and expenses	1,765	1,384	381	28%	3,303	3,002	301	10%
Loss from operations	(1,672)	(1,384)	(288)	21%	(3,129)	(3,002)	(127)	4%
Other income, net								
Interest income	31	62	(31)	(50)%	59	138	(79)	(57)%
Gain from insurance recovery	1,317	—	1,317	100%	1,317	—	1,317	100%
Total other income, net	1,348	62	1,286	2074%	1,376	138	1,238	897%
Net loss	\$ (324)	\$ (1,322)	\$ 998	(75)%	\$ (1,753)	\$ (2,864)	\$ 1,111	(39)%

Revenue

Revenue from option agreement. On July 22, 2024, we entered into the Option Agreement with the Optionee, which the Optionee has the Option to enter into an exclusive license to olinciguat for human therapeutics, subject to certain carveouts. In May 2025, we entered into the Amendment to extend the Option Period for an additional three months beginning May 22, 2025. We recognized revenue of \$0.1 million and \$0.2 million related to the Option extension fee, amendment fee and expense reimbursement during the three and six months ended June 30, 2025.

Expenses

Research and development expense. No significant changes in research and development expense for the three months ended June 30, 2025 compared to the three months ended June 30, 2024. The decrease in research and development expense of approximately \$0.1 million for the six months ended June 30, 2025 compared to the six months ended June 30, 2024 was primarily driven by a decrease in professional consulting.

General and administrative expense. The increase in general and administrative expenses of approximately \$0.4 million for the three months ended June 30, 2025 compared to the three months ended June 30, 2024 was primarily driven by an increase of approximately \$0.3 million in professional consulting and approximated \$0.2 million in corporate legal fees, offset by a decreases of approximately \$0.1 million in employee-related expenses primarily due to the separation benefits payment during the three months ended June 30 2024.

The increase in general and administrative expenses of approximately \$0.4 million for the six months ended June 30, 2025 compared to the six months ended June 30, 2024 was primarily driven by an increase of approximately \$0.4 million in professional consulting and approximately \$0.5 million in corporate legal fees, offset by a decrease of approximately \$0.1 million in patent fees, approximately \$0.1 million in insurance expense, approximately \$0.1 million in board member fees and approximately \$0.2 million in employee-related expenses.

Interest income. Interest income decreased by \$31,000 and \$79,000 for the three and six months ended June 30, 2025 compared to the three and six months ended June 30, 2024, respectively, primarily attributable to the decrease of our money market fund balance.

Gain from insurance recovery. During the three and six months ended June 30, 2025, we recorded approximately \$1.3 million of insurance recoveries related to loss of advanced intermediated GMP finished materials covered by several policies with third-party insurers.

Liquidity and Capital Resources

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, 2025.

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 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 can 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”).

We intend to use the net proceeds from the ATM Program to fund the development of product candidates and for other general corporate purposes, including funding potential new clinical programs and product candidates, financing our existing businesses and operations, and expanding our businesses and operations through new product development programs and additional hires. We have not determined the amount of net proceeds to be used for any specific purpose, and we will retain broad discretion over the allocation of net proceeds.

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.

Sales of the ATM Shares 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. We did not offer any securities

pursuant to Instruction I.B.6 during the prior twelve calendar month period ending June 30, 2025. From July 1, 2025 through August 4, 2025, we sold 129,246 ATM Shares for net proceeds of \$0.4 million.

The foregoing description of the terms of the Sales Agreement does not purport to be a complete statement of the rights and obligations of the parties under the Sales Agreement and the transactions contemplated thereby and is qualified in its entirety by reference to the Sales Agreement, which is filed as Exhibit 1.1 to the Current Report on Form 8-K as filed with the SEC on May 7, 2025 and is incorporated herein by reference.

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.

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 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.

On June 30, 2025, we had approximately \$3.0 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 \$1.8 million for the six months ended June 30, 2025. In addition, as of June 30, 2025, we had an accumulated deficit of \$269.2 million. We expect that our cash and cash equivalents as of June 30, 2025, will be sufficient to fund operations into the first quarter of 2026, 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, 2025 and 2024:

	Six Months Ended June 30,		Change	
	2025	2024	\$	%
	(dollars in thousands)			
Net cash used in operating activities	\$ (1,471)	\$ (2,977)	\$ 1,506	(51)%
Net cash provided by investing activities	\$ —	\$ —	\$ —	—
Net cash provided by financing activities	\$ 1,245	\$ —	\$ 1,245	—

Cash Flows from Operating Activities

Net cash used in operating activities was \$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.

Net cash used in operating activities was \$3.0 million for the six months ended June 30, 2024 was primarily a result of our \$2.9 million net loss from operations. The net loss was offset by non-cash stock-based compensation expense of \$0.4 million and a decrease in prepaid expense of \$0.3 million. The net loss was also adjusted by a decrease in accounts payable of \$0.5 million and a decrease in accrued expenses and other current liabilities of \$0.3 million.

Cash Flows from Financing Activities

Net cash provided by financing activities for the three and six months ended June 30, 2025 of \$1.2 million was due to net 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. There was no financing activity in the three and six months ended June 30, 2024.

Funding Requirements

We expect our expenses to fluctuate as we continue to maintain out-license opportunities and seek to broaden our portfolio through in-licensing of assets. We expect that our cash and cash equivalents as of June 30, 2025, will be sufficient to fund operations into the first quarter of 2026, however 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 may delay development of any current or potential future product candidates, or other operations.

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. 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.

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 or other preferences 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 assurances, 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 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, 2025, we had no uncertain tax positions.

Separation Benefits

As part of the separation benefit of the former Chief Financial Officer, we paid \$0.1 million in May 2024 and August 2024, as the former Chief Financial Officer had not secured full-time employment prior to the six-month anniversary and nine-month anniversary of November 15, 2023. We have no further separation benefits obligation to this former employee as of June 30, 2025.

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*

Not applicable as we are a “smaller reporting company”. 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, 2024.

Item 5. *Other Information*

On August 4, 2025, the Company entered into a Consulting Agreement with Rhonda Chicko, effective as of such date, under which Ms. Chicko receives compensation as the Corporation’s Chief Financial Officer, at the rate of \$525.00 per hour and is entitled to receive a stock option grant to purchase up to 25,000 shares of the Corporation’s Common Stock, subject to certain vesting requirements, all as described in further detail in the Consulting Agreement attached to this Form 10-Q as Exhibit 10.1. The description of the Consulting Agreement in this Item 5 of this Report on Form 10-Q is not complete and is qualified in its entirety by reference to the complete text of the Consulting Agreement, a copy of which is attached as Exhibit 10.1 to this Quarterly Report on Form 10-Q and is incorporated herein by reference”.

During the 2025 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
<u>10.1</u>	<u>Consulting Agreement with Rhonda Chicko dated August 4, 2025</u>
<u>31.1</u>	<u>Certificate of Chief Executive Officer (Principal Executive Officer) pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</u>
<u>31.2</u>	<u>Certificate of Chief Financial Officer (Principal Financial Officer) pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</u>
<u>32.1</u>	<u>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</u>
<u>32.2</u>	<u>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</u>
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 5, 2025

CONSULTING AGREEMENT

THIS CONSULTING AGREEMENT (the “Agreement”) entered into 4th day of August, 2025 (the “Effective Date”) is between **Cyclerion Therapeutics, Inc.**, a Massachusetts corporation having an address at 245 First Street, Riverview II, 18th Floor, Cambridge, MA 02142 (“Cyclerion”), and **Rhonda Chicko** (“Consultant”).

1. **Consulting Services.** Cyclerion retains Consultant for the role of Chief Financial Officer, Treasurer and Secretary and Consultant agrees to provide Consulting Services to Cyclerion (the “Consulting Services”) as it may from time-to-time reasonably request and as specified in the attached work order or, proposal that shall reference this Agreement (each a “Work Order”). To become effective and binding, in addition to referencing this Agreement, a Work Order must be in writing and signed by Consultant and an authorized representative of Cyclerion. The terms and conditions of this Agreement shall apply to any Work Order and shall supersede any inconsistent provision set forth in a Work Order. Any changes to the Consulting Services (and any related compensation adjustments) must be agreed upon in writing between Consultant and Cyclerion prior to commencement of the changes.
 - 1.1. **Performance.** Consultant agrees to render the Consulting Services to Cyclerion, or to its designee, (a) under the general supervision of Cyclerion, and (b) in a professional, diligent, timely and workmanlike manner consistent with the highest industry standards prevailing for comparable services and in accordance with this Agreement and any applicable Work Order. Consultant will comply with all rules, procedures and standards promulgated from time to time by Cyclerion with regard to Consultant’s access to and use of Cyclerion’s property, information, equipment and facilities, as well as those related to standards of conduct while performing services on behalf of Cyclerion. Consultant agrees to furnish Cyclerion with written reports with respect to the Consulting Services if and when requested by Cyclerion. Cyclerion will have the right to reject, and shall have no obligation to pay for, any Consulting Services or Deliverables that do not meet the requirements or quality criteria set forth in this Agreement or the applicable Word Order.
 - 1.2. **Third Party Confidential Information.** Consultant agrees not to use any trade secrets or other confidential information of any other person, firm, corporation, institution or other entity in connection with any of the Consulting Services. Consultant shall ensure that the performance of Consulting Services does not and will not breach any agreement which obligates Consultant to keep in confidence any confidential or proprietary information or intellectual property of any third party or to refrain from competing, directly or indirectly, with the business of any third party, and Consultant shall not disclose to Cyclerion any such confidential or proprietary information.
 - 1.3. **No Conflicts.** Consultant represents, warrants and covenants that it is under no contractual or other obligation or restriction which is inconsistent with Consultant’s execution of this Agreement or the performance of the Consulting Services. During the Term (defined below), Consultant will not enter into any agreement, either written or oral, in conflict with Consultant’s obligations under this Agreement. Consultant will arrange to provide the Consulting Services in such manner and at such times that the Consulting Services will not conflict with Consultant’s responsibilities under any other agreement, arrangement or understanding or pursuant to any employment relationship Consultant has at any time with any third party. If Consultant is a member or employee of an educational or not-for-profit institution and is required by such institution to disclose to it any proposed agreements with a for-profit entity, he or she has made such disclosure in accordance with the policies and procedures of such institution and obtained the prior written approval of this Agreement by such institution, if required.
 - 1.4. **Absence of Debarment.** Consultant represents and warrants that Consultant has not been (a) debarred, convicted, or is not subject to a pending debarment or conviction, pursuant to section 306 of the United States Food Drug and Cosmetic Act, 21 U.S.C. § 335a; (b) listed by any government or regulatory agencies as (i) ineligible to participate in any government healthcare programs or government procurement or non- procurement programs (as that term is defined in 42 U.S.C. 1320a- 7b(f)), or excluded, debarred, suspended or otherwise made ineligible to participate in any such

program, or (ii) disqualified, restricted, or recommended by such government or regulatory agency to be disqualified or restricted, from receiving investigational products pursuant to the government or regulatory agency's regulations; or (c) convicted of a criminal offense related to the provision of healthcare items or services, or is not subject to any such pending action. Consultant agrees to inform Cycleron in writing promptly if Consultant is subject to the foregoing, or if any action, suit, claim, investigation, or proceeding relating to the foregoing is pending, or to the best of Consultant's knowledge, is threatened.

1.5 **FCPA.** In performing the Consulting Services, Consultant will comply with all applicable laws and regulations applicable to its operations, including, but not limited to, the U.S. Foreign Corrupt Practices Act. Consultant agrees not to pay, offer or promise to pay, or authorize the payment directly or indirectly of any monies or anything of value to any government official or employee, or any political party or candidate for political office, for the purpose of influencing any act or decision of the government in connection with the activities of Consultant under a **Work Order**. Consultant warrants that no officer, director, partner, owner, principal, employee or agent of Consultant is an official or employee of a governmental agency or instrumentality or a government owned company in a position to influence action or a decision regarding the activities of Consultant contemplated under a **Work Order**.

2. **Compensation.** In consideration for the Consulting Services rendered by Consultant to Cycleron, Cycleron agrees to pay Consultant the fees set forth in the applicable **Work Order**. Unless otherwise specified in the applicable **Work Order**, undisputed payments will be made by Cycleron within thirty days from Cycleron's receipt of Consultant's invoice. Invoices will contain such detail as Cycleron may reasonably require, and will be quoted in and payable in U.S. Dollars. Cycleron will reimburse Consultant for reasonable business expenses incurred by Consultant in the performance of the Consulting Services in accordance with the reimbursement provisions set forth in the applicable **Work Order**. Consultant consents to Cycleron's disclosure of such fees and expenses from time to time, if and when required by law or government regulation thereunder. Consultant shall provide Cycleron a completed W-9 form as and when requested by Cycleron.

3. **Confidential Information.**

3.1 **Definition.** "Confidential Information" means all scientific, technical, financial or business information owned, possessed or used by Cycleron, learned of by Consultant or developed by Consultant in connection with the Consulting Services, whether or not labeled "Confidential", including but not limited to (a) Deliverables, Materials, scientific data and sequence information, (b) marketing plans, business strategies, financial information, forecasts, personnel information and customer lists of Cycleron, and (c) all information of third parties that Cycleron has an obligation to keep confidential.

3.2 **Obligations of Confidentiality.** During the Term and thereafter, Consultant will not directly or indirectly publish, disseminate or otherwise disclose, use for Consultant's own benefit or for the benefit of a third party, deliver or make available to any third party, any Confidential Information, other than in furtherance of the purposes of this Agreement, and only then with the prior written consent of Cycleron. Consultant will exercise all reasonable precautions to physically protect the integrity and confidentiality of the Confidential Information.

3.3 **Exceptions.** Consultant will have no obligations of confidentiality and non-use with respect to any portion of the Confidential Information which:

- (a) is or later becomes generally available to the public by use, publication or the like, through no fault of Consultant;
- (b) is obtained from a third party who had the legal right to disclose it to Consultant; or
- (c) Consultant already possesses, as evidenced by Consultant's written records that predate

the receipt thereof.

In the event that Consultant is required by law or court order to disclose any Confidential Information, Consultant will give Cycleron prompt notice thereof so that Cycleron may seek an appropriate protective order. Consultant will reasonably cooperate with Cycleron in its efforts to seek such a protective order.

4. **Term and Termination.**

4.1 Term. This Agreement will commence on the Effective Date and continue for one year (the "Term"), unless sooner terminated pursuant to the express terms of this Section 4. This Agreement shall automatically renew for subsequent periods of one (1) year each unless either party notifies the other at least thirty (30) days prior to the expiration of the current period of its intent not to renew.

4.2 Termination for Breach. If either party breaches in any material respect any of its material obligations under this Agreement, in addition to any other right or remedy, the non-breaching party may terminate this Agreement or a Work Order in the event that the breach is not cured within thirty (30) days after receipt by that party of written notice of the breach.

4.3 Termination. Cycleron may terminate this Agreement or a Work Order (a) immediately at any time upon written notice to Consultant in the event of a breach of this Agreement or a Work Order by Consultant which cannot be cured (*i.e.* breach of the confidentiality obligation); (b) immediately, if at any time, Consultant breaches the representation and warranty set forth in Section 1.4 or otherwise becomes subject to any of the actions, suits, claims, investigations, or proceedings set forth in Section 1.4; and/or (c) Consultant or Cycleron may terminate at any time, without cause upon not less than thirty (30) days' prior written notice.

4.4 Effect of Expiration/Termination. Upon expiration or termination of this Agreement or a Work Order, neither Consultant nor Cycleron will have any further obligations under this Agreement or the Work Order, except that (a) Consultant will terminate all Consulting Services in progress in an orderly manner as soon as practical and in accordance with a schedule agreed to by Cycleron, unless Cycleron specifies in the notice of termination that Consulting Services in progress should be completed, (b) Consultant will deliver to Cycleron any Materials in its possession or control and all Deliverables made through expiration or termination, (c) Cycleron will pay Consultant any monies due and owing Consultant, up to the time of termination or expiration, for Consulting Services actually performed and all authorized expenses actually incurred, (d) Consultant will promptly refund to Cycleron any monies paid by Cycleron in advance for Consulting Services not rendered, (e) Consultant will immediately at Cycleron's option (i) return to Cycleron all Confidential Information and copies thereof provided to Consultant under this Agreement or a Work Order and/or (ii) dispose of all Confidential Information and copies thereof provided to Consultant under this Agreement or a Work Order unless such Confidential Information is otherwise required to be stored or maintained by Consultant as a matter of law or regulation pursuant to Section 3.4, and (f) the terms, conditions and obligations under Sections 1.4, 1.5, 3, 4, and 5.4, will survive expiration or termination for any reason.

5. **Miscellaneous.**

5.1 Independent Contractor. All Consulting Services will be rendered by Consultant as an independent contractor and this Agreement does not create an employer-employee relationship between Cycleron and Consultant. Consultant will have no rights to receive any employee benefits, such as health and accident insurance, sick leave or vacation which are accorded to regular Cycleron employees. Consultant will not in any way represent himself to be an employee, partner or joint venturer, of Cycleron.

5.2 Taxes. Consultant will pay all required taxes on Consultant's income from Cycleron under this Agreement. Consultant will provide Cycleron with Consultant's taxpayer identification number or

social security number, as applicable.

- 5.3 Use of Name.** Consultant consents to the use by Cyclerion of Consultant's name and likeness in written materials and oral presentations to current or prospective customers, partners, investors or others, provided that such materials or presentations accurately describe the nature of Consultant's relationship with or contribution to Cyclerion.
- 5.4 Assignability and Binding Effect.** The Consulting Services to be rendered by Consultant are personal in nature. Consultant may not assign or transfer this Agreement or any of Consultant's rights or obligations hereunder except to a corporation of which Consultant is the sole stockholder. In no event will Consultant assign or delegate responsibility for actual performance of the Consulting Services to any other natural person without prior written consent from Cyclerion. This Agreement will be binding upon and inure to the benefit of the parties and their respective legal representatives, heirs, successors and permitted assigns.
- 5.5 Notices.** All notices required or permitted under this Agreement must be in writing and must be given by addressing the notice to the address for the recipient as then on file with the Cyclerion or at such other address as the recipient may specify in writing under this procedure. Notices to Cyclerion will be marked "Attention: Legal Department." Notices will be deemed to have been given (a) three (3) business days after deposit in the mail with proper postage for first class registered or certified mail prepaid, or (b) one (1) business day after sending by nationally recognized overnight delivery service.
- 5.6 No Modification.** This Agreement may be changed only by a writing signed by Consultant and an authorized representative of Cyclerion.
- 5.7 Remedies.** It is understood and agreed that Cyclerion may be irreparably injured by a breach of this Agreement; that money damages would not be an adequate remedy for any such breach; and that Cyclerion will be entitled to seek equitable relief, including injunctive relief and specific performance, without having to post a bond, as a remedy for any such breach, and such remedy will not be Cyclerion's exclusive remedy for any breach of this Agreement.
- 5.8 Severability; Reformation.** Any of the provisions of this Agreement which are determined to be invalid or unenforceable in any jurisdiction will be ineffective to the extent of such invalidity or unenforceability in such jurisdiction, without rendering invalid or unenforceable the remaining provisions hereof and without affecting the validity or enforceability of any of the other terms of this Agreement in such jurisdiction, or the terms of this Agreement in any other jurisdiction. The parties will substitute for the invalid or unenforceable provision a valid and enforceable provision that conforms as nearly as possible to the original intent of the parties.
- 5.9 Waivers.** No waiver of any term, provision or condition of this Agreement in any one or more instances will be deemed to be or construed as a further or continuing waiver of any other term, provision or condition of this Agreement. Any such waiver must be evidenced by an instrument in writing executed by Consultant or, in the case of Cyclerion, by an officer authorized to execute waivers.
- 5.10 Entire Agreement.** This Agreement constitutes the entire agreement of the parties with regard to its subject matter, and supersedes all previous written or oral agreements, representations, agreements and understandings between the parties on the subject matter.
- 5.11 Governing Law.** This Agreement will be governed by, construed, and interpreted in accordance with the laws of the Commonwealth of Massachusetts, without reference to principles of conflicts of laws. The parties further agree that the venue of any action, injunctive application or dispute determinable by a court of law arising out of this Agreement or any Order shall be the County of Suffolk, Commonwealth of Massachusetts, and that the federal and state courts therein shall have jurisdiction over the subject matter and the parties.

5.12 Counterparts. This Agreement may be executed in any number of counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

5.13 Headings. The section headings are included solely for convenience of reference and will not control or affect the meaning or interpretation of any of the provisions of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date.

CYCLERION THERAPEUTICS, INC.

CONSULTANT

By: /s/ Regina M. Graul

/s/ Rhonda Chicko

Name: Regina M. Graul, Ph.D.

Name: Rhonda Chicko

Title: President and Chief Executive Officer

CONSULTING AGREEMENT WORK ORDER WITH RHONDA CHICKO

THIS WORK ORDER, effective the date of the last signature below (the “Work Order”) is by and between **Cyclerion Therapeutics, Inc.** (“Cyclerion”) and **Rhonda Chicko** (“Consultant”), and upon execution will be incorporated into the Consulting Agreement between Cyclerion and Consultant dated August 4, 2025 (the “Agreement”). Capitalized terms in this Work Order will have the same meaning as set forth in the Agreement. Cyclerion hereby engages Consultant to provide Consulting Services, as follows:

1. Consulting Services: Consultant shall serve as the Chief Financial Officer, Treasurer and Secretary of Cyclerion and shall perform such services consistent with such role as the same may reasonably be requested from time to time by the President and the Audit and Risk Committee of the Board of Directors.

2. Compensation:

As full compensation for the Consulting Services, Cyclerion will pay Consultant at an hourly rate of \$525.00 per hour. In no event shall Cyclerion be charged for more than 667 hours of Consulting Services in any calendar year without the prior written consent of the Compensation Committee of the Board of Directors. Cyclerion will reimburse Consultant for all reasonable travel and other business expenses incurred by Consultant in rendering the Consulting Services, provided that such expenses are agreed upon in writing in advance with the President and are confirmed by appropriate written expense statements and other supporting documentation.

In the first week of each calendar month, Consultant will invoice Cyclerion for Consulting Services rendered and expenses incurred during the preceding month. Invoices should be sent by electronic mail to Accounts Payable at: the email address indicated from time to time by the Company.

Consultant shall receive a non-qualified stock option under the Company’s 2019 Equity Incentive Plan to purchase 25,000 shares of the Company’s Common Stock, no par value (the “Common Stock”), at an exercise price equal to the closing price of the Company’s Common Stock as of the date two business days after the Company files its Quarterly Report on Form 10-Q for the fiscal quarter ending June 30, 2025.

THIS WORK ORDER AGREED TO AND ACCEPTED BY:

CYCLERION THERAPEUTICS, INC.

CONSULTANT

By: /s/ Regina M. Graul

/s/ Rhonda Chicko

Name: Regina M. Graul, Ph.D.

Name: Rhonda Chicko

Title: President and Chief Executive Officer

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 Cycleron 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 5, 2025

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

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 Cycleron 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 5, 2025

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

**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 Gaul, 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 Cycleron Therapeutics, Inc. for the period ended June 30, 2025 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 Cycleron Therapeutics, Inc.

Date: August 5, 2025

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

**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 Cycleron Therapeutics, Inc. for the period ended June 30, 2025 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 Cycleron Therapeutics, Inc.

Date: August 5, 2025

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