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

FORM 10-K/A

(Amendment No. 1)

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

For the fiscal year ended December 31, 2024

OR

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

For the transition period from _____ **to** _____

Commission file number: **001-38787**

CYCLERION THERAPEUTICS, INC.

(Exact name of registrant as specified in its charter)

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

(857) 327-8778

Registrant's telephone number, including area code

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, no par value	**CYCN**	**The Nasdaq Capital Market LLC**

Securities registered pursuant to Section 12(g) of the Act:
None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

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 has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The aggregate market value of the common stock held by non-affiliates of the registrant, as of June 30, 2024, the last business day of the registrant's most recently completed second fiscal quarter, was approximately $4.8 million, computed using the closing price on that day of $2.30.

As of February 28, 2025, there were 2,710,096 shares of common stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's definitive Proxy Statement, to be filed pursuant to Regulation 14A under the Securities Exchange Act of 1934, for its 2025 Annual Meeting of Stockholders are incorporated by reference in Part III of this Form 10-K.

EXPLANATORY NOTE

Cyclerion Therapeutics, Inc. (the "Company") is filing this Amendment No. 1 (the "Amendment") to its Annual Report on Form 10-K for the fiscal year ended December 31, 2024, which was originally filed with the Securities and Exchange Commission (the "Commission") on March 4, 2025 (the "Original 10-K"), for the purpose of amending Item 8 of the Original 10-K to amend the Report of Independent Registered Public Accounting Firm of Ernst & Young LLP on the Company's financial statements as of and for the years ended December 31, 2024 and 2023 (the "Original Audit Report"). The only change to the Original Audit Report is to add an additional paragraph regarding "Critical Audit Matter" which paragraph was inadvertently omitted by Ernst & Young LLP from the Original Audit Report. The information contained in this additional paragraph relates to information presented in Notes 2 and 5 to the Notes to Financial Statements contained in the Original 10-K. The Original Audit Report, as amended (the "Amended Audit Report") appears on page F-2 of this Amendment along with the Financial Statements and Notes to the Financial Statements, which remain otherwise unchanged from those contained in the Original 10-K filing.

In accordance with Rule 12b-15 under the Securities Exchange Act of 1934, this Amendment also includes currently dated certifications from the Company's principal executive officer and principal financial officer as required by Sections 302 and 906 of the Sarbanes-Oxley Act of 2002. As required by the rules of the Commission, this Amendment sets forth an amended "Item 15. Exhibits, Financial Statement Schedules" in its entirety, which includes the currently dated certifications of the Company's principal executive officer and principal financial officer as Exhibits 31.1, 31.2, 32.1 and 32.2 as well as Exhibit 23.1, the Independent Registered Public Accounting Firm's Consent. This Amendment does not otherwise update any exhibits contained in the Original 10-K.

Except as described above, no other changes have been made to the Original 10-K. The Original 10-K continues to be as of the dates described in the Original 10-K, and the Company has not updated the disclosures contained therein to reflect any events that occurred subsequent to such dates. Accordingly, this Amendment should be read in conjunction with the Company's filings made with the Commission subsequent to the filing of the Original 10-K, as information in such filings may update or supersede certain information contained in this Amendment.

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PART II

Item 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The information required by this Item 8 is set forth in our financial statements included in Part IV, Item 15 of this Amendment No. 1 to our Annual Report on Form 10-K.

PART IV

Item 15. Exhibits, Financial Statement Schedules.

(a)(3) Exhibits

EXHIBIT INDEX

Exhibit No.	Description
3.1	Restated Articles of Organization of Cyclerion Therapeutics, Inc. (incorporated by reference to Exhibit 4.1 to Registration Statement on Form S-8 filed on March 29, 2019) (File No. 333-230615))
3.2	Articles of Amendment to Amended and Restated Articles of Incorporation dated May 15, 2023 (incorporated by reference to Exhibit 3.1 to Current Report on Form 8-K filed on May 15, 2023) (File No.001-38787)
3.3	Articles of Amendment to Amended and Restated Articles of Incorporation dated May 19, 2023 (incorporated by reference to Exhibit 3.1 to Current Report on Form 8-K filed on May 25, 2023) (File No. 38787)
3.4	Amended and Restated Bylaws of Cyclerion Therapeutics, Inc. (incorporated by reference to Exhibit 4.2 to Registration Statement on Form S-8 filed on March 29, 2019) (File No. 333-230615))
4.1	Description of Securities Registered pursuant to Section 12 of the Securities Exchange Act of 1934, as amended (incorporated by reference to Exhibit 4.1 to Annual Report on Form 10-K filed on March 4, 2025 (File No. 001-38787))
10.1	Intellectual Property License Agreement, dated April 1, 2019, by and between Ironwood Pharmaceuticals, Inc. and Cyclerion Therapeutics, Inc. (incorporated by reference to Exhibit 10.6 to Current Report on Form 8-K filed on April 2, 2019 (File No. 001-38787))
10.2+	Form of Indemnification Agreement between Cyclerion Therapeutics, Inc. and individual directors and officers (incorporated by reference to Exhibit 10.7 to Form 10 filed on January 28, 2019 (File No. 001-38787))
10.3+	Cyclerion Therapeutics, Inc. 2019 Employee Stock Purchase Plan (incorporated by reference to Exhibit 4.3 to Registration Statement on Form S-8 filed on March 29, 2019 (File No. 333-230615))
10.4+	Cyclerion Therapeutics, Inc. 2019 Equity Incentive Plan (incorporated by reference to Exhibit 4.4 to Registration Statement on Form S-8 filed on March 29, 2019 (File No. 333-230615))
10.5+	Form of Stock Option Agreement under the Cyclerion Therapeutics, Inc. 2019 Equity Incentive Plan (incorporated by reference to Exhibit 10.10 to Form 10 filed on March 4, 2019 (File No. 001-38787))
10.6+	Form of Non-Employee Director Restricted Stock Agreement under the Cyclerion Therapeutics, Inc. 2019 Equity Incentive Plan (incorporated by reference to Exhibit 10.11 to Form 10 filed on March 4, 2019 (File No. 001-38787))
10.7+	Form of Restricted Stock Unit Agreement under the Cyclerion Therapeutics, Inc. 2019 Equity Incentive Plan (incorporated by reference to Exhibit 10.12 to Form 10 filed on March 4, 2019 (File No. 001-38787))
10.8+	Cyclerion Therapeutics, Inc. Amended and Restated 2010 Employee, Director and Consultant Equity Incentive Plan and forms of agreement thereunder (incorporated by reference to Exhibit 4.5 to Registration Statement on Form S-8 filed on March 29, 2019 (File No. 333-230615))
10.9*	License Agreement, dated as of June 3, 2021, by and between Cyclerion Therapeutics, Inc. and Akebia Therapeutics, Inc (incorporated by reference to Exhibit 10.2 to Quarterly Report on Form 10-Q filed on July 29, 2021 (File No. 001-38787))

10.10*	Amendment #1 to License Agreement by and between the Company and Akebia Therapeutics, Inc. dated December 13, 2024 (incorporated by reference to Exhibit 10.1 to Current Report on Form 8-K filed on December 17, 2024)
10.11	Common Stock Purchase Agreement, dated as of June 3, 2021, by and between Cyclerion Therapeutics, Inc. and the Investors named therein (incorporated by reference to Exhibit 10.1 to Registration Statement on Form S-3 filed on June 16, 2021 (File No. 333-257145)).
10.13+	Amendment to Original Offer Letter to Regina Graul (incorporated by reference to Exhibit 10.1 to Quarterly Report on Form 10-Q filed on August 7, 2024 (File No. 001-38787))
19	Insider Trading Prevention Policy (incorporated by reference to Exhibit 19 to Annual Report on Form 10-K filed on March 4, 2025 (File No. 001-38787))
21.1	List of Subsidiaries (incorporated by reference to Exhibit 21.1 to Annual Report on Form 10-K filed on March 4, 2025 (File No. 001-38787))
23.1#	Consent of Ernst & Young LLP, Independent Registered Public Accounting Firm
31.1#	Certificate of Chief Executive Officer (Principal Executive Officer) pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2#	Certificate of Chief Financial Officer (Principal Financial Officer) pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1†	Certificate of Chief Executive Officer (Principal Executive Officer) pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2†	Certificate of Chief Financial Officer (Principal Executive Officer) pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
97.1	Policy for the Recovery of Erroneously Awarded Compensation adopted November 30, 2023 (incorporated by reference to Exhibit 97.1 to Annual Report on Form 10-K filed on March 5, 2024 (File No. 001-38787))
101.INS	Inline XBRL Instance Document
101.SCH	Inline XBRL Taxonomy Extension Schema Document
104	Cover Page Interactive Data File

+ Indicates a management contract or compensatory plan.
* Certain portions of this exhibit (indicated by asterisks) have been omitted because they are not material and are the type that the Registrant treats as private or confidential.
† The certifications attached as Exhibits 32.1 and 32.2 that accompany this Report, are not deemed filed with the SEC and are not to be incorporated by reference into any filing of Cyclerion Therapeutics, Inc. under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made before or after the date of this Report irrespective of any general incorporation language contained in such filing.
# Filed herewith.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on their behalf by the undersigned, thereunto duly authorized, on November 12, 2025.

CYCLERION THERAPEUTICS, INC.
By: /s/ Regina Graul
Regina Graul
President and Chief Executive Officer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Regina Graul and Rhonda Chicko, jointly and severally, as his or her true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign this Annual Report on Form 10-K/A of Cyclerion Therapeutics, Inc., and any or all amendments thereto, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents full power and authority to do and perform each and every act and thing requisite or necessary to be done in and about the premises hereby ratifying and confirming all that said attorneys-in-fact and agents, or his, her or their substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities indicated on November 12, 2025.

Signature	Title
/s/ Regina Graul Regina Graul	President, Chief Executive Officer (Principal Executive Officer) and Director
/s/ Rhonda Chicko Rhonda Chicko	Chief Financial Officer (Principal Financial and Accounting Officer)
/s/ Errol De Souza Errol De Souza	Director
/s/ Peter Hecht Peter Hecht	Director
/s/ Michael Higgins Michael Higgins	Director
/s/ Steven Hyman Steven Hyman	Director
/s/ Dina Katabi Dina Katabi	Director

Index to Consolidated Financial Statements of Cyclerion Therapeutics, Inc.

Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of Cyclerion Therapeutics, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Cyclerion Therapeutics, Inc. (the Company) as of December 31, 2024 and 2023, the related consolidated statements of operations and comprehensive loss, stockholders' equity and cash flows for each of the two years in the period ended December 31, 2024, and the related notes (collectively referred to as the “consolidated financial statements”). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2024, in conformity with U.S. generally accepted accounting principles.

The Company's Ability to Continue as a Going Concern

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the consolidated financial statements, the Company has suffered recurring losses from operations, has limited financial resources, and has stated that substantial doubt exists about the Company’s ability to continue as a going concern. Management's evaluation of the events and conditions and management’s plans regarding these matters are also described in Note 1. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company’s financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Assessment of indicators of impairment of investment in Tisento Therapeutics Holdings Inc.

Description of the Matter	As discussed in Notes 2 and 5 to the consolidated financial statements, as of December 31, 2024, the Company had recognized an Other investment of $5.4 million which was accounted for as a financial instrument without a readily determinable fair value. Such investment was recorded using the measurement alternative for investments without readily determinable fair values, whereby the investment was measured at cost less any impairment recorded or adjustments for observable price changes. As of December 31, 2024, no impairment loss was recognized. Auditing the Company's assessment of indicators of impairment of the Other investment was complex and required significant judgment in applying our audit procedures and in the evaluation of the results of the procedures performed to determine if any impairment indicators were present. In addition, there was a significant degree of subjectivity in evaluating the relevance and reliability of the audit evidence obtained.
How We Addressed the Matter in Our Audit	We performed audit procedures to test management's evaluation of events or changes in circumstances that might be indicators of impairment of the Company's Other investment. Such procedures included, among others: (i) evaluating the appropriateness of management's assessment of indicators of impairment; (ii) independently obtaining and assessing evidence, including from external sources, to corroborate management's judgments and evaluating contrary evidence; (iii) reading the minutes of the Company's Board of Directors meetings; and (iv) performing inquiries of management of Tisento Therapeutics Holdings Inc. and the Company regarding their knowledge of impairment indicators.

We have served as the Company's auditor since 2018.

/s/ Ernst & Young LLP

Boston, Massachusetts
March 4, 2025

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

	December 31, 2024	December 31, 2023
ASSETS		
Current assets:		
Cash and cash equivalents	$ 3,232	$ 7,571
Accounts receivable	556	—
Prepaid expenses	421	442
Other current assets	16	11
Total current assets	4,225	8,024
Other investment	5,350	5,350
Total assets	$ 9,575	$ 13,374
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 390	$ 1,198
Accrued research and development costs	52	90
Accrued expenses and other current liabilities	283	798
Total current liabilities	725	2,086
Commitments and contingencies (Note 8)	—	—
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 December 31, 2024 and 2023	—	—
Common stock, no par value, 400,000,000 shares authorized at December 31, 2024 and 2023; 2,710,096 and 2,645,096 shares issued at December 31, 2024 and 2023, respectively; 2,545,922 and 2,474,159 shares outstanding at December 31, 2024 and 2023, respectively	—	—
Paid-in capital	276,342	275,717
Accumulated deficit	(267,492)	(264,417)
Accumulated other comprehensive loss	—	(12)
Total stockholders' equity	8,850	11,288
Total liabilities and stockholders' equity	$ 9,575	$ 13,374

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

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

	Year Ended December 31,	
	2024	**2023**
Revenues:		
Revenue from license agreement	$ 1,750	$ —
Option to license revenue	250	—
Total revenues	2,000	—
Cost and expenses:		
Research and development	286	1,515
General and administrative	5,342	8,132
Impairment loss	—	3,304
Total cost and expenses	5,628	12,951
Loss from operations	(3,628)	(12,951)
Other income, net		
Interest income	208	358
Gain from settlement of account payable	363	—
Total other income, net	571	358
Net loss from continuing operations	(3,057)	(12,593)
Discontinued operations:		
Gain from discontinued operations	—	7,330
Net loss	$ (3,057)	$ (5,263)
Net income (loss) per share - basic and diluted		
Net loss per share from continuing operations	$ (1.21)	$ (5.39)
Net income per share from discontinued operations	—	3.14
Net loss per share	$ (1.21)	$ (2.25)
Weighted average shares used in calculating:		
Basic and diluted shares	2,518	2,338
Other comprehensive loss:		
Net loss	$ (3,057)	$ (5,263)
Other comprehensive income (loss):		
Foreign currency translation adjustment (loss) gain	(6)	8
Comprehensive loss	$ (3,063)	$ (5,255)

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

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

	Common Stock		Preferred Stock		Paid-in capital	Accumulated deficit	Accumulated other comprehensive loss	Total Stockholders' equity
	Shares	Amount	Shares	Amount				
Balance at December 31, 2022	2,175,936	$ —	—	$ —	$ 269,626	$ (259,154)	$ (20)	$ 10,452
Net loss	—	—	—	—	—	(5,263)	—	(5,263)
Issuance of common stock	225,000	—	—	—	1,953	—	—	1,953
Issuance of preferred shares	—	—	351,037	—	3,047	—	—	3,047
Issuance of common stock upon exercise of stock options, RSUs and employee stock purchase plan	44,227	—	—	—	24	—	—	24
Vesting of restricted stock awards	29,063	—	—	—	—	—	—	—
Share-based compensation expense related to issuance of stock options and RSUs to employees and employee stock purchase plan	—	—	—	—	1,042	—	—	1,042
Share-based compensation expense related to issuance of stock options to non-employees	—	—	—	—	25	—	—	25
Foreign currency translation adjustment	—	—	—	—	—	—	8	8
Fractional shares issuance	(67)	—	—	—	—	—	—	—
Balance at December 31, 2023	2,474,159	$ —	351,037	$ —	$ 275,717	$ (264,417)	$ (12)	$ 11,288
Net loss	—	—	—	—	—	(3,057)	—	(3,057)
Vesting of restricted stock awards	71,763	—	—	—	—	—	—	—
Share-based compensation expense related to issuance of stock options and restricted stock awards	—	—	—	—	625	—	—	625
Foreign currency translation adjustment	—	—	—	—	—	—	(6)	(6)
Release of foreign currency translation adjustment upon liquidation of a subsidiary	—	—	—	—	—	(18)	18	—
Balance at December 31, 2024	2,545,922	$ —	351,037	$ —	$ 276,342	$ (267,492)	$ —	$ 8,850

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

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

	Year Ended December 31,	
	2024	**2023**
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (3,057)	$ (5,263)
Adjustments to reconcile net loss to net cash used in operating activities:		
Gain on disposal of discontinued operations	—	(15,752)
Gain from settlement of account payable	(363)	—
Impairment loss	—	3,304
Share-based compensation expense	625	1,067
Changes in operating assets and liabilities:		
Accounts receivable	(556)	96
Prepaid expenses	21	363
Other current assets	(5)	160
Operating lease assets	—	108
Other assets	—	213
Accounts payable	(445)	(1,772)
Accrued research and development costs	(38)	(2,185)
Accrued expenses and other current liabilities	(515)	(1,584)
Net cash used in operating activities	(4,333)	(21,245)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Net proceeds from disposal of discontinued operations	—	10,402
Net cash provided by investing activities	—	10,402
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from stock purchase agreement	—	5,000
Proceeds from exercises of stock options and ESPP	—	24
Net cash provided by financing activities	—	5,024
Effect of exchange rate changes on cash and cash equivalents	(6)	8
Net decrease in cash and cash equivalents	(4,339)	(5,811)
Cash and cash equivalents, beginning of period	7,571	13,382
Cash and cash equivalents, end of period	$ 3,232	$ 7,571
Supplemental cash flow disclosure:		
Non-cash gain on disposal of discontinued operations	$ —	$ 5,350

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

Cyclerion Therapeutics, Inc.
Notes to the Consolidated Financial Statements

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 for Cyclerion. The Company is currently developing an integrated development and commercial strategy in TRD. Cyclerion has one employee as of December 31, 2024.

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.

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

On December 13, 2024, Cyclerion announced that Cyclerion and Akebia have re-negotiated a mutually beneficial amendment to their exclusive license agreement for praliciguat, 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 praliciguat. 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 praliciguat. In exchange for a reduction in certain development milestone payments, Cyclerion is eligible to receive certain higher-tiered sales-based royalties ranging from mid-single-digits to twenty percent. 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 may exercise the Option on or before February 22, 2025, which may be extended for an additional two-month period for an additional fee of $25,000 (the "Option Period"). 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.

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. See "Asset Purchase Agreement" and "Note 4" below.

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.

Stock Purchase Agreement

In March 2023, the Company entered into a stock purchase agreement with the Company's former Chief Executive Officer (the "CEO") pursuant to which he invested $5 million in cash for 225,000 shares of common stock and 351,037 shares of Series A Convertible Preferred Stock of the Company at a price of $8.68 per share (after giving effect to the 1-for-20 reverse stock split the Company implemented on May 15, 2023). The Series A Convertible Preferred Stock is convertible into shares of the Company's common stock on a one-to-one basis. The closing of the equity investment took place on May 19, 2023, and (to comply with Nasdaq listing requirements) the Company's shareholders approved such convertibility on July 19, 2023.

Asset Purchase Agreement

On May 11, 2023, the Company entered into an Asset Purchase Agreement (the "Asset Purchase Agreement") with an investor group that included the former CEO, JW Celtics Investment Corp and JW Cycle Inc. which subsequently changed their names to Tisento Therapeutics Holdings Inc. ("Tisento Parent") and Tisento. Upon the closing on July 28, 2023, of the transactions contemplated by the Asset Purchase Agreement, the Company sold to Tisento specified assets relating to the Company's zagociguat and CY3018 programs (the "Transferred Assets") and Tisento assumed certain liabilities relating thereto, including, but not limited to (i) liabilities, costs and expenses arising after the date of the Asset Purchase Agreement relating to the employment of certain Cyclerion employees and the conduct of certain preclinical and clinical trial activities prior to the closing of the transactions contemplated by the Asset Purchase Agreement, and (ii) liabilities relating to such assets to the extent relating to the period after the closing of the transaction. In consideration for such sale and assumption, at such closing the Company received proceeds of $8.0 million as cash consideration, $2.4 million as reimbursement for certain operating expenses related to such assets for the period between signing and closing of the Asset Purchase Agreement, and shares of common stock of Tisento Parent comprising 10% of the then issued and outstanding equity securities of Tisento Parent immediately following such closing, subject to certain protections against dilution.

Reverse Stock Split

On May 15, 2023, the Company filed Articles of Amendment to the Company's Restated Articles of Organization with the Secretary of Commonwealth of Massachusetts to effect a 1-for-20 reverse stock split of the Company's issued and outstanding shares of common stock. The reverse stock split was reflected on the Nasdaq Capital Market beginning with the opening of trading on May 16, 2023. All share amounts and per share amounts disclosed in this Annual Report on Form 10-K have been adjusted retroactively to reflect the reverse stock split for all periods presented.

At-the-Market Offering

On September 3, 2020, the Company entered into a Sales Agreement (the "Sales Agreement") with Jefferies LLC ("Jefferies") with respect to an at-the-market offering (the "ATM Offering") under the 2020 Shelf. Under the ATM Offering, the Company could offer and sell, from time to time at its sole discretion, shares of its common stock, having an aggregate offering price of up to $50.0 million through Jefferies as its sales agent. The

Company agreed to pay Jefferies cash commissions of 3.0 percent of the gross proceeds of sales of common stock which could be sold under the Sales Agreement. No shares of common stock have been issued or sold under the ATM Offering in 2023. The 2020 Shelf expired in July 31, 2023. Due to the current market value of our publicly traded common stock held by non-affiliates, our ability to raise future funding though a shelf offering will be limited to the value of one-third of our public float until such time as the public float exceeds $75 million.

Basis of Presentation

The consolidated financial statements and the related disclosures have been prepared in accordance with U.S. generally accepted accounting principles. In the opinion of management, the 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 fiscal years presented.

The consolidated financial statements include the financial statements of the Company and its wholly owned subsidiaries, Cyclerion Securities Corporation and Cyclerion GmbH which was dissolved in May 2024. All significant intercompany accounts and transactions have been eliminated in the preparation of the accompanying 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 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, equity or debt issuances, certain cost reduction measures and the potential milestones from the Akebia agreement 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 consolidated financial statements.

The Company expects that its cash and cash equivalents as of December 31, 2024, will be sufficient to fund operations through mid-2025, 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

Segment Information

The Company operates and manages its business as a single segment for the purposes of assessing performance and making operating decisions. The Company's president and chief executive officer, who is the chief operating decision maker ("CODM"), reviews the Company's financial information on a consolidated basis for purposes of evaluating financial performance and allocating resources. When evaluating the Company's financial performance, the CODM regularly reviews net loss, non-operating expenses and operating expenses excluding non-cash stock based compensation expense.

Discontinued Operations

In accordance with ASC 205-20 "Presentation of Financial Statements: Discontinued Operations", a disposal of a component of an entity or a group of components of an entity is required to be reported as discontinued operations if the disposal represents a strategic shift that has (or will have) a major effect on an entity's operations and financial results. In the period in which the component meets held-for-sale or discontinued operations criteria the major current assets, non-current assets, current liabilities, and non-current liabilities shall be reported as components of total assets and liabilities separate from those balances of the continuing operations and disclosed in the notes to financial statements. At the same time, the results of all discontinued operations, less applicable income taxes, shall be reported as components of net loss separate from the net income (loss) of continuing operations.

The Transferred Assets met the definition of a discontinued operation. Accordingly, the Company has classified the results of the Transferred Assets as discontinued operations in its consolidated statements of operations for all periods presented. All assets and liabilities associated with the Transferred Assets were classified as assets and liabilities of discontinued operations in the Note 4, "Discontinued Operations". All amounts included in the notes to the consolidated financial statements relate to continuing operations unless otherwise noted. For additional information, see Note 4, "Discontinued Operations".

Variable Interest Entities

The Company reviews each legal entity in which it has a financial interest to determine whether or not the entity is a variable interest entity or VIE. If the entity is a VIE, the Company assesses whether or not it is the primary beneficiary of that VIE based on a number of factors, including (i) which party has the power to direct the activities that most significantly affect the VIE's economic performance, (ii) the parties' contractual rights and responsibilities pursuant to any contractual agreements and (iii) which party has the obligation to absorb losses or the right to receive benefits from the VIE. If the Company determines that it is the primary beneficiary of a VIE, it consolidates the financial statements of the VIE into its consolidated financial statements at the time that determination is made. On a quarterly basis, the Company evaluates whether it continues to be the primary beneficiary of any consolidated VIEs. If the Company determines that it is no longer the primary beneficiary of a consolidated VIE, or no longer has a variable interest in the VIE, the Company deconsolidates the VIE in the period that the determination is made.

Investment

The Company accounts for investments in equity securities without a readily determinable fair value at cost, minus impairment. If the Company identifies observable price changes in orderly transactions for an identical or a similar investment of the same issuer, the Company will measure the equity security at fair value as of the date that the observable transaction occurred in accordance with ASC Topic 321, Investments-Equity Securities.

Use of Estimates

The preparation of consolidated financial statements in accordance with U.S. generally accepted accounting principles ("GAAP") requires the Company's management to make estimates and judgments 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. On an ongoing basis, the Company's management evaluates its estimates, judgments and methodologies. Significant estimates and assumptions in the consolidated financial statements include those related to revenue, fair value determination of other investment, impairment of long-lived assets, valuation procedures for right-of-use ("ROU") assets and operating lease liabilities, income taxes, including the valuation allowance for deferred tax assets, research and development expenses, contingencies, share-based compensation and going concern. The Company bases its estimates on 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 these estimates under different assumptions or conditions. Changes in estimates are reflected in reported results in the period in which they become known.

Cash and Cash Equivalents

The Company considers all highly liquid investment instruments with a remaining maturity when purchased of three months or less to be cash equivalents. Investments qualifying as cash equivalents may consist of money market funds and overnight repurchase agreements. The carrying amount of cash equivalents approximates fair value.

Property and Equipment

Property and equipment are recorded at cost, and are depreciated when placed into service using the straight-line method based on their estimated useful lives as follows:

Asset Description	Estimated Useful Life (In Years)
Computer equipment	3
Software	3

Software costs incurred during the preliminary project stage are expensed as incurred, while costs incurred during the application development stage are capitalized and amortized over the estimated useful life of the software. The Company also capitalizes costs related to specific upgrades and enhancements when it is probable the expenditures will result in additional functionality. Maintenance and training costs related to software obtained for internal use are expensed as incurred.

Costs for capital assets not yet placed into service have been capitalized as construction in progress and are depreciated in accordance with the above guidelines once placed into service. Maintenance and repair costs are expensed as incurred.

Property and equipment that is no longer required for the business is considered disposed of when it ceases to be used. Disposals are either sold or retired and the net book value is removed from the consolidated balance sheet and a corresponding gain or loss on the sale or disposal is recognized as a component of operating expenses in the consolidated statements of operations and comprehensive loss.

Fair Value of Investment Instruments

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. Financial assets and liabilities carried at fair value are to be classified and disclosed in one of the following three levels of the fair value hierarchy, of which the first two are considered observable and the last is considered unobservable:

- Level 1 — Quoted prices in active markets for identical assets or liabilities.
- Level 2 — Observable inputs (other than Level 1 quoted prices), such as quoted prices in active markets for similar assets or liabilities, quoted prices in markets that are not active for identical or

similar assets or liabilities, or other inputs that are observable or can be corroborated by observable market data.

- Level 3 — Unobservable inputs that are supported by little or no market activity and that are significant to determining the fair value of the assets or liabilities, including pricing models, discounted cash flow methodologies and similar techniques.

Foreign Currency Translation Adjustment

The functional currency of the Company's former foreign subsidiary is its local currency, the Swiss franc. The assets and liabilities of the Company's former foreign subsidiary are translated into U.S. dollars at exchange rates in effect at the balance sheet date. Income and expense items are translated at the average exchange rates prevailing during the period. The cumulative translation effect for the Company's former foreign subsidiary was included as a foreign currency translation adjustment in the consolidated statements of stockholders' equity and as a component of comprehensive loss in the consolidated statements of operations and comprehensive loss.

The Company's intercompany accounts are typically denominated in the functional currency of the foreign subsidiary. Gains and losses resulting from the re-measurement of intercompany balances are recorded in the consolidated statements of operations.

Accounts Receivable

The Company makes judgments as to its ability to collect outstanding receivables and provides an allowance for receivables when collection becomes doubtful. Provisions are made based upon a specific review of all significant outstanding invoices. The Company believes that credit risks associated with these agreements are not significant. To date, the Company has not had significant write-offs of bad debt and the Company did not have an allowance for doubtful accounts as of December 31, 2024 or 2023.

Impairment of Long-Lived Assets

The Company regularly reviews the carrying amount of its long-lived assets to determine whether indicators of impairment may exist, which warrant adjustments to carrying values or estimated useful lives. If indications of impairment exist, projected future undiscounted cash flows associated with the asset are compared to the carrying amount to determine whether the asset's value is recoverable. If the carrying value of the asset exceeds such projected undiscounted cash flows, the asset will be written down to its estimated fair value. There were no significant impairments of long-lived assets for the years ended December 31, 2024 or 2023, except for the impairment loss of right-of-use assets recognized during the year ended December 31, 2023.

Leases

The Company had a property lease for its headquarters location at 301 Binney Street, Cambridge, MA (the "Head Lease"). The Company determined if the arrangement was a lease at the inception of the contract. The asset component of the Company's operating leases was recorded as operating lease right-of-use assets, and the liability component was recorded as current portion of operating lease liabilities and operating lease liabilities, net of current portion, in the Company's consolidated balance sheets.

Right-of-use assets (ROU) assets and operating lease liabilities are recognized based on the present value of lease payments over the lease term at the commencement date. The Company uses an incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments if an implicit rate of return is not provided with the lease contract. Operating lease ROU assets are adjusted for incentives received.

Lease cost was recognized on a straight-line basis over the lease term, and included amounts related to short-term leases. Variable lease costs that do not depend on an index or rate were recognized as incurred.

ROU assets and operating lease liabilities were remeasured upon certain modifications to leases using the present value of remaining lease payments and estimated incremental borrowing rate upon lease modification. The difference between the remeasured ROU assets and the operating lease liabilities were recognized as a gain or loss in operating expenses. The Company reviewed any changes to its lease agreements for potential modifications and/or indicators of impairment of the respective ROU asset. During the year ended December 31, 2023, the Company recorded $3.3 million for impairment of ROU asset. See Note 9, "Leases," for additional information.

Revenue

Upon executing a revenue generating arrangement, the Company assesses whether it is probable the Company will collect consideration in exchange for the good or service it transfers to the customer. To determine revenue recognition for arrangements that the Company determines are within the scope of ASC Topic 606, *Revenue from Contracts with Customers* ("ASC 606"), it performs the following five steps: (i) identify the contract(s) with a customer; (ii) identify the performance obligations in the contract; (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations in the contract; and (v) recognize revenue when (or as) the Company satisfies the performance obligations. The Company must develop assumptions that require significant judgment to determine the stand-alone selling price for each performance obligation identified in the contract. The assumptions that are used to determine the stand-alone selling price may include forecasted revenues, development timelines, reimbursement rates for personnel costs, discount rates and probabilities of technical and regulatory success. The Company derives revenue from (1) license agreement and (2) option to license agreement which are fully described in Note 15, *License Agreement*.

Research and Development Costs

The Company expenses research and development costs to operations as incurred. The Company defers and capitalizes nonrefundable advance payments made by the Company for research and development activities until the related goods are received or the related services are performed. The Company estimates the period over which such services will be performed and the level of effort to be expended in each period. If actual timing of performance or the level of effort varies from the estimate, the Company will adjust the amounts recorded accordingly. The Company has not experienced any material differences between accrued or prepaid costs and actual costs since inception.

Research and development expenses are comprised of costs incurred in performing research and development activities, which may include salary, benefits and other employee-related expenses; share-based compensation expense; laboratory supplies and other direct expenses; facilities expenses; overhead expenses; third-party contractual costs relating to nonclinical studies and clinical trial activities and related contract manufacturing expenses, development of manufacturing processes and regulatory registration of third-party manufacturing facilities; and other outside expenses.

General and Administrative Expenses

The Company expenses general and administrative costs to operations as incurred. General and administrative expense consists of compensation, share-based compensation, benefits and other employee-related expenses for personnel and outside consultants providing the Company's administrative, finance, legal, information technology, business development and human resource functions. Other costs include the legal costs of pursuing patent protection of the Company's intellectual property, general and administrative related facility costs, insurance costs and professional fees for accounting and legal services.

Income taxes

The Company is primarily subject to U.S. Federal and Massachusetts state income taxes. For federal and state income taxes, deferred tax assets and liabilities are recognized based upon temporary differences between the financial statement and the tax basis of assets and liabilities. Deferred income taxes are based upon prescribed rates and enacted laws applicable to periods in which differences are expected to reverse. A valuation allowance is recorded when it is more likely than not that some portion or all of the deferred tax assets will not be

realized. Accordingly, the Company provides a valuation allowance, if necessary, to reduce deferred tax assets to amounts that are realizable.

The tax positions taken or expected to be taken in the course of preparing the Company tax returns are required to be evaluated to determine whether the tax positions are "more-likely-than-not" of being sustained by the applicable tax authority. Tax positions not deemed to meet a more-likely-than-not threshold would be recorded as a tax expense in the current year. The determination as to whether the tax benefit will more likely than not be realized is based upon the technical merits of the tax position as well as consideration of the available facts and circumstances. It does not consider the likelihood of whether or not the IRS will review the position. Cyclerion evaluates uncertain tax positions on a quarterly basis and adjusts the level of the liability to reflect any subsequent changes in the relevant facts surrounding the uncertain positions. Any changes to these estimates, based on the actual results obtained and/or a change in assumptions, could affect Cyclerion's income tax provision in future periods. There were no uncertain tax positions that require accrual or disclosure in the consolidated financial statements as of December 31, 2024, and 2023. The Company's policy is to recognize interest and penalties related to income tax, if any, in income tax expense. As of December 31, 2024 and 2023, the Company has no accruals for interest or penalties related to income tax matters.

Patent Costs

Patent fees and patent related costs in connection with filing and prosecuting patent applications are expensed as incurred and are classified as general and administrative expenses in the accompanying consolidated financial statements. The Company incurred and recorded as operating expense legal and other fees related to patents of approximately $0.6 million and $1.1 million for the years ended December 31, 2024 and 2023, respectively.

Interest and Other Income, Net

For the year ended December 31, 2024 and 2023, interest and other income, net consisted of a $0.2 million and $0.4 million of interest income related to interest generated from the Company's cash and cash equivalents balances, respectively.

Subsequent Events

The Company considers events or transactions that have occurred after the balance sheet date of December 31, 2024, but prior to the filing of the financial statements with the Securities and Exchange Commission, to provide additional evidence relative to certain estimates or to identify matters that require additional recognition or disclosure. Subsequent events have been evaluated through the filing of the financial statements accompanying this Annual Report on Form 10-K. See Note 16, *Subsequent Events*.

Recently Issued 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 years ended December 31, 2024 and 2023, that had a material effect on its consolidated financial statements.

Recently Adopted Accounting Pronouncements

In June 2016 the FASB issued ASU 2016-13, Financial Instruments-Credit Losses. This standard requires entities to measure all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. As a smaller reporting company, ASU 2016-13 became effective for the Company for fiscal years beginning after December 15, 2022. The Company adopted ASU 2016-13 in the first quarter of 2023, and the adoption of this standard did not have any impact on the Company's financial position or results of operations.

In November 2023 the FASB issued ASU 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures, which expands annual and interim disclosure requirements for reportable segments, primarily through enhanced disclosures about significant segment expenses. The Company adopted this standard effective January 1, 2024 using a retrospective method, and the adoption of this standard did not have any impact on the Company's financial position or results of operations. For further information, refer to the Segments section in Note 2 “Summary of Significant Accounting Policies.”

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 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 December 31, 2024 and December 31, 2023 (in thousands):

	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

	Fair Value Measurements as of December 31, 2023:			
	Level 1	Level 2	Level 3	Total
Cash equivalents:				
Money market funds	$ 7,244	$ —	$ —	$ 7,244
Cash equivalents	$ 7,244	$ —	$ —	$ 7,244

During the year ended December 31, 2024 and 2023, 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. Discontinued Operations

On May 11, 2023, the Company entered into the Purchase Agreement with Tisento for Tisento’s acquisition of substantially all of the assets comprising the Company’s zagociguat and CY3018 programs, in exchange for consideration at closing of $8.0 million, the reimbursement of employee expenses or R&D expenses of $2.4 million that Tisento reimbursed the Company for upon closing, and 10% of the issued and outstanding shares of Tisento Parent (Note 5). Upon closing of the transaction, the Company transferred certain fully depreciated software included within property and equipment to Tisento.

The carrying value of the disposal group was lower than its fair value, less costs to sell, and accordingly, a gain on disposal was recorded during the year ended December 31, 2023. The operations of the Transferred Assets are presented as discontinued for all periods presented. The transaction closed on July 28, 2023.

The following table presents the results of the discontinued operations for the year ended December 31, 2023 (in thousands):

	Year Ended December 31, 2023
Revenues:	
Revenue from grants	$ 50
Total revenues	50
Cost and expenses:	
Research and development	4,439
General and administrative	4,033
Total cost and expenses	8,472
Loss from operations	(8,422)
Gain on disposal of discontinued operations	15,752
Net gain from discontinued operations	$ 7,330

The following table presents the significant non-cash item for the discontinued operations that are included in the accompanying consolidated statements of cash flows (in thousands):

	Year Ended December 31, 2023
Cash flows from operating activities:	
Share-based compensation expense	$ 505

The transaction consideration received from the sale of the Transferred Assets were as follows (in thousands):

	Amount
Closing payment	$ 8,000
Expense reimbursement	2,402
Investment in Tisento Parent	5,350
Gross transaction consideration from the sale	15,752
Net assets sold	—
Gain on disposal of discontinued operations	$ 15,752

During the year ended December 31, 2023, the Company incurred $1.3 million in closing costs associated with the sale of the Transferred Assets. The Company also incurred $0.9 million in transaction costs associated with the sale of the Transferred Assets during the year ended December 31, 2023, respectively. All of the closing and transaction costs were recognized as part of discontinued operations - general and administrative.

5. Other Investment

On July 28, 2023, the Company 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 which fair value was determined to be $5.3 million at the time of closing. The Company’s investment in Tisento Parent does not provide it with significant influence over Tisento Parent.

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 December 31, 2024, 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.

The initial fair value of the investment in Tisento Parent was determined by reference to the risk-adjusted net assets value using the discounted cash flow method. The estimated net assets value of Tisento Parent includes the cash generated/used from the operations and the proceeds from equity financing. Valuations were derived by reference to observable valuation measures for comparable companies or transactions, including weighted average cost of capital (21% to 23%), terminal decline rate (25% to 75%) and the discount rate referenced by a two-year treasury rate of 4.01%.

6. Property and Equipment

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

	December 31, 2024	December 31, 2023
Software	$ 126	$ 126
Property and equipment, gross	126	126
Less: accumulated depreciation and amortization	(126)	(126)
Property and equipment, net	$ —	$ —

During the year ended December 31, 2024 and 2023, the Company did not record depreciation and amortization expenses.

7. Accrued Expenses and Other Current Liabilities

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

	December 31, 2024	December 31, 2023
Professional fees	$ 220	$ 685
Other	63	113
Accrued expenses and other current liabilities	$ 283	$ 798

8. 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.

Guarantees

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

The Company enters into certain agreements with other parties in the ordinary course of business that contain indemnification provisions. These typically include agreements with directors and officers, business partners, contractors, clinical sites and customers. Under these provisions, the Company generally indemnifies and holds harmless the indemnified party for losses suffered or incurred by the indemnified party as a result of the Company's activities. These indemnification provisions generally survive termination of the underlying agreements. The maximum potential amount of future payments the Company could be required to make under these indemnification provisions is unlimited. However, to date the Company has not incurred material costs to defend lawsuits or settle claims related to these indemnification provisions. As a result, the estimated fair value of these obligations is minimal. Accordingly, the Company did not have any liabilities recorded for these obligations as of December 31, 2024 or December 31, 2023.

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. The Company has no further separation benefits obligation as of December 31, 2024.

9. Leases

On September 15, 2020, the Company entered into a Sublease Termination Agreement (the "Sublease Termination Agreement") to terminate its sublease of 15,700 rentable square feet, of its leased premises under the Head Lease. Under the terms of the Sublease Termination Agreement, the subtenant was relieved of its obligation to provide future cash rental payments to the Company. The agreements requiring the former subtenant to provide licensed rooms and services to the Company free of charge through the original sublease term survived the sublease termination. The Company gained access to the licensed rooms and services beginning in the third quarter of 2021. The letter of credit security deposit related to the sublease was released.

The Company determined that the Sublease Termination Agreement constituted a non-monetary exchange under ASC 845 Nonmonetary Transactions ("ASC 845") where, in return for the free rooms and the services, the Company agreed to terminate its rights and obligations under the sublease agreement. In accordance with ASC 845, the Company determined that the accounting for the transaction should be based on the fair value of assets or services involved. During the year ended December 31, 2020, the Company estimated the fair value of the rooms and services to be approximately $1.5 million and $2.9 million, respectively.

The Company determined that the licensed rooms represent a lease under ASC Topic 842 Leases. The Company obtained control of the rooms in the third quarter of 2021 and the prepaid rooms balance of approximately $1.4 million was reclassified from other assets to a ROU asset. The related lease expense is recognized on a straight-line basis over the lease term of 8.88 years. The Company recorded $0.2 million of lease expense during the year ended December 31, 2023. The Company determined that the licensed services represent a non-lease component, which is recognized separately from the lease component for this asset class. The expense related to the licensed services is recognized on a straight-line basis over the period the services are received. The Company recorded $0.1 million for the year ended December 31, 2023. Both the lease expense and services expense are recognized as a component of research and development costs in the consolidated statements of operations and comprehensive loss.

After the closing of the Asset Purchase Agreement, the Company had no plans in the foreseeable future to use the licensed rooms and the Company is restricted from subleasing the rooms. In August 2023, the ROU asset and other assets were fully impaired, and the Company recognized a $3.3 million impairment loss during the year ended December 31, 2023. No lease expense or services expense was recognized during the year ended December 31, 2024.

10. Share-based Compensation Plans

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

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

The following table provides share-based compensation reflected in the Company’s consolidated statements of operations and comprehensive loss for the years ended December 31, 2024 and 2023 (in thousands):

	Year Ended December 31,	
	2024	2023
Research and development	$ 91	$ 421
General and administrative	534	646
	$ 625	$ 1,067

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 year ended December 31, 2024 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, 2023	291,368	$ 189.09	4.6	$ —
Granted	55,849	$ 3.30		
Exercised	—	$ —		
Cancelled or forfeited	(11,769)	$ 165.74		
Outstanding as of December 31, 2024	335,448	$ 158.98	4.7	$ —
Exercisable at December 31, 2024	258,558	$ 199.26	3.5	$ —

During the years ended December 31, 2024 and 2023, the Company granted stock options to purchase an aggregate of 55,849 shares and 4,000 shares, respectively, at weighted average grant date fair values per option share of $2.80 and $2.95 respectively.

There were no options exercised during the year ended December 31, 2024 and 2023.

As of December 31, 2024, the unrecognized share-based compensation expense, net of estimated forfeitures, related to all unvested time-based stock options held by the Company's employee and non-employees is $0.4 million and the weighted average period over which that expense is expected to be recognized is 3.64 years.

The weighted-average Black-Scholes assumptions used in estimating the fair value of the stock options granted by Cyclerion during the years ended December 31, 2024 and 2023 were as follows:

	Year ended December 31, 2024	2023
Weighted average risk-free interest rate	3.64%	3.47%
Expected dividend yield	—	—
Expected option term (in years)	6.0	6.0
Expected stock price volatility	111.97%	93.19%

For the years ended December 31, 2024 and 2023, expected volatility was estimated using an average of the historical volatility of the common stock of a group of similar companies that were publicly traded. The Company will continue to apply this process until a sufficient amount of historical information regarding the volatility of its own stock price becomes available.

The Company has granted certain employees performance-based options to purchase shares of common stock. These options are subject to performance-based milestone vesting. During the year ended December 31, 2024 and 2023, 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 years ended December 31, 2024, and 2023, respectively.

Market-based Stock Options

The Company also has previously granted to certain employees stock options containing market conditions that vest upon the achievement of specified price targets of the Company's share price for a period through December 31, 2024. Vesting is measured based upon the average closing price of the Company's share price for any thirty consecutive trading days, subject to certain service requirements. Stock compensation cost is expensed on a straight-line basis over the derived service period for each stock price target within the award, ranging from approximately 4.0 to 4.6 years. The Company accelerates expense when a stock price target is achieved prior to the derived service period. The Company does not reverse expense recognized when the share price target(s) are ultimately not achieved but expense is reversed when a stock award recipient has a break in service prior to the completion of the derived service period. During the year ended December 31, 2024, 7,500 stock options containing market conditions were forfeited and there were no outstanding stock options containing market conditions as of December 31, 2024.

A summary of stock awards containing market conditions activity for the year ended December 31, 2024 is as follows:

	Number of Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (years)	Aggregate Intrinsic Value (in thousands)
Outstanding as of December 31, 2023	7,500	$ 40.20	5.9	$ —
Granted	—	—	—	—
Exercised	—	—	—	—
Cancelled or forfeited	(7,500)	$ 40.20	—	$ —
Outstanding as of December 31, 2024	—	$ —	—	$ —
Exercisable at December 31, 2024	—	$ —	—	$ —

No stock options containing market conditions were granted during the years ended December 31, 2024 and 2023.

Restricted Stock Awards

The Company granted 65,000 and 200,000 RSAs during the year ended December 31, 2024 and 2023, respectively. 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 years ended December 31, 2024 is as follows:

	Number of Shares	Weighted Average Grant Date Fair Value
Unvested as of December 31, 2023	170,937	$ 2.28
Granted	65,000	3.35
Vested	(71,763)	2.61
Forfeited	—	—
Unvested as of December 31, 2024	164,174	$ 2.55

As of December 31, 2024, the unrecognized share-based compensation expense, net of estimated forfeitures, related to all unvested RSAs held by the Company's directors is $0.4 million and the weighted average period over which that expense is expected to be recognized is 2.68 years.

11. 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:

	Year Ended December 31,	
	2024	2023
Numerator:		
Net loss from continuing operations (in thousands)	$ (3,057)	$ (12,593)
Net gain from discontinued operations (in thousands)	—	7,330
Total net loss (in thousands)	(3,057)	(5,263)
Denominator:		
Weighted average shares used in calculating net gain (loss) per share — basic and diluted (in thousands)	2,518	2,338
Net gain (loss) per share — basic and diluted		
Net loss per share from continuing operations	$ (1.21)	$ (5.39)
Net gain per share from discontinued operations	—	3.14
Total loss per share	$ (1.21)	$ (2.25)

The Company excludes potential 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 years ended December 31, 2024 and 2023:

	Year Ended December 31,	
	2024	2023
Preferred Stock	351,037	351,037
Stock Options	335,448	298,868
RSAs	164,174	170,937
	850,659	820,842

12. Income Taxes

There was no provision for income taxes for the years ended December 31, 2024, and 2023, due to the Company's operating losses and a full valuation allowance on deferred tax assets. Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes.

A reconciliation of income taxes computed using the U.S. federal statutory rate to that reflected in operations follows (in thousands):

	Year Ended December 31,	
	2024	2023
U.S.	$ (3,060)	$ (5,181)
International	3	(82)
Loss before benefit from income taxes	$ (3,057)	$ (5,263)
Income tax benefit using U.S. federal statutory rate	$ (642)	$ (1,105)
State income taxes, net of federal benefit	(155)	(5)
Non-deductible share-based compensation	22	(9)
Share-based compensation - shortfalls/(windfalls)	70	1,196
Permanent differences	(4)	1
Tax credits	(11)	(500)
Other	0	17
Change in valuation allowance	720	405
	$ —	$ —

The effective income tax rate is based upon the income for the year, the composition of the income in different countries, and adjustments, if any, for the potential tax consequences, benefits or resolutions of audits or other tax contingencies. The Company's income tax rate in foreign jurisdictions is lower than the Company's income tax rate in the United States.

Deferred tax assets (liabilities) consist of the following as of December 31, 2024 and 2023 (in thousands):

	Year Ended December 31,	
	2024	2023
Deferred tax assets:		
Net operating loss carryforwards	$ 53,281	$ 48,535
Tax credit carryforwards	10,383	10,388
Share-based compensation	7,122	7,071
Capitalized research and development	12,370	16,440
Accruals and reserves	—	2
Total deferred tax assets	$ 83,156	$ 82,436
Valuation allowance	(83,156)	(82,436)
Net deferred tax assets	$ —	$ —

The Company has evaluated the positive and negative evidence bearing upon the possible realization of its deferred tax assets. Management has considered the Company's history of operating losses, in addition to the expected timing of the reversal of existing temporary differences and concluded, in accordance with the applicable accounting standards, that it is more likely than not that the Company will not realize the benefit of its deferred tax assets. Accordingly, the net deferred tax assets have been fully reserved at December 31, 2024 and December 31, 2023. Management reevaluates the positive and negative evidence on a quarterly basis.

The valuation allowance increased by approximately $0.7 million during the year ended December 31, 2024 primarily due to increases in capitalized research and development expenses, net operating losses, tax credit carryforwards and deferred tax assets related to share-based compensation.

The Company did not generate net operating loss carryforwards or tax credit carryforwards available for its use until its inception and operation as a standalone legal entity. At December 31, 2024 and 2023, Cyclerion has federal net operating loss carryforwards of approximately $195 million and $177 million, respectively, to offset future federal taxable income that will be carried forward indefinitely until utilized. As of December 31, 2024, and 2023, Cyclerion had state net operating loss carryforwards of approximately $196 million and $178 million, respectively, to offset future state taxable income, which will begin to expire in 2040 and will continue to expire through 2042. Cyclerion also had tax credit carryforwards of approximately $10.8 million as of December 31, 2024

and 2023, to offset future federal and state income taxes. Federal credits begin to expire in 2040 and will continue to expire through 2041. State credits begin to expire in 2023 and continue through 2034.

The Company's ability to use its operating loss carryforwards and tax credits to offset future taxable income could be subject to restrictions under Section 382 of the U.S. Internal Revenue Code of 1986, as amended (the "Internal Revenue Code"). These potential restrictions may limit the future use of the operating loss carryforwards and tax credits if certain ownership changes described in the Internal Revenue Code occur. Changes in stock ownership may occur that would create these limitations on the Company's use of the operating loss carryforwards and tax credits. In such a situation, the Company may be required to pay income taxes, even though significant operating loss carryforwards and tax credits exist.

The Company has not as yet conducted a study of its research and development credit carry forwards. This study may result in an adjustment to the Company's research and development credit carryforwards; however, until a study is completed and any adjustment is known, no amounts are being presented as an uncertain tax position. A full valuation allowance has been provided against the Company's research and development credits, and if an adjustment is required, this adjustment would be offset by an adjustment to the valuation allowance. Thus, there would be no impact to the consolidated balance sheets or statements of operations if an adjustment were required.

Upon audit, taxing authorities may challenge all or part of an uncertain income tax position. While Cyclerion has no history of tax audits since its inception on a standalone basis, it may be subject to tax audits by federal and state taxing authorities in the future. Accordingly, Cyclerion regularly assesses the outcome of potential examinations in each of the taxing jurisdictions when determining the adequacy of the amount of unrecognized tax benefit recorded. Cyclerion had no unrecognized tax benefits as of December 31, 2024 and 2023. Cyclerion will recognize interest and penalties, if any, related to uncertain tax positions in income tax expense. As of December 31, 2024 and 2023, no interest or penalties have been accrued. There are no current federal or state income tax audits in progress.

13. Defined Contribution Plan

The Company has established a defined contribution 401(k) Savings Plan which allows eligible employees to contribute from 1% to 100% of their compensation, subject to certain IRS limits. The Company's contributions to the plan are at the sole discretion of the board of directors. Currently, the Company provides a matching contribution of 75% of the employee's contributions, up to $6,000 annually.

Included in compensation expense is de minimis and approximately $0.1 million related to the defined contribution 401(k) Savings Plan for the years ended December 31, 2024 and 2023, respectively.

14. Workforce Reduction

On October 6, 2022, the Company began a reduction of its current workforce by thirteen (13) full-time employees to align its resources with its current priorities of focusing on a mitochondrial disease-focused strategy. The workforce reduction was completed in the fourth quarter of 2022. No cost related to the 2022 Workforce Reduction was recognized during the year ended December 31, 2024 and 2023.

The Company had further reductions of workforce in 2023 in connection with the sale of the Transferred Assets to Tisento and change to the Company's strategy. The Company recorded total costs of approximately $0.6 million related to the reduction in workforce during the year ended December 31, 2023. No cost related to further workforce reductions was recognized during the year ended December 31, 2024.

All the accrued liabilities were paid off as of December 31, 2023 and no activities occurred during the year ended December 31, 2024. The following table summarizes the accrued liabilities activity recorded in connection with the reduction in workforce for the year ended December 31, 2023 (in thousands):

	Amounts accrued at December 31, 2022	Charges	Amount paid	Adjustments	Amounts accrued at December 31, 2023
Workforce reductions	$ (809)	$ (565)	$ 1,374	$ —	$ —
Total	$ (809)	$ (565)	$ 1,374	$ —	$ —

15. License and Option 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 may 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. 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 the Company. In addition, the Optionee has agreed to reimburse the Company for certain patent expenses incurred during the Option period. The Company recognized revenue of $0.2 million related to the Option fee payment and expense reimbursement for the year ended December 31, 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 our rights to the development, manufacture, medical affairs and commercialization of pharmaceutical products containing the pharmaceutical compound known as praliciguat and other related products and forms thereof enumerated in the License Agreement (collectively, the "Products"). Pursuant to the Akebia License Agreement, Akebia will be responsible for all future research, development, regulatory, and commercialization activities for the Products.

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

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 Cyclerion patents, and the expenses associated therewith, at an earlier date than as originally agreed between the parties. The parties have agreed to the reduction of certain development milestones and the increase of certain royalty rates on net sales and sublicense income. Pursuant to the terms of the 2021 License Agreement, as amended, Cyclerion is eligible to receive up to $558.5 million in total potential future development, regulatory, and commercialization milestone payments, and Akebia will pay Cyclerion tiered royalties ranging from mid-single digit to twenty percent of net sales. Cyclerion's obligations to deliver certain drug products have also ceased.

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

The Company determined that the grant of license to its patents and trademarks, know how transfer, the assignment of regulatory submissions and trademarks and additional knowledge transfer assistance obligations represent a single promise and performance obligation to be transferred to Akebia over time due to the nature of the promises in the contract. The provision of development materials on hand was identified as a separate performance

obligation. However, it is immaterial in the context of the contract as the development materials are low value and do not have an alternative use to the Company.

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

16. Subsequent Events

The Company has evaluated all events and transactions that occurred after the balance sheet date through the date the consolidated financial statements were issued.

On February 4, 2025, the Company filed a Registration Statement on Form S-3 with 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.

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in the following Registration Statements:

(1) Registration Statement (Form S-3 No. 333-257145) of Cyclerion Therapeutics, Inc. and the related Prospectus,

(2) Registration Statement (Form S-3 No. 333-284690) of Cyclerion Therapeutics, Inc. and the related Prospectus,

(3) Registration Statement (Form S-3 No. 333-242334) of Cyclerion Therapeutics, Inc. and the related Prospectus,

(4) Registration Statement (Form S-8 No. 333-248957) pertaining to 2019 Equity Incentive Plan, 2019 Employee Stock Purchase of Cyclerion Therapeutics, Inc.,

(5) Registration Statement (Form S-8 No. 333-258316) pertaining to 2019 Equity Incentive Plan, 2019 Employee Stock Purchase of Cyclerion Therapeutics, Inc.,

(6) Registration Statement (Form S-8 No. 333-230615) pertaining to 2019 Equity Incentive Plan, 2019 Employee Stock Purchase Plan, Amended and Restated 2010 Employee, Director and Consultant Equity Incentive Plan, and Amended and Restated 2005 Stock Incentive Plan of Cyclerion Therapeutics, Inc.;

(7) Registration Statement (Form S-8 No. 333-266739) pertaining to 2019 Equity Incentive Plan, 2019 Employee Stock Purchase of Cyclerion Therapeutics, Inc.,

(8) Registration Statement (Form S-8 No. 333-273530) pertaining to 2019 Equity Incentive Plan, 2019 Employee Stock Purchase of Cyclerion Therapeutics, Inc.

of our report dated March 4, 2025, with respect to the consolidated financial statements of Cyclerion Therapeutics, Inc. included in this Annual Report (Form 10-K/A) for the year ended December 31, 2024.

/s/ Ernst & Young LLP

Boston, Massachusetts
November 12, 2025

Exhibit 31.1

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

I, Regina Graul, certify that:

1. I have reviewed this annual report on Form 10-K/A of Cyclerion Therapeutics, Inc.;

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

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

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

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

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

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

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

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

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

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

Date: November 12, 2025

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

Exhibit 31.2

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

I, Rhonda Chicko, certify that:

1. I have reviewed this annual report on Form 10-K/A of Cyclerion Therapeutics, Inc.;

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

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

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13-a-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: November 12, 2025

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

Exhibit 32.1

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

I, Regina Graul, certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge, the Annual Report on Form 10-K/A of Cyclerion Therapeutics, Inc. for the period ended December 31, 2024 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-K fairly presents, in all material respects, the financial condition and results of operations of Cyclerion Therapeutics, Inc.

Date: November 12, 2025

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

Exhibit 32.2

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

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 Annual Report on Form 10-K/A of Cyclerion Therapeutics, Inc. for the period ended December 31, 2024 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-K fairly presents, in all material respects, the financial condition and results of operations of Cyclerion Therapeutics, Inc.

Date: November 12, 2025

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