

## Cyclerion Therapeutics, Inc.

(CYCN-NASDAQ)

### CYCN: Positive Feedback from FDA Sets Stage for Phase 2 Trial of CYC-126 in 2H26

Based on our probability adjusted DCF model that takes into account potential future revenues for CYC-126 in TRD, CYCN is valued at \$8.00/share. This model is highly dependent upon the clinical success and commercial potential of CYC-126 and will be adjusted accordingly based upon future clinical results.

Current Price (02/23/26) **\$1.34**  
Valuation **\$8.00**

### OUTLOOK

On February 17, 2026, Cyclerion Therapeutics, Inc. (CYCN) announced that the company received positive written regulatory feedback and responses from the U.S. FDA regarding the planned Phase 2 proof-of-concept study in treatment resistant depression (TRD) for CYC-126, a novel anesthetic-based investigational therapy for the treatment of TRD. The planned Phase 2 study will be a randomized, double blind, two-part trial in which patients will receive either active treatment or sham control arms. Assessments in the study will be safety, antidepressant efficacy, and durability of response. Cyclerion also announced the formation of a Clinical Advisory Board (CAB) that will be comprised of five internationally recognized key leaders in neuropsychiatry, anesthesiology, clinical care, and clinical development. In addition to the aforementioned feedback from the FDA and formation of the CAB, Cyclerion has selected a contract research organization to support execution of the planned Phase 2 study, which we anticipate initiating in 2H26.

### SUMMARY DATA

52-Week High **\$3.70**  
52-Week Low **\$1.08**  
One-Year Return (%) **-52.48**  
Beta **0.98**  
Average Daily Volume (sh) **63,953**

Shares Outstanding (mil) **4**  
Market Capitalization (\$mil) **\$5**  
Short Interest Ratio (days) **N/A**  
Institutional Ownership (%) **8**  
Insider Ownership (%) **26**

Annual Cash Dividend **\$0.00**  
Dividend Yield (%) **0.00**

5-Yr. Historical Growth Rates  
Sales (%) **N/A**  
Earnings Per Share (%) **N/A**  
Dividend (%) **N/A**

P/E using TTM EPS **N/A**  
P/E using 2026 Estimate **N/A**  
P/E using 2027 Estimate **N/A**

Risk Level **Above Avg.**  
Type of Stock **Small-Value**  
Industry **N/A**

### ZACKS ESTIMATES

#### Revenue

(in millions of \$)

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2024	0.0 A	0.0 A	0.2 A	1.8 A	2.0 A
2025	0.1 A	0.1 A	0.9 A	0.1 E	1.1 E
2026					1.0 E
2027					0.0 E

#### Earnings per Share

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2024	-\$0.62 A	-\$0.53 A	-\$0.29 A	\$0.22 A	-\$1.21 A
2025	-\$0.56 A	-\$0.11 A	-\$0.31 A	-\$0.38 E	-\$1.34 E
2026					-\$0.90 E
2027					-\$0.82 E

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## WHAT'S NEW

### Business Update

#### *Positive Regulatory Feedback Supports Phase 2 Trial Initiation in 2H26*

On February 17, 2026, Cycleron Therapeutics, Inc. (CYCN) announced that the U.S. Food and Drug Administration (FDA) provided positive written feedback to the company regarding the planned Phase 2 proof-of-concept clinical trial evaluating CYC-126, the company's novel, anesthetic-based therapy for the treatment of Treatment Resistant Depression (TRD).

The planned Phase 2 proof-of-concept study will be a randomized, double blind, two-part (Part A and Part B) study that will evaluate CYC-126 in adults with TRD who are eligible for monitored anesthesia. Key primary endpoints will include safety, antidepressant efficacy (as assessed by the Montgomery-Asberg Depression Rating Scale (MADRS), and duration of resistance. CYC-126 will be regulated under the FDA's Center for Drug Evaluation and Research (CDER) with the FDA's Center for Devices and Radiologic Health (CDRH) available for input and reviews, if necessary.

In addition to the feedback received from the FDA, Cycleron has been continuing work on advancing toward the Phase 2 study, including identifying a contract research organization (CRO) to aid in conducting the trial. The company remains on track to initiate the trial in Australia first in the second half of 2026, and then initiate patient enrollment in the U.S. in the first half of 2027.

#### *Clinical Advisory Board Formed*

Cycleron also announced the formation of a Clinical Advisory Board (CAB) that is composed of five internationally recognized key leaders in neuropsychiatry, anesthesiology, and clinical development. The purpose of the CAB is to offer strategic guidance in the clinical development of CYC-126. The members of the CAB are:

**Dr. Hussein Manji, M.D., FRCP:** Dr. Manji currently holds professorships at Oxford University and Yale University, focused on severe neuropsychiatric disorders. His career includes leadership positions at the National Institutes of Health and at Janssen/Johnson & Johnson, where he served as Global Head of Neuroscience.

**Dr. Linda Carpenter, M.D.:** Dr. Carpenter is a Professor of Psychiatry and Human Behavior at the Alpert Medical School of Brown University and Medical Director of the Brain Research and Interventional Neurotherapeutics (BRaIN) program at Butler Hospital. She has published over 200 papers in peer-reviewed scientific journal that included work on vagus nerve stimulation, deep brain stimulation, transcranial magnetic stimulation, and other neurostimulation devices.

**Dr. Lawrence Olanoff, M.D., Ph.D.:** Dr. Olanoff is an adjunct Assistant Professor at the Medical University of South Carolina and a Partner at Good Life Sciences Ventures. He previously served as President and Chief Executive Officer (CEO) at Forest Laboratories, Inc., CEO of Celsion Corporation, Executive Vice President of Research and Development and Chief Scientific Officer at Forest Laboratories, along with senior clinical research roles at Sandoz Pharmaceutical Corporation and the Upjohn Company.

**Dr. Yury Bronshteyn, M.D.:** Dr. Bronshteyn is an ICU physician and anesthesiologist at Duke University Health System as well as an Associate Professor at Duke University School of Medicine. He holds six active board certifications spanning three distinct fields (critical care medicine, anesthesiology, and echocardiography) and is also a Fellow of the American Society of Echocardiography.

**Dr. Laeben C. Lester, M.D.:** Dr. Lester is a cardiac anesthesiologist and emergency physician at Johns Hopkins Medicine and an Assistant Professor of Anesthesiology and Critical Care Medicine at the Johns Hopkins University School of Medicine. He is board certified in Anesthesiology, Adult Cardiac Anesthesiology, Emergency Medicine, and Perioperative Transesophageal Echocardiography.

## **Conclusion**

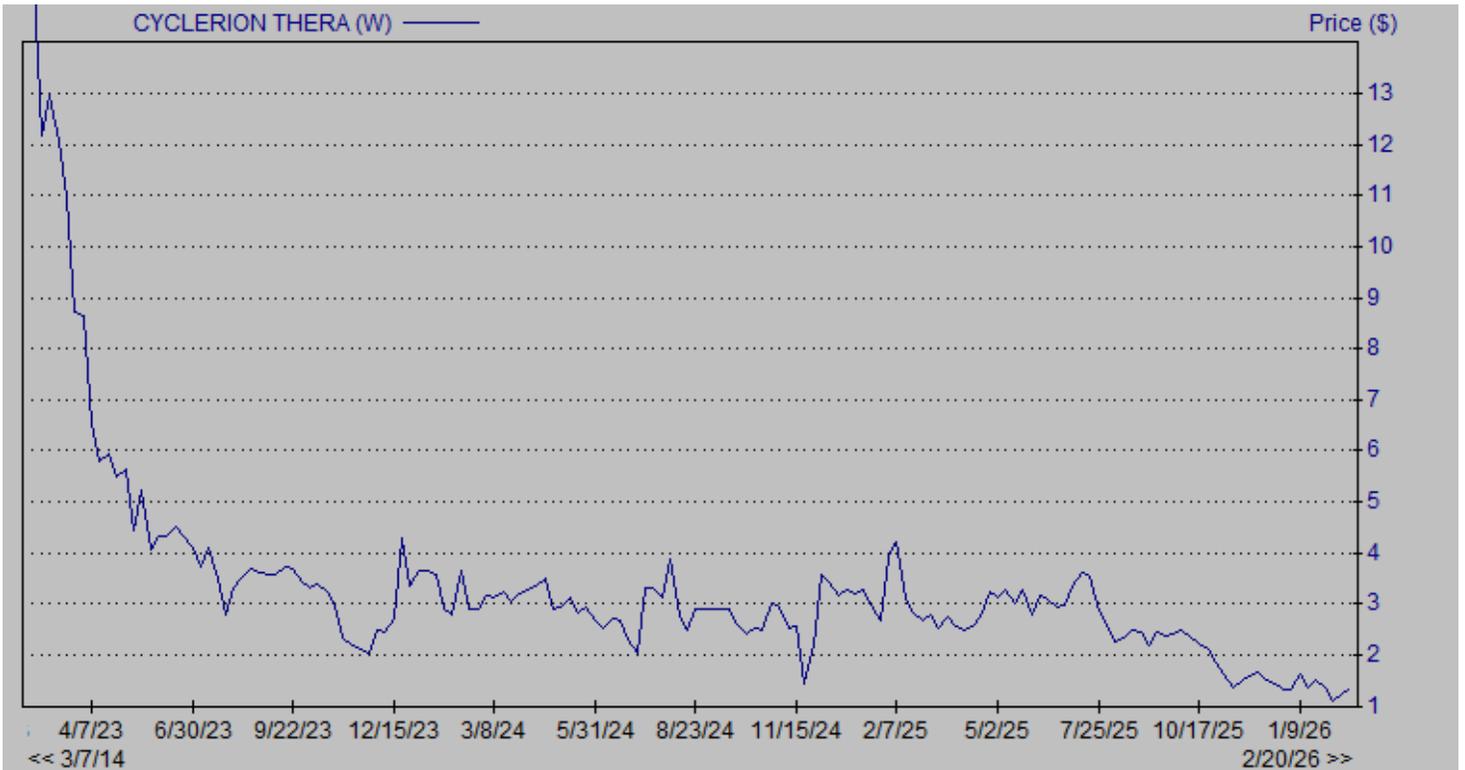
Cyclerion continues to make steady progress toward the goal of initiating the Phase 2 clinical trial of CYC-126 in TRD in the second half of 2026. As indicated, we expect the trial to initiate in Australia, with enrollment in the U.S. initiating in the first half of 2027. For a full analysis of CYC-126, please see our recently released initiation report, which can be found [here](#). The positive feedback from the FDA is another important step for the company, and we continue to anticipate additional updates as the company moves toward initiation of the Phase 2 trial later this year. With no changes to our model, our valuation remains at \$8 per share.

## PROJECTED FINANCIALS

Cyclerion Therapeutics, Inc.	2024 A	Q1 A	Q2 A	Q3 A	Q4 E	2025 E	2026 E	2027 E
CYC-126	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
License and other revenues	\$2.0	\$0.1	\$0.1	\$0.9	\$0.1	\$1.1	\$0.0	\$0.0
<b>Total Revenues</b>	<b>\$2.0</b>	<b>\$0.1</b>	<b>\$0.1</b>	<b>\$0.9</b>	<b>\$0.1</b>	<b>\$1.1</b>	<b>\$0.0</b>	<b>\$0.0</b>
Cost of revenues	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Research & development	\$0.3	\$0.0	\$0.1	\$0.3	\$0.2	\$0.6	\$6.0	\$8.5
General & administrative	\$5.3	\$1.5	\$1.7	\$1.5	\$1.5	\$6.2	\$7.0	\$7.3
Operating Income	(\$3.6)	(\$1.5)	(\$1.7)	(\$1.0)	(\$1.6)	(\$5.8)	(\$13.0)	(\$15.8)
Non-Operating Expenses (Net)	\$0.6	\$0.0	\$1.3	\$0.0	\$0.1	\$1.5	\$1.0	\$1.0
Pre-Tax Income	(\$3.1)	(\$1.4)	(\$0.4)	(\$1.0)	(\$1.5)	(\$4.3)	(\$12.0)	(\$14.8)
Income Taxes	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Net Income</b>	<b>(\$3.1)</b>	<b>(\$1.4)</b>	<b>(\$0.4)</b>	<b>(\$1.0)</b>	<b>(\$1.5)</b>	<b>(\$4.3)</b>	<b>(\$12.0)</b>	<b>(\$14.8)</b>
<i>Net Margin</i>	-	-	-	-	-	-	-	-
<b>Reported EPS</b>	<b>(\$1.21)</b>	<b>(\$0.56)</b>	<b>(\$0.11)</b>	<b>(\$0.31)</b>	<b>(\$0.38)</b>	<b>(\$1.34)</b>	<b>(\$1.20)</b>	<b>(\$0.99)</b>
<i>YOY Growth</i>	-	-	-	-	-	-	-	-
Basic Shares Outstanding	2.5	2.6	3.1	3.2	3.9	3.2	10.0	15.0

Source: Zacks Investment Research, Inc. David Bautz, PhD

## HISTORICAL STOCK PRICE



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