

Should You Invest in Corbus Pharma's Cannabis Strategy?

Is Corbus Pharmaceuticals a Hidden Cannabis Gem or a High-Risk Play? A Deep Dive Into Its CBD and Oncology Pipeline Strategy

Corbus Pharmaceuticals (NASDAQ: CRBP) may not fit the typical mold of a cannabis stock, but its strategic investment in cannabinoid science has placed it on the radar of biotech investors with an appetite for risk and long-term potential. Unlike well-known companies in the cannabis sector that cultivate, process, or distribute marijuana products, Corbus is a clinical-stage biopharmaceutical firm focused on developing differentiated therapeutics for serious medical conditions — notably, obesity and certain cancers.

The company's most buzzworthy candidate is CRB-913, a next-generation CBD-based molecule targeting the obesity epidemic. With its unconventional approach to the cannabis space and its dual focus on metabolic and oncology disorders, Corbus presents a unique case study in how cannabinoid science may extend far beyond recreational use or traditional medical cannabis markets.

CRB-913 Represents Corbus Pharmaceuticals' Strategic Bet on Cannabinoid Innovation to Address the Global Obesity Crisis

CRB-913, Corbus' lead cannabinoid program, is designed as a second-generation cannabinoid type-1 (CB1) receptor inverse agonist. This compound aims to avoid the central nervous system side effects that have historically plagued earlier CB1-targeting drugs, such as Sanofi's rimonabant, which was pulled from the market due to its links to psychiatric complications.

Corbus began the single ascending dose/multiple ascending dose (SAD/MAD) phase I trial for CRB-913 in March 2025, with results anticipated in Q3 2025. In preparation for the next development phase, the company plans to launch a phase Ib dose-ranging study by Q4 2025, aiming to complete it in the second half of 2026.

What makes CRB-913 particularly promising is its pharmacological profile. Preclinical studies indicate a significantly lower brain-to-plasma ratio compared to its predecessors, suggesting limited central nervous system exposure. This quality reduces the likelihood of adverse psychiatric effects — a critical improvement that could redefine how CB1 drugs are perceived by regulators and physicians alike.

Additionally, CRB-913 was reported to be 15 times more peripherally restricted than Novo Nordisk's experimental CB1-targeting drug, monlunabant. While Novo Nordisk showed positive weight loss outcomes in its mid-stage trial (6.3% weight loss over 16 weeks), concerns around neuropsychiatric side effects remain. Corbus' emphasis on peripheral restriction may provide it with a safety edge, if validated in human studies.

Corbus Pharmaceuticals Aims to Expand Beyond Cannabis With a Diversified Oncology Pipeline Targeting Nectin-4 and Integrin Pathways

Beyond CRB-913, Corbus is advancing two innovative oncology assets. The company's leading oncology candidate, CRB-701, is a next-generation antibody-drug conjugate (ADC) that targets Nectin-4, a cell adhesion molecule overexpressed in multiple solid tumors including urothelial cancer and breast cancer. CRB-701 is currently undergoing evaluation in a phase I/II trial. The company expects to finalize the dose optimization phase and determine a recommended phase II dose by year-end 2025.

Meanwhile, CRB-601 is another compelling investigational asset in Corbus' pipeline. It is a monoclonal antibody that targets the $\alpha 8$ integrin, a key player in TGF-beta signaling — a pathway often implicated in immune suppression and tumor growth. The drug is being studied in an early-stage clinical trial, with data from its dose-escalation segment expected later this year.

By expanding its development programs to include immune-oncology, Corbus seeks to establish itself as a versatile innovator beyond the cannabinoid space. The company's diversified approach reflects a strategic pivot toward broader therapeutic categories with sizable market opportunities.

Lack of Commercial Products and Reliance on Cash Reserves Make Corbus a High-Risk, Pre-Revenue Biotech Company With a Long Road Ahead

Despite a promising pipeline, Corbus currently has no approved drugs on the market, which means it generates no recurring revenue. This leaves the company highly dependent on external financing — either through equity dilution or debt issuance — to fund its clinical development programs.

As of the end of March 2025, Corbus reported a cash reserve of approximately \$133 million. Management projects that this capital will support operations into Q2 2027, giving the company a two-year financial runway. However, as its development programs progress, particularly with multiple phase I and II trials running in parallel, the company may require additional capital raises to sustain operations.

This lack of commercial validation remains a significant hurdle. For investors, this translates into heightened volatility, as stock performance will likely hinge on early clinical trial outcomes and regulatory clarity in both cannabinoid-based and oncology therapeutics.

Investor Sentiment Remains Subdued With Stock Down Over 30 Percent Year-to-Date and Earnings Estimates Trending Lower

The market has responded cautiously to Corbus' long-term vision. Year-to-date, CRBP shares have declined roughly 39%, underperforming the broader biotech index, which has seen a more modest 6% drop over the same period. This underperformance is reflective of both the high-risk nature of pre-revenue biotech and investor skepticism about the company's ability to bring its candidates to market successfully.

In the past 60 days, earnings estimates for Corbus have widened further for fiscal years 2025 and 2026. This shift suggests that analysts are tempering expectations for near-term financial improvements and see continued losses on the horizon.

While the broader cannabis market remains volatile, investor sentiment toward cannabinoid-based drug developers has also fluctuated. Regulatory uncertainty, evolving scientific data, and the complex pharmacology of cannabinoids all play a role in driving short-term swings in valuation.

Long Term Investors With High Risk Tolerance May View Corbus Pharmaceuticals as an Asymmetric Bet on the Future of Cannabinoid and Oncology Innovation

For risk-tolerant investors with a long-term horizon, Corbus offers a unique opportunity to gain exposure to emerging therapeutic approaches in both the cannabinoid and oncology arenas. The development of CRB-913 may position the company at the intersection of two massive healthcare trends — the fight against obesity and the maturation of pharmaceutical-grade cannabinoid therapies.

At the same time, Corbus' strategic move into the ADC and monoclonal antibody oncology segments provides valuable diversification that could pay off if either CRB-701 or CRB-601 shows meaningful clinical efficacy.

However, the absence of commercial products, coupled with the company's early-stage pipeline, means that CRBP is best suited for biotech investors comfortable with binary outcomes. Clinical trial readouts scheduled for late 2025 and 2026 will likely serve as major catalysts for the stock.

In conclusion, while Corbus is not a typical cannabis stock, its ambitious approach to cannabinoid-based drug development and its expansion into oncology set it apart as a biotech innovator worth monitoring closely.

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