
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K
CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): December 11, 2025

DIRTT ENVIRONMENTAL SOLUTIONS LTD.

(Exact name of Registrant as Specified in Its Charter)

Canada
(State or Other Jurisdiction
of Incorporation)

001-39061
(Commission File Number)

00-0000000
(IRS Employer
Identification No.)

7303 30th Street S.E.
Calgary, Alberta
(Address of Principal Executive Offices)

T2C 1N6
(Zip Code)

Registrant's Telephone Number, Including Area Code: (403) 723-5000

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

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. ☐

Item 1.01. Entry into a Material Definitive Agreement.

On December 11, 2025, DIRT Environmental Solutions Ltd. (the “Company”) entered into a letter of offer (the “Letter”) with Business Development Bank of Canada (“BDC”) pursuant to which BDC committed to lending the Company up to C\$15.0 million (the “Loan”) subject to the satisfaction of certain conditions. The proceeds of the Loan are expected to be used to partially refinance the Company’s outstanding 6.00% convertible debentures due January 31, 2026 (the “Debentures”). The remaining C\$1.6 million principal amount of Debentures is expected to be repaid using cash on hand.

Following satisfaction of the conditions precedent set forth in the Letter, BDC will make an initial disbursement to the Company of C\$10.0 million and a secondary disbursement of C\$5.0 million. The draw period for the Loan will lapse on December 4, 2026. The Company is required to commence monthly principal payments on May 31, 2026, with additional monthly interest-only payments due on the last day of each month following the first disbursement to the Company pursuant to the Loan. The Loan will accrue interest at a rate equal to BDC’s Floating Base Rate (currently 6.55% per annum) minus 0.75%. The Loan matures on April 30, 2032.

The Company may, once in any 12-month period, prepay up to 15% of the outstanding principal on the Loan without indemnity. In addition to the annual prepayment privilege, the Company may prepay at any time all or part of the principal on the Loan provided it pays the interest owing up to the time of the prepayment together with an indemnity as further set forth in the Letter.

The obligations of the Company under the Letter are secured by: (a) a general security agreement from the Company granting (i) a first-ranking security interest in specific equipment and (ii) a security interest in all other present and after-acquired personal property (excluding consumer goods), subject to certain registered charges; (b) a guarantee from DIRT Environmental Solutions, Inc. for the full amount of the Loan; (c) a landlord’s waivers of distraint; and (d) a first readvanceable mortgage in the principal amount of US\$5.0 million on the land and buildings located at 325 North Wells Street, Chicago, IL, USA.

The Letter contains customary representations, warranties, covenants and events of default for a transaction of this nature, including that the Company must maintain a fixed charge coverage ratio of at least 1.10 to 1.00, tested annually. The Company will pay customary fees and expenses in connection with the Loan, including a standby fee of 1.50% per annum.

The foregoing description of the Letter, including the Loan, is not complete and is qualified in its entirety by reference to the full text of the Letter, a copy of which will be filed as an exhibit to the Company’s Annual Report on Form 10-K for the fiscal year ending December 31, 2025.

Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The disclosure provided in Item 1.01 “Entry into a Material Definitive Agreement” is incorporated by reference into this Item 2.03 as if fully set forth herein.

Item 7.01. Regulation FD Disclosure.

The Company issued a press release announcing the financing on December 11, 2025. A copy of that press release is furnished as Exhibit 99.1 to this Current Report and incorporated into this Item 7.01 by reference.

The information set forth under Item 7.01 and in Exhibit 99.1 shall not be deemed “filed” for purposes of Section 18 of the Exchange Act of 1934, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, except as shall be expressly set forth by specific reference in such filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit	Description
99.1*	Press release December 11, 2025.
104	Cover Page Interactive Data (embedded within the Inline XBRL document).

*Furnished herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

DIRTT Environmental Solutions Ltd.

Date: December 11, 2025

By: /s/ Fareeha Khan

Fareeha Khan

Chief Financial Officer

DIRTT Announces Financing from BDC and Refinancing of Debentures

CALGARY, Alberta, December 11, 2025 – DIRTT Environmental Solutions Ltd. ("**DIRTT**" or the "**Company**") (TSX: DRT; OTCQX: DRTTF), a leader in industrialized construction, today announced it has entered into a letter agreement (the "**Letter**") with the Business Development Bank of Canada ("**BDC**"), pursuant to which BDC committed to lending the Company up to C\$15.0 million (the "**Loan**") subject to the satisfaction of certain conditions.

“This financing represents another important step in optimizing our capital structure and strategically positions us to continue executing on our transformative growth plan,” said Benjamin Urban, CEO of DIRTT.

Following the satisfaction of the conditions precedent set forth in the Letter, BDC will make an initial disbursement to the Company of C\$10.0 million and a secondary disbursement of C\$5.0 million. The Loan will accrue interest at a rate equal to BDC’s floating base rate (currently 6.55% per annum) minus 0.75%. Monthly principal repayments of the Loan commence in May 2026 with additional monthly interest-only payments due on the last day of each month following the first disbursement. The Loan matures on April 30, 2032.

The obligations of the Company under the Letter are secured by: (a) a general security agreement from the Company granting (i) a first-ranking security interest in specific equipment and (ii) a security interest in all other present and after-acquired personal property (excluding consumer goods), subject to certain registered charges; (b) a guarantee from DIRTT Environmental Solutions, Inc. for the full amount of the Loan; (c) a landlord’s waivers of distraint; and (d) a first readvanceable mortgage in the principal amount of US\$5.0 million on the land and buildings located at 325 North Wells Street, Chicago, IL, USA.

The proceeds of the Loan are expected to be used to partially refinance the Company’s outstanding 6.00% convertible debentures due January 31, 2026 (the "**Debentures**"). The remaining C\$1.6 million principal amount of Debentures is expected to be repaid using cash on hand.

About DIRTT Environmental Solutions

DIRTT is a leader in industrialized construction. DIRTT’s system of physical products and digital tools empowers organizations, together with construction and design leaders, to build high-performing, adaptable, interior environments. Operating in the workplace, healthcare, education, and public sector markets, DIRTT’s system provides total design freedom, and greater certainty in cost, schedule, and outcomes. DIRTT’s interior construction solutions are designed to be highly flexible and adaptable, enabling organizations to easily reconfigure their spaces as their needs evolve. Headquartered in Calgary, AB Canada, DIRTT trades on the Toronto Stock Exchange under the symbol "DRT" and on the OTCQX under the symbol "DRTTF".

Forward-Looking Statements

Certain statements contained in this release are "forward-looking statements" within the meaning of "safe harbor" provisions of the United States Private Securities Litigation Reform Act of 1995 and Section 21E of the Securities Exchange Act of 1934 and "forward-looking information" within the meaning of applicable

Canadian securities laws (collectively, "forward-looking statements"). All statements, other than statements of historical fact included in this news release are forward-looking statements. When used in this news release, the words "anticipate," "believe," "expect," "intend," "may," "will," "should," "would," "could," "can," "plan," the negatives thereof and other similar expressions are intended to identify forward-looking statements. This news release contains forward-looking statements relating to the proceeds and terms of the Loan, including the interest rate and security interests granted thereunder; the repayments and maturity date of the Loan; the Company's ability to satisfy the conditions precedent set out in the Letter; the amount and timing of payments under the Letter; the use of proceeds of the Loan; the sources of funding and the Company's ability to refinance or repay the Debentures; and the Company's ability to optimize its capital structure and continue executing on its transformative growth plan.

Forward-looking statements are based on certain estimates, beliefs, expectations, and assumptions made in light of management's experience and perception of historical trends, current conditions and expected future developments, as well as other factors that may be appropriate. Forward-looking statements necessarily involve unknown risks and uncertainties, which could cause actual results or outcomes to differ materially from those expressed or implied in such statements. Due to the risks, uncertainties, and assumptions inherent in forward-looking information, you should not place undue reliance on forward-looking statements. Factors that could have a material adverse effect on the Company's business, financial condition, results of operations and growth prospects include, but are not limited to, the Company's ability to satisfy the conditions precedent set out in the Lett and the risks described under the section titled "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2024, in subsequently filed Quarterly Reports on Form 10-Q, and in the Company's other continuous disclosure filings available under the Company's profile on SEDAR+ at www.sedarplus.ca and on EDGAR at www.sec.gov. The Company's past results of operations are not necessarily indicative of future results. You should not rely on any forward-looking statements, which represent the Company's beliefs, assumptions and estimates only as of the dates on which they were made, as predictions of future events. DIRT undertakes no obligation to update these forward-looking statements, even though circumstances may change in the future, except as required under applicable securities laws. All of the forward-looking statements herein are qualified by these cautionary statements.

FOR FURTHER INFORMATION PLEASE CONTACT ir@dirtt.com