

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:

PROSOMNUS, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 24-10972 (JTD)

(Jointly Administered)

Objection Deadline: June 20, 2024 @ 4:00 p.m. ET

Hearing Date: June 24, 2024 @ 1:00 p.m. ET

**NOTICE OF HEARING TO CONSIDER APPROVAL OF DISCLOSURE STATEMENT
AND SOLICITATION PROCEDURES FOR JOINT CHAPTER 11 PLAN OF
REORGANIZATION OF PROSOMNUS, INC. AND ITS DEBTOR AFFILIATES**

TO ALL PARTIES IN INTEREST IN THE DEBTORS' CHAPTER 11 CASES:

PLEASE TAKE NOTICE THAT ProSomnus, Inc. and its affiliated debtors in the above-captioned chapter 11 cases (collectively, the “**Debtors**”) have filed the (i) *Joint Chapter 11 Plan of Reorganization of ProSomnus, Inc. and its Debtor Affiliates* [Docket No. 86] (together with all the schedules and exhibits thereto, and each as amended, modified or supplemented from time to time, the “**Plan**”) ² and (ii) *Disclosure Statement for Joint Chapter 11 Plan of Reorganization of ProSomnus, Inc. and its Debtor Affiliates* [Docket No. 87] (together with all the schedules and exhibits thereto, and each as may be amended, modified, or supplemented from time to time, the “**Disclosure Statement**”).

PLEASE TAKE FURTHER NOTICE THAT the Debtors have also filed a motion seeking entry of an order (i) approving the Disclosure Statement as containing “adequate information” pursuant to section 1125 of the Bankruptcy Code, (ii) establishing solicitation and voting procedures in connection with the Plan, (iii) establishing certain deadlines in connection with confirmation of the Plan, (iv) approving the manner and forms of ballots and certain notices, and (v) granting related relief (the “**Solicitation Procedures Motion**”).

The Plan contains releases of the Debtors and certain third parties and related injunction and exculpation provisions, which will become effective if the Plan is confirmed. You should carefully review the Plan and the applicable release, injunction, and related provisions at <https://www.kccllc.net/prosomnus>.

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number are: ProSomnus, Inc. (8216), ProSomnus Holdings, Inc. (3855), and ProSomnus Sleep Technologies, Inc. (0766). The location of the Debtors’ principal place of business and the Debtors’ mailing address is 5675 Gibraltar Dr., Pleasanton, California 94588.

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Disclosure Statement or the Plan, as applicable, or as the context otherwise requires.



PLEASE TAKE FURTHER NOTICE THAT:

1. A hearing (the “**Disclosure Statement Hearing**”) will be held before the Honorable John T. Dorsey, in the United States Bankruptcy Court for the District of Delaware (the “**Bankruptcy Court**”), located at 824 N. Market Street, 5th Floor, Courtroom #5, Wilmington, Delaware 19801, on **June 24, 2024 at 1:00 p.m. (prevailing Eastern Time)**, to consider entry of an order, determining, among other things, that the Disclosure Statement contains “adequate information” within the meaning ascribed to such term in section 1125 of the Bankruptcy Code and approving the Disclosure Statement. Please be advised that the Disclosure Statement Hearing may be adjourned or continued from time to time by the Bankruptcy Court or the Debtors without further notice other than as indicated in any notice or agenda of matters scheduled that is filed with the Bankruptcy Court or by being announced in open court. If the Disclosure Statement Hearing is continued, the Debtors will post the new date and time of the Disclosure Statement Hearing at <https://www.kccllc.net/prosomnus>. The Disclosure Statement and Plan may be modified, if necessary, in accordance with the Bankruptcy Code, the Bankruptcy Rules, and other applicable law, before, during, or as a result of the Disclosure Statement Hearing, without further notice to creditors or other parties in interest.

2. Any party in interest wishing to obtain a copy of the Disclosure Statement and the Plan should contact Kurtzman Carson Consultants, LLC (the “**Voting Agent**”), in writing at, ProSomnus, Inc., *et al.*, Ballot Processing Center c/o KCC, 222 N. Pacific Coast Highway, Suite 300, El Segundo, California 90245, by telephone at (888) 647-1744 (U.S./Canada) or (310) 751-2628 (International), or electronic mail at ProSomnusInfo@kccllc.com. Interested parties may also review the Disclosure Statement and the Plan free of charge at <https://www.kccllc.net/prosomnus>.

3. In addition, the Disclosure Statement and Plan are on file with the Bankruptcy Court and may be reviewed by accessing the Bankruptcy Court’s website:www.deb.uscourts.gov. Note that a PACER password and login are needed to access documents on the Bankruptcy Court’s website. A PACER password can be obtained at: www.pacer.psc.uscourts.gov.

4. Objections, if any, to approval of the Disclosure Statement must: (i) be in writing; (ii) conform to the applicable Bankruptcy Rules and the Local Rules; (iii) set forth the name of the objecting party and the nature and amount of Claims or Interests held or asserted by such party against the Debtors’ estates or property; (iv) provide the basis for the objection and the specific grounds therefor, and provide proposed language that, if accepted and incorporated by the Debtors, would obviate such objection; and (v) be filed, together with proof of service, with the Bankruptcy Court, and served so that they are **actually received** by the following parties no later than **June 20, 2024 at 4:00 p.m. (prevailing Eastern Time)**:

- a. the Debtors, c/o ProSomnus, Inc., 5675 Gibraltar Dr., Pleasanton, California 94588;
- b. proposed counsel to the Debtors, Polsinelli PC, 222 Delaware Avenue, Suite 1101, Wilmington, Delaware 19801, Attn: Shanti M. Katona (skatona@polsinelli.com) and Katherine M. Devanney (kdevanney@polsinelli.com);

- c. counsel to the Sponsoring Noteholders and DIP Lenders, Kilpatrick Townsend & Stockton LLP, 1114 Avenue of the Americas, New York, New York 10036, Attn: David M. Posner (dposner@ktslaw.com) and Gianfranco Finizio (gfinizio@ktslaw.com) and Morris James LLP, 500 Delaware Avenue, Suite 1500, Wilmington, Delaware 19801, Attn: Eric J. Monzo (emonzo@morrisjames.com) and Brya M. Keilson (bkeilson@morrisjames.com);
- d. counsel to the Prepetition Agents, Pryor Cashman LLP, 7 Times Square, 40th Floor, New York, New York 10036, Attn: Seth H. Lieberman (slieberman@pryorcashman.com);
- e. counsel to the DIP Agent, Seward & Kissel LLP, One Battery Park Plaza, New York, NY 10004, Attn: Gregg Bateman (bateman@sewkis.com); and
- f. the Office of the United States Trustee, 844 King Street, Suite 2207, Lockbox 35, Wilmington, Delaware 19801, Attn: Jon Lipshie (jon.lipshie@usdoj.gov).

5. IF AN OBJECTION TO THE DISCLOSURE STATEMENT IS NOT FILED AND SERVED STRICTLY AS PRESCRIBED HEREIN, THE OBJECTING PARTY MAY BE BARRED FROM OBJECTING TO THE DISCLOSURE STATEMENT OR THE ADEQUACY THEREOF AND MAY NOT BE HEARD AT THE DISCLOSURE STATEMENT HEARING.

6. Following approval of the Disclosure Statement by the Bankruptcy Court, Holders of Impaired Claims against the Debtors that are entitled to vote will receive Solicitation Packages in accordance with the order approving the Motion, including instructions to obtain, free of charge, the Plan, the Disclosure Statement, and various other documents related thereto, unless otherwise ordered by the Bankruptcy Court. Holders of Claims that are unimpaired under the Plan shall receive (i) the Confirmation Hearing Notice and (ii) a Notice of Non-Voting Status – Unimpaired Classes. Holders of Impaired Claims and Interests that are deemed to reject the Plan shall receive (i) the Confirmation Hearing Notice and (ii) the Notice of Non-Voting Status – Impaired Classes.

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7. THIS NOTICE IS NOT A SOLICITATION OF VOTES TO ACCEPT OR REJECT THE PLAN. VOTES ON THE PLAN MAY NOT BE SOLICITED UNLESS AND UNTIL THE DISCLOSURE STATEMENT IS APPROVED BY AN ORDER OF THE BANKRUPTCY COURT.

Dated: May 28, 2024
Wilmington, Delaware

Respectfully submitted,

POLSINELLI PC

/s/ Shanti M. Katona

Shanti M. Katona (Del. Bar No. 5352)
Katherine M. Devanney (Del. Bar No. 6356)
Michael V. DiPietro (Del. Bar No. 6781)
222 Delaware Avenue, Suite 1101
Wilmington, Delaware 19801
Telephone: (302) 252-0920
Facsimile: (302) 252-0921
skatona@polsinelli.com
kdevanney@polsinelli.com
mdipietro@polsinelli.com

-and-

Mark B. Joachim (Admitted Pro Hac Vice)
1401 Eye Street, N.W., Suite 800
Washington, D.C. 20005
Telephone: (202) 783-3300
Facsimile: (202) 783-3535
mjoachim@polsinelli.com

*Proposed Counsel to the Debtors and
Debtors in Possession*