

☐ Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL	
OMB Number:	3235-0287
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1. Name and Address of Reporting Person* <u>SMC Holdings II, LP</u> (Last) (First) (Middle) <u>C/O SPRING MOUNTAIN CAPITAL, LP</u> <u>650 MADISON AVE., 20TH FLOOR</u> (Street) <u>NEW YORK</u> <u>NY</u> <u>10022</u> (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>ProSomnus, Inc. [OSA]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director <u>X</u> 10% Owner Officer (give title below) Other (specify below)
	3. Date of Earliest Transaction (Month/Day/Year) <u>12/06/2023</u>	
	4. If Amendment, Date of Original Filed (Month/Day/Year)	6. Individual or Joint/Group Filing (Check Applicable Line) Form filed by One Reporting Person <u>X</u> Form filed by More than One Reporting Person
	Rule 10b5-1(c) Transaction Indication <input type="checkbox"/> Check this box to indicate that a transaction was made pursuant to a contract, instruction or written plan that is intended to satisfy the affirmative defense conditions of Rule 10b5-1(c). See Instruction 10.	

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned										
1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)															
1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Warrants	\$1	12/06/2023		j ⁽¹⁾⁽²⁾		2,228,484		12/06/2023	09/20/2028	Common Stock	2,228,484	(1)(2)	2,228,484	D ⁽⁵⁾	
Series A Convertible Preferred Stock	\$1	12/06/2023		j ⁽¹⁾⁽²⁾		2,338,154		12/06/2023	(6)	Common Stock	2,338,154	(1)(2)	2,338,154	D ⁽⁵⁾	
Subordinated Secured Convertible Notes Due April 6, 2026	\$1	12/06/2023		j ⁽³⁾⁽⁴⁾		2,630,289		12/06/2023	04/06/2026	Common Stock	2,630,289	(3)(4)	2,630,289	D ⁽⁵⁾	

1. Name and Address of Reporting Person* <u>SMC Holdings II, LP</u> (Last) (First) (Middle) <u>C/O SPRING MOUNTAIN CAPITAL, LP</u> <u>650 MADISON AVE., 20TH FLOOR</u> (Street) <u>NEW YORK</u> <u>NY</u> <u>10022</u> (City) (State) (Zip)
1. Name and Address of Reporting Person* <u>SMC Holdings II G.P., LLC</u> (Last) (First) (Middle) <u>C/O SPRING MOUNTAIN CAPITAL, LP</u> <u>650 MADISON AVENUE, 20TH FLOOR</u> (Street) <u>NEW YORK</u> <u>NY</u> <u>10022</u> (City) (State) (Zip)
1. Name and Address of Reporting Person* <u>Steffens John</u> (Last) (First) (Middle) <u>C/O SPRING MOUNTAIN CAPITAL, LP</u> <u>650 MADISON AVENUE, 20TH FLOOR</u> (Street)

(Street)		
NEW YORK	NY	10022
(City)	(State)	(Zip)
1. Name and Address of Reporting Person*		
Ho Gregory P.		
(Last)	(First)	(Middle)
C/O SPRING MOUNTAIN CAPITAL, LP		
650 MADISON AVENUE, 20TH FLOOR		
(Street)		
NEW YORK	NY	10022
(City)	(State)	(Zip)

Explanation of Responses:

1. On September 20, 2023, the Issuer entered into a Securities Purchase Agreement (the "SPA") with SMC Holdings II, L.P, a Delaware limited partnership ("Holdings"), and the other investors named therein, pursuant to which Holdings purchased an aggregate of (A) 3,300 shares of the Series A Convertible Preferred Stock of the Issuer ("Series A Stock"), with 2,400 shares being purchased at a closing on September 20, 2023 and 900 shares purchased at a closing on October 20, 2023, and (B) warrants ("Warrants") to purchase 2,228,484 shares of the common stock of the Issuer ("Common Stock"). Each share of Series A Stock is convertible into 1,000 shares of Common Stock. Prior to the date on which the Issuer obtained stockholder approval for all of the Common Stock issuable in respect of the convertible securities issued pursuant to or contemplated by the SPA ("Stockholder Approval"),
2. (Continued from Footnote 1) the Warrants were not exercisable and Holdings could only convert its shares of Series A Stock into an aggregate of 961,846 shares of Common Stock. Following the receipt of Stockholder Approval on December 6, 2023, all of the Warrants became exercisable, and the Series A Stock became convertible into 3,300,000 shares of Common Stock. This Form 4 reports the acquisition of beneficial ownership of all of the shares of Common Stock issuable upon exercise of the Warrants and of the additional 2,338,154 shares of Common Stock issuable upon conversion of the Series A Stock as a result of the receipt of Stockholder Approval. The foregoing description is not, and does not purport to be, complete, and is qualified in its entirety by reference to the full text of the SPA, which was filed as Exhibit 10.1 to the Form 8-K filed by the Issuer with the Securities and Exchange Commission on September 21, 2023.
3. On October 11, 2023, the Issuer entered into an Exchange Agreement with the noteholders party thereto, including Holdings, pursuant to which the Issuer issued to Holdings a new subordinated secured convertible note due April 6, 2026 in the principal amount of \$3,256,549 (the "Convertible Note") in exchange for the subordinated secured convertible note due April 6, 2026 that the Issuer originally issued to Holdings on or about December 6, 2022. Prior to the receipt of Stockholder Approval, the Convertible Note was convertible into shares of Common Stock at a conversion price of \$5.20 per share for an aggregate of 626,260 shares of Common Stock. Following the receipt of Stockholder Approval, the Convertible Note became convertible into Common Stock at a conversion price of \$1.00 per share for an aggregate of 3,256,549 shares of Common Stock.
4. (Continued from Footnote 3) This Form 4 reports the acquisition of beneficial ownership of an additional 2,630,289 shares of Common Stock issuable upon conversion of the Convertible Note as a result of the receipt of Stockholder Approval. The Convertible Note is currently exercisable.
5. The reported securities are directly owned by Holdings, and may be deemed to be indirectly beneficially owned by SMC Holdings II G.P., LLC, a Delaware limited liability company ("Holdings GP"), as general partner of Holdings. The reported securities may also be deemed to be indirectly beneficially owned by each of John L. Steffens and Gregory P. Ho, as the managing members of Holdings GP. Each of Holdings GP, Mr. Steffens and Mr. Ho disclaims beneficial ownership of the reported securities except to the extent of their respective pecuniary interests therein, and this filing shall not be deemed an admission that he or it is the beneficial owner of the securities for purposes of Section 16 of the Securities Exchange Act of 1934, as amended, or for any other purpose.
6. The Series A Stock is perpetual and therefore has no expiration date.

<u>SMC Holdings II, LP, by SMC Holdings II G.P., LLC, as its general partner, By: /s/ Gregory P. Ho</u>	<u>12/08/2023</u>
<u>SMC Holdings II G.P., LLC, by Gregory P. Ho, as Managing Member, By: /s/ Gregory P. Ho</u>	<u>12/08/2023</u>
<u>/s/ John L. Steffens</u>	<u>12/08/2023</u>
<u>/s/ Gregory P. Ho</u>	<u>12/08/2023</u>
** Signature of Reporting Person	Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.