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This presentation contains forward-looking statements for purposes of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based upon current plans, estimates and expectations that are subject to risks, uncertainties and assumptions. Actual results may vary materially from those indicated or anticipated by such forward-looking statements should one or more of these risks or uncertainties materialize or should underlying assumptions prove incorrect. These risks and assumptions include, without limitation, delays or reductions in demand for AspenTech solutions due to the COVID-19 pandemic; AspenTech’s failure to increase usage and product adoption of aspenONE or other offerings or grow the aspenONE APM, OSI and SSE businesses, and failure to continue to provide innovative, market-leading solutions; declines in the demand for, or usage of, aspenONE software for any reason, including declines due to adverse changes in the process or other capital-intensive industries and materially reduced industry spending budgets due to the drop in demand for oil due to the COVID-19 pandemic; unfavorable economic and market conditions or a lessening demand in the market for asset process optimization software, including materially reduced industry spending budgets due to the significant drop in oil prices arising from drop in demand due to the COVID-19 pandemic; risks of foreign operations or transacting business with customers outside the United States; risks of competition; risks that acquisitions could be difficult to consummate and integrate into our operations, which could disrupt our business, dilute stockholder value or impair our financial results; AspenTech’s ability to recover successfully from a disaster or other business continuity problem due to a hurricane, flood, earthquake, terrorist attack, war, pandemic, security breach, cyber-attack, power loss, telecommunications failure or other natural or man-made event, including the ability to function remotely during long-term disruptions such as the COVID-19 pandemic; and other risk factors described from time to time in AspenTech’s periodic reports filed with the Securities and Exchange Commission. We can give no assurance that such plans, estimates or expectations will be achieved and therefore, actual results may differ materially from any plans, estimates or expectations in such forward-looking statements. Additional factors that could cause actual results relating to the transaction with Emerson Electric Co ("Emerson") to differ materially from AspenTech’s plans, estimates or expectations regarding the transaction include, among others: (1) unexpected costs, charges or expenses resulting from the transaction; (2) failure to realize the anticipated benefits of the transaction, including as a result of delay in integrating the industrial software business of Emerson with AspenTech’s business; (3) the ability of AspenTech to implement its business strategy; (4) difficulties and delays in achieving revenue and cost synergies; (5) inability to retain and hire key personnel; (6) potential litigation in connection with the transaction or other settlements or investigations that may result in significant costs of defense, indemnification and liability; and (7) other risk factors as detailed from time to time in AspenTech’s reports filed with the SEC, including AspenTech’s annual reports on Form 10-K, periodic quarterly reports on Form 10-Q, and current reports on Form 8-K.

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What is Digital Grid Management?

Management and Optimization of Complex Utilities Networks

Benefits

- Improve Safety, Reliability and Efficiency
- Enhance Cybersecurity
- Reduce Carbon Footprint
- Respond to Dynamic Requirements
Digital Grid Management (DGM) Separability

What happened?
- We achieved separability between professional services and software licenses in DGM under Topic 606 at the beginning of Q3-FY23

What were the main changes necessary to achieve separability?
- Enabled third-party implementation service providers (ISPs) to operate autonomously and directly with DGM customers
- Streamlined tools and processes for DGM implementation services
- Created separation between software licenses, hardware, professional services and maintenance in DGM commercial contracts

Why is achieving separability important?
- Allows us to recognize DGM bookings, revenue, ACV and collections in line with the rest of our business¹
- Important milestone for OSI integration and broader transformation of OSI business into a term and token licensing model

Financial Outcomes
- DGM to contribute more meaningfully to ACV in 2H23²
- General acceleration of revenue and free cash flow generation²
- Use of third-party ISPs supports transition to higher software, lower services revenue mix in DGM

¹. We still have a certain number of active and pipeline DGM projects that were bid or contracted under pre-separability terms. We expect these projects to be resolved by FY28. For these projects that were contracted under pre-separability terms on or after January 1, 2023, we are able to separate professional services revenue from software revenue.

². DGM separability was assumed in AZPN financial guidance for the full year of fiscal 2023, initially issued on August 8, 2022, and updated on January 25, 2023.
# Key DGM Separability Topics

<table>
<thead>
<tr>
<th>Topic</th>
<th>Pre Separability</th>
<th>Post Separability</th>
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<tbody>
<tr>
<td><strong>Go-To-Market</strong></td>
<td>OSI primarily implemented DGM software solutions directly with customers through its own workforce</td>
<td>Delivery of DGM software licenses has been separated from delivery of professional services; either OSI or third-party implementation service partners can now implement DGM software licenses</td>
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<tr>
<td><strong>Implementation Process</strong></td>
<td>Implementation process for DGM software licenses was interconnected with other solution areas</td>
<td>Tools and processes have been streamlined to significantly reduce complexity and interdependency throughout DGM software license implementation</td>
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<tr>
<td><strong>Contract Separation</strong></td>
<td>OSI bundled DGM software licenses, hardware, professional services and maintenance into a single contract</td>
<td>OSI has separation in DGM contracts for software licenses, hardware, professional services and maintenance</td>
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<tr>
<td><strong>Revenue Recognition</strong></td>
<td>DGM software license and professional services revenues were combined and recognized on percent-of-completion basis</td>
<td>DGM software license and professional services revenues are now separated, with software license revenues being recognized up front upon delivery and professional services revenues being recognized on percent-of-completion basis, in line with overall business</td>
</tr>
<tr>
<td><strong>ACV Recognition</strong></td>
<td>Contribution of DGM term software contract to ACV balance was limited due to “bundled” status</td>
<td>Contribution of DGM term software contract fully recognized in ACV balance, in line with overall business</td>
</tr>
<tr>
<td><strong>SMS Component of Perp License</strong></td>
<td>SMS component of perpetual software license contract only began after perpetual software license had been fully implemented</td>
<td>SMS component of perpetual software license contract begins after license has been deemed delivered, which results in earlier SMS start time</td>
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</tbody>
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DGM Perpetual Contract Illustrations: Pre- and Post-Separability
**Illustration Assumptions**

- Includes perpetual software license portion of DGM contract only
- $1m signed contract, 5-year duration
- Percent of completion from years 1-5 is 6%, 52%, 32%, 10%, and 0%, respectively
- Milestone completion from years 1-5 is 27%, 25%, 25%, 19%, and 4%, respectively

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1. Contract duration fluctuates between 2-5 years based on specific customer needs. We use a 5-year duration in this illustration to show trends in bookings, revenue, ACV, and collections.
2. Percent of completion is based on percentage of project work completed. We calculate the average percent of completion here by analyzing a group of DGM software license contracts, chosen based on similarities in larger TCV size, duration, and completion status.
3. Milestone completion is tied to project activities and implementation. We calculate the average milestone completion percentages shown here by analyzing a group of DGM software license contracts, chosen based on similarities in larger TCV size, duration, and completion status.
DGM Perp Software License – Post Separability

Illustration Assumptions
- Includes DGM perpetual software license contract only
- $1m signed contract
- No milestone completion schedule

Revenue and collections are recognized up front upon license delivery
Perpetual software contracts are not recognized in ACV or bookings as they do not represent recurring revenue

Dollar amounts in thousands.
DGM Perp Software License SMS – Pre Separability

Illustration Assumptions
- Includes SMS portion of DGM perpetual software license contract only
- $1m signed contract, 3% escalation
- Full implementation of perpetual software license contract occurs in Year N
- Renews at end of Year ‘N + 4’

- SMS component of perpetual software license contract begins only after license has been fully implemented
- Resulted in longer time periods before the start of SMS component
Illustration Assumptions

- Includes SMS portion of DGM perpetual software license contract only
- $1m signed contract, 3% escalation
- Perpetual software license is deemed delivered in Year 1
- Renews at end of Year 5

- SMS component of perpetual software license contract begins after license has been deemed delivered
- Results in earlier start of SMS component
DGM Term Contract Illustrations: Pre- and Post-Separability
DGM Term Software – Pre Separability

1. DGM’s contract mix has been primarily composed of perpetual software licenses historically. This illustration is for comparative purposes only.
2. Contract duration fluctuates between 2-5 years based on specific customer needs. We use a 5-year duration in this illustration to show trends in bookings, revenue, ACV, and collections.
3. Percent of completion is based on percentage of project work completed. We calculate the average percent of completion here by analyzing a group of DGM software license contracts, chosen based on similarities in larger TCV size, duration, and completion status.
4. Milestone completion is tied to project activities and implementation. We calculate the average milestone completion percentages shown here by analyzing a group of DGM software license contracts, chosen based on similarities in larger TCV size, duration, and completion status.

Illustration Assumptions
- Standard DGM term contract including license and SMS component
- $1m signed contract, 5-year duration, 3% escalation, renews at end of Year 5
- Percent of completion from years 1-5 is 6%, 52%, 32%, 10%, and 0%, respectively
- Milestone completion from years 1-5 is 27%, 25%, 25%, 19%, and 4%, respectively

Dollar amounts in thousands.

Revenue and bookings recognized based on percent-of-completion
Collections based on completion of project milestones
Term contract contribution to ACV balance was limited due to “bundled status”
Contract duration fluctuates between 2-5 years based on specific customer needs. We use a 5-year duration in this illustration to show trends in bookings, revenue, ACV, and collections.

Illustration Assumptions

- Standard DGM term contract including license and SMS component
- $1m signed contract, 5-year duration, 3% escalation, renews at end of Year 5
- No milestone completion schedule

Dollar amounts in thousands.

- License revenue and bookings recognized up front upon delivery
- ACV, collections and SMS component aligned with overall business
- Term contract value fully represented in ACV
Thank You