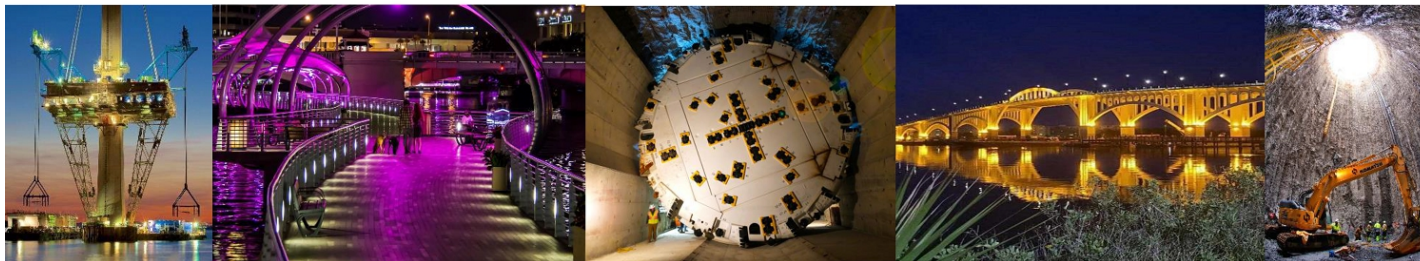




SOUTHLAND HOLDINGS

INVESTOR PRESENTATION
JUNE 1, 2022

LEGATO
MERGER CORP II



IMPORTANT DISCLOSURES

BUILDING GREAT THINGS 

This Presentation (together with oral statements made in connection herewith, the "Presentation") is for informational purposes only to assist prospective investors in making their own evaluation with respect to the proposed business combination (the "Proposed Transaction") between Legato Merger Corp. II ("Legato II") and Southland Holdings LLC ("Southland"). This Presentation does not constitute an offer to sell, a solicitation of an offer to buy, or a recommendation to purchase any equity, debt or other financial instruments of Legato II or Southland.

The information contained herein does not purport to be all-inclusive and none of Legato II, Southland, nor any of their respective subsidiaries, stockholders, affiliates, representatives, control persons, partners, members, managers, directors, officers, employees, advisers or agents make any representation or warranty, express or implied, as to the accuracy, completeness or reliability of the information contained in this Presentation. Prospective investors should consult with their own counsel and tax and financial advisors as to legal and related matters concerning the matters described here.

Use of Projections

This Presentation contains projected financial information with respect to Legato II and Southland. Such projected financial information constitutes forward-looking information and is for illustrative purposes only and should not be relied upon as necessarily being indicative of future results. Further, illustrative presentations are not necessarily based on management's projections, estimates, expectations, or targets but are presented for illustrative purposes only. Neither Legato II's nor Southland's independent auditors have audited, reviewed, compiled or performed any procedures with respect to the projections for the purpose of their inclusion in this Presentation, and accordingly, they did not express an opinion or provide any other form of assurance with respect thereto for the purpose of this Presentation. The assumptions and estimates underlying such financial forecast information are inherently uncertain and are subject to a wide variety of significant business, economic, competitive and other risks and uncertainties. See "Forward-Looking Statements" below. Actual results may differ materially from the results contemplated by the financial forecast information contained in this Presentation, and the inclusion of such information in this Presentation is not intended, and should not be regarded, as a representation by any person that the results reflected in such forecasts will be achieved. Further, the metrics referenced in this Presentation regarding select aspects of the operations of Southland were selected by Legato II and Southland on a subjective basis. Such metrics are provided solely for illustrative purposes to demonstrate elements of the business of Southland, are incomplete, and are not necessarily indicative of its performance or future performance or overall operations. There can be no assurance that historical trends will continue.

Industry and Market Data

Industry and market data used in this Presentation have been obtained from third-party industry publications and sources as well as from research reports prepared for other purposes. None of Legato II, Southland nor any of their respective Representatives has independently verified the data obtained from these sources and cannot assure you of the data's accuracy or completeness. This data is subject to change.

In furnishing this Presentation, each of Legato II, Southland and their respective Representatives expressly disclaims any obligation to update any information contained herein or to correct any omissions, inaccuracies, or errors.

IMPORTANT DISCLOSURES (CONT.)BUILDING GREAT THINGS **Non-GAAP Financial Measures**

This Presentation includes certain unaudited financial measures not presented in accordance with generally accepted accounting principles, including but not limited to earnings before interest, taxes, depreciation, and amortization ("EBITDA") and certain ratios and other metrics derived therefrom. Note that other companies may calculate these non-GAAP financial measures differently, and therefore such financial measures may not be directly comparable to similarly titled measures of other companies. Further, these non-GAAP financial measures are not measures of financial performance in accordance with GAAP and may exclude items that are significant in understanding and assessing financial results. Therefore, these measures should not be considered in isolation or as an alternative to net income, cash flows from operations or other measures of profitability, liquidity or performance under GAAP. You should be aware that the presentation of these measures may not be comparable to similarly-titled measures used by other companies. Legato II and Southland believe that these non-GAAP measures of financial results provide useful information to management and investors regarding certain financial and business trends relating to Southland' financial condition and results of operations. The parties believe that the use of these non-GAAP financial measures provides an additional tool for investors to use in evaluating ongoing operating results and trends, and in comparing Southland' financial measures with those of other similar companies. These non-GAAP financial measures are subject to inherent limitations as they reflect the exercise of judgments by management about which items of expense and income are excluded or included in determining these non-GAAP financial measures. In connection with the contemplated filing by Legato II of a proxy statement with respect to the Proposed Transaction, and in the course of the review by the SEC of such proxy statement, Legato II may make changes to the information presented in this Presentation, including, without limitation, the description of Southland' business and the financial information and other data (including the prospective financial information and other data) included in this Presentation. Comments by the SEC on information in the proxy statement may require modification or reformulation of the information we present in this Presentation, and any such modification or reformulation could be significant.

Additional Information concerning the Proposed Transaction

Legato II intends to file with the SEC a registration statement on Form S-4 that will include a proxy statement/prospectus relating to the Proposed Transaction, which will be mailed to its stockholders once definitive. Legato II's stockholders and other interested persons are advised to read, when available, the preliminary proxy statement/prospectus and the amendments thereto and the definitive proxy statement/prospectus and other documents filed in connection with the Proposed Transaction, as these materials will contain important information about Legato II, Southland and the Proposed Transaction. When available, these materials will be mailed to stockholders of Legato II as of a record date to be established for voting on the Proposed Transaction. Stockholders will also be able to obtain copies of the preliminary proxy statement, the definitive proxy statement and other documents filed with the SEC, without charge, once available, at the SEC's website at www.sec.gov, or by directing a written request to Legato II at 777 Third Avenue, 37th Floor, New York, New York 10017.

Participants in the Solicitation for the Proposed Transaction

Legato II and its directors and executive officers may be deemed participants in the solicitation of proxies from Legato II's stockholders with respect to the Proposed Transaction. A list of the names of those directors and executive officers and a description of their interests in Legato II is contained in Legato II's filings with the SEC and are available free of charge at the SEC's web site at www.sec.gov, or by directing a written request to Legato II at the address set forth above. Additional information regarding the interests of such participants will be contained in the proxy statement for the Proposed Transaction when available. Southland and its executive officers may also be deemed to be participants in the solicitation of proxies from the stockholders of Legato II in connection with the Proposed Transaction. A list of the names of such members and executive officers and information regarding their interests in the Proposed Transaction will be included in the proxy statement for the Proposed Transaction when available.


FORWARD LOOKING STATEMENTS





BUILDING GREAT THINGS 


Forward-Looking Statements

This Presentation includes certain statements that are not historical facts but are forward-looking statements for purposes of the safe harbor provisions under the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements generally are accompanied by words such as “believe,” “may,” “will,” “estimate,” “continue,” “anticipate,” “intend,” “expect,” “should,” “would,” “plan,” “predict,” “potential,” “seem,” “seek,” “future,” “outlook,” and similar expressions that predict or indicate future events or trends or that are not statements of historical matters. These forward-looking statements include, but are not limited to, statements regarding estimates and forecasts of revenue and other financial and performance metrics and projections of market opportunity and expectations. These statements are based on various assumptions and on the current expectations of Legato II, Southland and/or their management. Any projected revenue and EBITDA are not predictions of actual performance. These forward-looking statements are provided for illustrative purposes only and are not intended to serve as, and must not be relied on by any investor or other person as, a guarantee, an assurance, a prediction or a definitive statement of fact or probability. Actual events and circumstances are difficult or impossible to predict and will differ from assumptions. Many actual events and circumstances are beyond the control of Legato II and/or Southland. These forward-looking statements are subject to a number of risks and uncertainties, including general economic, financial, legal, political and business conditions and changes in domestic markets; the potential effects and impact of the global COVID-19 pandemic; risks related to the business of Southland and the timing of expected business milestones; changes in the assumptions underlying the expectations of Southland regarding its future business; the effects of competition on Southland’ future business; the outcome of any legal proceedings that may be instituted against Legato II, Southland, the combined company or others following the announcement of the Proposed Transaction and any definitive agreements with respect thereto; the inability to complete the Proposed Transaction, including, without limitation, the inability obtain approval of the stockholders of Legato II or to satisfy other conditions to closing; the ability to meet stock exchange listing standards in connection with and following the consummation of the Proposed Transaction; the risk that the Proposed Transaction disrupts current plans and operations of Southland or Legato II as a result of the announcement and consummation of the Proposed Transaction; the ability to recognize the anticipated benefits of the Proposed Transaction, which may be affected by, among other things, competition, the ability of the combined company to grow and manage growth profitably, maintain relationships with customers and suppliers and retain its management and key employees; costs related to the Proposed Transaction; changes in applicable laws or regulations and delays in obtaining, adverse conditions contained in, or the inability to obtain regulatory approvals required to complete the Proposed Transaction; the parties’ estimates of expenses and profitability and underlying assumptions with respect to stockholder redemptions and purchase price and other adjustments; the possibility that the combined company may be adversely affected by other economic, business, and/or competitive factors; and other risks and uncertainties set forth in the filings made by Legato II with the SEC, including the proxy statement/prospectus that will be filed relating to the Proposed Transaction. If the risks materialize or assumptions prove incorrect, actual results could differ materially from the results implied by these forward-looking statements. There may be additional risks about which Southland and/or Legato II presently does not know or that Southland and/or Legato II currently believe are immaterial that could also cause actual results to differ materially from those contained in the forward-looking statements. In addition, forward-looking statements reflect Southland’ and Legato II’s expectations, plans or forecasts of future events and views as of the date of this Presentation. Southland and Legato II anticipate that subsequent events and developments may cause these assessments to change. However, while they may elect to update these forward-looking statements at some point in the future, each of Southland and Legato II specifically disclaims any obligation to do so. These forward-looking statements should not be relied upon as representing Southland’ and/or Legato II’s assessments as of any date subsequent to the date of this Presentation. Accordingly, undue reliance should not be placed upon the forward-looking statements.

SPEAKERS

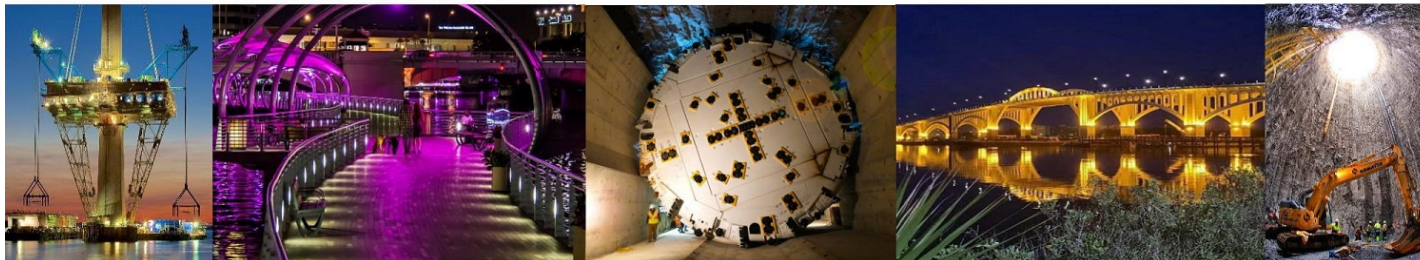
BUILDING GREAT THINGS 

<p>LEGATO II</p>  <p>Gregory Monahan Chief Executive Officer</p>	<p>LEGATO II</p>  <p>Brian Pratt Chairman</p>
<p>SOUTHLAND</p>  <p>Frank Renda Chief Executive Officer</p>	<p>SOUTHLAND</p>  <p>Cody Gallarda Chief Financial Officer</p>

 5



ABOUT SOUTHLAND



WHO WE ARE

BUILDING GREAT THINGS 

With roots dating back to 1900, Southland Holdings and its subsidiaries form **one of the largest construction companies in North America**, with experience throughout the world. We have built transportation infrastructure that connects our nation, constructed water pipelines and built treatment facilities to carry water across vast regions, bored tunnels through some of the world's most challenging geology, and completed some of the nation's most iconic structural landmarks. We **build great things** that shape our landscape and foster reliable infrastructure for future generations. We do this with integrity, never compromising our ethics, and putting the safety and well being of our employees, and stakeholders, first.

Today, Southland Holdings, LLC. is based in Grapevine, Texas. It is the parent company of Johnson Bros. Corporation, American Bridge Company, Oscar Renda Contracting, Southland Contracting, Mole Constructors, and Heritage Materials. With the combined capabilities of these six subsidiaries, Southland has become a **diversified industry leader**. The end markets our groups serve include bridges, tunneling, transportation and facilities, marine, steel structures, water and sewer treatment, and water pipelines.

The Southland Holdings family of companies are innovators in construction technology and means-and-methods engineering; bringing **unique solutions to challenging construction projects worldwide**.

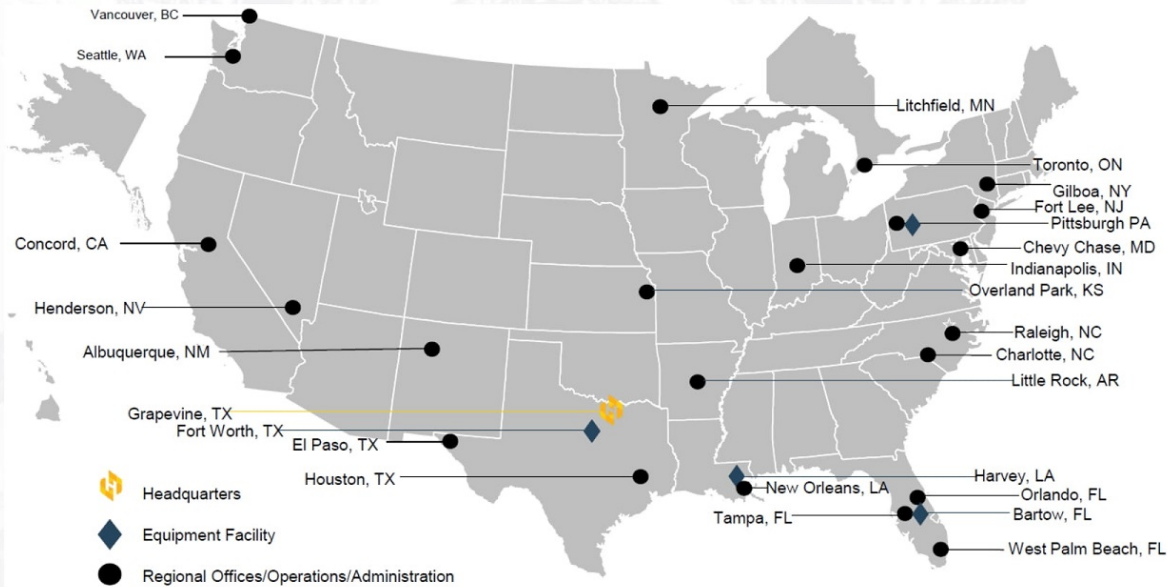
Today, we are made up of employees who don't just have Southland on their résumé, but in their blood. We continue to build on the **hard work, dedication and success of generations before us with unwavering commitment, clarity, and continuity of purpose**.

LEGATO
MERGER CORP II 7

AT A GLANCE

BUILDING GREAT THINGS 

\$2B+ BACKLOG **~2,500** EMPLOYEES ENR ⁽¹⁾ RANKED **#16** DOMESTIC HEAVY CONTRACTORS
ENR RANKED **#89** TOP 400 CONTRACTORS ENR RANKED **#58** CONTRACTORS BY NEW CONTRACTS



(1) Engineering News-Record

EXECUTIVE TEAM

BUILDING GREAT THINGS 

Southland Holdings' executive management team leverages decades of experience to build a premier operation that is poised for significant future growth.

Frank Renda

Chief Executive Officer



As President and Chief Executive Officer of Southland Holdings, Frank Renda is responsible for identifying and establishing all necessary initiatives to achieve short-term and long-term corporate goals. Mr. Renda has nearly 30 years of experience across various disciplines within the construction industry and has spent the last 20 years as CEO of Southland. He has combined his operational background, industry knowledge, and M&A expertise to grow the Southland Holdings' family of companies to approximately \$1.3B in annual revenues, with operations throughout North America.

Cody Gallarda

Chief Financial Officer



Cody Gallarda is an Executive Vice President and the Chief Financial Officer for Southland Holdings. He has more than 15 years of experience in leading and developing finance, accounting, IT, and HR functions while overseeing various strategic initiatives. Prior to joining Southland, he spent more than ten years with Primoris Services Corp., a publicly traded infrastructure firm. Mr. Gallarda is a Certified Public Accountant licensed in Texas and holds a M.S. in Accounting from the University of Texas at Dallas, an MBA from California State University, Fullerton, and a B.S. in Business Administration and Technology from California Baptist University.

Tim Winn

EVP & Chief Operating Officer



Tim Winn serves as Executive Vice President and Chief Operating Officer for Southland Holdings. Mr. Winn has approximately 30 years of experience in technical infrastructure project execution. Under his leadership, Southland Holdings, and its various subsidiaries, has completed some of the nation's most complex bridge, marine, underground tunneling, structural and emergency infrastructure services for both public and private clients. Additionally, Mr. Winn has successfully integrated numerous strategic acquisitions to strengthen Southland Holdings operational capabilities.

Rudy Renda

EVP & Chief Operating Officer, Strategy & Special Projects



Rudy Renda serves as Executive Vice President and Chief Operating Officer, Strategy & Special Projects, for the Southland Holdings family of companies. Mr. Renda oversees various plant and conveyance projects for Southland Holdings and has been instrumental in the company's completion of some of the most complex projects in the US. He combines nearly 30 years of construction experience, leading various components of contract administration and compliance, resource management, partnering strategies, customer relationships and coordination across all subsidiaries of Southland Holdings.

PROJECT SEGMENTS

BUILDING GREAT THINGS 

Civil

- WATER PIPELINE
- PUMP STATIONS
- LIFT STATIONS
- WATER & WASTEWATER TREATMENT PLANTS
- CONCRETE & STRUCTURAL STEEL
- OUTFALL
- TUNNELING

Constructed over 12 million linear feet of large diameter water pipeline
Bored over 1 million linear feet of tunnel
Currently own and operate the largest hard rock tunnel boring machine (TBM) in the US (38 ft diameter)
Built and expanded water/wastewater treatments plants and systems throughout the United States
Trusted and known for our safety and resourcefulness with large scale projects including complex systems integrations
Currently completing the largest wastewater outfall in Canada.



PROJECT SEGMENTS

BUILDING GREAT THINGS 

Transportation

- BRIDGES
- ROADWAYS
- MARINE
- DREDGING
- SHIP TERMINALS / PIERS
- SPECIALITY STRUCTURES & FACILITIES

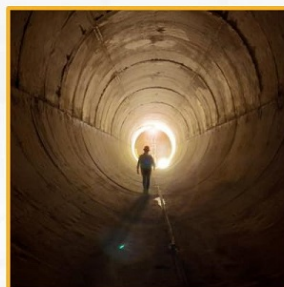
Iconic bridges and structures all around the world
Over 20,000+ bridges and structures worldwide
Diverse experience and capabilities in Suspension, Cable-Stayed, Precast, Moveable, Utility and Rail bridges
In-house construction engineering excellence
Constructed over 9,000 lane miles of highway in the United States
One of the largest heavy civil marine fleets in the United States
Recognized expertise in steel structures
Specialty structures includes some of the most recognizable Convention Centers, Sports Stadiums, Ferris Wheels in the United States



COMPETITIVE ADVANTAGES

BUILDING GREAT THINGS 

STRONG BALANCE SHEET & BONDING CAPACITY
SELF PERFORMING & TECHNICAL EXPERTS
WIDE BREADTH OF CAPABILITIES
GEOGRAPHY
SIGNIFICANTLY OWNED EQUIPMENT FLEET



EQUIPMENT OVERVIEW

BUILDING GREAT THINGS 

Southland maintains a large fleet of equipment through consistent dedication to capital budgeting as well as continued maintenance of aging equipment.

CRANES

SUPPORT EQUIPMENT
(EXCAVATORS/ BACKHOES/LOADERS)

HEAVY DUTY TRUCKS

ASPHALT/CONCRETE

STORAGE

TUNNELING BORING SYSTEMS

Southland primarily purchases equipment, which enables the Company to expand margins by having equipment available when needed and lowers the overall cost of equipment vs. renting.

Southland's competitors, on the other hand, primarily rent equipment, losing out on the potential margin expansion Southland is capturing.

Southland's fleet consists of more than 3,500 active pieces of equipment with an estimated total fair market value of more than \$300 million.

Much of Southland's equipment base can be used on projects across a range of services, which gives the Company the ability to shift its project mix without incurring extra costs.




INFRASTRUCTURE REPORT CARD

BUILDING GREAT THINGS



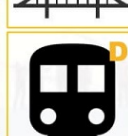
America's Infrastructure **C-**

Water Pipeline

Every two minutes, there is a water main break, and an estimated 6 billion gallons of treated water lost each day in the U.S. Nationwide, the drinking water and wastewater pipes in the ground are on avg 45 years old.

Facilities

Most of the nation's WWTPs are designed with an average lifespan of 40 to 50 years, so the systems that were constructed in the 1970s, around the passing of the Clean Water Act in 1972, are reaching the end of their service lives.



Bridges

There are more than 617,000 bridges across the United States. Currently, 42% of all bridges are at least 50 years old, and 46,154, or 7.5% of the nation's bridges, are considered structurally deficient, meaning they are in "poor" condition.

Roadways

Growing wear and tear on our nation's roads have left 43% of our public roadways in poor or mediocre condition, a number that has remained stagnant over the past several years.

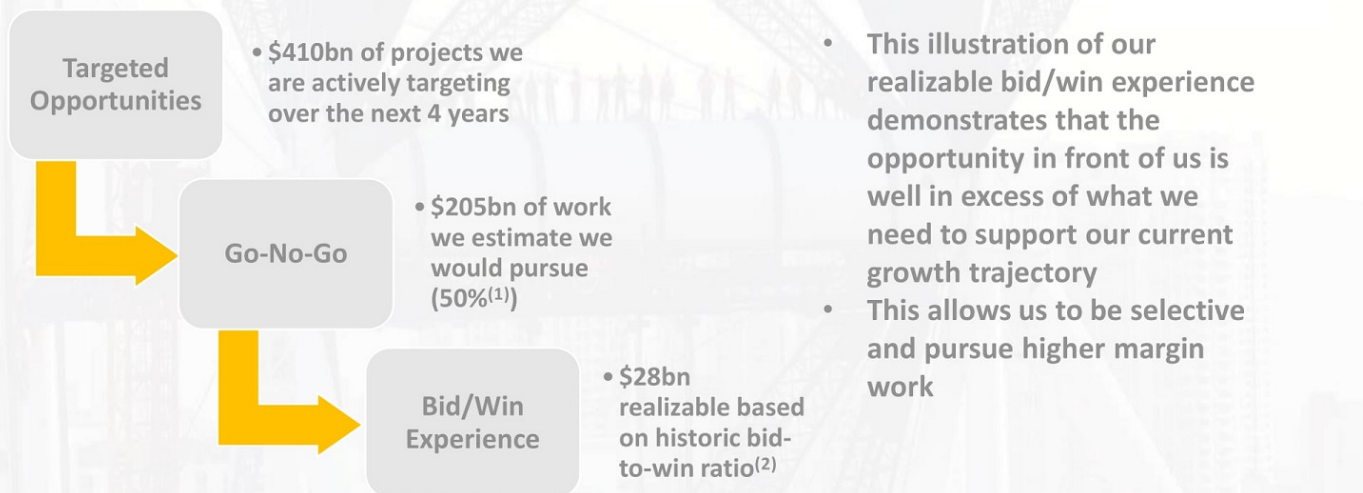
Source: 2021 Infrastructure Report Card provided by American Society of Civil Engineers

TARGETED OPPORTUNITIES



Between now and 2039, the ASCE report estimates that **nearly \$13 trillion** is needed across 11 infrastructure areas: highways, bridges, rail, transit, drinking water, stormwater, wastewater, electricity, airports, seaports and inland waterways. \$4.59 trillion of this investment is required by 2025.

Targeted Opportunities Illustration (2023-2026)



- This illustration of our realizable bid/win experience demonstrates that the opportunity in front of us is well in excess of what we need to support our current growth trajectory
- This allows us to be selective and pursue higher margin work

Source: 2021 Infrastructure Report Card provided by American Society of Civil Engineers
 (1) Assumes go-no-go rate of 50%
 (2) Assumes 13.7% bid-to-win ratio which is average for past 3 years (2019-2021)

CLIENT MIX



Southland Holdings has a diverse customer base with a significant amount of work coming from recurring customers.

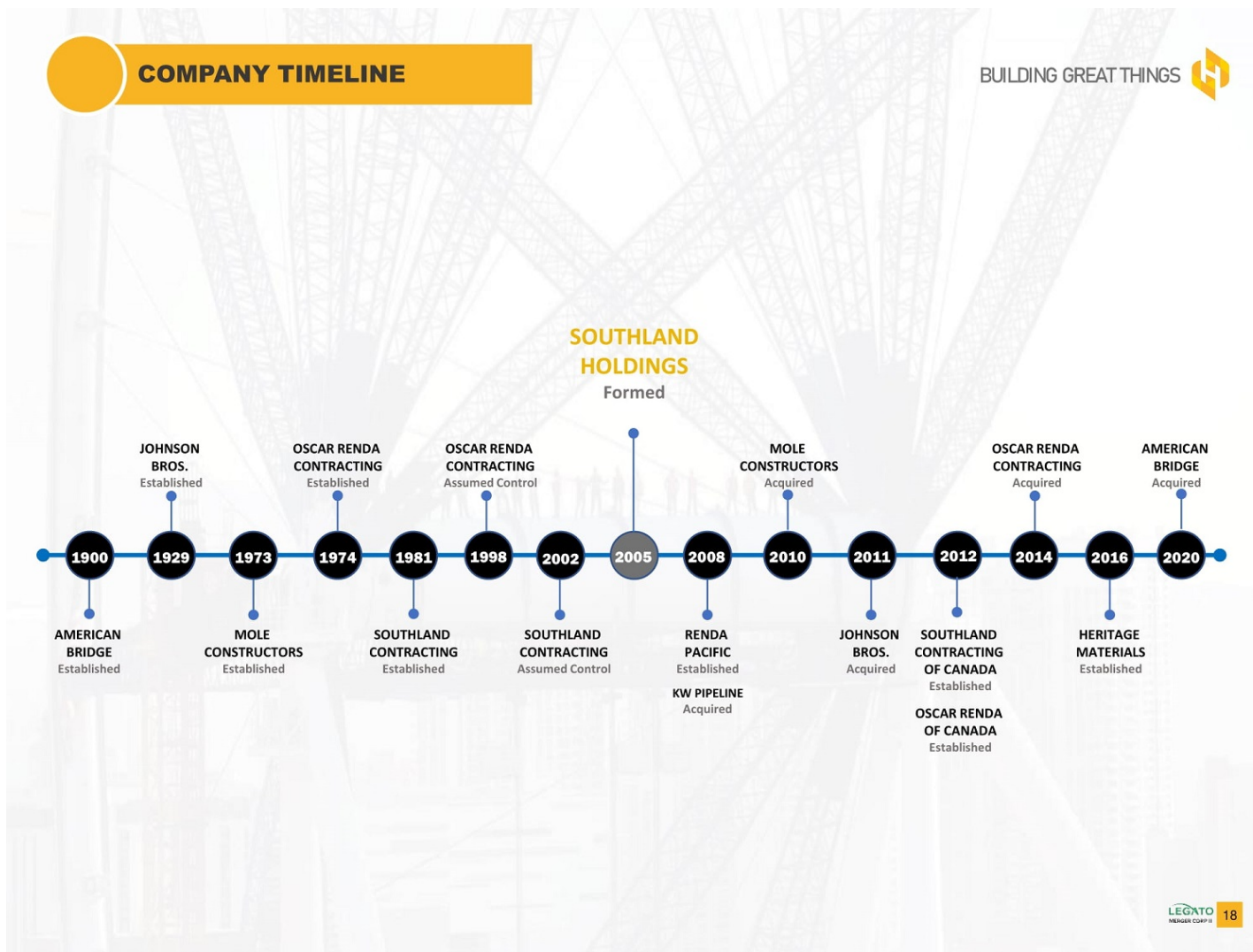
FEDERAL	US Bureau of Reclamation US Army Corps of Engineers	El Paso Water City of Port St. Lucie
	Louisiana Department of Transportation Texas Department of Transportation	City of New York City of Toronto
STATE	Florida Department of Transportation Arkansas Department of Transportation Illinois Department of Transportation North Dakota Department of Transportation	San Francisco Water Power Sewer Southern Nevada Water Authority Trinity River Authority San Antonio Water Systems Dallas Fort Worth Airport
LOCAL COUNTY AND CITY	Alabama Department of Transportation City of Dallas City of Charlotte City of Biloxi City of Baltimore	Tampa Electric Disney Universal Suntrax
PRIVATE		

PEER GROUP

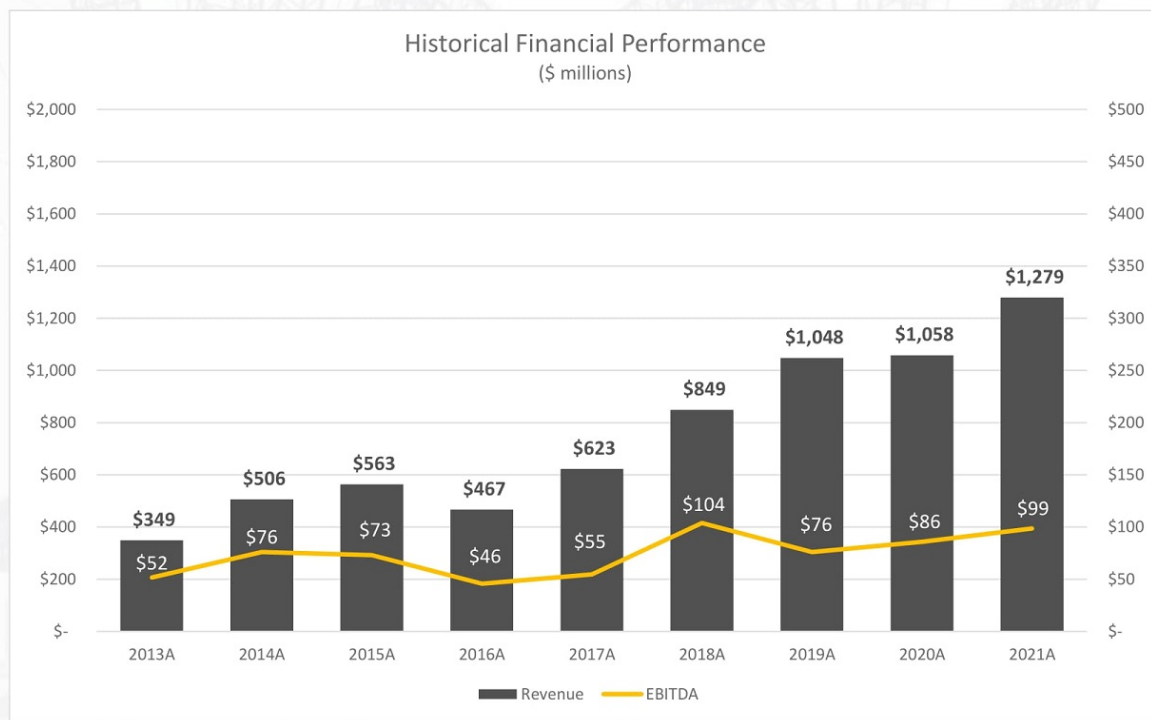
BUILDING GREAT THINGS 

Southland Holdings is a significant competitor in a field of larger construction companies due to the company's range of services and ability to execute on complex projects. This gives Southland an advantage of pursuing projects with a limited list of potential bidders.

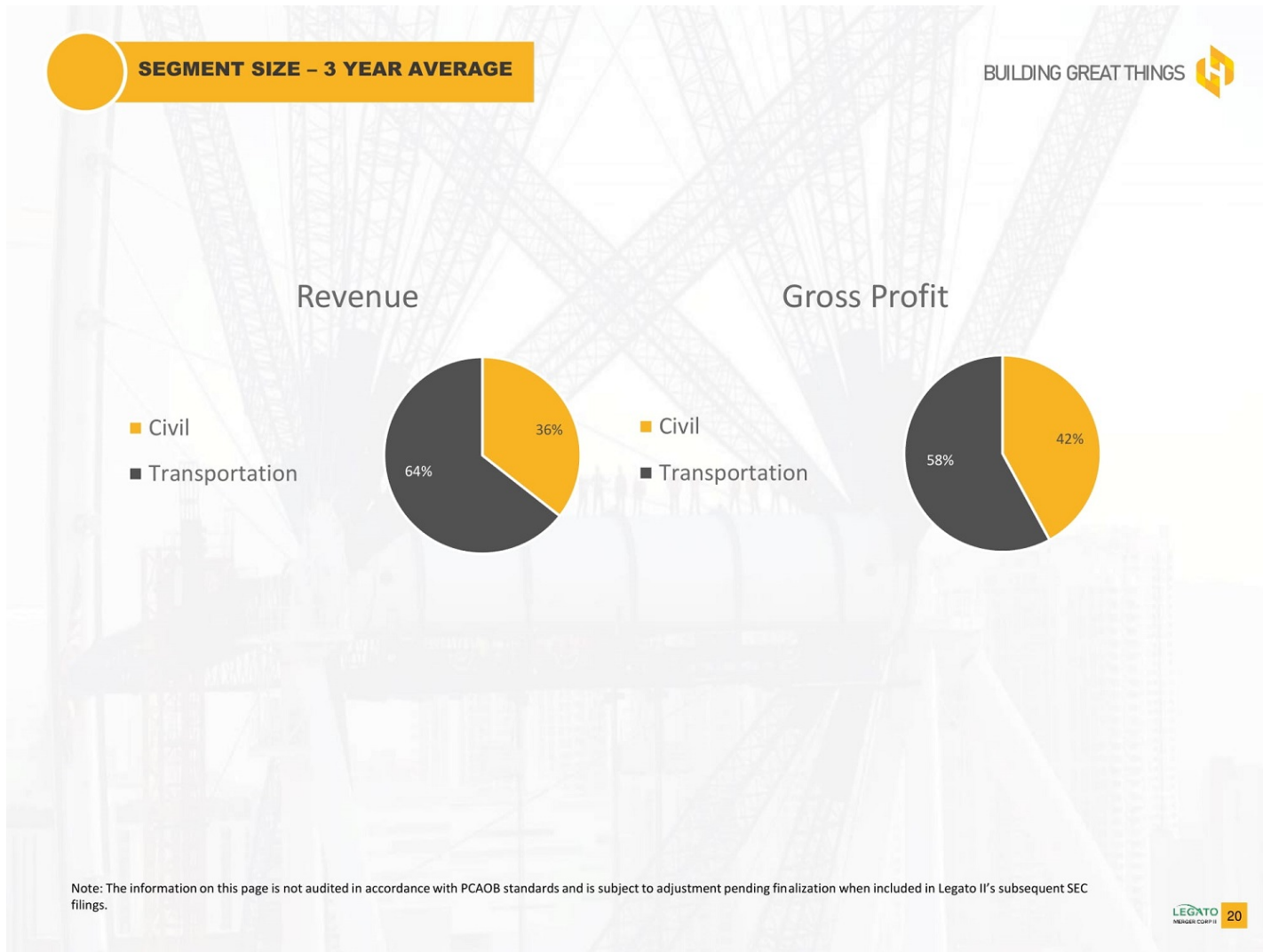




HISTORICAL



Note: The information on this page is not audited in accordance with PCAOB standards and is subject to adjustment pending finalization when included in Legato II's subsequent SEC filings.



BACKLOG



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HISTORICAL INCOME STATEMENTSBUILDING GREAT THINGS 

(In thousands)	2019A	2020A	2021A
Revenue	\$ 1,047,676	\$ 1,057,936	\$ 1,279,186
COGS	967,172	964,535	1,164,997
Gross Margin	80,504	93,401	114,189
	7.7%	8.8%	8.9%
SG&A	45,180	48,410	58,137
	4.3%	4.6%	4.5%
Operating Income	35,324	44,991	56,052
	3%	4%	4%
Interest income and other	1,613	1,575	3,309
Invest income, net	4,500	2,068	898
Foreign. Curr gain (loss), net	390	264	(529)
Interest expense	(9,125)	(8,096)	(7,255)
Pre-Tax Income	32,702	40,802	52,475
Income Tax (1)	2,278	10,650	10,945
Net Income	30,424	30,152	41,530
Income (loss) attr. to NCI	(22)	(3,515)	2,810
Net Income to Southland	\$ 30,446	\$ 33,667	\$ 38,720

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(1) Company not fully taxed as a C-Corp

HISTORICAL BALANCE SHEETS

BUILDING GREAT THINGS 

(In thousands)	2019A	2020A	2021A	(In thousands)	2019A	2020A	2021A
Assets				Liabilities & Equity			
<i>Current assets</i>				<i>Current liabilities</i>			
Cash & equiv.	\$ 79,862	\$ 30,889	\$ 63,342	AP	\$ 127,679	\$ 134,478	\$ 152,920
Restricted Cash	1,873	149,507	47,900	Retainage	12,765	21,905	32,706
AR, net	108,018	143,937	127,976	Accrued liab	56,745	119,804	114,734
Retainage	68,631	87,786	110,971	LT Debt, current	33,886	35,652	41,333
Fed Inc. Tax receivable	150	585	411	Lease, current	63	4,688	8,157
Other current	18,134	21,320	22,566	Billings in excess	73,498	299,900	111,287
Cost in excess	291,057	344,371	356,495	Total current liabilities	304,636	616,427	461,137
Cost to fulfill	24,133	27,988	18,128	<i>LT Liabilities</i>			
Total current assets	591,858	806,383	747,789	LT Debt	214,407	162,685	195,597
PPE	166,666	182,756	156,031	Lease, LT	151	14,591	10,065
Inv in unconsolidated	-	96,372	103,610	Def tax liab	5,377	6,234	5,962
Inv in other unconsolidated	806	1,339	1,926	Other noncurrent	453	44,000	51,463
Investments, noncurrent	2,231	2,575	3,925	Total Liabilities	\$ 525,024	\$ 843,937	\$ 724,224
AR noncurrent	10,069	2,114	1,475	Equity			
Goodwill	1,528	1,528	1,528	AOCI	(5,739)	(7,480)	(5,894)
Intangibles	-	5,014	3,215	Preferred	35,000	26,000	24,400
Other noncurrent	-	2,011	1,711	Majority	212,289	234,580	267,659
Total Assets	\$ 773,158	\$ 1,100,092	\$ 1,021,210	NCI	6,584	3,055	10,821
				Total Equity	248,134	256,155	296,986
				Total Liabilities & Equity	\$ 773,158	\$ 1,100,092	\$ 1,021,210

	2019A	2020A	2021A
DSO	38	50	37
DPO	48	51	48

Note: The information on this page is not audited in accordance with PCAOB standards and is subject to adjustment pending finalization when included in Legato II's subsequent SEC filings.

HISTORICAL STATEMENT OF CASH FLOWS

BUILDING GREAT THINGS 

(In thousands)	2019A	2020A	2021A	(In thousands)	2019A	2020A	2021A
CASH FLOWS FROM OPERATING ACTIVITIES				CASH FLOWS FROM FINANCING ACTIVITIES			
Net income	\$ 30,424	\$ 30,152	\$ 41,530	Borrowings on LOC	\$ 75,736	\$ 57,000	\$ 67,000
Adj. to rec. net income to net cash provided by (used for) operating activities				Payments on LOC	(69,886)	(77,000)	(82,000)
Depreciation & Amortization	35,872	38,471	45,669	Borrowings on notes payable	185,894	34,370	206,172
Deferred taxes	(1,607)	476	(271)	Payments on notes payable	(84,022)	(51,185)	(153,588)
(Gain) loss on sale of assets	(1,753)	(2,562)	(5,168)	Payments on capital lease	-	(4,124)	(4,717)
Fx remeasurement (gain) loss	-	(6)	136	Other	(11,789)	(658)	1,194
(Increase) decrease in:				Distributions	(18,239)	(6,169)	(2,620)
Accounts receivable	6,248	14,592	(7,424)	Non-controlling interest activity			
Costs in excess of billings	(137,039)	(58,523)	(2,116)	Preferred stock dividends	(1,593)	(188)	
Prepaid expenses and other current assets	(5,737)	(9,117)	1,035	Net cash used in financing activities	76,101	(47,954)	31,441
Increase (decrease) in:				EFFECT OF EXCHANGE RATE CHANGES ON CASH ACTIVITY	(1,764)	968	(686)
Accounts payable and accrued expenses	80,794	1,286	25,394	NET INCREASE (DECREASE) IN CASH AND EQUIVALENTS	38,034	98,661	(69,154)
Billings in excess of costs	(30,473)	(59,945)	(188,654)	CASH AND EQUIVALENTS			
Other	1,148	(4,994)	(1,541)	Beginning of year	43,701	81,735	180,396
Net cash provided by operating activities	(22,123)	(50,170)	(91,410)	End of period	\$ 81,735	\$ 180,396	\$ 111,242
CASH FLOWS FROM INVESTING ACTIVITIES							
Purchase of fixed assets	(55,438)	(30,995)	(18,797)				
Proceeds from sale of fixed assets	7,179	7,232	11,251				
Other investment cash flows	34,079	219,580	(953)				
Net cash used for investing activities	\$ (14,180)	\$ 195,817	\$ (8,499)				

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LARGE JV PARTNERS

BUILDING GREAT THINGS 

Southland partners with some of the largest, well-respected names in the E&C industry.

- Aecon
- Fluor
- Granite
- Taylor Bros.
- Hochtief
- Dragados
- Morrison Construction

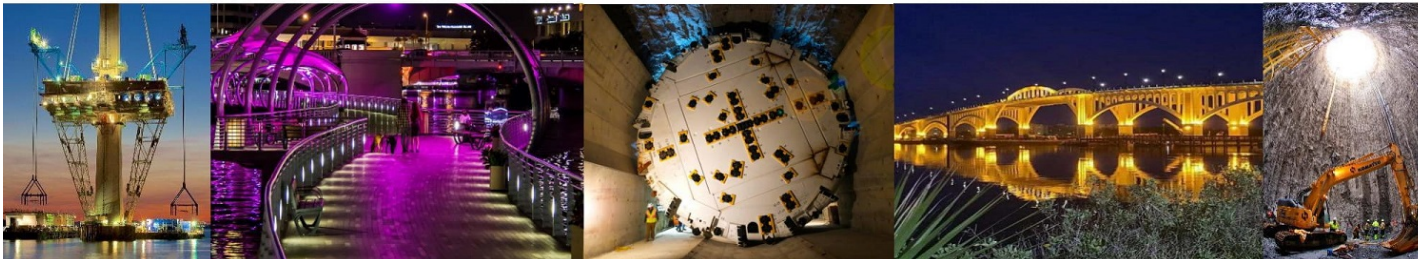
Southland accounts for large JV projects under partial consolidation guidance.⁽¹⁾

- Revenue, costs, and profit are recognized in the income statement as Revenue, Costs of Goods Sold, and Gross Margin.
- Investment in the JV, and balance sheet-related items are recorded as investment in JV on the balance sheet.

(1) ASC 810-10-45-14



TRANSACTION SUMMARY




TRANSACTION SUMMARY

BUILDING GREAT THINGS 

Overview of Southland	Southland Holdings, LLC (“Southland”) is a leading provider of specialized infrastructure construction services across North America including bridges, tunneling, transportation and facilities, marine, steel structures, water and sewer treatment, and water pipelines
Overview of Legato II	Legato Merger Corp II (Nasdaq: LGTO) (“Legato II”) is a publicly-listed special purpose acquisition company with ~\$280 million cash held in trust. Legato II’s management team has: <ul style="list-style-type: none"> • Successfully closed six prior SPAC transactions in the industrials space • Deep understanding of the public markets. Combined, the management team has served on the Board of 36 public companies
Motivations for the Transaction	Access to cash to fund and accelerate organic growth initiatives Access to cash & equity capital to fund potential future acquisitions
Transaction	At closing, Southland’s shareholders will receive: <ul style="list-style-type: none"> • \$343 million of stock (@ \$10.15 per share) • \$50 million of cash • \$105 million of contingent stock consideration (@\$10.15 per share) over the next two years if certain operating performance goals are achieved
Board of Directors Summary	Southland will nominate 5 Board members and Legato II will nominate 2 Board members. Chairman will be Brian Pratt, Chairman of Legato Merger II and former Chairman and CEO of Primoris Services Corp

KEY INVESTMENT HIGHLIGHTS

BUILDING GREAT THINGS 


Top Tier Engineering & Construction Services Firm	<p>Leading provider of specialized infrastructure construction services across North America including bridges, tunneling, transportation and facilities, marine, steel structures, water and sewer treatment, and water pipelines</p>	Established track record of accretive acquisitions	<p>Southland has a long-term track record of successfully acquiring businesses and successfully integrating them within its business</p>
Diverse Set of Customers	<p>Customers include federal, state, local and private organizations. A significant amount of work comes from recurring clients</p>	Experienced Management Team	<p>Southland's executive management team has significant experience building and operating E&C companies</p>
Strong Industry Tailwinds	<p>Over the next 17 years, the ACSE⁽¹⁾ estimates \$13 trillion of infrastructure spending across key categories (including highways, bridges, marine, etc.) is required with \$4.6 trillion required by 2025. In 2021, the US passed a \$1 trillion infrastructure bill</p>	Attractive Valuation	<p>Valued at an EBITDA multiple of 5.6x 2022 "Bonus"⁽³⁾ Adjusted EBITDA and 6.2x 2022 "Base"⁽⁴⁾ Adjusted EBITDA. This represents a discount of 40% and 33%, respectively compared to an average of its peers (9.3x)</p>

(1) ACSE is the American Society of Civil Engineers, and the data that is cited above is from their latest report card on American Infrastructure

(2) Source of information: S&P Capital IQ. Market data as of May 27, 2022. Estimates based on consensus estimates

(3) Assumes \$145 million of EBITDA while TEV includes 6.9mm "Base" (2022 and 2023) and 3.4mm "Bonus" (2022 and 2023) earnout shares. Refer to page 30 for further details.

(4) Assumes \$125 million of EBITDA while TEV only includes 6.9mm "Base" (2022 and 2023) earnout shares. Refer to page 30 for further details.


28

PROPOSED TRANSACTION OVERVIEW

BUILDING GREAT THINGS 

Estimated Sources & Uses (\$mm)

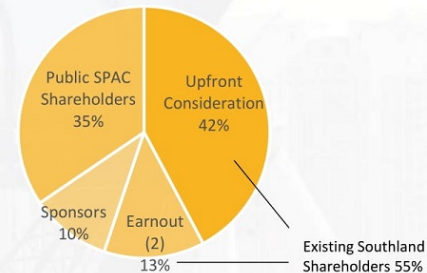
Sources:	
Upfront Equity Consideration to Southland Shareholders	\$343
Contingent Shares to Southland Shareholders ⁽²⁾	\$105
Estimated SPAC Cash in Trust ⁽¹⁾	\$280
Total Sources	\$728
Uses:	
Upfront Equity Consideration to Southland Shareholders	\$343
Contingent Shares to Southland Shareholders ⁽²⁾	\$105
Estimated Business Combination Fees & Expenses ⁽³⁾	\$10
Cash to Southland's Balance Sheet ⁽⁵⁾	\$220
Cash to Southland	\$50
Total Uses	\$728

Illustrative Pro Forma Ownership (mm shares)

Southland Shareholders (Upfront)	33.8
Southland Shareholders (Earnout) ⁽²⁾	10.3
Total Southland Shareholders	44.1
Sponsor Shareholders ⁽⁴⁾	8.3
Public Shareholders ⁽¹⁾	27.6
Total Shares Outstanding	80.0

Illustrative Pro Forma Valuation (\$mm, except per share)

Share Price:	\$10.15
Total Shares Outstanding ⁽⁶⁾	80.0
Equity Value	\$812
Less: Pro Forma Cash ⁽⁶⁾	(\$220)
Plus: Debt	\$218
Total Enterprise Value (TEV)	\$810



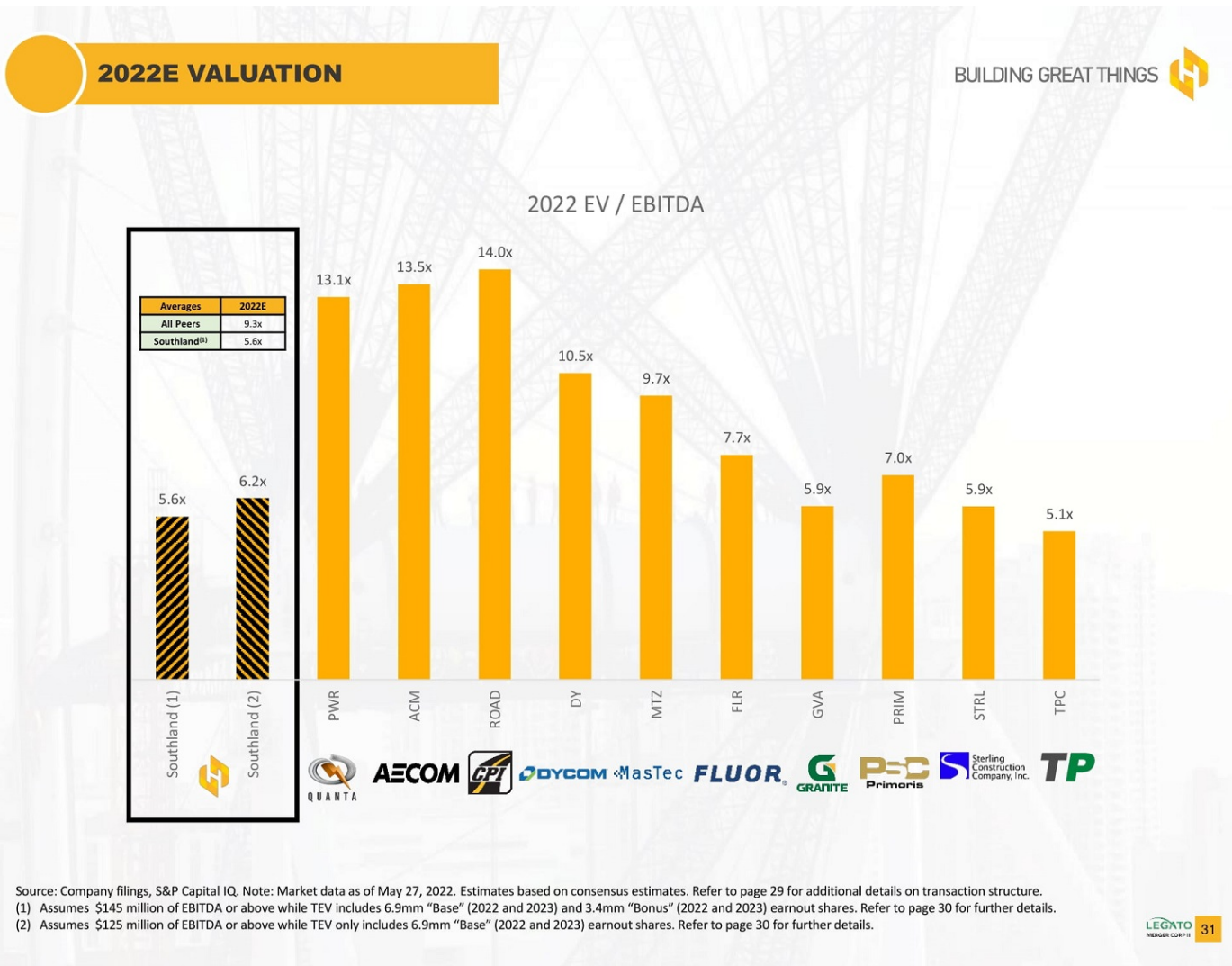
- (1) Cash in Trust and Pro Forma Ownership reflects 27.6m Public Shares issued during Legato II's IPO. Assumes no redemptions.
 (2) Transaction structure inclusive of full earn-out consideration based on the 2022 Bonus Adjusted EBITDA target of \$145mm & 2023 Bonus Adjusted EBITDA target of 165mm. See page 30 for detail
 (3) Estimated fees and expenses inclusive of all fees and expenses related to the business combination
 (4) Sponsor ownership inclusive of 6.9m Founder Shares, 1.17m Private Shares and 0.24m Representative Shares.
 (5) Business combination cash to the balance sheet (assuming no redemptions)
 (6) Assumes no redemptions and full earnout is realized based on 2022 Bonus Adjusted EBITDA Earnout Target of \$145mm and 2023 Bonus Adjusted EBITDA Earnout Target of \$165mm

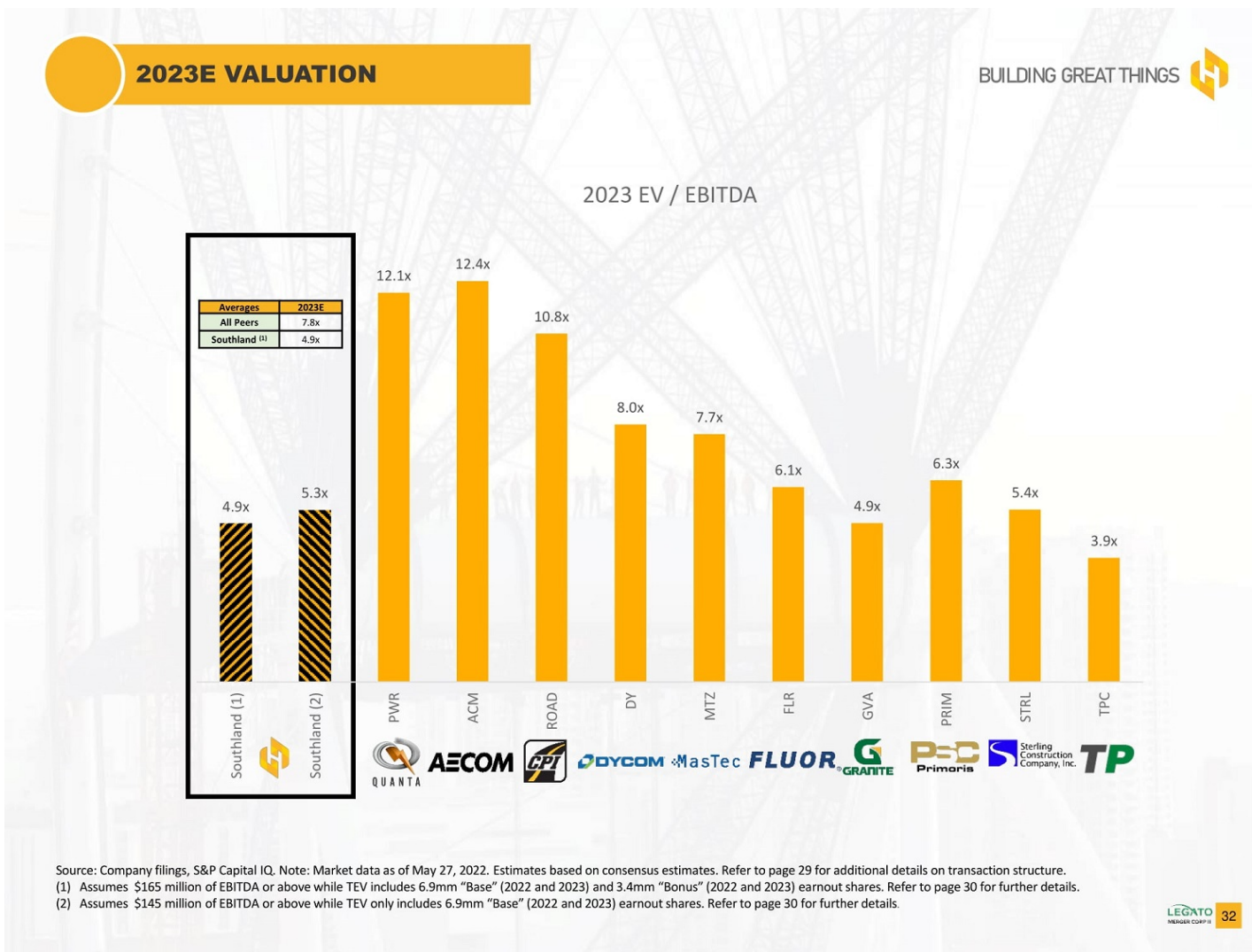
Note: All figures in USD. All shares valued at \$10.15/share. Analysis excludes warrants (Legato II has 13.8mm public warrants and 0.585mm private warrants outstanding, all exercisable at \$11.50/share). All balance sheet figures as of March 31, 2022

CONTINGENT CONSIDERATION ALIGNS INCENTIVES WITH PUBLIC SHAREHOLDERS



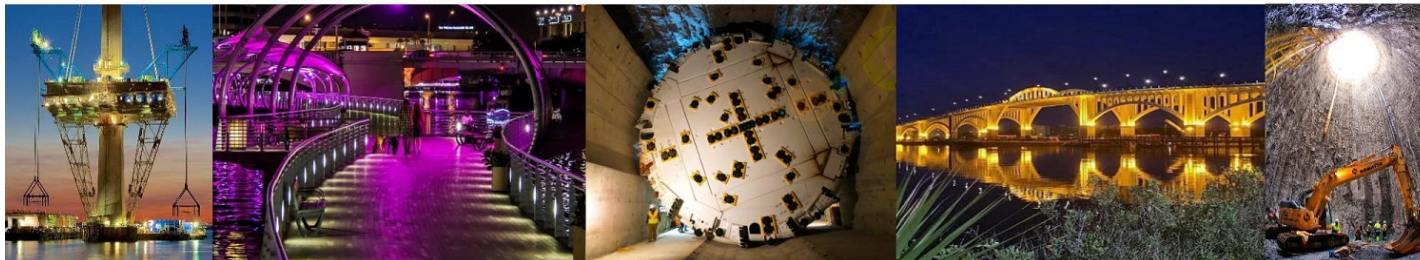
	Size (Shares)	Structure	Rationale
2022 Earnings Based Incentive	3.45mm	Receive if 2022 Adjusted EBITDA is \$125 million or above (2022 "Base" Earnout)	<ul style="list-style-type: none"> Compensates Southland shareholders for delivering upon stated earnings targets in 2022 & 2023 "Bonus" Earnouts provide Southland shareholders with compensation for outperformance of "Base" targets in 2022 & 2023
	1.72mm	Receive if 2022 Adjusted EBITDA is \$145 million or above (2022 "Bonus" Earnout)	
2023 Earnings Based Incentive	3.45mm	Receive if 2023 Adjusted EBITDA is \$145 million or above (2023 "Base" Earnout)	<ul style="list-style-type: none"> Aligns Southland shareholders and public shareholders for the long-term upside and delivery of key initiatives
	1.72mm	Receive if 2023 Adjusted EBITDA is \$165 million or above (2023 "Bonus" Earnout)	







EXECUTIVE SUMMARY



SUMMARY

BUILDING GREAT THINGS 

CLOSE ALIGNMENT OF MANAGEMENT AND SHAREHOLDER INTERESTS
STRONG BALANCE SHEET
FINANCIAL PERFORMANCE
SOLID BACKLOG
GROWING ROBUST MARKETS
INDUSTRY KNOWLEDGE AND EXPERIENCE / COMPETITIVE ADVANTAGE
ATTRACTIVE VALUATION COMPARED TO PEERS