Business Owner Advisory Services

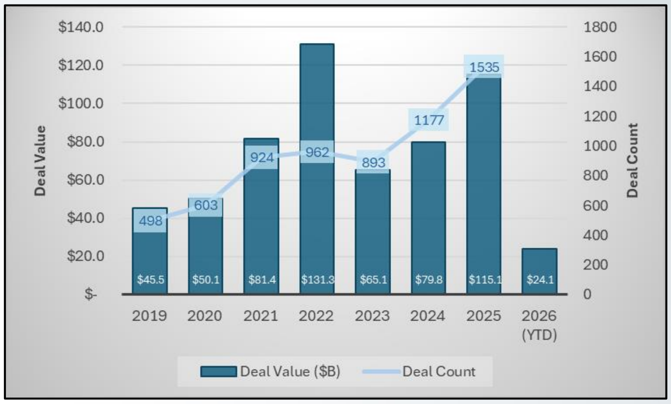
Industry Focus Quarterly Report

Construction and Engineering Industry

Q1 2026

Activities:

- The construction and engineering industry is experiencing an increasing number of merger and acquisition transactions.
- The deal count since 2023 has increased each year with the more recent periods exceeding the high-water period of 2022.
- In 2025, there were 1,535 transactions with an aggregate transaction value exceeding $115.1 Billion.
- With Q1 2026 estimates exceeding 500 transactions while exit value showed growth over 2025.



Source: PitchBook • North America and Europe • As of March 31, 2026

Key Takeaways:

This is an ideal time for business customers in the construction and engineering sector to consider a succession event with merger and acquisition activities continuing to be driven by several converging themes, including:

- Specialty construction subcategories are very fragmented. Private equity and family office investors are building platforms and adding smaller businesses to create scale, drive purchasing efficiencies, and trim back-office costs.
- Electrical contracting is compelling for sponsors given the durable secular tailwinds from grid expansion and the energy transition.
- Plumbing, fire protection, water treatment contractors are highly fragmented with a focus on specific localized markets and penetration.
- HVAC valuations remain elevated with the space proving to be highly resilient in recent quarters with a steady number of transactions.
- Specialty engineering subcategories, particularly project management, advisory/consulting, and testing/inspection, have strong recurring revenue characteristics and clear paths to value creation through technology and process standardization.

Our Customers:

Nearly 60% of businesses in Massachusetts, New Hampshire, and Rhode Island are owned by members of the Baby Boomer generation born between 1946 and 1964. Nationally, this is referred to as the "**silver tsunami**", which represents a turning point for business owners as this generation is now looking to retire. **Behind every statistic is a real person facing choices.**

Our Business Owner Advisory Service asks and helps answer key questions:

- When is the correct time to transition my business?
- How do I replace my income in retirement?
- Is my company ready, or should I focus on increasing its value?
- What are the options? Who are the likely acquirers, and how would they perceive my business?
- What about an internal transition to my employees, partners, family, or management team?
- What factors besides the revenues and earnings history affect its value?

For business owners, retirement planning is complicated, especially given its impact on the business, its employees, and its customers. Often, it is the owner's legacy.

We specialize in guiding business owners through strategic planning, including internal or external succession planning, while de-risking the outcome and exploring strategies to increase the enterprise value of your business. Our services integrate personal financial planning with business succession or exit planning. From valuation to the final selection of advisors, our experts are dedicated to exploring optimal returns while protecting the owner's legacy. Our advisory services are designed to help business owners navigate this complex process by providing a personalized approach enabling a business owner to retire with confidence.

Rockland Trust is not a FINRA registered broker-dealer or an investment bank. Rockland Trust provides strategic planning and coordination but does not provide investment banking or M&A transaction advisory services. M&A transactions are executed by independent third-party advisors.

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