



March 19, 2026

Dear Stockholder:

On behalf of the Board of Directors and management of Dimeco, Inc. (the “Company”), we cordially invite you to attend our 2026 Annual Meeting of Stockholders. The Annual Meeting will be held at the Support Center of The Dime Bank located at 1055 Texas Palmyra Highway, Honesdale, Pennsylvania, on Thursday, April 23, 2026, at 2:00 p.m. local time. The attached Notice of Annual Meeting and Proxy Statement describe the formal business we expect to act upon at the Annual Meeting. Our directors and officers will be present to respond to any questions stockholders may have.

Your vote is important, regardless of the number of shares you own and regardless of whether you plan to attend the Annual Meeting. We encourage you to read the enclosed proxy statement carefully and vote your proxy as promptly as possible because a failure to do so could cause a delay in the Annual Meeting and result in additional expense to the Company. We offer multiple methods for you to vote your shares. You may vote in person on the day of the Annual Meeting, online, by telephone or by mail. A postage-paid return envelope is enclosed for your convenience if you choose to return your proxy vote by mail.

Returning your proxy will not prevent you from voting in person, but it will assure that your vote will be counted if you are unable to attend the Annual Meeting. If you do decide to attend the Annual Meeting and want to change your vote at that time, you will be able to do so. If you are planning to attend the Annual Meeting, kindly let us know when you cast your vote.

Sincerely,

Peter Bochnovich
*President and
Chief Executive Officer*

DIMECO, INC.
820 CHURCH STREET
HONESDALE, PENNSYLVANIA 18431

ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD APRIL 23, 2026

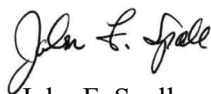
NOTICE IS HEREBY GIVEN that the Annual Meeting of Stockholders of Dimeco, Inc., will be held at the Support Center of The Dime Bank located at 1055 Texas Palmyra Highway, Honesdale, Pennsylvania, on Thursday, April 23, 2026, at 2:00 p.m., local time, for the following purposes:

1. To elect four directors to Class A;
2. To ratify the appointment of S.R. Snodgrass, P.C. as our independent auditors for the fiscal year ending December 31, 2026; and
3. To transact any other business that may properly come before the Annual Meeting and any adjournments or postponements thereof.

The Board of Directors is not aware of any other business to come before the Annual Meeting. Stockholders of record at the close of business on February 27, 2026, are the stockholders entitled to vote at the Annual Meeting and at any adjournments thereof.

Your vote is very important, regardless of the number of shares you own. We encourage you to vote by proxy so that your shares will be represented and voted at the Annual Meeting even if you cannot attend. All stockholders of record can vote online, by telephone or by written proxy card. To obtain directions to attend the Annual Meeting and vote in person, please call Effie Slattery at 570-253-1970. However, if you are a stockholder whose shares are not registered in your own name, you will need additional documentation from your record holder to vote in person at the Annual Meeting.

BY ORDER OF THE BOARD OF DIRECTORS



John F. Spall
Secretary

Honesdale, Pennsylvania
March 19, 2026

**PROXY STATEMENT
DIMECO, INC.
820 CHURCH STREET
HONESDALE, PENNSYLVANIA 18431**

**ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD APRIL 23, 2026**

GENERAL

This Proxy Statement is being furnished to stockholders of Dimeco, Inc. by the Company's Board of Directors in connection with its solicitation of proxies for use at the Annual Meeting of Stockholders to be held at the Support Center of The Dime Bank located at 1055 Texas Palmyra Highway, Honesdale, Pennsylvania, on Thursday, April 23, 2026, at 2:00 p.m., local time, and at any adjournments thereof. The 2025 Annual Report to Stockholders, including financial statements for the fiscal year ended December 31, 2025, and a form of proxy accompany this Notice of Annual Meeting of Stockholders and Proxy Statement, which are first being mailed to stockholders on or about March 19, 2026.

VOTING AND PROXY PROCEDURES

Who Can Vote at the Annual Meeting

You are only entitled to vote at the Annual Meeting if our records show that you held shares of our common stock (the "Common Stock") as of the close of business on February 27, 2026 (the "Record Date"). As of the Record Date, a total of 2,543,472 shares of Common Stock were outstanding. Each share of Common Stock has one vote in each matter presented.

Attending the Meeting

If you are a stockholder as of the close of business on February 27, 2026, you may attend the meeting. However, if you hold your shares in street name, you will need photo identification and proof of ownership to be admitted to the meeting. A recent brokerage statement or letter from a bank, broker or other nominee are examples of proof of ownership. If you want to vote your shares of the Company's Common Stock held in street name in person at the meeting, you will have to get a written proxy in your name from the broker, bank or other nominee who holds your shares.

Quorum and Vote Required

Quorum. The Annual Meeting will be held only if there is a quorum. A quorum exists if a majority of the outstanding shares of Common Stock entitled to vote is represented at the meeting.

Votes Required for Proposals. In voting for the election of directors, you may vote for a nominee, against a nominee or abstain from voting for a nominee. There is no cumulative voting for the election of directors. Directors must be elected by a plurality of the votes cast at the Annual Meeting. The term "plurality" means that the four nominees receiving the largest number of votes cast for election will be elected as directors.

In voting for the ratification of the appointment of S.R. Snodgrass, P.C., Certified Public Accountants ("S.R. Snodgrass, P.C."), as our independent auditors, you may vote in favor of the proposal, against the proposal or abstain from voting. This proposal will be decided by the affirmative vote of a majority of the votes cast at the Annual Meeting.

How We Count Votes. If you return valid proxy instructions, or attend the meeting in person, your shares will be counted for purposes of determining whether there is a quorum, even if you abstain from voting. Broker non-votes, if any, will also be counted for purposes of determining the existence of a quorum.

In both the election of directors' proposal and the proposal relating to the ratification of the selection of the independent registered public accounting firm, abstentions and broker non-votes will have no effect on the votes.

Voting By Proxy

The Board of Directors is making available this Proxy Statement for the purpose of requesting that you allow your shares of Common Stock to be represented at the Annual Meeting by the persons named in the proxy card. All shares of Common Stock represented at the Annual Meeting by properly executed and dated proxy cards, or by proxies submitted online or by telephone, will be voted according to the instructions indicated. If you sign, date, and return a proxy card or submit your proxy online or by telephone without giving voting instructions, your shares will be voted as recommended by the Company's Board of Directors.

If your shares are held in a stock brokerage account or by a bank or other nominee, you are considered to be the beneficial owner of shares held in "street name" and these proxy materials are being forwarded to you by your broker, bank, or nominee. As the beneficial owner, you have the right to direct your broker, bank, or other nominee on how to vote your shares by filling out the voting instruction form that accompanies your proxy materials.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE:

- **"FOR" the election of the Board's four nominees as Directors to Class A, to serve for a three-year term or until their successors are duly elected and qualified;**
- **"FOR" ratification of S.R. Snodgrass, P.C. as our independent auditors for the fiscal year ending December 31, 2026.**

If any matter not described in this Proxy Statement is properly presented at the Annual Meeting, the persons named on the proxy card will vote upon such matters in accordance with the recommendations of the Company's Board of Directors. The Company does not know of any other matters to be presented at the Annual Meeting.

You may revoke your proxy at any time before the vote is taken at the meeting. To revoke your proxy, you must either advise the Secretary of the Company in writing before your Common Stock has been voted at the Annual Meeting, deliver a signed later dated proxy or attend the meeting and vote your shares in person. Attendance at the Annual Meeting will not in itself constitute revocation of your proxy.

If your Common Stock is held in "street name," you will receive instructions from your broker, bank, or other nominee that you must follow in order to have your shares voted. Your broker, bank or other nominee may allow you to deliver your voting instructions via mail, the Internet or telephone. Please see the instruction form provided by your broker, bank, or other nominee. If you wish to change your voting instructions after you have returned your voting instruction form to your broker, bank or other nominee, you must contact your broker, bank or other nominee.

PRINCIPAL HOLDERS OF OUR COMMON STOCK

A person is the beneficial owner of shares of Common Stock if he or she has or shares voting or investment power over the shares or has the right to acquire beneficial ownership of the shares at any time within 60 days from the Record Date. The following table sets forth information as of the Record Date with respect to the persons or groups known to the Company to beneficially own more than 5% of the Common Stock:

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Shares of Common Stock Outstanding (%)
Henry M. Skier 820 Church Street Honesdale, Pennsylvania 18431	187,615 ⁽¹⁾	7.4%

⁽¹⁾ The share amount includes 600 shares that may be acquired through the exercise of stock options within sixty days of the Record Date under Company stock option plans.

PROPOSAL 1. ELECTION OF DIRECTORS

Our bylaws require that directors be divided into three classes, as nearly equal in number as possible. Each class serves for a three-year term, with approximately one-third of the directors elected each year. The Board of Directors currently consists of twelve members, each of whom also serves as a director of The Dime Bank (the "Bank"). Four directors will be elected at the Annual Meeting to Class A, each to serve for a three-year term or until his or her successor has been elected and qualified.

The Board of Directors has nominated Gary C. Beilman, Lorraine D. Collins, Brian T. Kelly, and David D. Reynolds, M.D. (collectively, the "Nominees") for election as directors to Class A for additional three-year terms. The Nominees currently serve as directors of the Company and the Bank. The persons named as proxies in the enclosed Proxy Card intend to vote for the election of the Nominees. If any of the Nominees withdraws or is unable to serve (which the Board of Directors does not expect), or should any other vacancy occur in the Board of Directors, the persons named in the enclosed Proxy Card intend to vote for the election of the person or persons that the Nominating Committee may recommend to the Board of Directors. If there is no substitute nominee, the size of the Board of Directors may be reduced.

The following table sets forth the names, ages, positions with the Company, terms of, and length of board service, numerical and percentage beneficial ownership of the Common Stock for each of the Nominees, each director continuing in office and each executive officer who is not a director as of the Record Date.

Beneficial ownership of the directors and executive officers of the Company, as a group, is also set forth below:

Name and Positions with Company	Age ⁽¹⁾	Year First Elected or Appointed ⁽²⁾	Current Term To Expire	Shares of Common Stock Beneficially Owned ⁽¹⁾⁽³⁾	Percent Owned
NOMINEES TO CLASS A FOR TERMS TO EXPIRE IN 2029					
Gary C. Beilman <i>Director</i>	71	2005	2026	33,748	1.3%
Lorraine D. Collins <i>Director</i>	62	2024	2026	2,414	*
Brian T. Kelly <i>Director</i>	55	2018	2026	6,443	*
David D. Reynolds, M.D. <i>Director</i>	62	2015	2026	38,731	1.5%
CLASS B DIRECTORS CONTINUING IN OFFICE					
Peter Bochnovich <i>President, Chief Executive Officer and Director</i>	64	2020	2027	18,610	*
Barbara J. Genzlinger <i>Director</i>	74	1998	2027	20,380	*
John S. Kiesendahl <i>Director, Chairman of the Board</i>	79	1993	2027	39,342	1.6%
John F. Spall <i>Director, Secretary</i>	79	1999	2027	80,220	3.2%
CLASS C DIRECTORS CONTINUING IN OFFICE					
Gregory J. Frigoletto <i>Director</i>	56	2018	2028	6,445	*
Michael T. Peifer <i>Director</i>	57	2024	2028	8,737	*
Aimee M. Skier <i>Director</i>	52	2023	2028	4,106	*
Todd J. Stephens <i>Director, Vice Chairman of the Board</i>	56	2010	2028	16,556	*
EXECUTIVE OFFICERS WHO ARE NOT DIRECTORS					
Jeffrey J. Roche <i>Senior Vice President, Chief Financial Officer, Treasurer and Asst. Secretary</i>	56	-	-	8,075	*
Ferdinand Feola <i>Senior Vice President and Chief Technology Officer</i>	64	-	-	2,651	*
Directors, nominees and named executive officers of the Company (14 persons)				286,458	11.2%

(1) As of Record Date.

(2) Refers to the year the individual first became a director of the Company.

(3) The share amounts include 900 shares for Mr. Beilman, 2,500 shares for Mr. Kelly, 3,100 shares for Dr. Reynolds, 2,880 shares for Mr. Bochnovich, 900 shares for Ms. Genzlinger, 600 shares for Mr. Kiesendahl, 400 shares for Mr. Spall, 2,800 shares for Mr. Frigoletto, 400 shares for Mr. Stephens, 1,170 shares for Mr. Feola, and 4,550 shares for Mr. Roche that may be acquired through the exercise of stock options within sixty days of the Record Date under Company stock option plans.

* Less than 1% of Common Stock outstanding.

Biographical Information

The following biographies of each of the nominees and continuing directors contain information regarding the person's service as a director, business experience, director positions held currently or at any time during the last five years, and information regarding involvement in certain legal or administrative proceedings, if applicable.

Nominees For Directors in Class A:

Gary C. Beilman is retired. Prior to Mr. Beilman's retirement, he served as the President and CEO of The Dime Bank as well as other various capacities. Mr. Beilman provides knowledge and experience of over forty years in the financial services industry. He is actively involved in numerous community, charitable and civic organizations.

Lorraine D. Collins is President of Davis R. Chant Realtors, Owner, Vice-President, and Controller of Joybeck Custom Builders, and President of Lords Valley Association. Ms. Collins has over forty years of finance and real estate experience along with several years of varied executive experience.

Brian T. Kelly is a Certified Public Accountant and owner of Brian T. Kelly CPA & Associates, LLC with offices in Carbondale, Honesdale, and Scranton. He has over thirty years of experience in public accounting, providing audit, tax, and consulting services to various clients. He is actively involved in numerous professional and civic organizations.

David D. Reynolds, M.D. AGAF is the President and Chief Executive Officer of Northeastern Gastroenterology Associates, President, Chief Executive Officer and Medical Director of Mountain Laurel Surgical Center and Maple City Anesthesia, LLC, and a partner of SGR Real Estate. He is board certified in gastroenterology and is active in numerous medical organizations. Dr. Reynolds is an owner in several real estate companies, as well.

The Board of Directors unanimously recommends a vote "FOR" the election of the above nominees.

Continuing Directors in Class B:

Peter Bochnovich is the President and Chief Executive Officer of the Company and Bank. Mr. Bochnovich was appointed President and Director on January 1, 2020. He was previously appointed Chief Executive Officer on September 1, 2019. Prior to September 2019, Mr. Bochnovich served the Company and Bank in various capacities. He has been employed in the financial services industry for over thirty-eight years. He is actively involved in numerous community, charitable and civic organizations.

Barbara J. Genzlinger is a founder of Settlers Hospitality Group which owns and manages a portfolio including The Settlers Inn, Sayre Mansion, Ledges Hotel and the Cocoon Coffee House among others. Ms. Genzlinger is personally involved in various hospitality businesses daily and interacts regularly with many area residents. She is active in numerous community and civic organizations along with a national innkeepers' organization. She continues to serve on several community boards as well.

John S. Kiesendahl is the Vice President of Woodloch Pines Inc., a resort located in Hawley, Pennsylvania since 1981. He is a principal in certain businesses associated with the resort. Mr. Kiesendahl has been a member of the Bank's Board of Directors since 1985 and has been an active member or chair of several committees. His extensive business experience in the operation of a family resort, its affiliated golf course, world-class spa, and residential community includes all aspects of the business including hospitality operations, real estate development and financing.

John F. Spall is an attorney, practicing in Hawley, Pennsylvania since 1971, with the law firm of SRALK, P.C. Mr. Spall has been active in all phases of the legal profession for over fifty years with an emphasis on real estate transactions, estate planning, and Estates. He is a former solicitor for numerous municipalities and has been Assistant District Attorney for Wayne County. He currently serves as President of the Wallenpaupack Area School District Board of Education and is Vice-President of Lacawac Sanctuary.

Continuing Directors in Class C:

Gregory J. Frigoletto is a retired District Superintendent having served the Wayne Highlands School District in that role for fifteen years. He is a long-time resident of Wayne County. He has an extensive background serving our community with over thirty-three years in the field of education at Wayne Highlands School District, including over twenty-eight years as an administrator. He is actively involved in numerous local charitable and civic organizations.

Michael T. Peifer is a Senior Advisor with Novak Strategic Advisors, where he provides wide-ranging strategic solutions to everyday business needs. He also served the people of the 139th district, encompassing parts of Pike and Wayne counties, in the Pennsylvania House of Representatives for eight terms. During his tenure, Mr. Peifer served as Chairman of both the House Finance Committee and the Pennsylvania Higher Education Assistance Agency.

Aimee M. Skier is Co-President of A.M. Skier Agency, Inc., an insurance agency, located in Hawley, Pennsylvania since 1920. A.M. Skier Inc. is one of the largest independent insurers of children's summer camps in the United States. Ms. Skier provides a rich background in children's camps and the insurance industry. She remains involved in several charitable organizations.

Todd J. Stephens was born and raised in Wayne County, Pennsylvania. He is the Chief Operating Officer for the Medical Shoppe, LTD, parent company of Stephens Pharmacy and Northeast Med-Equip., holding this position since 2007. He is also the founder and managing partner of Northeast Accessibility, a provider of specialty equipment and solutions for persons with limited mobility. Prior to that, he was employed with BostonCoach Corp., a wholly owned subsidiary of Fidelity Investments. During his tenure with that Company, he rose to the level of Senior Vice President and held responsibilities in a variety of areas including national operations, marketing, strategy, and e-commerce. Prior to his departure he was responsible for leading a national sales organization.

Business Background of Our Executive Officers Who Are Not Directors

The business experience for the past five years of each of the Company's executive officers who are not a director is set forth below. Unless otherwise indicated, the executive officer has held his or her position for more than the past five years.

Jeffrey J. Roche is Senior Vice President of the Company and the Bank and is also Assistant Secretary of the Company and Treasurer of the Company and the Bank. He serves as the Chief Financial Officer of the Bank since 2021 and was Controller for four years since joining in 2017.

Ferdinand Feola is Senior Vice President of the Company and the Bank and is also Assistant Secretary of the Bank. He serves as the Chief Technology Officer of the Bank since 2019 and has over fifteen years of banking experience.

CORPORATE GOVERNANCE

Committees of the Board of Directors

Nominating Committee. The 2025 Nominating Committee was comprised of Directors Dr. David D. Reynolds, Todd J. Stephens, and John F. Spall, each of whom is considered independent under the rules of The NASDAQ Stock Market. Although this is not a standing committee, the Board believes that its procedures are sufficient to ensure that its nominees are approved by a majority of the independent directors. The independent directors met three times as a Nominating Committee during the fiscal year ended December 31, 2025.

Compensation Committee. The 2025 Compensation Committee was comprised of Directors John S. Kiesendahl, Todd J. Stephens and Brian T. Kelly, each of whom is considered independent under the rules of The NASDAQ Stock Market. Decisions regarding the compensation of our executives are made by the Compensation Committee. They have the strategic and administrative responsibility for ensuring that key management employees are compensated effectively in addition to oversight of all executive compensation plans and employee benefits. The Committee met three times during the fiscal year ended December 31, 2025.

Audit Committee. The 2025 Audit Committee was comprised of Directors Brian T. Kelly, Gary C. Beilman, Gregory J. Frigoletto, Michael T. Peifer, and Dr. David D. Reynolds. The Audit Committee is a standing committee that is responsible for developing and maintaining the Company's and the Bank's audit program. The Company believes that all members of the Audit Committee qualify as independent directors under the rules of The NASDAQ Stock Market including the specific independence requirements for Audit Committee members. The Committee also meets with the independent auditors to discuss the results of the annual audit and any related matters. The Committee met four times during the fiscal year ended December 31, 2025.

Communications with Directors

Stockholders who wish to communicate with the Board of Directors should send their communications to the Secretary at the Company's main office, PO Box 509, Honesdale, Pennsylvania 18431.

DIRECTOR COMPENSATION

Set forth below is a table providing information concerning the compensation of the non-employee directors of the Company for the last completed fiscal year. There was no other compensation paid during the last fiscal year.

<u>Name⁽¹⁾</u>	<u>Fees Earned or Paid in Cash</u>	<u>All other Compensation^{(2) (3)}</u>	<u>Total</u>
Gary C. Beilman	\$ 50,000	\$ 1,609	\$ 51,609
Lorraine D. Collins	\$ 50,000	\$ 0	\$ 50,000
Gregory J. Frigoletto	\$ 50,000	\$ 67	\$ 50,067
Barbara J. Genzlinger	\$ 50,000	\$ 67	\$ 50,067
Brian T. Kelly	\$ 50,000	\$ 4,945	\$ 54,945
John S. Kiesendahl	\$ 50,000	\$ 67	\$ 50,067
Michael T. Peifer	\$ 50,000	\$ 0	\$ 50,000
David D. Reynolds, M.D.	\$ 50,000	\$ 67	\$ 50,067
Aimee M. Skier	\$ 50,000	\$ 0	\$ 50,000
John F. Spall	\$ 50,000	\$ 67	\$ 50,067
Todd J. Stephens	\$ 50,000	\$ 67	\$ 50,067

(1) Director Peter Bochnovich, as the Company's President and Chief Executive Officer in 2025, did not receive any additional remuneration as a director.

(2) Cash dividends of \$67 were paid to each Director that had unvested 2022 granted restricted stock awards.

(3) Travel expenses of \$1,542 were reimbursed to Mr. Beilman for travel related to conference attendance and \$4,878 were reimbursed to Mr. Kelly for travel related to conference attendance.

For the year ended December 31, 2025, the annual retainer fee paid to each non-employee director was \$50,000, regardless of meeting attendance. There are no additional fees paid in connection with attendance at board or committee meetings. Directors' fees are paid by the Bank, on whose board each director sits; no additional fees are paid for service as a director of the Company. No other compensation was paid to the above-named directors in 2025.

PROPOSAL 2. RATIFICATION OF APPOINTMENT OF INDEPENDENT AUDITORS

S.R. Snodgrass, P.C. was the Company's independent auditors for the 2025 fiscal year. The Board of Directors has appointed Snodgrass to be its accountants for the fiscal year ending December 31, 2026, and is seeking ratification by the Company's stockholders of such appointment.

In the event that the shareholders do not ratify the selection of S.R. Snodgrass, P.C., the selection of the Company's independent auditors for the fiscal year ending December 31, 2026, will be reconsidered by the Board of Directors. The Board of Directors will be under no obligation, however, to select new independent auditors. If the Audit Board of Directors does select new independent auditors for the fiscal year ending December 31, 2026, the Company will not seek shareholder ratification of the new independent auditors selected by the Board of Directors.

A representative of S.R. Snodgrass, P.C. is expected to be available at the Annual Meeting to respond to stockholders' questions and will have the opportunity to make a statement if they so desire.

The Board of Directors unanimously recommends that stockholders vote "FOR" the ratification of the appointment of S.R. Snodgrass, P.C. as the Company's independent auditors for the 2026 fiscal year.

STOCKHOLDER PROPOSALS

In order to be considered for possible action by stockholders at the 2027 Annual Meeting of Stockholders, stockholder nominations for director and stockholder proposals must be submitted to the Secretary at the Company's main office, PO Box 509, 820 Church Street, Honesdale, Pennsylvania 18431, no later than February 22, 2027.

STOCKHOLDERS SHARING A SINGLE ADDRESS

Only one copy of this Proxy Statement and the accompanying Annual Report to Stockholders is being delivered to multiple stockholders sharing an address unless the Company has previously received contrary instructions from one or more of such stockholders. On written or oral request to Dimeco, Inc., PO Box 509, 820 Church Street, Honesdale, Pennsylvania 18431, (570) 253-1970, the Company will deliver promptly a separate copy of this Proxy Statement and the Annual Report to Stockholders at a shared address to which a single copy of the documents was delivered. Stockholders sharing an address who wish, in the future, to receive separate copies or a single copy of our proxy statements and annual reports should provide written or oral notice to the Secretary at the address and telephone number set forth above.

MISCELLANEOUS

The cost of soliciting proxies will be borne by the Company. The Company will reimburse brokerage firms and other custodians, nominees and fiduciaries for reasonable expenses incurred by them in sending proxy materials to the beneficial owners of Common Stock. In addition to solicitations by mail, directors, officers, and regular employees of the Company may solicit proxies personally or by e-mail or telephone without additional compensation.

BY ORDER OF THE BOARD OF DIRECTORS



John F. Spall
Secretary

Honesdale, Pennsylvania
March 19, 2026

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