

THE MP63 FUND, INC.

Ticker: DRIPX

ANNUAL REPORT

February 28, 2019

Beginning on January 1, 2021, as permitted by regulations adopted by the Securities and Exchange Commission, paper copies of the Fund's shareholder reports like this one will no longer be sent by mail, unless you specifically request paper copies of the reports. Instead, the reports will be made available on the Fund's website www.mp63fund.com and you will be notified by mail each time a report is posted and provided with a website link to access the report.

If you already elected to receive shareholder reports electronically, you will not be affected by this change and you need not take any action. You may elect to receive shareholder reports and other communications from the Fund electronically by contacting your financial intermediary (such as a broker-dealer or bank) or, if you are a direct investor, by following the instructions included with paper Fund documents that have been mailed to you.

THE MP63 FUND, INC.

SHAREHOLDER LETTER

FEBRUARY 28, 2019 (UNAUDITED)

Dear Shareholders,

The MP63 Fund (DRIPX) turned 20 years old on February 28, 2019.

Many of you have been along since the Fund's inception in 1999. In fact, we give credit to our long-term shareholders, whose restraint and patience is in part responsible for the relative success of the fund.

We are proud of what we have achieved over the 20 years, which includes the following:

- Outpacing the S&P 500® Index since our inception.
- And doing that with less risk and volatility as seen by our lower than market Beta.
- Outpacing our Value peer group over one, three, five, and 10 year reporting periods and since inception.
- An overall 4-star Morningstar ranking and a 4-star ranking for the past three years, five years, and 10 years. (Morningstar does not rank shorter than three years.)
- Running the fund with a lower expense ratio than its peer group.
- Maintaining a low annual portfolio turnover, averaging about 5%.
- Providing more down market protection during down periods than the S&P 500.
- Providing our investors with an increasing dividend over the past 20 years. Growing from 6 cents in 1999 to 41 cents in 2018.
- And finally, DRIPX received the Gold Medal from Morningstar, which means that Morningstar analysts believe that the fund has the ingredients to outperform its peers in the future.

Our 20th year, though far from stellar, compared favorably with our category and the S&P Index. We closed the year with a Net Asset Value (NAV) of \$21.32 for a return of 6.61% compared with 4.68% for the S&P Index, and 1.98% for the Large-Cap Value category of funds.

We believe that these results confirm the validity of our strategy: To own a widely diversified portfolio of high-conviction market leaders; To keep a tight lid on expenses, resulting in an expense ratio of 0.72% in 2018; And to avoid reacting to short-term market conditions, thus keeping portfolio turnover to a minimum (5.87% in 2018).

THE MP63 FUND, INC.

SHAREHOLDER LETTER (CONTINUED)
FEBRUARY 28, 2019 (UNAUDITED)

We have added to our portfolio positions consistently over 2018 with funds from the following sources: \$1,747,396 from subscriptions from existing shareholders, \$1,251,553 of net dividend income (a 6.58% rise from the previous year), and \$1,395,187 in profits from holdings that had grown to exceed their allotted representation in the fund.

Once again, we thank you for your discipline and patience and hope that you will join us in continuing to add to your fund holdings on a regular basis. We are looking forward to taking advantage of what we believe will be exceptional opportunities for long term growth in the stocks of great American companies.

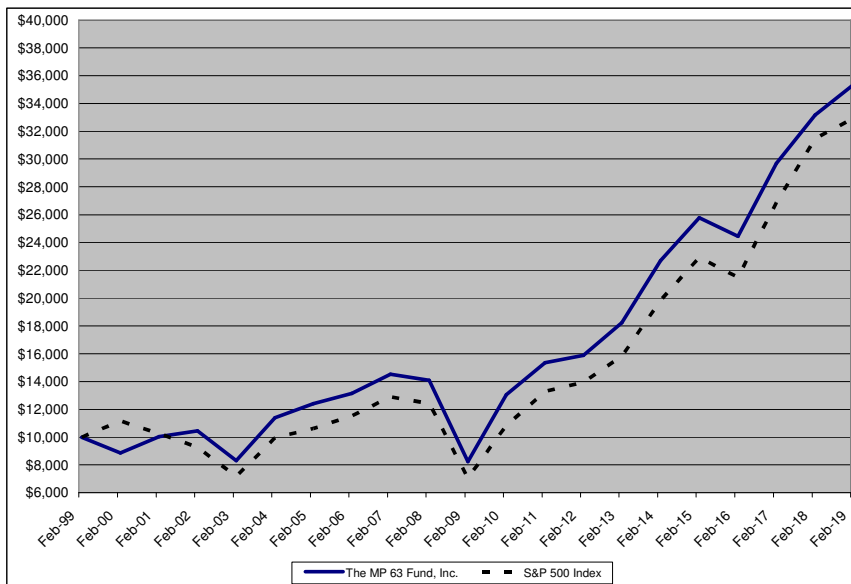
With best wishes,



Vita Nelson and Mario Medina

THE MP63 FUND, INC.

PERFORMANCE ILLUSTRATION FEBRUARY 28, 2019 (UNAUDITED)



AVERAGE ANNUAL RATE OF RETURN (%) FOR PERIODS ENDING FEBRUARY 28, 2019

	<u>1 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Since Inception</u>	<u>Ending Value</u>
The MP63 Fund, Inc.	6.61%	9.28%	15.69%	6.52%	\$ 35,355
S&P 500 Index	4.68%	10.67%	16.67%	6.14%	\$ 32,931

This chart assumes an initial investment of \$10,000 made on the closing of February 28, 1999. Total return is based on the net change in NAV and assuming reinvestment of all dividends and other distributions. Performance figures represent past performance which is not predictive of future performance. Investment return and principal value will fluctuate so that your shares, when redeemed, may be worth more or less than their original cost. The returns shown do not reflect taxes that a shareholder would pay on fund distributions or on the sale of fund shares.

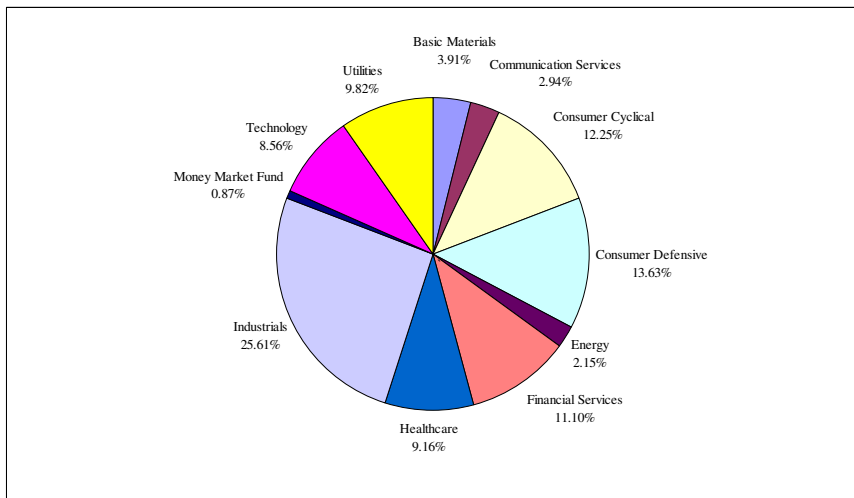
The Standard & Poor's 500 Index ("S&P 500") is a market value-weighted index, representing the aggregate market value of the common equity of 500 stocks primarily traded on the New York Stock Exchange. The S&P 500 is a widely recognized, unmanaged index of common stock prices. The figures for the S&P 500 reflect all dividends reinvested but do not reflect any deductions for fees, expenses or taxes.

The performance information shown represents past performance and should not be interpreted as indicative of The MP63 Fund, Inc.'s future performance. The performance also reflects reinvestment of all dividend and capital gain distributions. The returns shown do not reflect taxes that a shareholder would pay on fund distributions or on the redemption of fund shares.

THE MP63 FUND, INC.

PORTFOLIO ILLUSTRATION FEBRUARY 28, 2019 (UNAUDITED)

The following chart gives a visual breakdown of the Fund by the industry sectors the underlying securities represent as a percentage of the portfolio of investments.



Sectors are categorized using Morningstar® classifications.

THE MP63 FUND, INC.

SCHEDULE OF INVESTMENTS FEBRUARY 28, 2019

Shares/ Principal Amount of Assets	Fair Value
COMMON STOCKS (United States) - 99.09%	
Aerospace/Aircrafts/Defense - 6.82%	
4,036 Boeing Co.	\$ 1,775,679
8,795 Raytheon Co.	1,640,267
9,680 United Technologies Corp.	1,216,486
	<hr/>
	4,632,432
Auto Parts - Retail/Wholesale - 1.68%	
10,515 Genuine Parts Co.	1,143,822
Banks - 5.39%	
34,715 Bank of America Corp.	1,009,512
28,080 BB&T Corp.	1,431,238
23,675 US Bancorp	1,223,761
	<hr/>
	3,664,511
Beverages - 2.82%	
21,995 Coca-Cola Co.	997,253
7,930 PepsiCo, Inc.	917,025
	<hr/>
	1,914,278
Biological Products - 0.36%	
3,720 Gilead Sciences, Inc.	241,874
Cable & Other Pay Television Services - 1.55%	
27,155 Comcast Corp., Class A	1,050,084
Chemicals - Diversified - 1.87%	
22,000 RPM International, Inc.	1,273,140
Commercial Services - 2.03%	
8,178 Ecolab, Inc.	1,381,346
Communication Equipment - 0.80%	
10,130 Qualcomm, Inc.	540,841
Containers - Paper/Plastic - 1.54%	
19,770 Bemis Co., Inc.	1,045,833
Cosmetics & Personal Care - 1.25%	
12,897 Colgate-Palmolive Co.	849,525
Diversified Operations - 3.27%	
5,110 3M Co.	1,059,763
33,460 Corning, Inc.	1,164,743
	<hr/>
	2,224,506

The accompanying notes are an integral part of these financial statements.

THE MP63 FUND, INC.

SCHEDULE OF INVESTMENTS (CONTINUED) FEBRUARY 28, 2019

Shares/ Principal Amount of Assets	Fair Value
Electronic Equipment - 1.62%	
16,120 Emerson Electric Co.	\$ 1,098,578
Electronic - Semiconductors - 2.48%	
31,750 Intel Corp.	1,681,480
Financial Services - 1.98%	
17,490 Paychex, Inc.	1,347,080
Food - Misc. Preparation - 4.50%	
17,065 Archer Daniels-Midland Co.	725,262
23,260 ConAgra Foods, Inc.	543,586
12,460 General Mills, Inc.	587,240
27,690 Hormel Foods Corp.	1,200,638
	3,056,726
General Household Products - 1.83%	
9,370 Stanley Black & Decker, Inc.	1,240,869
Healthcare - 0.43%	
3,710 Abbvie, Inc.	293,980
Insurance - Life/Property/Casual - 3.23%	
20,080 AFLAC, Inc.	986,731
9,060 Travelers Companies, Inc.	1,204,165
	2,190,896
Leisure Products - 1.03%	
8,170 Polaris Industries, Inc.	696,329
Leisure Services - 0.81%	
4,850 The Walt Disney Co.	547,274
Machinery - Const./Mining/Farming - 3.44%	
7,445 Caterpillar, Inc.	1,022,496
8,030 Deere & Co.	1,317,241
	2,339,737
Machinery - Electrical Equipment - 3.67%	
12,075 Dover Corp.	1,093,150
11,871 Johnson Controls, Inc.	418,690
15,493 Tennant Co.	979,158
	2,490,998
Manufacturing - 2.05%	
9,668 Illinois Tool Works, Inc.	1,392,965

The accompanying notes are an integral part of these financial statements.

THE MP63 FUND, INC.

SCHEDULE OF INVESTMENTS (CONTINUED)

FEBRUARY 28, 2019

Shares/ Principal Amount of Assets	Fair Value
Medical/Dental - Supplies - 2.59%	
7,080 Becton Dickinson & Co.	\$ 1,761,433
Medical Instruments/Products - 1.57%	
11,750 Medtronic, Inc.	1,063,375
Medical Drugs - 4.21%	
15,630 Abbott Laboratories	1,213,201
10,830 Johnson & Johnson	1,479,811
3,790 Pfizer, Inc.	164,297
	2,857,309
National Commercial Banks - 0.49%	
3,200 JPMorgan Chase Co.	333,952
Oil & Gas - International - 1.25%	
10,750 Exxon Mobil Corp.	849,573
Paper & Paper Products - 1.38%	
8,050 Kimberly Clark Corp.	940,482
Petroleum Refining - 0.89%	
5,080 Chevron Corp.	607,466
Refuse Systems - 1.73%	
11,590 Waste Management, Inc.	1,173,488
Retail - Catalog & Mail Order Houses - 0.35%	
147 Amazon.com, Inc. *	241,055
Retail - Food & Restaurant - 1.71%	
5,500 Starbucks Corp.	386,430
8,220 Yum! Brands, Inc.	776,790
	1,163,220
Retail - Variety Stores - 2.05%	
6,373 Costco Wholesale Corp.	1,394,030
Retail/Wholesale - Building Products - 2.22%	
8,140 Home Depot, Inc.	1,507,040
Services - Computer Programming, Data Processing, Etc. - 0.76%	
460 Alphabet, Inc. Class A *	518,213
Services - Prepackaged Software - 2.81%	
17,060 Microsoft Corp.	1,911,232

The accompanying notes are an integral part of these financial statements.

THE MP63 FUND, INC.

SCHEDULE OF INVESTMENTS (CONTINUED) FEBRUARY 28, 2019

Shares/ Principal Amount of Assets	Fair Value
Shoes & Related Apparel - 0.53%	
4,170 Nike, Inc. Class B	\$ 357,494
Soap, Detergent, Cleaning Preparations, Perfumes, Cosmetics - 1.62%	
11,175 Procter & Gamble Co.	1,101,296
Telecommunications Services - 1.39%	
30,370 AT&T, Inc.	945,114
Textile - Apparel/Mill Products - 1.76%	
13,700 VF Corp.	1,196,832
Transportation - Equipment/Leasing - 1.19%	
13,020 Ryder Systems, Inc.	809,323
Transportation - Railroads - 2.31%	
9,360 Union Pacific Corp.	1,569,672
Utility - Electric - 6.63%	
10,160 Duke Energy Corp.	910,946
16,306 Edison International	976,566
31,030 MDU Resources Group, Inc.	819,813
9,570 NextEra Energy, Inc.	1,796,480
	4,503,805
Utility - Gas Distribution - 1.16%	
13,120 National Fuel Gas Co.	789,693
Utility - Water - 2.04%	
38,500 Aqua America, Inc.	1,383,690
TOTAL FOR COMMON STOCK (Cost \$33,317,183) - 99.09%	
	67,317,891
MONEY MARKET FUND - 0.87%	
588,770 Fidelity Investments Money Market Funds - Gov't Portfolio, Class I (Cost \$588,770) 2.27%**	588,770
TOTAL INVESTMENTS - 99.96% (Cost \$33,905,953) (Note 4)	
	67,906,661
OTHER ASSETS LESS LIABILITIES - 0.04%	
	24,488
NET ASSETS - 100.00%	
	\$67,931,149

* Non-income producing securities during the period.

** Variable rate security; the money market rate shown represents the yield at February 28, 2019.

The accompanying notes are an integral part of these financial statements.

THE MP63 FUND, INC.

STATEMENT OF ASSETS AND LIABILITIES FEBRUARY 28, 2019

Assets	
Investments at Fair Value (Cost \$33,905,953)	\$67,906,661
Cash	420
Receivables	
Dividends and Interest	191,733
Shareholder Subscriptions	966
Prepaid Expenses	20,768
Total Assets	<u>68,120,548</u>
Liabilities	
Shareholder Redemptions	131,100
Other Accrued Expenses	23,623
Accrued Directors Fees (Note 3)	7,211
Accrued Fund Servicing Fees (Note 3)	3,500
Accrued Administrative Fees (Note 3)	4,786
Accrued Advisor Fees (Note 3)	19,179
Total Liabilities	<u>189,399</u>
Net Assets	<u>\$67,931,149</u>
Net Assets Consist of:	
Capital Stock, \$0.001 par value; 1 billion shares authorized; 3,186,620 shares issued and outstanding	\$ 3,187
Additional Paid in Capital	33,144,980
Distributable Earnings	34,782,982
Net Assets	<u>\$67,931,149</u>
Net Asset Value and Offering Price (\$67,931,149/3,186,620)	<u>\$ 21.32</u>
Redemption Price Per Share (\$21.32 x .99)*	<u>\$ 21.11</u>

* The Fund will deduct a 1% redemption fee from redemption proceeds if purchased and redeemed within 6 months.
The accompanying notes are an integral part of these financial statements.

THE MP63 FUND, INC.

STATEMENT OF OPERATIONS

For the year ended FEBRUARY 28, 2019

Investment Income:	
Dividend Income	\$ 1,717,777
Interest Income	7,912
Total Investment Income	<u>1,725,689</u>
Expenses:	
Advisor fees (Note 3)	231,661
Administration fees (Note 3)	54,652
Fund servicing expense (Note 3)	42,000
Registration fees	32,192
Insurance expense	11,195
Printing and postage expense	10,770
Compliance fees (Note 3)	12,000
Miscellaneous expense	4,499
Custody fees	9,315
Legal fees	36,352
Director fees (Note 3)	8,000
Audit fees	21,500
Total Expenses	<u>474,136</u>
Net Investment Income	<u>1,251,553</u>
Realized and Unrealized Gain on Investments:	
Realized Gain on Investments	1,395,187
Change in Unrealized Appreciation on Investments	1,613,845
Net Realized and Unrealized Gain on Investments	<u>3,009,032</u>
Net Increase in Net Assets from Operations	<u>\$ 4,260,585</u>

The accompanying notes are an integral part of these financial statements.

THE MP63 FUND, INC.

STATEMENTS OF CHANGES IN NET ASSETS

	For the Year Ended February 28, 2019	For the Year Ended February 28, 2018
From Operations:		
Net Investment Income	\$ 1,251,553	\$ 1,140,319
Realized Gain on Investments	1,395,187	1,742,762
Unrealized Appreciation on Investments	1,613,845	4,219,674
Increase in Net Assets from Operations	<u>4,260,585</u>	<u>7,102,755</u>
From Distributions to Shareholders:		
Distributions	<u>(3,643,561) *</u>	<u>(1,299,244) **</u>
Change in Net Assets from Distributions	<u>(3,643,561)</u>	<u>(1,299,244)</u>
From Capital Share Transactions		
Proceeds From Sale of Shares	1,747,396	1,890,915
Shares Issued on Reinvestment of Dividends	3,611,150	1,290,436
Cost of Shares Redeemed (net of redemption fees \$264 and \$96, respectively)	<u>(4,355,195)</u>	<u>(4,227,995)</u>
Net Increase (Decrease) from Shareholder Activity	<u>1,003,351</u>	<u>(1,046,644)</u>
Net Increase in Net Assets	1,620,375	4,756,867
Net Assets at Beginning of Year	<u>66,310,774</u>	<u>61,553,907</u>
Net Assets at End of Year	<u>\$ 67,931,149</u>	<u>\$ 66,310,774 ***</u>
Share Transactions:		
Issued	81,925	92,926
Reinvested	190,562	59,687
Redeemed	<u>(204,948)</u>	<u>(205,566)</u>
Net Increase (Decrease) in shares	67,539	(52,953)
Shares outstanding beginning of year	<u>3,119,081</u>	<u>3,172,034</u>
Shares outstanding end of year	<u>3,186,620</u>	<u>3,119,081</u>

* For the year ended February 28, 2019, total distributions consisted of long term capital gains of \$2,408,992 and net investment income of \$1,234,569.

** For the prior year ended February 28, 2018, total distributions consisted of long term capital gains of \$1,114,613 and net investment income of \$184,631.

*** As of February 28, 2018, Accumulated Undistributed Net Investment Income was \$62,972.

The accompanying notes are an integral part of these financial statements.

THE MP63 FUND, INC.

FINANCIAL HIGHLIGHTS

Selected data for a share outstanding throughout the year:

	For the Year Ended February 28, <u>2019</u>	For the Year Ended February 28, <u>2018</u>	For the Year Ended February 28, <u>2017</u>	For the Year Ended February 29, <u>2016</u>	For the Year Ended February 28, <u>2015</u>
Net Asset Value - Beginning of Year	\$ 21.26	\$ 19.41	\$ 16.65	\$ 18.76	\$ 17.13
Net Investment Income	0.40	0.36	0.37	0.34	0.29
Net Gains (Losses) on Securities (realized and unrealized)	0.85	1.91	3.18	(1.31)	2.06
Total from Investment Operations	1.25	2.27	3.55	(0.97)	2.35
Early Redemption Fees	0.00*	0.00*	0.00*	0.00*	0.00*
Distributions (From Net Investment Income)	(0.40)	(0.36)	(0.37)	(0.33)	(0.29)
Distributions (From Capital Gains)	(0.79)	(0.06)	(0.42)	(0.81)	(0.43)
Total Distributions	(1.19)	(0.42)	(0.79)	(1.14)	(0.72)
Net Asset Value - End of Year	\$ 21.32	\$ 21.26	\$ 19.41	\$ 16.65	\$ 18.76
Total Return (a)	6.61%	11.66%	21.55%	(5.25)%	13.67%
Ratios/Supplemental Data					
Net Assets - End of Year (Thousands)	67,931	66,311	61,554	51,826	56,133
Ratio of Expenses to Average Net Assets	0.72%	0.75%	0.77%	0.80%	0.79%
Ratio of Net Investment Income to Average Net Assets	1.89%	1.78%	2.00%	1.92%	1.60%
Portfolio Turnover Rate	5.87%	5.38%	3.95%	3.56%	6.15%

(a) Total returns are historical and assume changes in share price, reinvestment of dividends and capital gain distributions and assume no redemption fees.

* Amount is less than \$0.005

The accompanying notes are an integral part of these financial statements.

THE MP63 FUND, INC.

NOTES TO FINANCIAL STATEMENTS FEBRUARY 28, 2019

NOTE 1. ORGANIZATION

The MP63 Fund (the "Fund") is organized as a Maryland Corporation, incorporated on October 13, 1998, and registered as an open-end, diversified, management investment company under the Investment Company Act of 1940, as amended. The Fund's business and affairs are managed by its officers under the direction of its Board of Directors. The Fund's investment objective is to seek long-term capital appreciation for shareholders.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant accounting policies followed by the Fund in the preparation of their financial statements. The Fund is an investment company that follows the accounting and reporting guidance of Accounting Standards Codification Topic 946 applicable to investment companies.

- A. Security Valuation - Portfolio securities traded on a national securities exchange are stated at the last reported sales price or a market's official close price on the day of valuation. Portfolio securities for which market quotations are readily available are valued at fair value. Portfolio securities for which market quotations are not considered readily available are valued at fair value on the basis of valuations furnished by a pricing service approved by the Board of Directors. Portfolio companies during this reporting period are all widely traded and pricing information is readily available.

Mutual Funds must utilize various methods to measure the fair value of most of its investments on a recurring basis. Accounting principles generally accepted in the United States of America (GAAP) establishes a hierarchy that prioritizes inputs to valuation methods. The three levels of inputs are:

Level 1 - Unadjusted quoted prices in active markets for identical assets.

Level 2 - Observable inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates and similar data.

Level 3 - Unobservable inputs for the asset or liability, to the extent relevant observable inputs are not available, representing the Fund's own assumptions about the assumptions a market participant would use in valuating the asset or liability, and would be based on the best information available.

THE MP63 FUND, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED) FEBRUARY 28, 2019

To the extent that valuation is based on models or inputs that are less observable or unobservable, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. However, the inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The following table summarizes the valuation of the Fund's investments by the above fair value hierarchy levels as of February 28, 2019:

(Assets)	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Common Stocks	\$67,317,891	\$ -	\$ -	\$67,317,891
Money Market Fund	588,770	-	-	588,770
Total	<u>\$67,906,661</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$67,906,661</u>

The Fund did not hold any Level 3 assets during the year ended February 28, 2019. There were no significant transfers into or out of Level 1 or Level 2 during the period. It is the Fund's policy to recognize transfers into and out of Level 1 and Level 2 at the end of the reporting period. The Fund did not engage in any derivative transactions during the year ended February 28, 2019.

- B. Security Transactions and Related Investment Income - Securities transactions are accounted for on the trade date. Dividend income is recorded on the ex-dividend date. Interest income is recorded on the accrual basis.
- C. Federal Income Taxes - The Fund's policy is to continue to comply with requirements of Subchapter M of the Internal Revenue Code applicable to regulated investment companies and to distribute substantially all of its net investment income as dividends to its shareholders. The Fund intends to distribute their net long-term capital gains and their net short-term capital gains at least once a year. Therefore, no provision for federal income taxes is required.

The Fund recognizes the tax benefits of certain tax positions only where the position is "more likely than not" to be sustained assuming examination by tax authorities. As of, and during the year ended February 28, 2019, management has analyzed the Fund's tax positions, and has concluded that no liability for unrecognized tax benefits should be recorded related to uncertain tax positions taken in the Fund's open tax years or expected to be taken in the Fund's 2018 tax returns. The Fund identifies their major tax jurisdictions as U.S. Federal and certain State tax authorities; however, the Fund is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will change materially in the next twelve months. The Fund recognizes interest and penalties, if any, related to unrecognized tax

THE MP63 FUND, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED) FEBRUARY 28, 2019

benefits as income tax expense in the statement of operations. As of, and during the year ended February 28, 2019, the Fund did not incur any interest or penalties.

- D. Dividends and Distributions to Shareholders - The Fund records dividends and distributions to shareholders on the ex-dividend date. The Fund will distribute its net investment income, if any, and net realized capital gains, if any, annually.
- E. Credit Risk - Financial instruments that potentially subject the Fund to credit risk include cash deposits in excess of federally insured limits.
- F. Use of Estimates - The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

NOTE 3. INVESTMENT ADVISORY AGREEMENT AND OTHER RELATED PARTY TRANSACTIONS

The Fund has entered into an investment advisory agreement (the "Agreement") with The Moneypaper Advisor, Inc. (the "Advisor"). Under this Agreement, the Advisor provides the Fund with investment advice and supervises the Fund's investments. As compensation for the services rendered, the Fund pays the Advisor a fee accrued daily based on an annualized rate of 0.35% of the daily net asset value. For the year ended February 28, 2019 the Advisor earned fees of \$231,661. At February 28, 2019, the Fund owed the Advisor \$19,179 for advisory fees.

The Advisor has voluntarily agreed to defer its fee and to reimburse the Fund for other expenses if the total operating expenses of the Fund exceed an annual rate of 1.25% of average daily net assets. Under the terms of the Agreement, fees deferred or expenses reimbursed are subject to reimbursement by the Fund, if so requested by the Advisor, up to three fiscal years from the fiscal year the fee or expense was incurred. However, no reimbursement payment will be made by the Fund if it would result in the Fund exceeding the voluntary expense limitation described above. The Advisor did not defer any fees or reimburse the Fund during the year ended February 28, 2019.

The Fund has agreements in place with Mutual Shareholder Services ("MSS") to provide administrative, transfer agency, and fund accounting services. Under these agreements, MSS is paid a fixed annual fee for accounting and administration services which increases incrementally at specified asset thresholds, plus blue sky servicing fees paid on a per filing basis. For transfer agency services, MSS receives a fixed fee per account, subject to an annual minimum. For the year ended February 28, 2019, the Fund paid MSS \$54,652 for the services that it provided to the Fund, comprised of \$37,730 in

THE MP63 FUND, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED) FEBRUARY 28, 2019

accounting and administrative services and \$16,922 in transfer agency services. At February 28, 2019, \$4,786 was due to MSS for services provided.

An affiliate of the Advisor provides services to the Fund. These fund servicing expenses amounted to \$42,000 for the year ended February 28, 2019. At February 28, 2019, the Fund owed \$3,500 for fund servicing expenses.

Vita Nelson is an officer and director of the Advisor and also an officer and director of the Fund. The Fund currently pays each Independent Director an annual retainer of \$2,000 for regular compensation. The Fund currently does not pay special compensation to any Director. Vita Nelson, as the Interested Director, does not receive any compensation from the Fund for her services as a Director. For the year ended February 28, 2019, the Fund incurred \$8,000 in regular compensation director fees and expenses.

The Fund pays the Chief Compliance Officer \$1,000 per month. For the year ended February 28, 2019, the Fund paid the Chief Compliance Officer \$12,000.

NOTE 4. INVESTMENT TRANSACTIONS

For the year ended February 28, 2019, purchases and sales of securities, excluding short-term investments, aggregated \$3,861,092 and \$4,803,166, respectively. Cumulative unrealized appreciation (depreciation) amounted to the following: **Unrealized appreciation** \$34,552,140 **Unrealized depreciation** (\$551,432), **Net unrealized appreciation** \$34,000,708.

For Federal income tax purposes, the cost of investments owned at February 28, 2019 was \$33,905,953.

NOTE 5. TAX INFORMATION

Distributions are determined on a tax basis and may differ from net investment income and realized capital gains for financial reporting purposes. Differences may be permanent or temporary. Permanent differences are reclassified among capital accounts in the financial statements to reflect their tax character. Temporary differences arise when certain items of income, expense, gain or loss are recognized in different periods for financial statement and tax purposes; these differences will reverse at some time in the future. Differences in classification may also result from the treatment of short-term gain as ordinary income for tax purposes.

As of February 28, 2019, the components of net assets on a tax basis were as follows: **Ordinary income** \$79,956, **Long term gains** \$702,318 **Unrealized appreciation** \$34,552,140 **Unrealized depreciation** (551,432).

THE MP63 FUND, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED) FEBRUARY 28, 2019

The tax character of distributions paid during the fiscal year ended February 28, 2019 was as follows:

Distributions paid from: Ordinary income \$1,234,569, Long term capital gains \$2,408,992.

The tax character of distributions paid during the fiscal year ended February 28, 2018 was as follows:

Distributions paid from: Ordinary income \$1,114,613, Long term capital gains \$184,631.

NOTE 6. INDEMNIFICATIONS

In the normal course of business, the Fund enters into contracts that contain general indemnification to other parties. The Fund's maximum exposure under these contracts is unknown as this would involve future claims that may be made against the Funds that have not yet occurred. The Fund expects the risk of loss to be remote.

NOTE 7. SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date the financial statements were issued. Based upon this evaluation, the Fund has determined no subsequent events have occurred which would require disclosure in the financial statements.

NOTE 8. NEW ACCOUNTING PRONOUNCEMENT

In August 2018, FASB issued ASU 2018-13, Fair Value Measurement (Topic 820): Disclosure Framework – Changes to the Disclosure Requirements for Fair Value Measurement (“ASU 2018-13”). The primary focus of ASU 2018-13 is to improve the effectiveness of the disclosure requirements for fair value measurements. The changes affect all companies that are required to include fair value measurement disclosures. In general, the amendments in ASU 2018-13 are effective for all entities for fiscal years and interim periods within those fiscal years, beginning after December 15, 2019. An entity is permitted to early adopt the removed or modified disclosures upon the issuance of ASU 2018-13 and may delay adoption of the additional disclosures, which are required for public companies only, until their effective date. Management is currently evaluating the impact these changes will have on the Fund's financial statements and disclosures.

On October 4, 2018, the SEC amended Regulation S-X to require certain disclosure requirements to conform them to US Generally Accepted Accounting Principles for investment companies. Effective November 4, 2018, the Fund adopted disclosure requirement changes for Regulation S-X and these changes are reflected throughout this report. The Fund's adoption of those amendments, effective with the financial statements prepared as of February 28, 2019, had no effect on the Fund's net assets or results of operations.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and Board of Directors of
The MP63 Fund, Inc.:

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities of The MP63 Fund, Inc. (the "Fund"), including the schedule of investments, as of February 28, 2019, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended. In our opinion, the financial statements and financial highlights present fairly, in all material respects, the financial position of the Fund as of February 28, 2019, the results of its operations for the year then ended, changes in its net assets for each of the two years in the period then ended and the financial highlights for each of the five years in the period then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements and financial highlights are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. The Fund is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of February 28, 2019, by correspondence with the custodian and brokers. We believe that our audits provide a reasonable basis for our opinion.



We have served as the Fund's auditor since 2000.

Boston, Massachusetts
April 26, 2019

THE MP63 FUND, INC.

EXPENSE ILLUSTRATION FEBRUARY 28, 2019 (UNAUDITED)

Expense Example

As a shareholder of the MP63 Fund, you incur two types of costs: (1) transaction costs, including brokerage and other costs associated with portfolio purchases and sales, reinvested dividends, or other distributions; and redemption fees; and (2) ongoing costs, including management fees; service provider fees and expenses and other Fund expenses. This Example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds.

The Example is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period, September 1, 2018 through February 28, 2019.

Actual Expenses

The first line of the table below provides information about actual account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the first line under the heading entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes

The second line of the table below provides information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratios and an assumed rate of return of 5% per year before expenses, which are not the Fund's actual returns. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in this Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds.

	Beginning Account Value	Ending Account Value	Expenses Paid During the Period*
	<u>September 1, 2018</u>	<u>February 28, 2019</u>	<u>September 1, 2018 to February 28, 2019</u>
Actual	\$1,000.00	\$1,007.32	\$3.63
Hypothetical (5% Annual Return before expenses)	\$1,000.00	\$1,021.17	\$3.66

* Expenses are equal to the Fund's annualized expense ratio of .73%, multiplied by the average account value over the period, multiplied by 181/365 (to reflect the one-half year period).

THE MP63 FUND, INC.

TRUSTEES & OFFICERS (CONTINUED) FEBRUARY 28, 2019 (UNAUDITED)

The Board of Directors supervises the business activities of the Fund. The names of the Directors and principal officers of the Fund are shown below. For more information regarding the Directors, please refer to the Statement of Additional Information, which is available free upon request by calling 1-877-676-3386.

Name, Address and Age	Position(s) Held with the Fund	Term of Office and Length of Time Served	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex Overseen by Director	Other Directorships Held By Director
Disinterested Directors:					
Gloria Schaffer Age: 88 8000 Town Centre Dr., Suite 400 Broadview Heights, OH 44147	Director	Indefinite – since 1998	Partner, CA White (real estate development)	1	None
Susan Ryan Age: 68 8000 Town Centre Dr., Suite 400 Broadview Heights, OH 44147	Director	Indefinite – since March 2016	Vice President, C.A. White (real estate development and management company)	1	Board member, Shambhala USA and Shambhala Canadian, both religious non- profit organizations
Edward Shashoua Age: 60 8000 Town Centre Dr., Suite 400 Broadview Heights, OH 44147	Director	Indefinite – since December 2016	Primary Care Internist, Newton-Wellesley Physicians; Owner/Trustee, Brandywine Development Co. (real estate development)	1	Director, Ischemix, Inc.
Daniel Mandell Age: 56 8000 Town Centre Dr., Suite 400 Broadview Heights, OH 44147	Director	Indefinite – since December 2016	General Council and Vice President, DialogueDirect Inc.; Founding member, Carabello & Mandell (law firm)	1	DialogueDirect, Inc. - Director

THE MP63 FUND, INC.

TRUSTEES & OFFICERS (CONTINUED) FEBRUARY 28, 2019 (UNAUDITED)

The Board of Directors supervises the business activities of the Fund. The names of the Directors and principal officers of the Fund are shown below. For more information regarding the Directors, please refer to the Statement of Additional Information, which is available free upon request by calling 1-877-676-3386.

Name, Address and Age	Position(s) Held with the Fund	Term of Office and Length of Time Served	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex Overseen by Director	Other Directorships Held By Director
Interested Directors:					
Vita Nelson ^{1,2} Age: 81 8000 Town Centre Dr., Suite 400 Broadview Heights, OH 44147	Director	Indefinite – since 1998	President, Editor and Publisher of The Moneypaper, Inc. (newsletter)	1	Director, The Moneypaper Advisor, Inc.; Director, Temper of the Times Communications, Inc. Director, Moneypaper, Inc.
J. Mario Medina Age: 52 8000 Town Centre Dr., Suite 400 Broadview Heights, OH 44147	Treasurer	Indefinite – since 2017	Co-manager of the Fund since July 1, 2017; editor and senior analyst for Julie Stav Inc.	1	None
Leonard Barenboim Age: 57 8000 Town Centre Dr., Suite 400 Broadview Heights, OH 44147	Chief Compliance Officer	Indefinite – since 2017	CEO and Chief Compliance Officer, Temper of the Times Investor Services, Inc.; Principal and project manager, ELBI Systems LLC; Chief Compliance Officer, Moneypaper Advisor Inc..	1	None
Principal Officers who are not Directors:					
Lee Reiner Nelson ¹ Age: 57 8000 Town Centre Dr., Suite 400 Broadview Heights, OH 44147	Secretary	Indefinite – since 2019	President and CEO, EMA, LLC	1	Director, Moneypaper Advisor, Inc.; Director, Temper of the Times Communications, Inc. Director, Moneypaper, Inc.

(1) Lee Reiner Nelson is Vita Nelson's son.

(2) Vita Nelson is President of the Fund and a Director of the Fund's Advisor, The Moneypaper Advisor, Inc. and therefore, is an "Interested Director" of the Fund.

THE MP63 FUND, INC.

ADDITIONAL INFORMATION

FEBRUARY 28, 2019 (UNAUDITED)

INFORMATION REGARDING PROXY VOTING

A description of the policies and procedures that the Fund uses to determine how to vote proxies relating to portfolio securities and information regarding how the Fund voted proxies during the most recent 12-month period ended June 30, are available without charge upon request by (1) calling the Fund at 1-877-676-3386 and (2) from Fund's documents filed with the Securities and Exchange Commission ("SEC") on the SEC's website at www.sec.gov.

INFORMATION REGARDING PORTFOLIO HOLDINGS

The Fund files a complete schedule of investments with the SEC for the first and third quarter of each fiscal year on Form N-Q. The Fund's first and third fiscal quarters end on May 31 and November 30. The Fund's Form N-Q's are available on the SEC's website at <http://sec.gov>, or they may be reviewed and copied at the SEC's Public Reference Room in Washington, DC (call 1-800-732-0330 for information on the operation of the Public Reference Room). You may also obtain copies by calling the Fund at 1-877-676-3386.

Investment Adviser

Moneypaper Advisor, Inc.

Distributor

Arbor Court Capital, LLC

**Administrator, Transfer Agent, &
Shareholder Servicing Agent**

Mutual Shareholder Services, LLC

Custodian

U.S. Bank, N.A.

Legal Counsel

Bernstein Shur Sawyer & Nelson

Independent Registered Public Accounting Firm

WithumSmith+Brown, PC

This report is provided for the general information of MP63 Fund, Inc. shareholders. It is not authorized for distribution unless preceded or accompanied by an effective prospectus, which contains more complete information about the Fund.