

THE MP63 FUND, INC.

Ticker: DRIPX

ANNUAL REPORT

February 29, 2020

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 29, 2020 (UNAUDITED)

Dear Fellow Shareholders,

Your Fund continues to follow the investing guidelines that were established at its inception in March 1999: We are invested in high-quality, dividend paying companies that offer the public the ability to invest directly through the company-sponsored Dividend Reinvestment Plan (DRIP). The portfolio managers make an effort to minimize fund expenses and are mindful of the effect of capital gains on your taxable income.

In our 21-year history, The MP 63 Fund has navigated many challenging periods for the economy and the stock market. From all of these, we learned the importance of patience and discipline, which we believe will continue to reward long-term investors.

In the current environment, we are testing our portfolio, revisiting our investment rules, and scrutinizing the balance sheets of portfolio components. As managers, we continue to be focused on the long-term and are happy to report that DRIPX continues to outperform the average fund in its category (Large-Cap Value) based on year-to-date, one-year, three-year, five-year, 10-year, and 15-year performance results. . It has an overall 5-Star ranking and Gold Medal designation by *Morningstar*, A link to the *Morningstar* charts is available at the Fund Website, mp63fund.com.

As we write this on April 20th, the market is continuing its Coronavirus-inspired historic volatility. So far this year, your Fund has lost 15.47% while the Category has lost 21.41%.

Our shareholders continue to display the good judgement and discipline that has been the hallmark of the Fund's success over the years. While many mutual funds are selling shares to satisfy redemption requests, your fund has had net inflow during this period of extreme anxiety.

The best performing stocks in the portfolio during the year were: Microsoft Corp. (MSFT), with a cumulative return (including dividends) of 45.88%, NextEra Energy Inc. (NEE): 37.86%, and Costco Wholesale Corp. (COST): 29.29%.

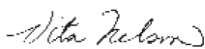
The Fund's expense ratio for the period ending February 29, 2020 is 0.69%, which compares favorably with our 0.72% expense ratio for our fiscal year ending February 28, 2019, and is also well below the average expense ratio for our *Morningstar* category – an accomplishment given that Fund assets (about

THE MP63 FUND, INC.

SHAREHOLDER LETTER (CONTINUED)
FEBRUARY 29, 2020 (UNAUDITED)

\$70 million for the period) are well below the average assets held by funds in our category. We urge you to continually fund your account(s), either by signing up for automatic periodic investments or by making periodic investments on your own. Such investments have made it possible for us to continually build our positions in the dividend-paying DRIP companies that make up the portfolio.

As always, we thank you for your confidence in this conservative approach to building wealth, and once again we congratulate you for your restraint during market sell-offs.



Vita Nelson and



Mario Medina

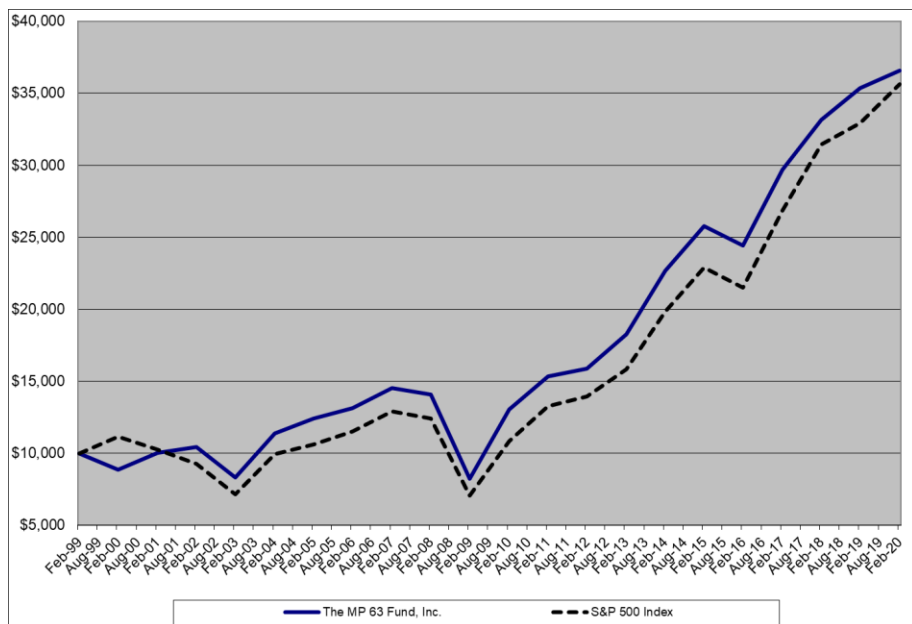
April 20th, 2020

THE MP63 FUND, INC.

PERFORMANCE ILLUSTRATION FEBRUARY 29, 2020 (UNAUDITED)

AVERAGE ANNUAL RATE OF RETURN (%) FOR PERIODS ENDING FEBRUARY 29, 2020

	<u>Six</u> <u>Months</u>	<u>1 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Annualized</u> <u>Since</u> <u>Inception</u>	<u>Cumulative</u> <u>Since</u> <u>Inception</u>	<u>Ending</u> <u>Value</u>
The MP63 Fund, Inc.	-2.35%	3.41%	7.23%	10.85%	6.38%	266.298%	\$ 36,564
S&P 500 Index	1.92%	8.19%	9.22%	12.64%	6.24%	256.617%	\$ 35,629



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.

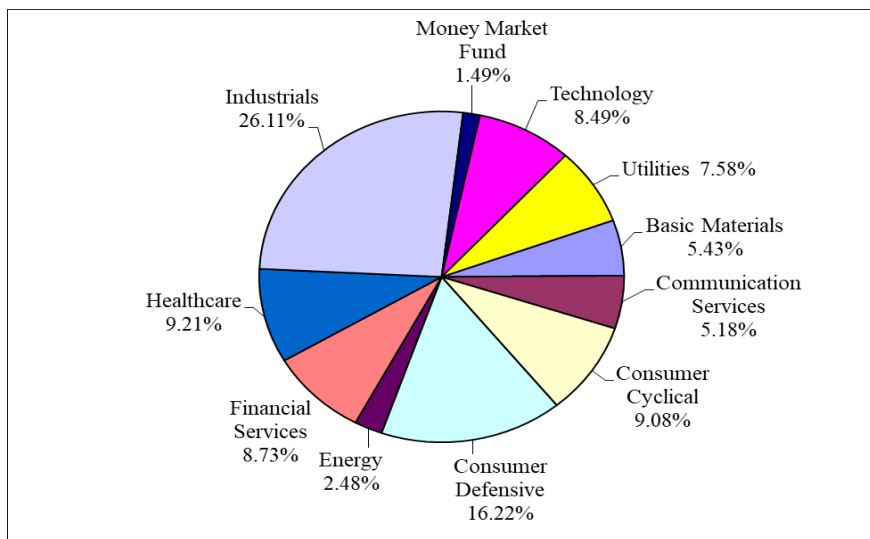
The Standard & Poor's 500 Index ("S&P 500") is a market value-weighted index, representing the aggregate market value of the common equity of 500 stocks primarily traded on the New York Stock Exchange. The S&P 500 is a widely recognized, unmanaged index of common stock prices. The figures for the S&P 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 29, 2020 (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 29, 2020

Shares/ Principal Amount of Assets	Fair Value
COMMON STOCKS (United States) - 98.41%	
Aerospace/Aircrafts/Defense - 5.60%	
3,631 Boeing Co.	\$ 998,924
8,706 Raytheon Co.	1,641,603
9,765 United Technologies Corp.	1,275,211
	3,915,738
Auto Parts - Retail/Wholesale - 1.34%	
10,705 Genuine Parts Co.	933,904
Banks - 5.00%	
36,780 Bank of America Corp.	1,048,230
28,765 Truist Financial Corp.	1,327,217
24,020 US Bancorp	1,115,489
	3,490,936
Beverages - 3.23%	
22,290 Coca-Cola Co.	1,192,292
8,060 PepsiCo, Inc.	1,064,162
	2,256,454
Biological Products - 0.42%	
4,220 Gilead Sciences, Inc.	292,699
Cable & Other Pay Television Services - 1.60%	
27,600 Comcast Corp., Class A	1,115,868
Chemicals - Diversified - 2.04%	
22,247 RPM International, Inc.	1,426,255
Commercial Services - 2.13%	
8,246 Ecolab, Inc.	1,487,991
Communication Equipment - 1.27%	
11,370 Qualcomm, Inc.	890,271
Containers - Paper/Plastic - 1.20%	
89,840 Amcor, Plc. (Jersey)	837,309
Cosmetics & Personal Care - 1.29%	
13,317 Colgate-Palmolive Co.	899,830
Diversified Operations - 2.55%	
6,032 3M Co.	900,216
37,060 Corning, Inc.	884,252
	1,784,468

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

THE MP63 FUND, INC.

SCHEDULE OF INVESTMENTS (CONTINUED)

FEBRUARY 29, 2020

Shares/ Principal Amount of Assets	Fair Value
Electronic Equipment - 1.57%	
17,090 Emerson Electric Co.	\$ 1,095,640
Electronic - Semiconductors - 2.57%	
32,320 Intel Corp.	1,794,406
Financial Services - 1.64%	
14,780 Paychex, Inc.	1,145,154
Food - Misc. Preparation - 4.68%	
19,330 Archer Daniels-Midland Co.	727,774
27,425 ConAgra Foods, Inc.	731,973
13,040 General Mills, Inc.	638,960
28,098 Hormel Foods Corp.	1,168,877
	<u>3,267,584</u>
General Household Products - 1.96%	
9,523 Stanley Black & Decker, Inc.	1,368,455
Healthcare - 0.31%	
2,522 Abbvie, Inc.	216,161
Insurance - Life/Property/Casual - 2.90%	
21,395 AFLAC, Inc.	916,776
9,262 Travelers Companies, Inc.	1,109,680
	<u>2,026,456</u>
Leisure Products - 0.99%	
8,416 Polaris Industries, Inc.	694,572
Leisure Services - 1.11%	
6,586 The Walt Disney Co.	774,843
Machinery - Const./Mining/Farming - 3.34%	
8,557 Caterpillar, Inc.	1,063,122
8,116 Deere & Co.	1,269,992
	<u>2,333,114</u>
Machinery - Electrical Equipment - 3.73%	
12,244 Dover Corp.	1,257,949
6,417 Johnson Controls International, Plc. (Ireland)	234,670
15,578 Tennant Co.	1,114,450
	<u>2,607,069</u>
Manufacturing - 2.35%	
9,793 Illinois Tool Works, Inc.	1,643,070

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

THE MP63 FUND, INC.

SCHEDULE OF INVESTMENTS (CONTINUED)

FEBRUARY 29, 2020

Shares/ Principal Amount of Assets	Fair Value
Medical/Dental - Supplies - 2.40%	
7,055 Becton Dickinson & Co.	\$ 1,677,820
Medical Instruments/Products - 1.71%	
11,880 Medtronic, Plc. (Ireland)	1,195,960
Medical Drugs - 4.36%	
15,165 Abbott Laboratories	1,168,160
11,118 Johnson & Johnson	1,495,149
2,100 Merck & Co., Inc.	160,776
6,646 Pfizer, Inc.	222,109
	3,046,194
National Commercial Banks - 0.82%	
4,965 JPMorgan Chase & Co.	576,486
Oil & Gas - International - 0.87%	
11,880 Exxon Mobil Corp.	611,107
Paper & Paper Products - 1.54%	
8,190 Kimberly Clark Corp.	1,074,446
Petroleum Refining - 0.83%	
6,203 Chevron Corp.	578,988
Refuse Systems - 1.81%	
11,390 Waste Management, Inc.	1,262,126
Retail - Catalog & Mail Order Houses - 0.55%	
204 Amazon.com, Inc. *	384,285
Retail - Food & Restaurant - 1.82%	
5,830 Starbucks Corp.	457,247
9,107 Yum! Brands, Inc.	812,800
	1,270,047
Retail - Variety Stores - 2.30%	
5,704 Costco Wholesale Corp.	1,603,623
Retail/Wholesale - Building Products - 2.41%	
7,740 Home Depot, Inc.	1,686,082
Services - Computer Programming, Data Processing, Etc. - 1.03%	
537 Alphabet, Inc. Class A *	719,177
Services - Prepackaged Software - 3.37%	
14,553 Microsoft Corp.	2,357,731

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

THE MP63 FUND, INC.

SCHEDULE OF INVESTMENTS (CONTINUED)

FEBRUARY 29, 2020

Shares/ Principal Amount of Assets	Fair Value
Shoes & Related Apparel - 0.67%	
5,270 Nike, Inc. Class B	\$ 471,033
Soap, Detergent, Cleaning Preparations, Perfumes, Cosmetics - 1.84%	
11,343 Proctor & Gamble Co.	1,284,368
Telecommunications Services - 1.44%	
28,500 AT&T, Inc.	1,003,770
Textile - Apparel/Mill Products - 1.43%	
13,830 VF Corp.	995,760
Transportation - Equipment/Leasing - 0.62%	
11,437 Ryder Systems, Inc.	435,063
Transportation - Railroads - 2.18%	
9,511 Union Pacific Corp.	1,519,953
Utility - Electric - 6.55%	
7,324 Dominion Energy, Inc.	572,590
10,531 Duke Energy Corp.	965,693
31,610 MDU Resources Group, Inc.	876,545
8,561 NextEra Energy, Inc.	2,163,878
	4,578,706
Utility - Gas Distribution - 0.77%	
14,690 National Fuel Gas Co.	537,801
Utility - Water - 2.27%	
36,860 Essential Utilities, Inc.	1,585,349
	68,754,122
TOTAL FOR COMMON STOCK (Cost \$34,900,343) - 98.41%	
	68,754,122
MONEY MARKET FUND - 1.49%	
1,038,140 Fidelity Investments Money Market Funds - Gov't Portfolio, Class I (Cost \$1,038,140) 1.46%**	\$ 1,038,140
TOTAL INVESTMENTS - 99.90% (Cost \$35,938,483) (Note 4)	
	69,792,262
OTHER ASSETS LESS LIABILITIES - 0.10%	
	69,980
NET ASSETS - 100.00%	
	\$69,862,242

* Non-income producing securities during the period.

** Variable rate security; the money market rate shown represents the yield at February 29, 2020.

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

THE MP63 FUND, INC.

STATEMENT OF ASSETS AND LIABILITIES FEBRUARY 29, 2020

Assets	
Investments at Fair Value (Cost \$35,938,483)	\$ 69,792,262
Cash	9,450
Receivables	
Dividends and Interest	195,357
Shareholder Subscriptions	3,922
Prepaid Expenses	23,657
Total Assets	<u>70,024,648</u>
Liabilities	
Shareholder Redemptions	105,569
Other Accrued Expenses	20,249
Accrued Directors Fees (Note 3)	7,211
Accrued Fund Servicing Fees (Note 3)	3,466
Accrued Administrative Fees (Note 3)	4,891
Accrued Advisor Fees (Note 3)	21,020
Total Liabilities	<u>162,406</u>
Net Assets	<u>\$ 69,862,242</u>
Net Assets Consist of:	
Capital Stock, \$0.001 par value; 1 billion shares authorized; 3,277,950 shares issued and outstanding	\$ 3,278
Additional Paid in Capital	35,344,914
Distributable Earnings	34,514,050
Net Assets	<u>\$ 69,862,242</u>
Net Asset Value and Offering Price (\$69,862,242/3,277,950)	<u>\$ 21.31</u>
Redemption Price Per Share (\$21.31 x .99)*	<u>\$ 21.10</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 29, 2020

Investment Income:	
Dividend Income	\$ 1,748,808
Interest Income	17,190
Total Investment Income	<u>1,765,998</u>
Expenses:	
Advisor fees (Note 3)	256,230
Administration fees (Note 3)	54,300
Fund servicing expense (Note 3)	41,966
Registration fees	34,399
Insurance expense	9,416
Printing and postage expense	12,707
Compliance fees (Note 3)	12,000
Miscellaneous expense	6,373
Custody fees	11,477
Legal fees	36,000
Director fees (Note 3)	8,000
Audit fees	21,500
Total Expenses	<u>504,368</u>
Net Investment Income	<u>1,261,630</u>
Realized and Unrealized Gain on Investments:	
Realized Gain on Investments	1,237,097
Change in Unrealized Appreciation on Investments	(146,929)
Net Realized and Unrealized Gain on Investments	<u>1,090,168</u>
Net Increase in Net Assets from Operations	<u>\$ 2,351,798</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 29, 2020	For the Year Ended February 28, 2019
From Operations:		
Net Investment Income	\$ 1,261,630	\$ 1,251,553
Realized Gain on Investments	1,237,097	1,395,187
Unrealized Appreciation (Depreciation) on Investments	<u>(146,929)</u>	<u>1,613,845</u>
Increase in Net Assets from Operations	<u>2,351,798</u>	<u>4,260,585</u>
From Distributions to Shareholders:		
Distributions	<u>(2,620,730) *</u>	<u>(3,643,561) **</u>
Change in Net Assets from Distributions	<u>(2,620,730)</u>	<u>(3,643,561)</u>
From Capital Share Transactions		
Proceeds From Sale of Shares	5,211,376	1,747,396
Shares Issued on Reinvestment of Dividends	2,592,320	3,611,150
Cost of Shares Redeemed (net of redemption fees \$3,532 and \$264, respectively)	<u>(5,603,671)</u>	<u>(4,355,195)</u>
Net Increase from Shareholder Activity	<u>2,200,025</u>	<u>1,003,351</u>
Net Increase in Net Assets	1,931,093	1,620,375
Net Assets at Beginning of Year	<u>67,931,149</u>	<u>66,310,774</u>
Net Assets at End of Year	<u>\$ 69,862,242</u>	<u>\$ 67,931,149</u>
Share Transactions:		
Issued	226,538	81,925
Reinvested	109,150	190,562
Redeemed	<u>(244,358)</u>	<u>(204,948)</u>
Net Increase in shares	91,330	67,539
Shares outstanding beginning of year	<u>3,186,620</u>	<u>3,119,081</u>
Shares outstanding end of year	<u>3,277,950</u>	<u>3,186,620</u>

* For the year ended February 29, 2020, total distributions consisted of long term capital gains of \$1,372,969, short term capital gains of \$14,450, and net investment income of \$1,233,311.

** 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.

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 29, <u>2020</u>	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>
Net Asset Value - Beginning of Year	\$ 21.32	\$ 21.26	\$ 19.41	\$ 16.65	\$ 18.76
Net Investment Income	0.39	0.40	0.36	0.37	0.34
Net Gains (Losses) on Securities (realized and unrealized)	0.42	0.85	1.91	3.18	(1.31)
Total from Investment Operations	0.81	1.25	2.27	3.55	(0.97)
Early Redemption Fees	0.00*	0.00*	0.00*	0.00*	0.00*
Distributions (From Net Investment Income)	(0.39)	(0.40)	(0.36)	(0.37)	(0.33)
Distributions (From Capital Gains)	(0.43)	(0.79)	(0.06)	(0.42)	(0.81)
Total Distributions	(0.82)	(1.19)	(0.42)	(0.79)	(1.14)
Net Asset Value - End of Year	\$ 21.31	\$ 21.32	\$ 21.26	\$ 19.41	\$ 16.65
Total Return ^(a)	3.42%	6.61%	11.66%	21.55%	(5.25)%
Ratios/Supplemental Data					
Net Assets - End of Year (Thousands)	69,862	67,931	66,311	61,554	51,826
Ratio of Expenses to Average Net Assets	0.69%	0.72%	0.75%	0.77%	0.80%
Ratio of Net Investment Income to Average Net Assets	1.72%	1.89%	1.78%	2.00%	1.92%
Portfolio Turnover Rate	5.66%	5.87%	5.38%	3.95%	3.56%

(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 29, 2020

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 29, 2020

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 29, 2020:

(Assets)	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Common Stocks	\$68,754,122	\$ -	\$ -	\$68,754,122
Money Market Fund	1,038,140	-	-	1,038,140
Total	<u>\$69,792,262</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$69,792,262</u>

The Fund did not hold any Level 3 assets during the year ended February 29, 2020. 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 29, 2020.

- 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 29, 2020, 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 2019 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 29, 2020

benefits as income tax expense in the statement of operations. As of, and during the year ended February 29, 2020, 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 29, 2020 the Advisor earned fees of \$256,230. At February 29, 2020, the Fund owed the Advisor \$21,020 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 29, 2020.

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 29, 2020, the Fund paid MSS \$54,300 for the services that it provided to the Fund, comprised of \$38,168 in

THE MP63 FUND, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED) FEBRUARY 29, 2020

accounting and administrative services and \$16,132 in transfer agency services. At February 29, 2020, \$4,891 was due to MSS for services provided.

An affiliate of the Advisor provides services to the Fund. These fund servicing expenses amounted to \$41,966 for the year ended February 29, 2020. At February 29, 2020, the Fund owed \$3,466 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 29, 2020, 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 29, 2020, the Fund paid the Chief Compliance Officer \$12,000.

NOTE 4. INVESTMENT TRANSACTIONS

For the year ended February 29, 2020, purchases and sales of securities, excluding short-term investments, aggregated \$4,387,195 and \$4,041,113, respectively. Cumulative unrealized appreciation (depreciation) amounted to the following: **Unrealized appreciation** \$34,793,601 **Unrealized depreciation** (\$939,822), **Net unrealized appreciation** \$33,853,779.

For Federal income tax purposes, the cost of investments owned at February 29, 2020 was \$35,963,872. The difference between book and tax cost of investments represents the deferral of losses on wash sales.

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 29, 2020, the components of net assets on a tax basis were as follows: **Ordinary income** \$99,713, **Long term gains** \$585,947 **Unrealized appreciation** \$34,768,212 **Unrealized depreciation** (\$939,822).

THE MP63 FUND, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED) FEBRUARY 29, 2020

The tax character of distributions paid during the fiscal year ended February 29, 2020 was as follows:

Distributions paid from: Ordinary income \$1,247,760, Long term capital gains \$1,372,970.

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.

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. Management is currently evaluating the recent introduction of the COVID-19 virus and its impact on the financial services industry and has concluded that while it is reasonably possible that the virus could have a negative effect on the fair value of the Fund's investments and results of its operations, the specific impact is not readily determinable as of the date of these financial statements. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

NOTE 8. NEW ACCOUNTING PRONOUNCEMENTS

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.

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 29, 2020, 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 (collectively referred to as the “financial statements”), 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 29, 2020, the results of its operations for the year then ended, the 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 whether due to error or fraud. The Fund is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting 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. Our audits included performing procedures to assess the risks of material misstatement of the financial statements and financial highlights, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements and financial highlights. Our procedures included confirmation of securities owned as of February 29, 2020, by correspondence with the custodian. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements and financial highlights. We believe that our audits provide a reasonable basis for our opinion.



WithumSmith+Brown, PC

We have served as the Fund’s auditor since 2000.
Boston, Massachusetts
April 22, 2020

THE MP63 FUND, INC.

EXPENSE ILLUSTRATION FEBRUARY 29, 2020 (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, 2019 through February 29, 2020.

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, 2019</u>	<u>February 29, 2020</u>	<u>September 1, 2019 to February 29, 2020</u>
Actual	\$1,000.00	\$ 976.48	\$3.29
Hypothetical (5% Annual Return before expenses)	\$1,000.00	\$1,021.53	\$3.37

* Expenses are equal to the Fund's annualized expense ratio of 0.67%, multiplied by the average account value over the period, multiplied by 182/366 (to reflect the one-half year period).

THE MP63 FUND, INC.

TRUSTEES & OFFICERS FEBRUARY 29, 2020 (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: 89 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: 69 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: 61 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: 57 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 29, 2020 (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: 82 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: 53 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: 58 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: 58 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 29, 2020 (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-PORT. The Fund's first and third fiscal quarters end on May 31 and November 30. The Fund's Form N-PORT'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.