

THE MP63 FUND, INC.

Ticker: DRIPX

ANNUAL REPORT

February 28, 2021

THE MP63 FUND, INC.

SHAREHOLDER LETTER FEBRUARY 28, 2021 (UNAUDITED)

Dear Fellow Shareholders,

Your Fund continues to follow the investing guidelines that were established at its inception in March 1999: At least 80% of our assets are invested in what we consider to be high-quality companies that pay dividends and offer the option to invest directly through the company-sponsored Dividend Reinvestment Plan (DRIP). As portfolio managers, we make an effort to minimize fund expenses and we are mindful of the effect of capital gains on your taxable income.

While we recognize the danger of giving too much heed to short-term results, we are happy to report the continuation of the Fund's Morningstar® overall 5-Star ranking and Gold Medal.

As we write this, the market is near its historic highs. About one year after the Covid-19-related stock market sharp decline, when Fund assets dropped to \$51,834,604, as of April 8, our assets have rebounded to more than \$93 million during the year. This is at least in part due to our having funds available to buy into that market decline. And that's because of the disciplined investing style of many DRIPX Fund shareholders!

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 high anxiety.

The best performing stocks in the portfolio during the fiscal year were: Deere & Co. (DE), with a cumulative return (including dividends) of 116.55%, Caterpillar Inc. (CAT): 73.94%, Qualcomm Inc. (QCOM): 73.31%, The Walt Disney Co. (DIS): 57.56%, and Corning Inc. (GLW): 59.56%. The worst performing stocks in the portfolio during the period were: AT&T Inc. (T), with a cumulative loss (including dividends) of 19.51%, Magellan Midstream Partners LP (MMP), with a loss of 18.57%, Dominion Energy Inc. (D), with a loss of 16.30%, Gilead Sciences Inc. (GILD), with a loss of 15.19% and Coca-Cola Co. (KO), with a loss of 9.42%.

Given that Fund assets were relatively small during the period from March 1, 2020 through February 28, 2021, our expense ratio of 0.71% was still relatively low compared with other similarly managed funds (according to Morningstar®, the average Large-Cap No-Load fund had an Expense Ratio of 0.85%). Nevertheless, expenses did rise from the year before, when the Expense Ratio was only 0.69%. As assets grow, the expense ratio will decline and if assets were to decline, the ratio would go up.

The Fund continues to do better than its peers in its Morningstar® category, Large-Cap Value. And we have done that with lower risk as measured by the Fund's Beta. As of February 28th, 2021, DRIPX's Beta was 0.91, which means that it was less volatile than the market as a whole as described by the S&P Index. It was also less volatile than its Morningstar® Category, which had a Beta of 1.03, and less volatile than its best-fit Index, which also had a Beta of 1.03.

During the 12-month period ending February 28th, the fund experienced a total return of 22.26%, compared with 31.29% for the S&P 500® Index and 21.50% for the iShares Russell 1000 Value ETF. We are comfortable with our approach to building wealth over the long term and thank you for your confidence and, again, we congratulate you for the restraint you have shown during market sell-offs.



Vita Nelson and
April 8, 2021



Mario Medina

Past performance is not a guarantee of future results.

Must be preceded or accompanied by a prospectus. Mutual fund investing involves risk. Principal loss is possible.

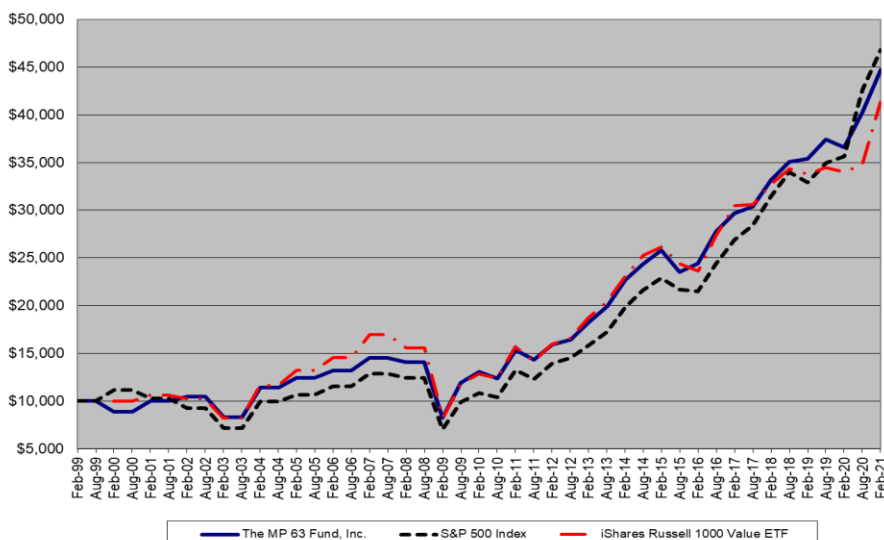
Fund holdings are subject to change and should not be considered a recommendation to buy or sell any security. Please refer to the schedule of investments in the report for complete holdings information.

THE MP63 FUND, INC.

PERFORMANCE ILLUSTRATION FEBRUARY 28, 2021 (UNAUDITED)

AVERAGE ANNUAL RATE OF RETURN (%) FOR PERIODS ENDING FEBRUARY 28, 2021

	<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.	10.96%	22.26%	12.84%	11.28%	7.05%	347.02%	\$ 44,702
S&P 500 Index	9.74%	31.29%	16.83%	13.43%	7.26%	367.78%	\$ 46,778
iShares Russell 1000 Value ETF	19.03%	21.50%	11.85%	10.19%	7.07%	313.46%	\$ 41,346



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.

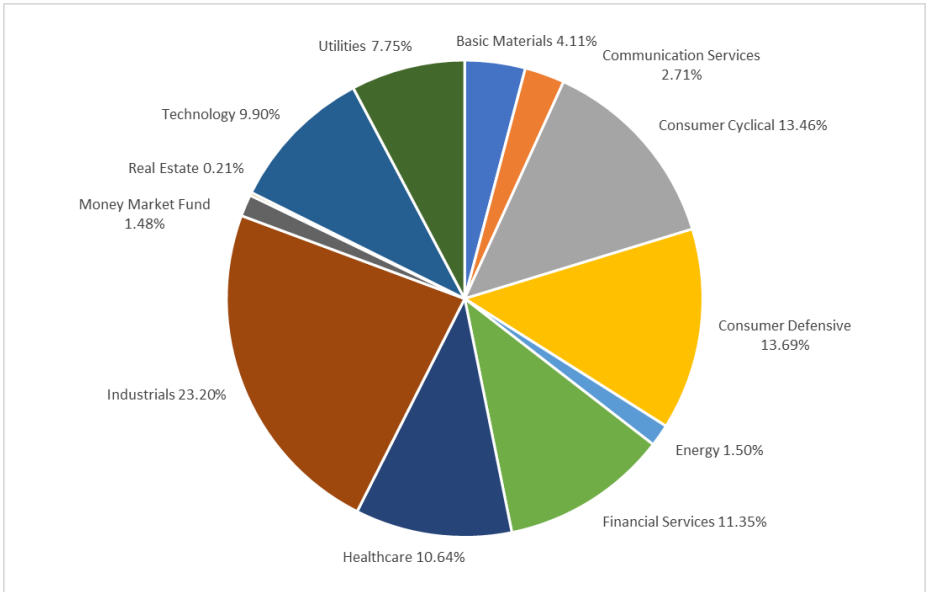
The iShares Russell 1000 Value ETF seeks to track the investment results of an index composed of large- and mid-capitalization U.S. equities that exhibit value characteristics. The returns shown do not reflect taxes that a shareholder would pay on fund distributions or on the sale of fund shares.

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, 2021 (UNAUDITED)

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



Sectors are categorized using Morningstar® classifications.

THE MP63 FUND, INC.

SCHEDULE OF INVESTMENTS FEBRUARY 28, 2021

Shares	Fair Value
COMMON STOCKS (United States) - 97.83%	
Aerospace/Aircrafts/Defense - 3.46%	
4,285 The Boeing Co. *	\$ 908,463
28,491 Raytheon Technologies Corp.	2,051,067
	2,959,530
Auto Parts - Retail/Wholesale - 1.38%	
11,205 Genuine Parts Co.	1,180,447
Banks - 4.86%	
42,341 Bank of America Corp.	1,469,656
20,865 Truist Financial Corp.	1,188,470
30,120 US Bancorp	1,506,000
	4,164,126
Beverages - 2.58%	
23,180 The Coca-Cola Co.	1,135,588
8,310 PepsiCo, Inc.	1,073,569
	2,209,157
Biological Products - 0.38%	
5,320 Gilead Sciences, Inc.	326,648
Cable & Other Pay Television Services - 1.79%	
29,045 Comcast Corp., Class A	1,531,252
Chemicals - Diversified - 2.07%	
22,217 RPM International, Inc.	1,769,362
Commercial Services - 1.94%	
7,926 Ecolab, Inc.	1,659,387
Communication Equipment - 1.82%	
11,430 Qualcomm, Inc.	1,556,652
Containers - Paper/Plastic - 1.21%	
94,760 Amcor, Plc. (Jersey)	1,036,674
Cosmetics & Personal Care - 1.20%	
13,717 Colgate-Palmolive Co.	1,031,518
Diversified Operations - 3.12%	
6,267 3M Co.	1,097,101
41,167 Corning, Inc.	1,574,226
	2,671,327

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

THE MP63 FUND, INC.

SCHEDULE OF INVESTMENTS (CONTINUED) FEBRUARY 28, 2021

Shares	Fair Value
Electronic Equipment - 2.19%	
10,345 Carrier Global Corp.	\$ 377,903
17,430 Emerson Electric Co.	1,497,237
	1,875,140
Electronic - Semiconductors - 2.24%	
31,500 Intel Corp.	1,914,570
Financial Services - 2.35%	
4,620 American Express Co.	624,901
15,210 Paychex, Inc.	1,385,175
	2,010,076
Food, Beverage & Tobacco - 0.06%	
670 Brown Forman Corp. Class B	47,959
Food - Misc. Preparation - 4.97%	
20,415 Archer Daniels-Midland Co.	1,155,081
30,397 Conagra Brands, Inc.	1,031,370
13,830 General Mills, Inc.	760,788
28,208 Hormel Foods Corp.	1,308,005
	4,255,244
General Household Products - 1.99%	
9,728 Stanley Black & Decker, Inc.	1,700,844
Healthcare - 1.12%	
6,237 AbbVie, Inc.	671,974
855 UnitedHealth Group, Inc.	284,048
	956,022
Insurance - Life/Property/Casual - 2.88%	
21,830 AFLAC, Inc.	1,045,439
9,754 The Travelers Companies, Inc.	1,419,207
	2,464,646
Leisure Products - 1.19%	
8,666 Polaris, Inc.	1,020,508
Leisure Services - 1.63%	
7,366 The Walt Disney Co. *	1,392,469
Machinery - Const./Mining/Farming - 4.94%	
9,244 Caterpillar, Inc.	1,995,595
6,386 Deere & Co.	2,229,480
	4,225,075

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

THE MP63 FUND, INC.

SCHEDULE OF INVESTMENTS (CONTINUED) FEBRUARY 28, 2021

Shares	Fair Value
Machinery - Electrical Equipment - 3.86%	
12,434 Dover Corp.	\$ 1,532,615
8,030 Johnson Controls International, Plc. (Ireland)	447,994
17,408 Tennant Co.	1,326,490
	3,307,099
Manufacturing - 2.20%	
9,333 Illinois Tool Works, Inc.	1,886,946
Medical/Dental - Supplies - 2.03%	
7,205 Becton Dickinson & Co.	1,737,486
Medical Instruments/Products - 1.72%	
12,570 Medtronic, Plc. (Ireland)	1,470,313
Medical Drugs - 5.39%	
15,295 Abbott Laboratories	1,832,035
11,068 Johnson & Johnson	1,753,835
8,887 Merck & Co., Inc.	645,374
11,390 Pfizer, Inc.	381,451
	4,612,695
National Commercial Banks - 1.25%	
7,290 JPMorgan Chase & Co.	1,072,869
Paper & Paper Products - 1.36%	
9,090 Kimberly Clark Corp.	1,166,520
Petroleum Refining - 1.04%	
1,401 Chevron Corp.	140,100
13,800 Exxon Mobil Corp.	750,306
	890,406
Refuse Systems - 1.50%	
11,610 Waste Management, Inc.	1,287,433
Retail - Building Materials, Hardware, Garden Supply - 0.10%	
130 The Sherwin-Williams Co.	88,444
Retail - Catalog & Mail Order Houses - 1.02%	
282 Amazon.com, Inc. *	872,206
Retail - Food & Restaurant - 2.13%	
7,478 Starbucks Corp.	807,848
9,825 Yum! Brands, Inc.	1,017,182
	1,825,030

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

THE MP63 FUND, INC.

SCHEDULE OF INVESTMENTS (CONTINUED)
FEBRUARY 28, 2021

Shares	Fair Value
Retail - Variety Stores - 1.85%	
4,774 Costco Wholesale Corp.	\$ 1,580,194
Retail/Wholesale - Building Products - 1.99%	
6,580 The Home Depot, Inc.	1,699,877
Services - Computer Programming, Data Processing, Etc. - 1.46%	
616 Alphabet, Inc. Class A *	1,245,497
Services - Prepackaged Software - 2.55%	
9,377 Microsoft Corp.	2,179,027
Shoes & Related Apparel - 1.01%	
6,442 Nike, Inc. Class B	868,253
Soap, Detergent, Cleaning Preparations, Perfumes, Cosmetics - 1.66%	
11,533 The Proctor & Gamble Co.	1,424,671
Telecommunications Services - 0.92%	
28,320 AT&T, Inc.	789,845
Textile - Apparel/Mill Products - 1.38%	
14,880 VF Corp.	1,177,454
Transportation - Railroads - 2.29%	
9,521 Union Pacific Corp.	1,960,945
Utility - Electric - 5.11%	
11,289 Dominion Energy, Inc.	771,265
12,131 Duke Energy Corp.	1,038,293
22,540 MDU Resources Group, Inc.	633,374
26,296 NextEra Energy, Inc.	1,932,230
	4,375,162
Utility - Gas Distribution - 0.80%	
15,110 National Fuel Gas Co.	686,598
Utility - Water - 1.84%	
37,395 Essential Utilities, Inc.	1,572,834
TOTAL FOR COMMON STOCK (Cost \$37,181,445) - 97.83%	83,736,437

THE MP63 FUND, INC.

SCHEDULE OF INVESTMENTS (CONTINUED)
FEBRUARY 28, 2021

Shares		Fair Value
LIMITED PARTNERSHIPS (United States) - 0.46%		
Natural Gas Transmission - 0.25%		
10,000	Enterprise Products Partners LP	\$ 213,200
Pipe Lines (No Natural Gas) - 0.21%		
4,300	Magellan Midstream Partners LP	179,181
TOTAL FOR LIMITED PARTNERSHIPS (Cost \$401,301) - 0.46%		392,381
REAL ESTATE INVESTMENT TRUSTS (United States) - 0.20%		
500	The Macerich Co.	6,460
1,500	Simon Property Group, Inc.	169,380
TOTAL FOR REAL ESTATE INVESTMENT TRUSTS (Cost \$151,231) - 0.20%		175,840
MONEY MARKET FUND - 1.48%		
1,264,824	Fidelity Investments Money Market Funds – Gov't Portfolio, Class I (Cost \$1,264,824) 0.01%**	1,264,824
TOTAL INVESTMENTS - 99.97% (Cost \$38,998,801) (Note 4)		85,569,482
OTHER ASSETS LESS LIABILITIES - 0.03%		29,056
NET ASSETS - 100.00%		\$ 85,598,538

* Non-income producing securities during the period.

** Variable rate security; the money market rate shown represents the yield at February 28, 2021.
The accompanying notes are an integral part of these financial statements.

THE MP63 FUND, INC.

STATEMENT OF ASSETS AND LIABILITIES FEBRUARY 28, 2021

Assets	
Investments at Fair Value (Cost \$38,998,801)	\$ 85,569,482
Cash	11,301
Receivables	
Dividends and Interest	196,478
Shareholder Subscriptions	21,636
Portfolio Securities Sold	70,197
Prepaid Expenses	25,626
Total Assets	<u>85,894,720</u>
Liabilities	
Payables	
Shareholder Redemptions	12,087
Portfolio Securities Purchased	221,993
Other Accrued Expenses	21,273
Accrued Directors Fees (Note 3)	7,189
Accrued Administrative and Operating Services Fees (Note 3)	3,351
Accrued Administrative Fees (Note 3)	6,289
Accrued Advisor Fees (Note 3)	24,000
Total Liabilities	<u>296,182</u>
Net Assets	<u>\$ 85,598,538</u>
Net Assets Consist of:	
Capital Stock, \$0.001 par value; 1 billion shares authorized; 3,400,347 shares issued and outstanding	\$ 3,400
Additional Paid in Capital	38,432,149
Distributable Earnings	47,162,989
Net Assets	<u>\$ 85,598,538</u>
Net Asset Value and Offering Price (\$85,598,538/3,400,347)	<u>\$ 25.17</u>
Redemption Price Per Share (\$25.17 x .99)*	<u>\$ 24.92</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, 2021

Investment Income:	
Dividend Income	\$ 1,870,607
Interest Income	334
Total Investment Income	<u>1,870,941</u>
Expenses:	
Advisor fees (Note 3)	262,083
Administration fees (Note 3)	58,073
Administrative and Operating Services fees (Note 3)	42,000
Registration fees	35,447
Insurance expense	9,761
Printing and postage expense	12,440
Compliance fees (Note 3)	11,965
Miscellaneous expense	8,074
Custody fees	17,769
Legal fees	36,023
Director fees (Note 3)	8,000
Audit fees	29,595
Total Expenses	<u>531,230</u>
Net Investment Income	<u>1,339,711</u>
Realized and Unrealized Gain on Investments:	
Realized Gain on Investments	1,416,462
Change in Unrealized Appreciation on Investments	12,716,902
Net Realized and Unrealized Gain on Investments	<u>14,133,364</u>
Net Increase in Net Assets from Operations	<u>\$ 15,473,075</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, 2021	For the Year Ended February 29, 2020
From Operations:		
Net Investment Income	\$ 1,339,711	\$ 1,261,630
Realized Gain on Investments	1,416,462	1,237,097
Change in Unrealized Appreciation (Depreciation) on Investments	12,716,902	(146,929)
Increase in Net Assets from Operations	15,473,075	2,351,798
From Distributions to Shareholders:		
Distributions	(2,845,203)	(2,620,730)
Change in Net Assets from Distributions	(2,845,203)	(2,620,730)
From Capital Share Transactions		
Proceeds From Sale of Shares	6,346,491	5,211,376
Shares Issued on Reinvestment of Dividends	2,764,115	2,592,320
Cost of Shares Redeemed (net of redemption fees \$3,006 and \$3,532, respectively)	(6,002,182)	(5,603,671)
Net Increase from Shareholder Activity	3,108,424	2,200,025
Net Increase in Net Assets	15,736,296	1,931,093
Net Assets at Beginning of Year	69,862,242	67,931,149
Net Assets at End of Year	\$ 85,598,538	\$ 69,862,242
Share Transactions:		
Issued	272,195	226,538
Reinvested	112,012	109,150
Redeemed	(261,810)	(244,358)
Net Increase in shares	122,397	91,330
Shares outstanding beginning of year	3,277,950	3,186,620
Shares outstanding end of year	3,400,347	3,277,950

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>2021</u>	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>
Net Asset Value - Beginning of Year	\$ 21.31	\$ 21.32	\$ 21.26	\$ 19.41	\$ 16.65
Net Investment Income **	0.41	0.39	0.40	0.36	0.37
Net Gains on Securities (realized and unrealized)	4.32	0.42	0.85	1.91	3.18
Total from Investment Operations	4.73	0.81	1.25	2.27	3.55
Early Redemption Fees	0.00*	0.00*	0.00*	0.00*	0.00*
Distributions (From Net Investment Income)	(0.41)	(0.39)	(0.40)	(0.36)	(0.37)
Distributions (From Capital Gains)	(0.46)	(0.43)	(0.79)	(0.06)	(0.42)
Total Distributions	(0.87)	(0.82)	(1.19)	(0.42)	(0.79)
Net Asset Value - End of Year	\$ 25.17	\$ 21.31	\$ 21.32	\$ 21.26	\$ 19.41
Total Return ^(a)	22.26%	3.42%	6.61%	11.66%	21.55%
Ratios/Supplemental Data					
Net Assets - End of Year (Thousands)	85,599	69,862	67,931	66,311	61,554
Ratio of Expenses to Average Net Assets	0.71%	0.69%	0.72%	0.75%	0.77%
Ratio of Net Investment Income to Average Net Assets	1.79%	1.72%	1.89%	1.78%	2.00%
Portfolio Turnover Rate	9.73%	5.66%	5.87%	5.38%	3.95%

(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

** Per share amounts are calculated using the average shares method.

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

THE MP63 FUND, INC.

NOTES TO FINANCIAL STATEMENTS FEBRUARY 28, 2021

NOTE 1. ORGANIZATION

The MP63 Fund, Inc. (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 "Board"). 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 its financial statements. The Fund is an investment company that follows the accounting and reporting guidance of the Financial Accounting Standards Board ("FASB") 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. 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 ("U.S. 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 the Fund has the ability to access.

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.

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 MP63 FUND, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED) FEBRUARY 28, 2021

The following table summarizes the valuation of the Fund's investments by the above fair value hierarchy levels as of February 28, 2021:

(Assets)	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Common Stocks	\$83,736,437	\$ -	\$ -	\$83,736,437
Limited Partnerships	392,381	-	-	392,381
Real Estate Investment Trusts	175,840	-	-	175,840
Money Market Fund	1,264,824	-	-	1,264,824
Total	<u>\$85,569,482</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$85,569,482</u>

The Fund did not hold any Level 3 assets during the year ended February 28, 2021. The Fund did not engage in any derivative transactions during the year ended February 28, 2021.

- B. Security Transactions and Related Investment Income - Securities transactions are accounted for on the trade date. Gains and losses on sales of securities are determined on a specific identification basis. 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 its net long-term capital gains and 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, 2021, 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 2021 tax returns. The Fund identifies its 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 benefits as income tax expense in the statement of operations. As of and during the year ended February 28, 2021, 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. Cash - The Fund maintains cash at its custodian which, at times, may exceed United States federally insured limits. Financial instruments that potentially subject the Fund to credit risk include cash deposits in excess of federally insured limits.

THE MP63 FUND, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED) FEBRUARY 28, 2021

- F. Use of Estimates - The preparation of financial statements in conformity with U.S. 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.
- G. Share Valuation – The net asset value (the “NAV”) is generally calculated as of the close of trading on the New York Stock Exchange (the “Exchange”) (normally 4:00 p.m. Eastern time) every day the Exchange is open. The NAV is calculated by taking the total value of the Fund’s assets, subtracting its liabilities, and then dividing by the total number of shares outstanding, rounded to the nearest cent. The offering price and redemption price per share are equal to the net asset value per share, except for shares redeemed within 6 months.

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, 2021, the Advisor earned fees of \$262,083. At February 28, 2021, the Fund owed the Advisor \$24,000 for advisory fees.

The Advisor has voluntarily agreed to waive 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. The Advisor did not waive any fees or reimburse the Fund during the year ended February 28, 2021.

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, 2021, the Fund paid MSS \$58,073 for the services that it provided to the Fund, comprised of \$39,126 in accounting and administrative services and \$18,947 in transfer agency services. At February 28, 2021, \$6,289 was due to MSS for services provided.

The Fund entered into an Administrative and Operating Services Agreement with Moneypaper Publications LLC, the parent of the Advisor. Under this agreement, Moneypaper Publications LLC provides services to the Fund that are necessary for operation and not provided by other parties. These fund servicing expenses amounted to \$42,000 for the year ended February 28, 2021. At February 28, 2021, the Fund owed \$3,351 for fund servicing expenses.

THE MP63 FUND, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED) FEBRUARY 28, 2021

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, 2021, 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, 2021, the Fund paid the Chief Compliance Officer \$11,965.

NOTE 4. INVESTMENT TRANSACTIONS

For the year ended February 28, 2021, purchases and sales of securities, excluding short-term investments, aggregated \$8,576,048 and \$7,158,236, respectively. Cumulative unrealized appreciation (depreciation) on a tax basis amounted to the following: Unrealized appreciation \$46,956,710, Unrealized depreciation (\$427,675), Net unrealized appreciation \$46,529,035.

For Federal income tax purposes, the cost of investments owned at February 28, 2021 was \$39,040,447. The difference between book and tax cost of investments represents the deferral of losses on wash sales and partnership basis adjustments.

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 the components of net assets 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. Due to permanent book to tax differences the following adjustments have been made by management as of February 28, 2021. Reclassifications have no effect on net assets, results of operations or net asset value per share of the Fund.

Paid In Capital	\$ (21,067)
Distributable Earnings	\$ 21,067

The permanent differences were mainly due to non-deductible partnership expenses and prior year true-ups.

As of February 28, 2021, the components of distributable earnings on a tax basis were as follows: Undistributed ordinary income \$93,321, undistributed capital gains \$540,633, unrealized appreciation \$46,529,035, for a total distributable earnings of \$47,162,989.

The tax character of distributions paid during the fiscal year ended February 28, 2021 was as follows:

Distributions paid from: Ordinary income \$1,347,680, Long term capital gains \$1,497,523.

THE MP63 FUND, INC.

NOTES TO FINANCIAL STATEMENTS (CONTINUED) FEBRUARY 28, 2021

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

Distributions paid from: Ordinary income \$1,247,761, Long term capital gains \$1,372,969.

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 Fund that have not yet occurred. The Fund expects the risk of loss to be remote.

NOTE 7. MARKET RISK

Overall market risks may also affect the value of the Fund. Factors such as domestic economic growth and market conditions, interest rate levels and political events affect the securities markets. Local, regional or global events such as war, acts of terrorism, the spread of infectious illness or other public health issue, recessions and depressions, or other events could have a significant impact on the Fund and its investments, and may impair market liquidity, thereby increasing liquidity risk. The Fund could lose money over short periods due to short-term market movements and over longer periods during more prolonged market downturns. During a general market downturn, multiple asset classes may be negatively affected. Changes in market conditions and interest rates can have the same impact on all types of securities and instruments.

An outbreak of infectious respiratory illness caused by a novel coronavirus known as COVID-19 was first detected in China in December 2019 and has now been detected globally. This coronavirus has resulted in travel restrictions, closed international borders, enhanced health screenings at ports of entry and elsewhere, disruption of and delays in healthcare service preparation and delivery, prolonged quarantines, cancellations, supply chain disruptions, and lower consumer demand, as well as general concern and uncertainty. The impact of COVID-19, and other infectious illness outbreaks that may arise in the future, could adversely affect the economies of many nations or the entire global economy, individual issuers and capital markets in ways that cannot necessarily be foreseen. In addition, the impact of infectious illnesses in emerging market countries may be greater due to generally less established healthcare systems. Public health crises caused by the COVID-19 outbreak may exacerbate other pre-existing political, social and economic risks in certain countries or globally. The duration of the COVID-19 outbreak and its effects cannot be determined with certainty.

NOTE 8. 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 adjustment to or disclosure in the financial statements.

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, including the schedule of investments, of The MP63 Fund, Inc. (the “Fund”) as of February 28, 2021, the related statements of operations and changes in net assets, the related notes, and the financial highlights for the year in the period then ended (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of February 28, 2021, the results of its operations, changes in net assets and the financial highlights for the then ended, in conformity with accounting principles generally accepted in the United States of America.

The Fund’s financial statements and financial highlights for the years ended February 29, 2020, and prior, were audited by other auditors whose report dated April 22, 2020, expressed an unqualified opinion on those financial statements and financial highlights.

Basis for Opinion

These financial statements are the responsibility of the Fund’s management. Our responsibility is to express an opinion on the Fund’s financial statements based on our audit. 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 Fund 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 audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement whether due to error or fraud.

Our audit included performing procedures to assess the risks of material misstatement of the financial statements, 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. Our procedures included confirmation of securities owned as of February 28, 2021, by correspondence with the custodian and brokers. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

We have served as the Fund’s auditor since 2020.

Cohen & Company, Ltd.

COHEN & COMPANY, LTD.
Milwaukee, Wisconsin
April 28, 2021

THE MP63 FUND, INC.

EXPENSE ILLUSTRATION FEBRUARY 28, 2021 (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, 2020 through February 28, 2021.

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, 2020</u>	<u>February 28, 2021</u>	<u>September 1, 2020 to February 28, 2021</u>
Actual	\$1,000.00	\$1,109.58	\$3.56
Hypothetical (5% Annual Return before expenses)	\$1,000.00	\$1,021.42	\$3.41

* Expenses are equal to the Fund's annualized expense ratio of 0.68%, 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 FEBRUARY 28, 2021 (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: 90 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: 70 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: 62 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: 58 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, 2021 (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: 83 8000 Town Centre Dr., Suite 400 Broadview Heights, OH 44147	Director, President	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: 54 8000 Town Centre Dr., Suite 400 Broadview Heights, OH 44147	Treasurer	Indefinite – since 2017	Co-manager of the Fund since July 1, 2017; Editor for JST Online Solutions.	1	None
Leonard Barenboim Age: 59 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: 59 8000 Town Centre Dr., Suite 400 Broadview Heights, OH 44147	Secretary	Indefinite – since 2019	President and CEO, EMA, LLC	1	Director, Moneypaper Publications LLC; Temper of the Times Investor Service, Inc.; Moneypaper Advisor, Inc.; Temper of the Times Foundation.

(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, 2021 (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.

LIQUIDITY RISK MANAGEMENT PROGRAM

The Fund has adopted and implemented a written liquidity risk management program as required by Rule 22e-4 (the "Liquidity Rule") under the Investment Company Act. The program is reasonably designed to assess and manage the Fund's liquidity risk, taking into consideration, among other factors, the Fund's investment strategy and the liquidity of its portfolio investments during normal and reasonably foreseeable stressed conditions; its short and long-term cash flow projections; and its cash holdings and access to other funding sources.

During the fiscal year ended February 28, 2021, the Trust's Liquidity Risk Management Program Committee (the "Committee") reviewed the Fund's investments and determined that the Fund held adequate levels of cash and highly liquid investments to meet shareholder redemption activities in accordance with applicable requirements. Accordingly, the Committee concluded that (i) the Fund's liquidity risk management program is reasonably designed to prevent violations of the Liquidity Rule and (ii) the Fund's liquidity risk management program has been effectively implemented.

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

Cohen & Company, Ltd.

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.