

**United States
Securities and Exchange Commission**

Washington, D.C. 20549

Form 10-K

ANNUAL REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2008

OR

TRANSITIONAL REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT
OF 1934

For the transition period from _____ to _____

Commission File Number 000-52289

Power of the Dream Ventures, Inc.

(Name of Small Business Issuer in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

51-0597895

(I.R.S Employer Identification No.)

1095 Budapest, Soroksari ut 94-96, Hungary

(Address of principal executive offices) (Zip Code)

+36-1-456-6061

(Issuer's telephone number)

Securities registered under Section 12(g) of the Exchange Act: None.

Securities registered under Section 12(g) of the Exchange Act: Common Stock, par value \$0.0001 per share

Indicate by a check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes • No

Check whether the issuer is not required to file reports pursuant to Section 13 or 15 (d) of the Exchange Act. •

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirement for the past 90 days. Yes No •

Check if there is no disclosure of delinquent filers in response to Item 405 of Regulation S-B contained in this form, and no disclosure will be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. •

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Securities Exchange Act of 1934. (Check one)

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes · No

Issuer had revenues of \$0 for the year ended December 31, 2008. As of March 15, 2009, 47,615,181 shares of Common Stock were outstanding of which approximately 12,035,350 were held by non-affiliates of the Company. The aggregate market value of the Common Stock held by non-affiliates of the Company as of June 30, 2008 was \$16,247,723.

Documents Incorporated by Reference: None.

Transitional Small Business Disclosure Format (check one): Yes · No

POWER OF THE DREAM VENTURES, INC. (formerly TIA V, Inc.)

(A Development Stage Company)

INDEX TO FORM 10-K

December 31, 2008

	Page
PART I	
Item 1. Description of Business	3
Item 1A. Risk Factors	15
Item 2. Description of Property	20
Item 3. Legal Proceedings	20
Item 4. Submission of Matters to a Vote of Security Holders	20
PART II	
Item 5. Market for Common Equity and Related Stockholder Matters and Small Business Issuer Purchases of Equity Securities	21
Item 6. Selected Financial Data	23
Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations	27
Item 8. Financial Statements and Supplementary Data	27
Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure	
Item 9A. Controls and Procedures	28
Item 9B. Other Information	29
PART III	
Item 10. Directors and Executive Officers, Promoters, Control Persons and Corporate Governance; Compliance with Section 16(a) of the Exchange Act	30
Item 11. Executive Compensation	32
Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters	33
Item 13. Certain Relationships and Related Transactions, and Director Independence	33
Item 14. Principal Accountant Fees and Services	34
PART IV	
Item 15. Exhibits	

PART I

ITEM 1. DESCRIPTION OF BUSINESS

This report contains forward-looking statements within the meaning of the federal securities laws. These include statements about our expectations, beliefs, intentions or strategies for the future, which we indicate by words or phrases such as “anticipate,” “expect,” “intend,” “plan,” “will,” “we believe,” “Company believes,” “management believes” and similar language. The forward-looking statements are based on the current expectations of the Company and are subject to certain risks, uncertainties and assumptions, including those set forth in the discussion under “Description of Business” and “Management’s Discussion and Analysis or Plan of Operation”. The actual results may differ materially from results anticipated in these forward-looking statements. We base the forward-looking statements on information currently available to us, and we assume no obligation to update them.

The Company’s Business

Power of the Dream Ventures, Inc., (“PDV” or “We” or the “Company”) is Hungary’s premier holding company focused on technology acquisition and development enabling the delivery of revolutionary concepts and ready to market products to the international market place. We develop, acquire, license, or co-develop technologies that originate exclusively in Hungary that are in prototype stage based on existing patents; in prototype stage prior to patenting; existing products that require expansion capital to commercialize; emerging science and high-technology research projects that require help in patenting, developing the product and marketing, university spin-off technologies and ideas from the very early stages of what represents “disruptive technologies.”

We were incorporated in Delaware on August 17, 2006, under the name Tia V, Inc. Since inception, and prior to our acquisition of Vidatech on April 10, 2007, we were engaged solely in organizational efforts and obtaining initial financing. Our sole business purpose was to identify, evaluate and complete a business combination with an operating company.

On April 10, 2007, we completed our acquisition of Vidatech, Kft. (also know as Vidatech Technological Research and Development LLC) a limited liability company formed under the laws of the Republic of Hungary. Vidatech is a company formed for the purpose of investing in, acquiring, developing, licensing, and commercializing technologies developed in Hungary. In furtherance of its business, Vidatech provides research and development services to the companies from which it acquires technologies or participation interests in such technologies.

Through Vidatech, we aim to provide pro-active support for idea, research, start-up and expansion-stage technology companies having rights to technologies or intellectual properties which we believe to be potentially commercially viable, by offering a range of services designed to encourage and protect the continuing development and eventual commercialization of those technologies.

The Company’s Industry

The Company develops proprietary products for a wide range of industry sectors. These include, but are not limited to:

- Software industry, form online applications to stand alone products
- Energy industry from power generation technologies to power transmission and power storage methods
- Manufacturing sectors from sub-component assemblies to whole units

- Chemical sector, with a special focus on biodegradable solutions for environmentally sensitive applications
- Biotechnology sector with a special emphasis on cancer and cholesterol treatment methods
- Pharmaceutical products
- Medical equipment with a special emphasis on products that offer better solution to existing treatment methodologies
- Transportation related products that are environmentally friendly and provide alternatives to current methods
- Chemicals that are biodegradable and environmentally friendly solutions for diverse application areas from fire fighting to waste processing
- Equipment for the leisure industry
- Communications products and methods that offer significant industry enhancement to solutions currently in use
- Entertainment industry products for movie, television and gaming
- Disruptive technologies for all industries where there is a discernable need or suitable market opportunity for new technology penetration
- Metals industries such as precious metals refining and end user sales

As a diversified technology manager we seek to license and sell technologies within any of these industries.

The Company's Business Strategy

To date, the primary focus of Central European countries has been to develop a solid infrastructure required for a market economy. Due to the high-perceived risks of these economies, institutional financial support for start-ups and expansion stage companies has been lacking.

With several Central European economies joining the European Monetary Union by 2012, Hungary, as one of the most developed Central European countries, is moving from a transition to a converging economy. With the continued stabilization and the transition of Hungary to a converging economy the time is ripe for a local entity with high level technology skills to selectively acquire, develop, license and/or co-developed international market ready technologies.

The Company's Products

Through December 31, 2008, we have had only limited operations and acquired rights to only eleven technologies: TothTelescope, RiverPower, the Kalmar inventions (fire-proofing liquid called FireSAFE; technology for utilizing communal waste as a concrete additive; technology for repairing potholes with the use of recycled plastics; technology for recycling the metal content of PVC shielded electric cables and the metal content of radial tires; technology for deicing roads in an environmentally friendly way; and technology for the neutralization of toxic red mud, a byproduct of the bauxite industry), a desalination technology that functions cheaper, with more efficiency and with less energy than current methods and technology for the mixing of water with gasoline for use in internal combustion engines. In addition we also purchase an equity interest in "in4 Kft", a Hungarian Limited Liability Company formed to develop and

commercialize a next generation internet based search engine and content organizer product based on semantic internet technology.

A detailed analysis of these technologies is as follows:

The Company's Desalination technology

Pursuant to an invention transfer agreement dated October 26, 2007, Vidatech obtained exclusive rights to develop and commercialize a new desalination device. Prior to signing the agreement a thorough due diligence was completed to establish the uniqueness and patentability of the technology by Pintz and Co., independent patent attorneys, following which a patent application was submitted on December 21, 2007, with the Company's Hungarian Subsidiary, Vidatech Ltd. as the patent holder. Following successful development of the technology the Company is entitled to receive sixty (60) percent of the revenues generated from the utilization of the technology while the inventor is to receive forty (40) percent.

In its current stage of development the desalination device consists of comprehensive design specifications, engineering drawings, and a small prototype to demonstrate proof of concept. We are now engaged in producing final engineering specifications for the manufacturing of a laboratory scale prototype. We anticipate the completion of these plans by the the end of 2009, with a working prototype completed by mid 2010. Once operational, the prototype will undergo rigorous testing and technology refinement procedures.

When complete, the desalination device is expected to be a fully portable unit that can be installed at any location, will be powered by either solar or wind power, and is expected to produce drinking water at much better efficiencies and at a cost per liter that is less than machines currently in use. Because of the scalability of the technology it can also be made practical for large scale commercial installations.

The term Desalination refers to any of several processes to remove excess salt and other minerals from water. Water is desalinated in order to be converted to fresh water suitable for animal consumption or irrigation, or, if almost all of the salt is removed, for human consumption. Sometimes the process produces table salt as a by-product. Desalination is used on many ships and submarines. Most of the modern interest in desalination is focused on developing cost-effective ways of providing fresh water for human use in regions where the availability of water is limited.

Large-scale desalination typically requires large amounts of energy, as well as specialized, expensive infrastructure, making it very costly compared to the use of fresh water from rivers or groundwater. The large energy reserves of many Middle Eastern countries, along with their relative water scarcity, have led to extensive construction of desalination in the region. Saudi Arabia's desalination plants account for about 24% of total world capacity. The world's largest desalination plant is the Jebel Ali Desalination Plant (Phase 2) in the United Arab Emirates. It is a dual-purpose facility that uses multi-stage flash distillation and is capable of producing 300 million cubic meters of water per year (Source: Wikipedia article).

The two leading technologies used in desalination are reverse osmosis (47.2% of installed capacity world-wide) and multi-stage flash (36.5%).

The traditional process used in these operations is vacuum distillation—essentially the boiling of water at less than atmospheric pressure and thus a much lower temperature than normal. This is due to the fact that the boiling of a liquid occurs when the vapor pressure equals the ambient pressure and vapor pressure increases with temperature. Thus, because of the reduced temperature, energy is saved.

In the last decade, membrane processes have grown very quickly, and most new facilities use reverse osmosis technology. Membrane processes use semi-permeable membranes and pressure to separate salts from water. Membrane systems typically use less energy than thermal distillation, which has led to a reduction in overall desalination costs over the past decade. Desalination remains energy intensive, however, and future costs will continue to depend on the price of both energy and desalination technology.

Forward osmosis desalination technology employs a passive membrane filter that is hydrophilic and slowly permeable to water, and blocks a portion of the solutes. Water is driven across the membrane by osmotic pressure created by food grade concentrate on the clean side of the membrane. Forward osmosis systems are passive in that they require no energy input. They are used for emergency desalination purposes in seawater and floodwater settings.

The Company's patent pending desalination technology uses a mix of present technologies including vacuum distillation with our unique proprietary ultrasonic impulse excitation and cavitation.

As of December 31, 2008 we have not yet begin to develop this technology due to time and financial constraints. We may not be in a position to advance development for quite some time, and may even be forced to shut down development of this technology. The potential downside risk based on funds allocated thus far for this development is less than \$15,000 dollars.

The TothTelescope

Pursuant to an exclusive distributorship agreement dated June 15, 2006 by and between Vidatech and Attila Toth, Vidatech obtained the exclusive worldwide distribution rights to the TothTelescope. The Agreement covers all methods and extents of utilization of the TothTelescope and underlying technology for an initial one year period commencing on July 15, 2006. Vidatech is entitled to receive sixty (60%) of the revenues generated from the utilization of the technology. On June 15, 2007 we entered into an amendment of this agreement granting Vidatech rights to the exclusive distributorship of the TothTelescope for an additional period of two years.

Since June 15, 2006, and through the period ended December 31, 2007, we have sold and distributed eight TothTelescopes and various accessories for aggregate sales proceeds of \$5,833. Since June 30, 2007, the TothTelescope has been unavailable for purchase. This is mainly due to manufacturing challenges that have arisen since introducing the product. The original supplier of certain components proved to be unreliable in producing consistent quality over multiple orders, which forced us to discontinue our relationship with the supplier. We have been unable to locate a suitable replacement manufacturer in Hungary. We are now evaluating several out of country suppliers. It is anticipated that a final decision on a new supplier(s), if any, will be made by the middle of 2009.

As of December 31, 2008 we have been unable to locate suitable parts suppliers for the telescope at cost levels, and in a suitable timeframe, that would warrant continuation of this project. Therefore as of December 31, 2008 we have discontinued marketing and manufacturing efforts for the TothTelescope.

Revenues obtained from the eight telescopes have offset development expenses incurred during the project.

RiverPower Technology

Pursuant to an exclusive utilization agreement dated May 24, 2007 by and between the Company and Janos Salca and Viktor Salca, collectively the inventors. On May 25, 2007 Vidatech submitted two patent applications in Hungary, one relating to the modular, vertical wheels based generation unit of the RiverPower technology and one for the slow revolutions per minute electrical generator itself, which converts slow rotational movement into electrical power. Prior to submission of the patent applications, a thorough due diligence review was completed to establish the uniqueness and patentability of the technology.

On May 15, 2008 we filed two PCT patent applications as international extension of the applications filed in Hungary on May 25, 2007.

The exclusive utilization agreement covers all methods and extents of utilization of the inventions, collectively referred to as RiverPower, and all aspects of the underlying technology. Upon successful deployment and commercialization of the technology the Company is entitled to receive fifty (50) percent

of all revenues generated while the inventors will receive the remaining net fifty (50) percent. As part of the agreement Janos Salca and Viktor Salca each received 50,000 shares of our common stock. The shares were issued on August 4, 2007.

RiverPower is a proprietary, renewable, green power-generation technology aimed at converting the flow of rivers into electricity without the need for expensive, environmentally degrading dam construction. In order to generate electricity, RiverPower generators are simply submerged into rivers and anchored at specific distances in the riverbed. As long as the river flow exceeds one meter per second, the RiverPower machine will generate electrical power economically (installations for slower moving rivers can also be custom designed). RiverPower technology differs from other hydropower generation techniques in that we believe that it has the ability to use the flow of the entire river, capable of achieving greater efficiency and increased power production than in traditional turbine-based systems, without dams.

RiverPower generators are built of standardized modules that are approximately 2 meters in height by 2 meters in width by 6 meters in length, with four (4) vertically mounted wheels rotating at between 7-15 rpm (revolutions per minute). All wheels in the modules are interconnected and transfer rotational movement to a single axle, on which our patent pending, slow speed, 1800 pole generator sits for the conversion of rotational movement into electricity. Each RiverPower assembly, made of six (6) standard interlocked units, is rated at approximately 50kWh in generating capacity. Several of these modules can be networked together for larger output, creating generator farms. Custom designed generators can also be constructed with larger or smaller output.

In August of 2008 we completed initial testing of one fourth scale RiverPower prototypes at Vituki, Hungary Water Resource Management and Engineering firm. Based on this study it was determined that the technology is viable and can be used for power generation. As of December 31, 2008 we entered into a second development agreement with Vituki, aimed at optimizing and enhancing the technology. We anticipate completion of this second round of testing in the second quarter of 2009.

Hydroelectric power is electricity produced by the movement of water (i.e., from the release of water from a dam; from water flowing down a waterfall, through a river, or in and out with the tide, etc.). It is created when water is fed through a channel to a turbine where it strikes and turns turbine blades. The rotating turbine blades cause the turbine shaft to turn, which turning motion is converted into electrical energy by means of a generator connected to the turbine shaft.

Hydroelectric power is one of several green, renewable energy sources, and is currently the largest renewable energy source, accounting for 19% of electrical generation – 715,000 mWe. Other means for producing electrical power include solar, wind, and geothermal production methods, accounting for approximately 4% of all alternative renewable electrical energy market. Alternative renewable electrical energy production, itself, accounts for approximately 10-12% of global electrical energy production (Source: Wikipedia article.) Nevertheless, with daily world consumption increasing and hydrocarbon supplies decreasing, there is considerable incentive for companies to develop low-cost alternative, renewable electrical energy production means, including hydroelectric power. This is especially true when viewed against the current geopolitical climate.

Hydroelectric power projects are under construction in approximately 80 countries, most of which are traditional dam based hydroelectric projects. Most of the remaining hydro potential in these dam-based hydro projects is in developing countries, particularly in South and Central Asia, Latin America and Africa. Our RiverPower technology changes this competitive landscape in that it can introduce a means whereby rivers can become power generating sites, without the need for expensive and prolonged dam construction. In addition because RiverPower technology supplies continuous power 24 hours a day (because RiverPower generators are in a constant flow environment, a river) turnover (return of invested capital) is faster than with solar or wind installations.

Marketing

We will seek to commercialize RiverPower initially, in Hungary, and then internationally in Europe, the US, Central and South America and China through large scale power plant(s) facilities construction, licensing and/or joint operation of plants. Towards that end, and during the next twelve (12) months, it is our plan to: (i) file the national phase of our PCT application with respect to RiverPower and the many pole generator technology covering the following countries: all EU member states, US, Canada, Japan, China, India, Brazil, Egypt, Congo, Afghanistan, Tajikistan, Turkmenistan, Uzbekistan, Russia, Mongolia, Argentina, Chile, Peru, Ukraine, Belarus, Turkey, Iraq, Israel, Jordan, Niger, Nigeria, Mali, Venezuela; (ii) build a life sized prototype of the machine and river testet in Hungary following the successful completion of the second VITUKI testing program, expected in the second half of 2009.; (iii) build and field test a full sized version of the many pole generator to be used on RiverPower machines; (iv) and install the first pilot facility by the end of 2009 for final testing and power generation data in Hungary..

The marketing of our RiverPower technology will follow different methods based on the application area and partner/customer requirements.

Our preferred method of marketing is the establishment of co-generation sites that are co-financed with development partners, in which case revenues realized from the sale of electrical power are split in proportion to funds provided for the establishment of the site. This method is optimal in Hungary and other EU member countries for example, where an abundance of “river close” cities exists that are interested in utilizing the technology but lack the financial strength to establish larger installations on their own. In EU territories power utilities are obligated to purchase green power from producers at regulated prices (currently at approximately 10 Euro cent per kWh). Based on these prices, and our preliminary estimate of RiverPower manufacturing, installation and maintenance costs, we anticipate return of invested capital in 3-4 years for each site.

In addition to co-generation sites we will also offer equipment purchase options for individual or small scale users, and will also pursue country or regional scale licensing agreements. These agreements may or may not include revenue sharing arrangements.

The Company’s FireSAFE, HardCrete concrete from communal waste additive and Recycled plastic pothole filler technologies

Pursuant to an invention transfer agreement dated August 13, 2007 by and between Vidatech and Imre Kalmar Nagy, the inventor, the Company acquired worldwide rights to three technologies, as developed by the Inventor, for HUF 5 million (approximately USD 25,000). The inventions are FireSAFE, a biodegradable fire fighting solution that is capable of fireproofing objects to 1,100 degrees centigrade; HardCrete, a concrete additive that allows communal waste to be mixed into concrete; and a pothole filler product that utilizes a special mix of recycled plastic to produce a pourable solution for repairing potholes.

All three inventions have been established to be patentable by the patent firm of Pintz and Co, via an international patent search. The Company filed a patent application for FireSAFE on November 5, 2007, and one application each for HardCrete concrete from communal waste additive and the PVC recycled plastic pothole filler on February 22, 2008. The Company became the patent holder of all three technologies.

On November 21, 2008 we filed a PCT application for FireSAFE to extend coverage internationally.

The Agreement covers all methods and extents of utilization of the inventions and all aspects of the underlying technology. Upon successful deployment and commercialization of any or all of the three technologies, Vidatech is entitled to receive sixty (60%) of the revenues generated, while the Inventor will receive forty (40) percent.

FireSAFE is an environmentally safe, biodegradable liquid that is designed to prevent and if necessary, extinguish natural fires that are exceedingly hard, or impossible to contain with water or other fire fighting methods. This category includes forest, bush and other natural fires. In the European Union, according to the European Commission, the five Mediterranean States – France, Greece, Italy, Portugal and Spain – suffer burnt areas of between 200,000 and 600,000 hectares per year as a result of the 20,000 to 60,000 forest fires that have occurred annually in the period 1980 to 2003, causing billions of dollars in damage yearly. In Spain and Portugal alone, the total area razed during 2003 was more than 450,000 hectares.

In the US, large forest fires have occurred more frequently in the western United States since the mid-1980s as spring temperatures increased, mountain snows melted earlier and summers got hotter. Almost seven times more forested federal land burned during the 1987-2003 period than during the prior 17 years. In addition, large fires occurred about four times more often during the latter period. In recent years, wildfires in the western United States have burned hundreds of homes annually and caused extreme and sometimes irreversible damage to natural resources. Fire-fighting expenditures for wildfires now regularly exceed one billion dollars per year (Source: Scripps Institution of Oceanography at the University of California)

On August, 2008 we entered into a licensing agreement in which we granted exclusive rights to further develop and commercialize FireSAFE to FireLess Ltd. According to the terms of the agreement FireLess will be responsible, on a going forward basis, for the development, certification and licensing/commercializing FireSAFE. We received 30% equity in the new company in addition to a one time license acquisition fee of HUF 20,000,000. As of December 31, 2008 HUF 10,000,000 has been provided with the rest payable by June 30, 2009.

FireLess is currently engaged in laboratory and field testing of FireSAFE. We anticipate this process to be completed in the second quarter of 2009. Following testing and data analysis, assuming the final results warrant further development, marketing and commercialization tasks will be undertaken, estimated to begin in the second half of 2009. A final decision to move FireSAFE forward is expected in the second quarter of 2009.

As of December 31, 2008 we have not yet begin product development tasks associated with HardCrete and the Pothole Filler product. We anticipate conducting preliminary market analysis, competitor studies and technology verification studies in the first half of 2009. Based upon the result of these studies a final decision will be made on these products.

In general, world demand for cement and concrete additives is forecast to rise 6.8 percent per year through 2010 to US\$ 11 billion, a significant improvement over the performance of the 1995-2005 period. Fueling gains will be an improving construction outlook that will bode favorably for the global cement market. In addition, higher performance requirements for concrete will prompt greater loading factors for additives.

The smaller fiber additive sector is expected to register the strongest gains, continuing the trend of the past decade. However, 90 percent of overall demand will remain concentrated in the chemical and mineral additive sectors. These and other trends are presented in World Cement & Concrete Additives, a new study from The Freedonia Group, Inc., a Cleveland-based market research firm. Developing countries are expected to register the healthiest gains, averaging over nine percent per year through 2008. A number of developing countries in the Asia/Pacific region, such as China, India and Vietnam, are expected to exhibit particularly healthy growth.

Developed markets are generally expected to post weaker -- but still respectable -- overall gains that are expected to average around six percent per year through 2008. Demand for cement and concrete additives in the US will register gains matching the world average, an impressive performance considering the highly mature US economy and construction sector. The penetration of a number of key cement additive products such as superplasticizers and set retarders in the US market has yet to approach the intensity seen in Western Europe and Japan. The West European cement and concrete additive market is expected to register gains lagging the world average through 2008. The West European region is expected to remain the most important cement and concrete additive market in the world in 2008.

Globally, mineral additives such as fly ash and blast furnace slag are being increasingly used to partially replace Portland cement, the most expensive component of concrete. In doing so, producers of concrete are realizing significant cost benefits as well as performance and durability improvements.

In general, the market for pothole patching and small-area asphalt repair is a niche of the asphalt paving market. The need for patching and repair of paving is everywhere and it is obvious and ongoing. The demand for repair work exceeds the supply of repair services.

Potholes are the normal and unending result as asphalt pavements deteriorate from age, weather and wear. The need for pothole repair is increasing with the amount of paved surfaces and from increasing utility work resulting from aging utilities under roadways. Potholes are highly visible, detract from the perceived value of a property, and reflect poorly on the quality of property management. Potholes present a tangible hazard to traffic and a potential liability.

Left unattended, potholes increase in size, damage and cost to repair. Potholes have to be repaired or ultimately, the entire pavement must be replaced. Few contractors provide pothole repair services because (a) the work is labor intensive and does not benefit from mechanization; (b) hot-mix asphalt, in small quantities, is expensive and difficult to work with; and (c) there is an abundance of easier and more profitable work. All three of these obstacles would be solved with our plastic pothole filler, while at the same time removing millions of tons of scrap plastic from landfills.

The typical quality of 'patching' makes it temporary. Patching materials (cold-mix, sprayed aggregate and tar) have been developed to repair potholes. These materials are available in a wide range of cost and performance. None perform to the standard our proposed plastic pothole filler, whose lifetime is expected to top that of the asphalt road it was used to repair. Typically, potholes are patched repeatedly until the surrounding pavement fails to such an extent that it is justified economically to repave the entire surface or until complaints, surface problems or liability risks force a repair of the site regardless of the cost.

Repairs are also needed at excavations made to access utility services such as water mains, gas lines, TV-cable, telephone lines and other infrastructure. Typically, these excavations are small, require immediate attention and are located far enough apart to be expensive to repair using traditional methods dependent on asphalt obtained from local asphalt plants. Typically, these repairs are made with temporary materials until a sufficient number of sites have accumulated to allow for economical repair.

The Company's PVC covered electrical cable and radial tire recycling technology; red mud neutralization; and environmentally friendly salt free de-icing solution.

Pursuant to an amendment to the invention transfer agreement by and between Vidatech and Imre Kalmar Nagy, dated November 28, 2007, Vidatech acquired worldwide rights to three additional technologies developed by Mr. Nagy for HUF 5 million (approximately USD 25,000). The inventions are technology for the neutralization of red mud, a byproduct of the bauxite/aluminum industry; technology for the recycling of PVC shielded electrical cables and a Biodegradable de-icing liquid.

All three inventions have been established to be patentable by the patent firm of Pintz and Co, via an international patent search. On February 22, 2008 the Company filed two patent applications one each for the PVC shielded electric cable recycling technology and one for the environmentally friendly deicing liquid. The third technology aimed at neutralizing red mud has not been patented as of December 31, 2008.

The Agreement covers all methods and extents of utilization of the inventions and all aspects of the underlying technology. Upon successful deployment and commercialization of any or all of the three technologies, Vidatech is entitled to receive sixty (60%) percent of the revenues generated, while Mr. Nagy will receive forty (40%) percent of net revenues.

As of December 31, 2008 we have not yet began development of these technologies. We hope to complete initial technology verification and market studies in the first half of 2009 to determine the best course of

action, if any, to follow in bringing them to market. During this study it may become apparent that the commercialization of these technologies entails a large enough financial expenditure/risk to make it impractical to move forward.

In general, our Red mud neutralization technology is a liquid additive-based method capable of neutralizing heavy metals (and its caustic material content) inherent in red mud by forming a concrete-like substance that will not leak dangerous elements even when exposed to heat, rain or other environmental factors.

Red mud, an undesirable bauxite residue generated in large quantities by alumina refineries (for every ton of alumina produced two tons of residue is generated), is usually managed by discharge into engineered or natural impoundment reservoirs, with subsequent dewatering by gravity consolidation and sometimes with capping for closure. Re-vegetation of dewatered red mud is not possible without addition of additives because of the high pH, high salinity, and absence of nutrients and organic constituents. The invention addresses this issue. Following the patenting of this invention, the product will undergo independent verification and testing. We anticipate this process to commence in the second quarter of 2008 and to be completed by the first quarter of 2009.

Our PVC shielded electrical cable recycling is also a liquid based method, that allows the easy removal of PVC from electrical cable scrap. Cables are submerged in a solution and soaked for approximately fifteen minutes, following which the metal can be easily pulled from the PVC casing. In approximately two hours the PVC returns to its natural, rigid state. The liquid can be re-used between 50-60 times. This technology can also be used to remove the metal content of car tires.

Currently two methods are used by industry to recycle PVC shielded cables: stripping and grinding, both of which are inefficient.

While, recycling has become a common practice in Europe, there are several everyday materials that are not currently being recycled, which we believe could be recycled profitably, including high-quality PVC from electric cables. There is further pressure to recycle as several EU directives regulating reuse of materials, including cable material, are shortly coming into effect.

The third invention is a biodegradable de-icing solution. In general, de-icers come in solids, liquids, pavement overlay, or packaged, formats. More recently, organic compounds have been developed that reduce the environmental issues connected with salts and have longer residual effects when spread on roadways, usually in conjunction with salt brines or solids. These compounds are generated as byproducts of agricultural operations such as sugar beet refining or the distillation process that produces ethanol.

The Company's deicing solutions does not contain any of these byproducts. It is composed of natural compounds that are environmentally friendly and are particularly well suited for the prevention and removal of ice and snow. Pre-treated with the product, ice will not form on surfaces, or once formed, it can easily be removed. We have filed a Hungarian patent application for this product and are in the process of determining if a PCT application is warranted. A decision will be made in the first half of 2009.

In addition to these technologies our wholly owned subsidiary, Vidatech Kft. also has a 40% equity interest in the following:

iGlue technology via equity purchase in 'in4 Kft'.

On August 2, 2007 Vidatech Kft., our wholly owned Hungarian subsidiary, entered into a joint development agreement with the inventors/creators of iGlue, an online content organization and search application based on semantic web technology. In the transaction Vidatech received 30% equity in the newly formed in4 Kft (<http://www.in4.hu>), the owner and exclusive developer of iGlue (<http://www.iglue.com>), for HUF 900 thousand (approximately USD 5,000). Up until May 31, 2009, Vidatech is expected to provide up to HUF 48 million (approximately USD 271,000) in member loans to in4 Kft. to cover development expenses of iGlue.

As of December 31, 2008 we have provided this amount to in4, Ltd.

As part of the agreement, Vidatech has the option of converting its HUF 48 million member loan into an additional 10% equity in in4 Kft. at or before the end of May, 2009. Since as of December 31, 2008 we have provided the entire agreed upon loan to in4 Ltd., as of January 8, 2009 we have elected to convert our member loan into the additional 10% equity in in4, Ltd. As of that date we own 40% of in4, Ltd.

Since the establishment of in4 Kft. the company has focused on completing development work on iGlue. On June 24, 2008 in4, Ltd released on the World Wide Web a product demonstrator of iGlue. Subsequent to that on February 2, 2009 in4 released a call for 1,000 beta testers to register at the product's official website located at <http://www.iglu.com> for Beta testing to begin as soon as the 1,000 registrars have been reached. We anticipate this Beta test to be under way before the end of first quarter of 2009. This initial limited Beta is to run for five weeks upon which a fully functional Beta release will be launched for a world wide audience in the early part of the second quarter of 2009.

Following successful wide scale Beta testing it is anticipated that the final product will become available starting in the third quarter of 2009.

Upon successful launch we will aim to provide free and value added services of iGlue, generating revenue from subscribers, advertising fees and technology licenses.

iGlue technology is composed of the following main building blocks:

Integrated content management

Content that has been created, or made accessible with iGlue, can be reused in any environment (e.g. at another site) and custom-tailored to user requirements. The semantic added value provided by the data structure enables a more versatile use of the created content than is possible with content management and search methods based on simple string matching.

Collaborative database building, community intelligence

The use of collaborative database building enhances the application with a relevance factor that relies on community intelligence; this in turn provides self-repair capability and also makes the suggestion function more efficient.

Modular structure

Owing to its modular structure, iGlue can be used to replace multiple data entry utilities, and users can even use its API (application programming interface) to develop program components themselves. This greatly improves the efficiency of data management and storage.

Purely online application, no installation needed

In contrast to traditional desktop applications, iGlue represents a new generation of programs that are used purely online. Accordingly, there is no need for updates, upgrades, or maintenance – the program is always available for use in its latest version. This results in significant cost savings in delivery, packaging, and distribution.

Platform-independent and browser-agnostic

The platform, developed using the JAVA programming language and the extensible markup language (XML), is platform-independent and browser-agnostic, can be run on any operating system, and is built on open standards. The fact that the application is completely independent from the program environment makes for cost-efficient operation.

Asynchronous data handling (AJAX)

Thanks to the integrated AJAX functions that use the latest technology, parts of the page can also be refreshed separately; users don't need to download full pages while using the site, so this online application is as feature-rich as a desktop program while it also eliminates the slow response times frequently experienced with online applications. Compared to traditional (synchronous) methods that use full page downloads, this approach saves time and provides ease of use, which translates into significant savings in terms of work time. Cross-domain web services using AJAX

One of iGlue's highlights is that using plug-ins, users can call the application through external sites, which empowers any site with the search and content management capabilities of the source site. The integration of web service and AJAX technologies resulting in such a rich functionality is currently an unrivaled feature of this program.

Accurately targeted ads

Semantic data entry allows a more efficient use of ad space, avoiding the "banner graveyard" effect caused by untargeted ads. Ads based on the users' activities significantly enhance ad efficiency, making the selling of these ad spaces more profitable.

Semantic web represents disruptive technology with the power to challenge today's Internet titans. In4 Kft, in close working relationship with Vidatech, aims to be the premier developer and operator of next generation intelligent web sites.

The Company's Competition

The Company conducts its business in several complex and highly competitive industries. The global high-technology industry principally involves the supply of systems, modules, components and technologies to a diverse number of companies in diverging fields. Even though high technology is always in demand the field is saturated with many well established companies whose history, operating resources and reach is far wider than those of the Company.

A summary of the Company's primary independent competitors is provided below.

Software – The Company's principal competitors in the technology segment included the following: Yahoo! Inc., Google Inc., Microsoft, Kango, Hakia, Semantinet, Radar Networks.

Desalination – Zenon Environmental Inc., Consolidated Water Co. Ltd., IDE Technologies Ltd., Veolia Environment

Energy – Ocean Power Technologies, First Solar, Inc., Suntech Power Holdings Co.

The Company's Workforce and Employee Relations

The Company's workforce as of December 31, 2008 included 8 persons, of which 5 were salaried employees and 3 were hourly workers.

The Company's Product Research and Development

The Company's research and development efforts are intended to establish leadership positions in core technology lines and provide the Company with a competitive edge as it seeks additional business with new customers. Total research and development expenditures for the eleven technologies currently managed by the Company were approximately \$425,974 thousand in 2008, increasing from \$101,383 in 2007. The Company also works with technology development partners, to develop technological capabilities and new products and applications.

The Company's Intellectual Property

The Company owns significant intellectual property, including nine patent applications, proprietary prototypes of managed technologies and numerous trade secrets. Although the Company's intellectual property plays an important role in maintaining its competitive position, no single patent, prototype, tool or technology or trade secret, in the opinion of management, is of such value to the Company that its business would be materially affected by the expiration or termination thereof. The Company's general policy is to apply for patents on an ongoing basis, in appropriate countries, on its patentable developments which are considered to have commercial significance.

The Company's Raw Materials and Suppliers

Raw materials used by the Company in the design, prototyping and manufacture of its products primarily include steel, aluminum, resins, precious metals, chemicals and electronics components, which are readily available. The Company does not anticipate significant interruption in the supply of raw materials.

Impact of Environmental Regulations on the Company

The Company is subject to the requirements of federal, state, local and foreign environmental and occupational safety and health laws and regulations. These include laws regulating air emissions and water discharge. The Company is also subject to environmental laws requiring the Company to obtain licenses for a number of technologies currently undergoing development. Such licenses are needed for field testing of the Company's RiverPower, FireSAFE, PVC Cable recycling and Red Mud Neutralization technologies.

During 2008, the Company did not make any material capital expenditures relating to environmental compliance.

The Company's Website and Access to Available Information

The Company's current and periodic reports filed with the Securities and Exchange Commission, including amendments to those reports, may be obtained through its internet website at www.poweroftehdream.com free of charge as soon as reasonably practicable after the Company files these reports with the SEC.

Item 1.A. Risk Factors

We have a limited operating history, which makes your evaluation of our business difficult. We have incurred losses in recent periods for start-up efforts and may incur losses in the future.

We were recently organized and only recently completed our acquisition of Vidatech, which itself has had limited operations. Our future is dependent upon our ability to obtain financing and upon future profitable operations from the commercial exploitation of the technologies in which we invest, acquire or license. These factors raise substantial doubt that we will be able to continue as a going concern. From April 26, 2006 (inception) through December 31, 2008, we incurred aggregate losses of \$7,036,548 and anticipate incurring additional losses for at least the next twelve (12) months.

We will require additional financing to sustain our operations and without it we will not be able to continue operations.

Our ability to obtain additional funding will determine our ability to continue as a going concern. Our financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Management believes the Company has adequate capital to keep the Company functioning through December 31, 2009. However, the need may arise, in the normal course of business, to raise additional capital if we want to accelerate development work, for the acquisition of additional technologies, or to meet unforeseen financial needs. No assurance can be given that the Company can obtain additional

working capital, or if obtained, that such funding will not cause substantial dilution to shareholders of the Company. If the Company is unable to raise additional funds, if needed, it may be forced to change or delay its contemplated marketing and business plan. Being a development stage company, the Company is subject to all the risks inherent in the establishment of a new enterprise and the marketing and manufacturing of a new product, many of which risks are beyond the control of the Company. All of the factors discussed above raise substantial doubt about the Company's ability to continue as a going concern.

Our future is dependent upon our ability to obtain financing. If we do not obtain such financing, we may have to cease research activities and investors could lose their entire investment. We have no arrangements or agreements with any person regarding any potential future financings.

Other than our right to market, sell and distribute the TothTelescope, from which we have not derived any meaningful revenues, we currently do not have, and may never develop or acquire any commercialized products for distribution and sale.

We currently do not have any commercialized product(s) or any significant source of revenue. We have invested substantially all of our time and resources over the last two years in identification, research and development of technologies. The technologies, which are the subject of our ongoing research programs, will require additional development, clinical evaluation, regulatory approval, significant marketing efforts and substantial additional investment before they can provide us with any revenue. We cannot currently estimate with any accuracy the amount of funds that may be required because it may vary significantly depending on the results of our current research and development activities, product testing, costs of acquiring licenses, changes in the focus and direction of our research and development programs, competitive and technological advances, the cost of filing, prosecuting, defending and enforcing patent claims, the regulatory process, manufacturing, marketing and other costs associated with the commercialization of products following receipt of approval, if required, from regulatory bodies and other factors.

Our efforts may not lead to commercially successful products for a number of reasons, including:

- we may not be able to obtain regulatory approvals, if required, or the approved indication may be narrower than we seek;
- our technologies or products, if any, derived from our research and development efforts may not prove to be safe and effective in clinical trials or testing;
- any products that may be approved may not be accepted in the marketplace;
- we may not have adequate financial or other resources to complete the development and commercialization of products derived from our research and development efforts;
- we may not be able to manufacture our products in commercial quantities or at an acceptable cost; and
- rapid technological change may make our technologies, and products derived from those technologies, obsolete.

We expect to operate in a highly competitive market; we may face competition from large, well-established companies with significant resources, and against which we may not be able to effectively compete.

Our commercial success will depend on our ability and the ability of our sublicensees, if any, to compete effectively in product development, customer compliance, price, marketing and distribution. There can be

no assurance that competitors will not succeed in developing products that are more effective than any products derived from our research and development efforts or that would render such products obsolete and non-competitive.

The technology sector is characterized by intense competition, rapid product development and technological change. We expect that most of the competition that we will encounter will come from companies, research institutions and universities who are researching and developing technologies and products similar to or competitive with any we may develop.

These companies may enjoy numerous competitive advantages, including:

- significantly greater name recognition;
- established distribution networks;
- additional lines of products, and the ability to offer rebates, higher discounts or incentives to gain a competitive advantage;
- greater experience in conducting research and development, manufacturing, obtaining regulatory approval for products, and marketing approved products; and
- greater financial and human resources for product development, sales and marketing, and patent litigation.

As a result, we may not be able to compete effectively against these companies or their products.

The success of our research and development effort is uncertain and we expect to be engaged in research and development efforts for a considerable period of time before we will be in a position, if ever, to develop and commercialize products derived from our technologies.

We expect to continue our current research and development programs through at least the end of 2009. Research and development activities, by their nature, preclude definitive statements as to the time required and costs involved in reaching certain objectives. Actual costs may exceed the amounts we have budgeted and actual time may exceed our expectations. If our research and development requires more funding or time than we anticipate, then we may have to reduce technological development efforts or seek additional financing. There can be no assurance that we will be able to secure any necessary additional financing or that such financing would be available to us on favorable terms. Additional financings could result in substantial dilution to existing shareholders. Even if we are able to fully fund our research and development program, there is no assurance that, even upon successful completion of our program, we will ever be able to commercialize products, if any, derived from our research efforts or that we will be able to generate any revenues from operations.

Our research and development programs are in the preliminary development stage and the results we attain may not prove to be adequate for purposes of developing and commercializing any products or otherwise to support a profitable business venture.

Our research and development programs are in the preliminary development stage. We will require significant further research, development, testing and regulatory approvals and significant additional investment before we will be in a position to attempt to commercialize products derived from our research and development programs. We cannot currently estimate with any accuracy the amount of these funds because it may vary significantly depending on the results of our research and development activities, product testing, costs of acquiring licenses, changes in the focus and direction of our research and development programs, competitive and technological advances, the cost of filing, prosecuting, defending and enforcing patent claims, the regulatory process, manufacturing, marketing and other costs associated with commercialization of products following receipt of approval from regulatory bodies and other factors.

There can be no assurances that our early stage research will be successful. The ultimate results of our ongoing research programs may demonstrate that the technologies being researched by us may be ineffective, unsafe or unlikely to receive necessary regulatory approvals. If such results are obtained, we will be unable to create marketable products or generate revenues and we may have to cease operations.

We intend to conduct sales and marketing efforts internally, but lack sales and marketing experience. Additionally, we may rely on third party marketers, in which case, we will be dependent on their efforts.

We expect to market and sell or otherwise commercialize our technologies (or any products derived from the technologies) ourselves as well as through distribution, co-marketing, co-promotion or licensing arrangements with third parties. We have no experience in sales, marketing or distribution of such technologies or products and our current management and staff is not experienced or trained in these areas. Accordingly, if our attempts to market any products directly are not successful, our business may be adversely affected. To the extent that we enter into distribution, co-marketing, co-promotion or licensing arrangements for the marketing or sale of our technologies (or any products derived from the technologies) any revenues received by us will be dependent on the efforts of third parties. If such parties were to breach or terminate their agreement with us or otherwise fail to conduct marketing activities successfully and in a timely manner, the commercialization of our technologies (or any products derived from the technologies) would be delayed or terminated.

There are risks associated with our proposed operations in Hungary.

Special risks may be associated with our efforts to undertake operations in the Republic of Hungary. Such operations will be subject to political, economic and other uncertainties, including among other things, import, export and transportation regulations, tariffs, taxation policy, including royalty and tax increases and retroactive tax claims, exchange controls, currency fluctuations and other uncertainties arising out of the Republic of Hungary's sovereignty over our operations.

Fluctuation in the value of the Hungarian Forint relative to other currencies may have a material adverse effect on our business and/or an investment in our shares.

We maintain our books in local currency: U.S. dollars for Power of the Dream in the United States and the Hungarian Forint for Vidatech in Hungary. Our operations are conducted primarily outside of the United States through Vidatech, our wholly-owned subsidiary. As a result, fluctuations in currency exchange rates may significantly affect our sales, profitability and financial position when the foreign currencies, primarily the Hungarian Forint, of our international operations are translated into U.S. dollars for financial reporting. During 2008, the Hungarian Forint has fluctuated between HUF 220 and HUF 145 to the U.S. dollar. In addition, we are also subject to currency fluctuation risk with respect to certain foreign currency denominated receivables and payables. Although we cannot predict the extent to which currency fluctuations may or will affect our business and financial position, there is a risk that such fluctuations will have an adverse impact on our sales, profits and financial position. Because differing portions of our revenues and costs are denominated in foreign currency, movements could impact our margins by, for example, decreasing our foreign revenues when the dollar strengthens and not correspondingly decreasing our expenses. We do not currently hedge our currency exposure. In the future, we may engage in hedging transactions to mitigate foreign exchange risk.

Our management team has limited experience in public company matters, which could impair our ability to comply with legal and regulatory requirements.

Our management team has had limited experience managing a U.S. public company, which could impair our ability to comply with legal and regulatory requirements, such as the Sarbanes-Oxley Act of 2002 and applicable federal securities laws, including filing on a timely basis required reports and other required information. Our management may not be able to implement programs and policies in an effective and timely manner that adequately responds to increased legal or regulatory compliance and reporting

requirements imposed by such laws and regulations. Our failure to comply with such laws and regulations could lead to the imposition of fines and penalties and further result in the deterioration of our business.

Investor confidence and the market price of our shares may be adversely impacted if we or our independent registered public accountants are unable to issue an unqualified opinion on the adequacy of our internal controls over our financial reporting.

We are subject to the reporting requirements of the U.S. Securities and Exchange Commission, or SEC. The SEC, as directed by Section 404 of the U.S. Sarbanes-Oxley Act of 2002, adopted rules requiring public companies to include a report of management on their internal control structure and procedures for financial reporting in their annual reports on Form 10-K that contain an assessment by management of the effectiveness of their internal controls over financial reporting. These requirements first applied to our annual report on Form 10-KSB for the fiscal year ending on December 31, 2007, however the independent public accountants' report will not be required until our fiscal year ending December 31, 2009. Our management may not conclude that our internal controls over financial reporting are effective. Any failure to implement effective controls, or difficulties encountered in their implementation, could harm our operating results or cause us to fail to meet our reporting obligations. Moreover, even if our management does conclude that our internal controls over financial reporting are effective, if our independent registered public accountants are not satisfied with our internal control structure and procedures, the level at which our internal controls are documented, designed, operated or reviewed, or if the independent registered public accountants interpret the requirements, rules or regulations differently from us, they may not concur with our management's assessment or may not issue a report that is unqualified. Any of these possible outcomes could result in an adverse reaction in the financial marketplace due to a loss of investor confidence in the reliability of our financial statements, which could lead to a decline in the market price of our shares.

Concentration of ownership among our directors, executive officers and principal shareholders may prevent new investors from influencing significant corporate decisions.

Based upon beneficial ownership as of December 31, 2008, our directors, executive officers and holders of more than 5% of our common stock, alone or together with their affiliates own, in the aggregate, approximately 75% of our outstanding shares of common stock. As a result, these shareholders, will be able to exercise a controlling influence over matters requiring shareholder approval, including the election of directors and approval of significant corporate transactions, and will have significant control over our management and policies. Some of these persons or entities may have interests that are different from yours. For example, these shareholders may support proposals and actions with which you may disagree or which are not in your interests. The concentration of ownership could delay or prevent a change in control of our company or otherwise discourage a potential acquirer from attempting to obtain control of our company, which in turn could reduce the price of our common stock. In addition, these shareholders, some of whom have representatives sitting on our Board of Directors, could use their voting influence to maintain our existing management and directors in office, delay or prevent changes of control of our company, or support or reject other management and board proposals that are subject to stockholder approval, such as amendments to our employee stock plans and approvals of significant financing transactions.

We will need to hire additional employees as the number of technologies in which we have an interest increases.

We anticipate that it will be necessary for us to add employees with technology and management experience as well as support staff to accommodate the increasing number of technologies we acquire. We may also need to provide additional scientific, business, accounting, legal or investment training for our hires. There is competition for highly qualified personnel, and we may not be successful in our efforts to recruit and retain highly qualified personnel.

We do not intend to pay dividends for the foreseeable future.

We currently intend to retain future earnings, if any, to support the development and expansion of our business and do not anticipate paying cash dividends in the foreseeable future. Our payment of any future dividends will be at the discretion of our Board of Directors after taking into account various factors, including but not limited to our financial condition, operating results, cash needs, growth plans and the terms of any credit or other agreements that we may be a party to at the time. Accordingly, investors must rely on sales of their common stock after price appreciation, which may never occur, as the only way to realize their investment.

We may conduct further offerings in the future, in which case your percentage interest in our Company will be diluted.

Since inception, we have relied on sales of our common stock to fund our operations. We may conduct further offerings in the future to finance our current projects or to finance subsequent projects that we decide to undertake. If common stock is issued in return for additional funds, the price per share could be lower than that paid by our current shareholders. We anticipate continuing to rely on equity sales of our common stock in order to fund our business operations. If we issue additional stock, your percentage interest in us will be diluted and the value of your stock could be reduced.

We may issue preferred stock which may have greater rights than our common stock.

We are permitted in our Certificate of Incorporation to issue up to 10,000,000 shares of preferred stock. Currently no preferred shares are issued and outstanding; however, we can issue shares of our preferred stock in one or more series and can set the terms of the preferred stock without seeking any further approval from our common shareholders. Any preferred stock that we issue may rank ahead of our common stock in terms of dividend priority or liquidation premiums and may have greater voting rights than our common stock. In addition, such preferred stock may contain provisions allowing it to be converted into shares of common stock, which could dilute the value of common stock to current shareholders and could adversely affect the market price, if any, of our common stock.

Our common stock is a “penny stock,” and because “penny stock” rules will apply, you may find it difficult to sell the shares of our common stock you acquired in this offering.

Our common stock is a “penny stock” as that term is defined under Rule 3a51-1 of the Securities Exchange Act of 1934. Generally, a “penny stock” is a common stock that is not listed on a securities exchange and trades for less than \$5.00 a share. Prices often are not available to buyers and sellers and the market for penny stocks may be very limited. Penny stocks in start-up companies are among the riskiest equity investments. Broker-dealers who sell penny stocks must provide purchasers of these stocks with a standardized risk-disclosure document prepared by the SEC. The document provides information about penny stocks and the nature and level of risks involved in investing in the penny stock market. A broker must also give a purchaser, orally or in writing, bid and offer quotations and information regarding broker and salesperson compensation, make a written determination that the penny stock is a suitable investment for the purchaser, and obtain the purchaser’s written agreement to the purchase. Many brokers choose not to participate in penny stock transactions. Because of the penny stock rules, there is less trading activity in penny stocks and you are likely to have difficulty selling your shares.

Because our business assets, directors, and officers are located outside of the United States, our shareholders may be limited in their ability to enforce civil actions against our assets or our directors and officers.

We are incorporated under the laws of Delaware but, because we are headquartered in Hungary, all of our officers reside in Hungary. Of our Board of Directors one resides in Hungary and one in the United States. Therefore our shareholders may have difficulty enforcing civil liabilities under the U.S. federal securities laws against our officers and directors. Because some of our assets are located outside the U.S., it may be difficult for an investor to succeed in an action, for any reason, against us or any of our directors or officers through U.S. jurisdictions. If an investor was able to obtain a judgment against us or any of our directors or officers in a U.S. court based on U.S. securities or other laws, it may be difficult to enforce such judgment

in Hungary. We are uncertain as to the enforceability, in original actions in Hungarian courts, of liability based upon the U.S. federal securities laws and as to the enforceability in Hungarian courts of judgments of U.S. courts obtained in actions based upon the civil liability provisions of the U.S. federal securities laws.

Our compliance with changing laws and rules regarding corporate governance and public disclosure may result in additional expenses to us which, in turn, may adversely affect our ability to continue our operations.

Keeping abreast of, and in compliance with, changing laws, regulations and standards relating to corporate governance and public disclosure, including the Sarbanes-Oxley Act of 2002, new SEC regulations and, in the event we are ever approved for listing on either NASDAQ or a registered exchange, NASDAQ and stock exchange rules, will require an increased amount of management attention and external resources. We intend to continue to invest all reasonably necessary resources to comply with evolving standards, which may result in increased general and administrative expenses and a diversion of management time and attention from revenue-generating activities to compliance activities. This could have a materially adverse effect on our ongoing operations.

ITEM 2. DESCRIPTION OF PROPERTY

The Company's principal executive offices are located at Soroksari ut 94-96, Budapest, Hungary. The offices are leased on a monthly basis for a fee of \$1,100. The premises consist of approximately 1,000 square feet of space.

ITEM 3. LEGAL PROCEEDINGS

There are no legal proceedings against the company. We are not aware of any threatened or pending legal proceedings against the company.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

None.

PART II

ITEM 5. MARKET FOR COMMON EQUITY AND RELATED STOCKHOLDER MATTERS AND SMALL BUSINESS ISSUER PURCHASES OF EQUITY SECURITIES

Safe Harbor for Forward-Looking Statements

When used in this report, the words “may,” “will,” “expect,” “anticipate,” “continue,” “estimate,” “project,” “intend,” and similar expressions are intended to identify forward-looking statements within the meaning of Section 27a of the Securities Act of 1933 and Section 21e of the Securities Exchange Act of 1934 regarding events, conditions, and financial trends that may affect the Company’s future plans of operations, business strategy, operating results, and financial position. Persons reviewing this report are cautioned that any forward-looking statements are not guarantees of future performance and are subject to risks and uncertainties and that actual results may differ materially from those included within the forward-looking statements as a result of various factors. Such factors are discussed further elsewhere in this annual report and also include general economic factors and conditions that may directly or indirectly impact our financial condition or results of operations.

Market Information

The Company’s common stock is listed on the OTC Bulletin Board (OTCBB) in the United States under the symbol “PWRV.” Our common began trading on the OTC Bulletin Board on February 21, 2008. There was no trading activity of our common stock prior to February 21, 2008. Trading in our common stock has been limited and sporadic. The following table shows the range of high and low bid quotations reported by OTCBB in each fiscal quarter from January 1, 2006 to December 31, 2007. The OTCBB quotations below reflect inter-dealer prices without retail mark-up, mark-down or commission and may not represent actual transactions.

	High	Low
Fiscal 2007		
Quarter Ended March 31, 2007	-	-
Quarter Ended June 30, 2007	-	-
Quarter ended September 30, 2007	-	-
Quarter ended December 31, 2007	-	-
Fiscal 2008		
Quarter Ended March 31, 2008	\$4.00	\$3.90
Quarter Ended June 30, 2008	\$4.00	\$1.85
Quarter ended September 30, 2008	\$2.00	\$0.10
Quarter ended December 31, 2008	\$1.00	\$0.17

Holders

As of December 31, 2008, the Company had 47,615,181 shares of its common stock \$0.0001 par value outstanding, which were owned by approximately 115 shareholders of record.

Transfer Agent

Our transfer agent is Fidelity Transfer Company, 8915 S. 700 E. Suite 102, Sandy, UT 84070. Our transfer agent's telephone number is (801) 562-1300.

Dividend Policy

We have not declared any dividends on our common stock since inception and do not intend to pay dividends on our common stock in the foreseeable future.

Authorization of Securities for Issuance Under Equity Compensation Plans

None.

Recent Sales of Unregistered Securities

On October 8, 2008, Power of the Dream Ventures, Inc. (the "Company") entered into a Standby Equity Distribution Agreement (the "Standby Equity Distribution Agreement") with YA Global Investments, L.P. (the "Investor"). Pursuant to the terms of the Standby Equity Distribution Agreement, the Company (a) agreed to issue and sell to the Investor up to \$5,000,000 of shares of the Company's common stock, par value \$0.0001 per share (the "Common Stock") in tranches of equity, based upon a specified discount to the market price of the Common Stock, calculated over the five trading days following notice by the Company of an election to sell shares; and (b) issued to the Investor a warrant (the "Warrant") to purchase 4,027,386 shares of Common Stock at the exercise price per share of \$0.29.

In connection with the Standby Equity Distribution Agreement, the Company entered into a Registration Rights Agreement with the Investor (the "Registration Rights Agreement") pursuant to which the Company agreed to register for resale the shares of Common Stock that may be purchased by the Investor pursuant to the Standby Equity Distribution Agreement, the shares of Common Stock issuable upon exercise of the Warrant and 2,000,000 shares of Common Stock (the "Commitment Shares") issued to the Investor as a commitment fee pursuant to the terms of the Standby Equity Distribution Agreement. As of December 31, 2008 we have not yet exercised any of these funds.

On November 20, 2008, the Company consummated a private placement of 2,500,000 shares of its common stock to one investors for an aggregate purchase price of \$1,000,000. The shares of common stock were sold to non-US Persons in reliance on the exemptions from the registration requirements of the Securities Act provided by the provisions of Regulation S as promulgated under the Securities Act. Proceeds from the offering are used for general corporate expenses.

On January 30, 2008, the Company consummated a private placement of 104,000 shares of its common stock to four investors for an aggregate purchase price of \$104,000 at a per share price of \$3.25. The shares of common stock were sold to non-US Persons in reliance on the exemptions from the registration requirements of the Securities Act provided by the provisions of Regulation S as promulgated under the Securities Act. Proceeds from the offering are used for general corporate expenses.

Issuer Purchases Of Equity Securities

None.

ITEM 6. SELECTED FINANCIAL DATA

	2008	2007
Revenues	-	-
General and administration expenses	3,249,997	1,805,366
Research and development	425,974	101,383
Net loss	3,958,212	1,992,472

For the year ended December 31, 2008, we had \$0 revenue as compared the \$0 revenue in the same period in the previous year. The Company is still focused on product development. First revenues are expected to occur in 2009. For the years ended December 31, 2008 general, selling and administrative expenses were \$3,249,997 as compared to \$1,805,366 for the year ended December 31, 2007.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATIONS**Plan of Operation**

Since inception through December 31, 2008, we had a deficit accumulated during the development stage of \$6,236,547 and net cash used in operations of \$1,320,180. To date all of our funding has been provided through sale of our common stock. We believe that the recent funding from the private placement of the Company's common shares will allow us to continue operations and execute our business plan to the end of 2009. Should the need arise, we plan to raise additional funds, both from U.S. and international investors. We believe that the technologies we currently have under management, many of which are environmentally friendly, green technologies, will prove attractive to both private and institutional investors, making fund raising a less strenuous process than it was before. We also believe that as the only Hungarian public (or private) company that is actively engaged in Hungarian intellectual property acquisition and commercialization, we are an even more attractive investment opportunity.

If needed, we will raise additional capital in a manner that is the least dilutive to our shareholders yet at the same time serves our development and operating needs. We anticipate no more than two additional fund raising round in 2009, after which we hope to rely solely on income generated from our technologies under management. We believe 2009 will result in a number of licensing opportunities and revenue generating opportunities from the deployment of our technologies on the international market. Foremost of these opportunities is RiverPower, FireSAFE and our PVC shielded electric cable recycling technologies. We also anticipate our investment in in4 Ltd to start generating funds in the second half of 2009.

FireSAFE is currently completing independent testing. If these test results demonstrate the commercial viability of FireSAFE we anticipate product roll out to commence in the first half of 2009 in cooperation with FireLess, Ltd. a Hungarian Limited Liability company whom acquired a license for FireSAFE in August of 2008; our PVC cable recycling technology will undergo third party technology verification in the first half of 2009, following which further action will be decided upon based on these test results.; RiverPower is currently completing a second round of independent testing and technology optimization studios. Once results from these tests are obtained and analyzed we anticipate installing a full sized version of the machine for real-life river testing in the second half of 2009. In4 Ltd has launched a call for 1,000 beta testers of their iGlue technology on February 2, 2009. Once all spaces are filled a five week limited beta will commence. Feedback from this test will be incorporated into the iGlue followed by a full, world-wide open beta in prior to the second half of 2009..

Even though we believe our public status will allow us to raise additional capital, if needed, no assurance can be given that we can in fact obtain additional working capital, or if obtained, that such funding will not cause substantial dilution to shareholders of the Company. If we are unable to raise additional funds, we may be forced to change or delay our contemplated marketing and business plan.

In 2009 we anticipate spending approximately \$250,000 on general administrative expenses, \$150,000 on legal, accounting and compliance related expenses, 100,000 on continued development of our RiverPower technology, and \$200,000 on our in4 investment. All other technologies in our portfolio are currently on hold until we a) either raise more financing b) realize revenue from the three technologies described above.

Our commitment to in4 Ltd. to provide HUF 48,000,000 (approximately US\$270,000) has been fulfilled as of December 31, 2008. However we have elected to continue finance in4 operations on a continuous basis going forward until iGlue enters the market and starts generating revenue for the company. This financing is provided on a member loan basis to in4 Ltd. We also have ongoing lease obligations for company cars in the amount of approximately US\$5,000 per month.

We also have an outstanding note in the amount of \$250,000 payable to Mary Passalaqua, our former President and CEO. This note, which bears interest at the U.S. prime rate and is due and payable April 5, 2009, was issued immediately prior to the reverse merger and assumed by us in connection with the reverse merger. The note was recorded by us as additional compensation to Ms. Passalaqua. Such compensation is reflected in our condensed balance sheet as the accumulated deficit of the Company, and will not be reflected in our statement of operations, as such compensation expense was structured as an expense prior to our recapitalization. In the event that we raise in excess of \$3,000,000 dollars in capital the note is payable immediately.

On November 21, 2008 we provided a payment of \$35,000 toward the \$250,000 NOTE, therefore reducing our NOTE outstanding to \$215,000 plus accumulated interest.

On February 5, 2009 we entered into restricted stock agreements with certain of our employees, pursuant to which we granted a total of 760,000 shares of restricted common stock. The shares will vest in installments, with all shares vesting by the end of 2009. We estimate the total fair value of these share issuances is approximately \$304,000, the entire amount of which will be recognized as an expense in 2009.”

Being a development stage company, we are subject to all the risks inherent in the establishment of a new enterprise and the marketing and manufacturing of new products, many of which risks are beyond the control of the Company. Many of our technologies are in the preliminary development stage. While international patent searches have been conducted to verify the patentability of these technologies, many of the actual patents are still being prepared. As of this writing we have filed the following patent applications: 2 Hungarian and two PCT applications for RiverPower; one Hungarian and one PCT application for FireSAFE; one Hungarian application for our Desalination technology; one Hungarian application for our PVC shielded electric cable recycling technology; one Hungarian application communal waste additive to concrete technology and one Hungarian application four our biodegradable deicing solution. All other patents relating to additional properties we own are currently being prepared. market conditions permitting we intend to file these patents in 2009.

Over the course of the next 12 months we plan to focus on four primary technologies in order to become cash flow positive: RiverPower, FireSAFE, PVC shielded cable recycling and our investment in in4 Ltd. We anticipate completing a full scale version of our RiverPower device in 2009, complete with a power generating electrical generator. We also anticipate bringing to market, and deriving revenue from, our FireSAFE and PVC shielded cable recycling technologies. In addition. We also hope to release a full world-wide beta of iGlue following culminations of the current 1,000 beta tester limited release of the program.

Although we see our position and the strength of the technologies we acquired as formidable, there can be no assurance that any of the possibilities discussed above will materialize. If we are unable to derive revenue from our technologies within the next 12 months we will be required to raise additional capital to support our operations until such time when we can maintain operations from income.

We don't anticipate making any substantial equipment purchase or increasing our work force in the foreseeable future.

All of the factors discussed above raise substantial doubt about our ability to continue as a going concern. The condensed consolidated financial statements included elsewhere in this prospectus do not include any adjustments relating to the recoverability of recorded asset amounts that might be necessary as a result of the above uncertainty.

2008 Overview and Financial Results

The high-technology development and commercialisation industry remains challenging in North America and Europe, with continued market share pressures concentrated in the U.S. While our transition from a private company to a public one following our reverse merger significantly increased our compliance related financial burden, it also provided us with opportunities to seek financing for the execution of our business plan. Based on this financing we were able to significantly increase our technology acquisition and development footprint, and lay the foundation of fully executing our business strategy beginning in 2008 and 2009.

Debt and Capital Structure

Future maturities of the Company's debt are as follows: 2009 — \$235,000. The Company continues to explore opportunities to enhance liquidity, improve financial flexibility and reduce the long term costs of capital.

Critical Accounting Estimates

The consolidated financial statements accompanying this Annual Report on Form 10-K have been prepared in conformity with accounting principles generally accepted in the United States and, accordingly, the Company's accounting policies have been disclosed in Note 2 to the consolidated financial statements.

We account for stock-based compensation in accordance with SFAS No. 123(R). Under the fair value recognition provisions of this statement, share-based compensation cost is measured at the grant date based on the fair value of the award and is recognized as expense over the requisite service period. Determining the fair value of share-based awards at the grant date requires judgment. If actual results differ significantly from these estimates, stock-based compensation expense and our results of operations could be materially impacted.

When more than one accounting principle, or the method of its application, is generally accepted, management selects the principle or method that it considers to be the most appropriate given the specific circumstances. Application of these accounting principles requires the Company's management to make estimates about the future resolution of existing uncertainties. Estimates are typically based upon historical experience, current trends, contractual documentation, and other information, as appropriate. Due to the inherent uncertainty involving estimates, actual results reported in the future may differ from those estimates. In preparing these financial statements, management has made its best estimates and judgments of the amounts and disclosures included in the financial statements.

Environmental Matters

The Company is subject to the requirements of federal, state, local and foreign environmental and occupational safety and health laws and regulations. These include laws regulating air emissions and water discharge. The Company is also subject to environmental laws requiring the Company to obtain licenses for a number of technologies currently undergoing development. Such licenses are needed for field testing of the Company's RiverPower, FireSAFE, PVC Cable recycling and Red Mud Neutralization technologies.

During 2008, the Company did not make any material capital expenditures relating to environmental compliance.

Income Taxes

The Company accounts for income taxes in accordance with SFAS No. 109, "Accounting for Income Taxes". Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The Company records a valuation allowance on deferred tax assets by tax jurisdiction when it is more likely than not that such assets will not be realized. Management judgment is required in determining the Company's valuation allowance on deferred tax assets.

Results of Operations

Revenue

For the year ended December 31, 2008, we had \$0 revenue as compared the \$0 revenue in the same period in the previous year. The Company is still focused on product development. First revenues are expected to occur in 2009.

General, selling and administrative expenses

For the years ended December 31, 2008 general, selling and administrative expenses were \$3,249,997 as compared to \$1,805,366 for the year ended December 31, 2007. Of the \$1,444,631 increase in general, selling and administrative expenses, \$1,093,224 is attributable to marketing expenses and \$921,250 is attributable to share based payments to personnel. At the same time the Company decreased its expenses by \$569,843 compared to 2007 in consulting. During 2007 the company hired four employees to expand its work force, including a Chief Financial Officer, a Chief Accounting Officer, a Chief Technology Officer. In addition to these a Technology Assistant was also hired to aid in managing the technology portfolio of the company. On a going forward basis, the company anticipates adding additional employees on an as needed basis.

Inflation and foreign currency

The Company maintains its books in local currency: US Dollars for the parent holding Company in the United States of America and Hungarian Forint for Vidatech in Hungary.

The Company's operations are primary outside of the United States through its wholly owned subsidiary. As a result, fluctuations in currency exchange rates may significantly affect the Company's sales, profitability and financial position when the foreign currencies, primarily the Hungarian Forint, of its international operations are translated into U.S. dollars for financial reporting. In additional, we are also subject to currency fluctuation risk with respect to certain foreign currency denominated receivables and payables. Although the Company cannot predict the extent to which currency fluctuations may or will affect the Company's business and financial position, there is a risk that such fluctuations will have an adverse impact on the Company's sales, profits and financial position. Because differing portions of our revenues and costs are denominated in foreign currency, movements could impact our margins by, for

example, decreasing our foreign revenues when the dollar strengthens and not correspondingly decreasing our expenses. The Company does not currently hedge its currency exposure. In the future, we may engage in hedging transactions to mitigate foreign exchange risk.

The translation of the Company's subsidiaries forint denominated balance sheets into U.S. Dollars, as of December 31, 2008, has been affected by the strengthening of the U.S. Dollar against the Hungarian Forint from 172.82 HUF/USD as of December 31, 2007, to 188.52 HUF/USD as of December 31, 2008, an approximate 9% increase in value. The average Hungarian Forint/U.S. Dollar exchange rates used for the translation of the subsidiaries forint denominated statements of operations into U.S. dollars, for the years ended December 31, 2008 and 2007 were 171.78 and 184.66, respectively.

Liquidity

The Company's cash and liquidity needs are impacted by research and development expenses, legal, accounting and regulatory filing expenses and operating expenses. At the current rate monthly expenditures, including operating expenses and technology management total approximately \$50,000.

Cash and Equivalents

As of December 31, 2008 and 2007, consolidated cash and equivalent balances totalled \$650,945 and \$182,780, respectively. As of December 31, 2008 approximately 99% of the Company's cash balance is located in jurisdictions outside of the U.S. The Company's ability to efficiently access cash balances in foreign jurisdictions is subject to local regulatory and statutory requirements.

Cash Flows

Sale of common stock. To date all of the Company's operations have been financed through the sale of common stock. It is anticipated that this trend will continue for at least an additional twelve months before operating expenses can be fully or partially by financed from operating activities.

Other Debt and Capital Structure

Other Debt

Additional information related to the Company's other debt and related agreements is set forth in Note 8 "Note Payable" and Note 9 "Capital lease payable" to the consolidated financial statements which are included in this Annual Report on Form 10-K.

Off-Balance Sheet Arrangements

None.

Recent Accounting Pronouncements

In September 2006, the FASB issued SFAS 157, Fair Value Measurement. The new standard applies whenever other standards require or permit assets or liabilities to be measured at fair value. This Statement defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. This statement is effective for financial statements issued for fiscal years beginning after November 15, 2007. The adoption of SFAS 157 for financial assets and liabilities did not have a material impact on its consolidated financial position, results of operation or cash flows. FSP FAS 157-2 delayed the effective date for non-financial assets and liabilities to fiscal years beginning after November 15, 2008. Adoption of SFAS 157 for non-financial assets and liabilities will not have a material impact on the Company's consolidated financial position, results of operations or cash flows.

In September 2006, the staff of the SEC issued Staff Accounting Bulletin (“SAB”) No. 108, which provides interpretive guidance on how the effects of the carryover or reversal of prior year misstatements should be considered in quantifying a current year misstatement. SAB 108 becomes effective in fiscal 2007. Adoption of SAB 108 did not have a material impact on the Company’s consolidated financial position, results of operations or cash flows.

In February 2007, the FASB issued SFAS No. 159 “The Fair Value Option for Financial Assets and Financial Liabilities - Including an amendment of FASB Statement No. 115”, which permits entities to choose to measure many financial instruments and certain other items at fair value. The fair value option established by this Statement permits all entities to choose to measure eligible items at fair value at specified election dates. A business entity shall report unrealized gains and losses on items for which the fair value option has been elected in earnings at each subsequent reporting date. Adoption is required for fiscal years beginning after November 15, 2007. Early adoption is permitted as of the beginning of a fiscal year that begins on or before November 15, 2007, provided the entity also elects to apply the provisions of SFAS Statement No. 157, Fair Value Measurements. Adoption of SFAS 159 did not have a material impact on the Company’s consolidated financial position, results of operations or cash flows.

In December 2007, the FASB issued SFAS No. 141(R), “Business Combinations” (“SFAS 141(R)”). SFAS 141(R) replaces SFAS No. 141, “Business Combinations”, but retains the requirement that the purchase method of accounting for acquisitions be used for all business combinations. SFAS 141(R) expands on the disclosures previously required by SFAS 141, better defines the acquirer and the acquisition date in a business combination, and establishes principles for recognizing and measuring the assets acquired (including goodwill), the liabilities assumed and any non-controlling interests in the acquired business. SFAS 141(R) also requires an acquirer to record an adjustment to income tax expense for changes in valuation allowances or uncertain tax positions related to acquired businesses. SFAS 141(R) is effective for all business combinations with an acquisition date in the first annual period following December 15, 2008; early adoption is not permitted. We will adopt this statement as of January 1, 2009. The impact of SFAS 141(R) will have on our consolidated financial statements will depend on the nature and size of acquisitions we complete after we adopt SFAS 141(R).

In December 2007, the FASB issued SFAS No. 160, “Non-controlling Interests in Consolidated Financial Statements-an amendment of ARB No. 51” (SFAS 160). SFAS 160 requires that non-controlling (or minority) interests in subsidiaries be reported in the equity section of the company’s balance sheet, rather than in a mezzanine section of the balance sheet between liabilities and equity. SFAS 160 also changes the manner in which the net income of the subsidiary is reported and disclosed in the controlling company’s income statement. SFAS 160 also establishes guidelines for accounting for changes in ownership percentages and for deconsolidation. SFAS 160 is effective for financial statements for fiscal years beginning on or after December 15, 2008 and interim periods within those years. The adoption of SFAS 160 is not expected to have a material impact on our financial position, results of operations or cash flows.

In March 2008, the FASB issued SFAS No. 161, “Disclosures about Derivative Instruments and Hedging Activities-an amendment of FASB Statement No. 133” (SFAS 161). SFAS 161 requires enhanced disclosures about an entity’s derivative and hedging activities and thereby improves the transparency of financial reporting. SFAS 161 is effective for financial statements issued for fiscal years and interim periods beginning after November 15, 2008, with early application encouraged. The adoption of SFAS 161 is not expected to have a material impact on our financial position, results of operations or cash flows.

In March 2008, the FASB issued SFAS No. 162, The Hierarchy of Generally Accepted Accounting Principles. This statement identifies the sources of accounting principles and the framework for selecting the principles to be used in the preparation of financial statements of nongovernmental entities that are presented in conformity with US GAAP. This statement is effective 60 days following the SEC’s approval of the Public Company Accounting Oversight Board amendments to AU Section 411, The Meaning of Present Fairly in Conformity With Generally Accepted Accounting Principles.

In May 2008, the FASB issued FSP Accounting Principles Board (“APB”) 14-1 “Accounting for Convertible Debt Instruments that may be settled in Cash upon Conversion (Including Partial Cash

Settlement) " ("FSP APB 14-1"). FSP APB 14-1 requires the issuer of certain convertible debt instruments that may be settled in cash (or other assets) on conversion to separately account for the liability (debt) and equity (conversion option) components of the instrument in a manner that reflects the issuer's non-convertible debt borrowing rate. FSP APB 14-1 is effective for fiscal years beginning after December 15, 2008 on a retroactive basis. The adoption of FSP APB 14-1 is not expected to have a material impact on our financial position, results of operations or cash flows.

ITEM 8. FINANCIAL STATEMENTS

Reference is made to the Consolidated Financial Statements of the Company, beginning with the index thereto on page F-1.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

On February 19, 2008, the Company, on the recommendation of its board of directors, dismissed Marcum & Kliegman LLP ("M&K") as its independent registered public accounting firm.

M&K did not issue any audit reports on the financial statements of the Company during its engagement.

For the fiscal years ended December 31, 2007 and 2006 and through the date of this Current Report, there were no disagreements between the Company and M&K on any matters of accounting principles or practices, financial statement disclosure, or auditing scope or procedures, which disagreements, if not resolved to the satisfaction of M&K, would have caused M&K to make reference to the subject matter of the disagreement in their reports on the Company's financial statements for such years. None of the "reportable events" described under Item 304(a)(1)(iv) of Regulation S-B occurred within the period from August 15, 2007 through February 19, 2008 or through the date of this report.

The Company requested that M&K furnish it with a letter addressed to the Securities and Exchange Commission confirming its dismissal by the Company and whether or not it agrees with the statements made by the Company in its Current Report on Form 8-K/A filed with the Securities and Exchange Commission on February 28, 2008. A copy of the letter furnished by M&K in response to that request, dated February 28, 2008, is filed as Exhibit 16.1 to the said Form 8-K/A.

On February 18, 2008, BDO Kontroll ("BDO"), was engaged as the Company's independent certified accountants. BDO was previously engaged as the independent certified accountants for Vidatech Kft., the Company's wholly-owned subsidiary, during the period from April 26, 2006 (Inception) to December 31, 2006 and the interim period from January 1, 2007 to April 10, 2007 (on which date the Company acquired all of the issued and outstanding equity interest of Vidatech). During the period from August 15, 2007 through February 19, 2008, and through the date of the M&K's engagement, we did not consult with BDO regarding any of the matters or events set forth in Item 304(a)(2)(i) and (ii) of Regulation S-B.

ITEM 9A. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

Our disclosure controls and procedures are designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms and is accumulated and communicated to the company's management, as appropriate, to allow timely decisions regarding required disclosure, and are operating in an effective manner.

As of December 31, 2008, we carried out an evaluation, under the supervision and with the participation of our principal executive officer and our principal financial officer of the effectiveness of the design and operation of our disclosure controls and procedures. Based on this evaluation, our principal executive

officer and our principal financial officer concluded that our disclosure controls and procedures were effective as of the end of the period covered by this report.

Management's Annual Report on Internal Control Over Financial Reporting

Our management is also responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rule 13a-15(f) and 15d-15(f). The Company's internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

Our internal control over financial reporting includes those policies and procedures that:

- Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that our receipts and expenditures are being made only in accordance with authorizations of the Company's management and directors; and
- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. Because of the inherent limitations of internal control, there is a risk that material misstatements may not be prevented or detected on a timely basis by internal control over financial reporting. However, these inherent limitations are known features of the financial reporting process. Therefore, it is possible to design into the process safeguards to reduce, though not eliminate, this risk.

Management conducted an evaluation, under the supervision and with the participation of our principal executive officer and our principal financial officer of the effectiveness of our internal control over financial reporting based on the framework in Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, management concluded that the company's internal control over financial reporting was effective as of June 30, 2008.

This annual report does not include an attestation report of our registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by our registered public accounting firm pursuant to temporary rules of the Securities and Exchange Commission that permit us to provide only management's report in this annual report.

Changes in Internal Control Over Financial Reporting

There were no changes in internal controls over financial reporting that occurred during 2008 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

2008 Annual Base Salary Rates

On October 25 2007, the Board of Directors approved annual base salary rates for the following executives:

Name and Position	2008 Annual Base Salary Rate
Viktor Rozsnyay*	13,006
Chairman, President and Chief Executive Officer	
Daniel Kun, Jr.	21,850
Vice President	
Ildiko Rozsa	25,148
Chief Financial Officer	
Mihaly Zala	38,839
Chief Technology Officer	
Szilvia Toth	41,158
Chief Accounting Officer	

***Director of the Company**

Executive Officer Appointment

On October 24, 2007, the Board of Directors of the Company appointed Mr. Daniel Kun, Jr. to serve as Vice President of the Company. As an extension of the appointment, on February 5, 2009, the Company granted 200,000 restricted stock units to Mr. Kun, vesting in equal installments on a quarterly basis up to December 31, 2009.

On the same day the Board of Directors of the Company appointed Mrs. Ildiko Rozsa to serve as Chief Financial Officer of the Company. As an extension of the appointment, on February 5, 2009,, the Company granted 120,000 restricted stock units to Mrs. Rozsa, vesting in equal installments on a quarterly basis up to December 31, 2009.

On the same day the Board of Directors of the Company appointed Ms. Szilvia Toth to serve as Chief Accounting Officer of the Company. As an extension of the appointment, on February 5, 2009,, the Company granted 120,000 restricted stock units to Ms. Toth, vesting in equal installments on a quarterly basis up to December 31, 2009.

On August 24, 2007, the Board of Directors of the Company appointed Mr. Mihaly Zala to serve as Chief Technology Officer of the Company. As an extension of the appointment, on February 5, 2009,, the Company granted 120,000 restricted stock units to Mr. Zala, vesting in equal installments on a quarterly basis up to December 31, 2009.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS, PROMOTERS, CONTROL PERSONS AND CORPORATE GOVERNANCE; COMPLIANCE WITH SECTION 16(A) OF THE EXCHANGE ACT

The table below sets forth the names and ages of our directors and executive officers as of January 1, 2009:

Name	Age	Position
Viktor Rozsnyay	38	Chairman of the Board, President & Chief Executive Officer
Daniel Kun, Jr.	34	Vice President
Ildiko Rozsa	34	Chief Financial Officer
Mihaly Zala	53	Chief Technology Officer
Szilvia Toth	28	Chief Accounting Officer
Eugene L. Guhne	44	Member of the Board of Directors

Viktor Rozsnyay has served as the Chairman, President & Chief Executive Officer of the Company since April 5, 2007. From April 2006 to present, Mr. Rozsnyay has been a Manager of Vidatech Kft., a Hungarian company focused on the acquisition of technologies developed in Hungary, of which he was a founder; Vidatech is now our wholly owned Hungarian subsidiary. From 2004 to 2006 Mr. Rozsnyay was engaged in researching and establishing the foundation of Vidatech. From 2001 to 2004, he was the Founder and Chief Operating Officer of 10Charge, Inc., an ISSO R&D spin-off company formed to commercialize 10 minute battery charging technology, a product Mr. Rozsnyay and his former partners invented and patented. Prior thereto, Mr. Rozsnyay was the Founder and Managing Director of ISSO R&D Kft., an aerospace research company based in the Republic of Hungary, pursuing advanced aerospace propulsion research. Mr. Rozsnyay attended the Jozsef Katona Technical College in Budapest, graduating in 1989.

Daniel Kun, Jr. has served as the Vice President of the Company since October 24, 2007. In April 2006 Mr. Kun co-founded Vidatech Kft. and since its establishment has acted as Vidatech's Managing Director. Vidatech is now our wholly owned Hungarian subsidiary. Since 1996 Mr. Kun has been a part owner of Lira Kft., a Hungarian company involved in building engineering and heating installations throughout Hungary. From March 2000 to April 2006, he also acted as Managing Director of Lira Kft. Mr. Kun attended the Istvan Vagi Technical College in Budapest, graduating in 1992. Subsequently, Mr. Kun attended the Sligo Regional Technical College in Ireland studying international business and marketing from 1994-1995. Mr. Kun is a certified TUV ISO auditor.

Ildiko Rozsa has served as the Chief Financial Officer of the Company since October 24, 2007. Mrs. Rozsa is a qualified statutory accountant, currently completing her PhD studies at the Budapest Technical and Economic University in Business Science. Ms. Rozsa graduated at the College of Finance and Accountancy, later obtaining her master's degree (MBA) at the Budapest University of Economics. From 1995 through 1996 she was audit assistant at Price Waterhouse's Budapest Audit Department, where she gained experience in IAS and HAS audits. From 1997 through 2002 Ms. Rozsa was Finance and Accounting Director at Vivendi Telecom Hungary. Ms. Rozsa was responsible for the production of Vivendi Group Consolidated Financial Statements for 23 companies including foreign companies in accordance with IFRS, US GAAP and the related statutory requirements; definition of the accounting policy and procedures of the group, and controlling of their application. Management of the related audits and Managing the Accounting Department, the Reporting and Consolidation Department and the Payroll Department of Vivendi Group which consists of approximately 60 persons. From 2002 through 2004 Ms. Rozsa was Chief Financial Officer at Bacardi-Martini Hungary Kft., where she was responsible for Managing the finance and administration team of the company. Responsible for financial, accounting, controlling, IT, customs and payroll activities. In 2004 she founded and became Managing Director, RIBZ Consulting where she works for multinational clients on IFRS and US GAAP projects, on privatization engagements. Ildiko is a tutor at the Budapest Technical University, Economic Faculty.

Mihaly Zala has served as the Chief Technology Officer of the Company since August 24, 2007. Mr. Zala has a background in business, technology and management that spans over thirty five years. Since 2005, Mr. Zala has been managing his own company, Zala Project Builder Ltd. where he manages real estate projects including Gizella Mill, a Casino and exhibition space in Erzsébet Square. From 1998 to 2005 Mr. Zala was an investor, planner, technical controller and project manager at LAVINA Construction and Installation Co. Ltd. Prior to that, from 1987 to 1998 he was planner, technical controller and project manager at the Hungarian Post Office, Bureau for Planning and Investment and MATÁV Rt., Bureau for Telecommunication Investment. Mr. Zala holds an electrical engineering degree from the Budapest University of Technology, Faculty of Electric Engineering.

Szilvia Toth has served as the Chief Accounting Officer of the Company since October 24, 2007. Ms. Toth graduated in 2004 from the College of Finance and Accountancy in Budapest as an Economist on Accountancy. After a short professional practice in 2005 she worked at DHL Express Hungary Kft. as an accountant for different territories (posting of creditors, bank statements and taxes). Following her DHL tenure from 2005 to 2006 Ms. Toth worked at TMF Hungary Kft., an international accounting firm. From 2006 to 2007 Ms. Toth worked at BDO Forte AccRoll Kft., where her responsibilities included full scale bookkeeping including preparing of financial statements, reports, tax-returns, etc. of Hungarian and foreign companies.

Eugene L. Guhne has served as a member of the Board of Directors of the Company since March 4, 2008. Mr. Guhne joined the Company on April 26, 2007 when he was appointed to serve as a member of our Advisory Board. Mr. Guhne has served as a Vice President, Sales of Ultimate Software, Inc. (NASDAQ: ULTI) since November 1999. From February 1998 to November 1999, Mr. Guhne served as Director of Sales, Mid-Atlantic Division of Ultimate Software, Inc. Prior to joining Ultimate Software, Inc., from 1992 to 1998, Mr. Guhne was the President of The Ultimate Software Group of the Carolinas, Inc. and the Vice President of The Ultimate Group of Virginia, Inc., a reseller of Ultimate Software which was acquired by it in March 1998. From 1987 to 1992, Mr. Guhne served in various positions at ADP, where his most recent position was Director of Sales. Mr. Guhne is a shareholder and Director of the Company.

Family Relationships

There are no family relationships between any of directors or executive officers.

Audit Committee

Currently, our entire board of directors serves as our audit committee. Because of the small size of the Company and the risk attendant to a small public company, we are currently unable to attract an audit committee financial expert to our Board of Directors.

Code of Ethics

We currently do not have a Code of Ethics that applies to all of our officers, directors and employees, including our principal executive officer, principal financial officer, principal accounting officer and controller, and others performing similar functions. Company management believes that current resources, both monetary and time wise, are better allocated for developing our business. We also believe that our current management is capable of self judgment and the exercise of 'common sense code of conduct'. However, in the near future, as our work load permits, we will develop and post on our website an appropriate Code of conduct document as required by public company ethics.

Changes in Director Nomination Process for Stockholders

None.

Compliance With Section 16 (A) of the Exchange Act

Based solely upon a review of Forms 3 and 4 and amendments thereto furnished to us pursuant to Rule 16a-3(e) under the Securities Exchange Act of 1934 during our most recent fiscal year and Forms 5 and amendments thereto furnished to us with respect to our most recent fiscal year, certain officers, directors and owners of 10% or more of our outstanding shares have not filed Forms 3, 4 and 5 required by Section 16(a) of the Securities Exchange Act of 1934, as amended.

ITEM 11. EXECUTIVE COMPENSATION

The following summary compensation tables set forth information concerning the annual and long-term compensation for services in all capacities for the years ended December 31, 2008, of those persons who were, at December 31, 2008, Power of the Dream Ventures' chief executive officer, chief financial officer, and other executive officers whose 2008 compensation exceeded \$50,000.

SUMMARY COMPENSATION TABLE*									
Name and principal position	Year	Salary (\$)	Bonus (\$)	Stock Awards (\$)	Option Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	Nonqualified Deferred Compensation Earnings (\$)	All Other Compensation (\$)	Total (\$)
Viktor Rozsnyay President & CEO	2008	13,006		500,000					513,006
Daniel Kun Vice President	2008	21,850		500,000					521,850
Ildiko Rozsa Chief Financial Officer	2008	25,148		300,000					325,148
Mihaly Zala Chief Technology Officer	2008	38,839		300,000				17,000	355,839
Szilvia Toth Chief Accounting Officer	2008	41,158		100,000					141,158
Total		140,001		1,700,000				17,000	1,857,001

The following summary compensation tables set forth information concerning the annual and long-term compensation for services in all capacities for the years ended December 31, 2007, of those persons who were, at December 31, 2007, Power of the Dream Ventures' chief executive officer, chief financial officer, and other executive officers whose 2007 compensation exceeded \$50,000.

*The amounts in the "stock awards column" represent the amount expensed in 2008 under FAS 123(R). The grant date fair value of the awards was based on the market price of the stock at the commitment date of the agreements. See also Note 10 of the financial statements for additional information on these awards.

SUMMARY COMPENSATION TABLE*									
Name and principal position	Year	Salary (\$)	Bonus (\$)	Stock Awards (\$)	Option Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	Nonqualified Deferred Compensation Earnings (\$)	All Other Compensation (\$)	Total (\$)
Viktor Rozsnyay President & CEO	2007	3.000		125.000					128.000
Daniel Kun Vice President	2007	3.250		125.000					128.250
Ildiko Rozsa Chief Financial Officer	2007	5.750		325.000					330.750
Mihaly Zala Chief Technology Officer	2007	9.000		75.000				9.900	93.900
Szilvia Toth Chief Accounting Officer	2007	9.500		150.000					159.500
Total		30.500		800.000				9.900	840.400

*The amounts in the “stock awards column” represent the amount expensed in 2008 under FAS 123(R). The grant date fair value of the awards was based on the market price of the stock at the commitment date of the agreements. See also Note 10 of the financial statements for additional information on these awards.

The directors are not compensated for their directorship.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATE STOCKHOLDER MATTERS

The following table sets forth certain information regarding beneficial ownership of Common Stock as of December 31, 2008 by each person known to us to own beneficially more than 5% of our Common Stock, each of our directors, each of our named executive officers, and all executive officers and directors as a group. Under the SEC rules, beneficial ownership includes any shares as to which the individual has the sole or shared voting power or investment power. In addition, beneficial ownership includes any shares that the individual has the right to acquire within 60 days. Unless otherwise indicated, the Company believes that all persons named in the table below have sole voting and investment power with respect to all shares of common stock beneficially owned by them.

	Common Stock	
	Number of shares	Percent of Class
Ildiko Rozsa (1)	250 000	*
Szilvia Toth (2)	100 000	*
Mihaly Zala (3)	250 000	*
Gene Guhne (4)	1,000,000	2.1%
Mary Passalacqua (5)	2,500,000	5.25%
Daniel Kun, Jr. (6)	14,030,000	29.47%
Viktor Rozsnyay (7)	12,150,000	25.52%
Daniel Kun, Sr. (8)	2,550,000	5.36%
Total	32,830,000	68.95%

- Less than 1%
 - (1) Address is 1066 Budapest, Terez Krt. 22, Hungary
 - (2) Address is 1095 Budapest, Kalman Imre u. 22 II/6, Hungary
 - (3) Address is 1163 Budapest, Kerepesi u. 190, Hungary
 - (4) Address is 585 Cross Creek Tr. Gibsonville, NC 27249
 - (5) Address is 7325 Oswego Road, Suite D, Liverpool, New York, 13090
 - (6) Address is 1037 Budapest, Perenyi u 16/B, Hungary
 - (7) Address is 2049 Diosd, Ligetszepe ut 54, Hungary
 - (8) Address is 1037 Budapest, Perenyi u 16/B, Hungary

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

There has not been since January 1, 2008 nor is there currently pending any transaction or series of similar transactions to which we were or are to be a party in which the amount involved exceeded \$120,000 and in which any director, executive officer, holder of more than 5% of our common stock or any member of the immediate family of any of these persons had or will have a direct or indirect material interest.

Director Independence

Each of the directors qualify as “independent” under the NASDAQ rules. The NASDAQ independence definition includes objective measures that disqualify a director from being independent, including whether the director is an employee of the company or has engaged in various types of business dealings with the company. These objective measures assist our board of directors in making determinations of director independence under the NASDAQ rules. Our board of directors makes a determination regarding the independence of each director annually based on all relevant facts and circumstances.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

The following is a summary of the fees billed to the Company by M&K and BDO Forte Audit Kft. for professional services rendered for the fiscal years ended December 31, 2008 and 2007, respectively:

Fee Category	Fiscal 2008 Fees	Fiscal 2007 Fees
M&K audit fees	\$ 11,352	\$ 93,816
BDO Forte Audit Kft. audit Fees	\$ 25,971	\$ 16,000
Total Fees	\$ 37,323	\$ 109,816

The audit fees consists of fees billed for professional services rendered for the audit of the Company’s consolidated financial statements and review of the interim consolidated financial statements included in quarterly reports and services that are normally provided in connection with statutory and regulatory filings or engagements.

PART IV

ITEM 15. EXHIBITS

<u>Exhibit No.</u>	<u>Description of Exhibit.</u>
3.1	Original Certificate of Incorporation of the Registrant, as filed with the Delaware Secretary of State on August 17, 2006*
3.2	Certificate of Amendment to Certificate of Incorporation of the Registrant as filed on April 12, 2007**
3.3	Bylaws of the Registrant*
3.4	Form of Subscription Agreement of the Registrant
10.1	Standby Equity Distribution Agreement dated October 8, 2008 between YA Global Investments, L.P. and Power of the Dream Ventures, Inc. **
10.2	Warrant to Purchase Common Stock dated October 8, 2008 between YA Global Investments, L.P. and Power of the Dream Ventures, Inc. **
10.3	RiverPower technology research and development agreement dated November 20, 2008 between Vidatech, Ltd. and Gyorgy Szepessy
10.4	FireSAFE license and technology utilization agreement dated August 5, 2008 between Vidatech Ltd and Attila Klausz.
10.5	Business development agreement dated February 23, 2009 between Power of the Dream Ventures, Inc. and Genetic Immunity.
21.1	Subsidiaries of the Registrant†
23.2	Consent of BDO Kontroll Ltd.
31.1	Certification of the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of the Chief Financial Officer and Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of the Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of the Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

* Filed as an exhibit to Form 8-K Current Report, as filed with the U.S. Securities & Exchange Commission on October 14, 2008, and incorporated herein by reference.

** Filed as an exhibit to Form 8-K Current Report, as filed with the U.S. Securities & Exchange Commission on October 14, 2008, and incorporated herein by reference.

† Filed as an exhibit to the Registrant's Registration Statement on Form SB-2/A, as filed with the U.S. Securities & Exchange Commission on November 14, 2007, and incorporated herein by reference.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused the Report to be signed on its behalf by the undersigned thereunto duly authorized.

Power of the Dream Ventures, Inc.
(formerly known as “Tia V, Inc.”)

Dated: March 18, 2009

By: /s/ Viktor Rozsnyay

Viktor Rozsnyay

Principal Executive Officer

/s/ Ildiko Rozsa

Principal Financial Officer

Index to Financial Statements

	<u>Page No.</u>
Report of Independent Registered Public Accounting Firm	F-1
Consolidated Balance Sheet at December 31, 2008	F-2
Consolidated Statements of Operations and Comprehensive Income for the years ended December 31, 2008 and 2007	F-3
Consolidated Statements of Deficiency in Stockholders' Equity for the two years ended December 31, 2008	F-4 to F-5
Consolidated Statements of Cash Flows for the years ended December 31, 2008 and 2007	F-6
Notes to Consolidated Financial Statements	F-7 to F-21

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

Report of Independent Public Accounting Firm

Board of Directors and Stockholders

Power of the Dream Ventures, Inc. (formerly Tia V)

(a development stage company)

Budapest, Hungary

We have audited the accompanying balance sheets of Power of the Dream Ventures, Inc. (formerly Tia V), a development stage company, as of December 31, 2008 and 2007 and the related statements of operations, stockholders' equity, and cash flows for each of the two years in the period then ended and the period from inception (April 26, 2006) to December 31, 2008. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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 are free of material misstatement. The Company 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 Company'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. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Power of the Dream Ventures, Inc. (formerly Tia V) at December 31, 2008 and 2007, and the results of its operations and its cash flows for each of the two years in the period then ended and the period from inception (April 26, 2006) through December 31, 2008, in conformity with accounting principles generally accepted in the United States of America.

March 18, 2009

BDO Forte Audit Ltd.
MKVK number: 002387

Ferenc Baumgartner
General Manager

András Nagy
Registered Auditor

MKVK number: 005718

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

POWER OF THE DREAMS VENTURES, INC. (formerly TIA V)
(A DEVELOPMENT STAGE COMPANY)
CONSOLIDATED BALANCE SHEET
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

Amounts in USD

		December 31, 2008	December 31, 2007
ASSETS			
Current Assets			
Cash		\$650,945	\$182,780
Other receivables	3	25,131	78,806
Receivables from related parties	4	-	100,000
Inventories	6	-	4,466
Total Current Assets		676,076	366,052
Fixed assets, net	7	614,723	623,803
Total Assets		1,290,799	\$989,855
LIABILITIES			
Current Liabilities			
Accounts payable and accrued and other liabilities		\$236,821	\$117,960
Capital leases payable, current portion	9	63,399	61,860
Note payable	8	215,000	250,000
Total Current Liabilities		515,220	429,820
Long term liabilities			
Capital leases payable, less current portion	9	343,159	330,203
Total Long Term Liabilities		343,159	330,203
Stockholders' Equity			
Preferred stock, \$0.0001 par value, 10,000,000 shares authorized, -0- issued			
Common stock, \$.0001 par value; 250,000,000 shares authorized, 47,615,181 and 41,165,000 shares issued and outstanding	10	4,762	4,117
Additional Paid-In Capital		7,041,048	4,446,469
Deficit accumulated during development stage		(6,236,547)	(2,278,335)
Other Comprehensive Income		26,615	(9,850)
Unearned Compensation		(403,458)	(1,932,569)
Total Stockholders' Equity		432,420	229,832
Total liabilities and stockholders' equity		1,290,799	\$989,855

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

POWER OF THE DREAMS VENTURES, INC. (formerly TIA V)
(A DEVELOPMENT STAGE COMPANY)
CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

Amounts in USD

	Notes	For the year ended December 31, 2008	For the year ended December 31, 2007	For the Period from April 26, 2006 (date of inception) to December 31, 2008
Net Sales		\$ -	\$ -	\$ 5,833
Cost of Sales		-	-	(3,711)
Gross margin		<u>-</u>	<u>-</u>	<u>2,122</u>
Material expenses		21,144	22,335	46,168
General administration	11	3,249,997	1,805,366	5,086,430
Research and development	5	425,974	101,383	527,357
Personnel expenses		158,038	37,702	195,740
Depreciation and amortization	7	102,471	39,565	145,093
Other expenses, net		(10,082)	-	(3,455)
Operating expenses		<u>3,947,542</u>	<u>2,006,351</u>	<u>5,997,333</u>
Loss from operations		<u>(3,947,542)</u>	<u>(2,006,351)</u>	<u>(5,995,211)</u>
Interest income and exchange gains		(10,670)	19,318	9,426
Loss before provision (benefit) for income taxes		<u>(3,958,212)</u>	<u>\$(1,987,033)</u>	<u>(5,985,785)</u>
Provision (benefit) for income taxes		-	(5,439)	-
Net loss		<u>(3,958,212)</u>	<u>\$(1,992,472)</u>	<u>\$ (5,985,785)</u>
Basic loss per share		<u>\$(0.09)</u>	<u>\$(0.02)</u>	
Diluted loss per share		<u>\$(0.09)</u>	<u>\$(0.02)</u>	
Weighted average number of shares outstanding – Basic		<u>42,724,459</u>	<u>38,482,145</u>	
Weighted average number of shares outstanding – Diluted		<u>42,724,459</u>	<u>38,482,145</u>	

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

POWER OF THE DREAMS VENTURES, INC. (formerly TIA V)
(A DEVELOPMENT STAGE COMPANY)
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY AND COMPREHENSIVE LOSS

Amounts in USD

	<u>Common</u> Shares	<u>Stocks</u> Amount	Accumulated Deficit During Developmental Stage	Additional Paid In Capital	Other Comprehensive Income	Unearned Compensation	Total	Comprehensive Income/ (Loss)
Issuance of common stock	33,300,000	\$ 3,330		\$ 10,670			\$ 14,000	
Contributed Capital				96,100			96,100	
Currency Translation Adjustment					\$ 4,151		4,151	4,151
Net loss for the period			\$ (35,100)				(35,100)	(35,100)
Balance at December 31, 2006	33,300,000	3,330	(35,100)	106,770	4,151	-	79,151	(30,949)
Contributed Capital				53,735			53,735	
Recapitalization upon Reverse Merger on April 10, 2007 (See Note 1)	2,500,000	250	(250,763)				(250,513)	
Private placement of shares at \$0.34 per share (See Note 10)	2,250,000	225		764,775			765,000	
Shares issued for services at \$0.34 per share (See Note 10)	1,875,000	188		637,313		\$(467,501)	170,000	
Shares issued for research and development at \$0.34 per share (See Note 10)	100,000	10		33,990			34,000	
Private placement at \$2.5 per share (See Note 10)	104,000	10		259,990			260,000	
Shares issued for stock based compensation at \$2.5 per share (See Note 10)	1,036,000	104		2,589,896		(2,590,000)	-	
						1,124,932		
Amortization of Unearned Compensation							1,124,932	
							(14,001)	(14,001)
Currency Translation Adjustment					(14,001)		(1,992,472)	(1,992,472)
Net loss for the period			(1,992,472)				(1,992,472)	(1,992,472)
Balance at December 31, 2007	41,165,000	\$4,117	\$(2,278,335)	\$4,446,469	\$(9,850)	\$(1,932,569)	\$229,832	\$(2,037,422)

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

POWER OF THE DREAMS VENTURES, INC. (formerly TIA V)
(A DEVELOPMENT STAGE COMPANY)
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY AND COMPREHENSIVE LOSS

Amounts in USD

	<u>Common Shares</u>	<u>Stocks Amount</u>	<u>Accumulated Deficit During Developmental Stage</u>	<u>Additional Paid In Capital</u>	<u>Other Comprehensive Income</u>	<u>Unearned Compensation</u>	<u>Total</u>	<u>Comprehensive Income/ (Loss)</u>
Balance at December 31, 2007	41,165,000	\$4,117	\$(2,278,335)	\$4,446,469	\$(9,850)	\$(1,932,569)	\$229,832	\$(2,037,422)
Private placement of shares at \$3.25 per share (See Note 10)	32,500	3		105,622			105,625	
Shares issued for services at \$0.7 per share (See Note 10)	306,570	31		214,568		(214,599)	-	
Shares issued for services at \$0.75 per share (See Note 10)	1,500,000	150		1,124,850		(1,125,000)	-	
Shares issued for services at \$1.35 per share (See Note 10)	111,111	11		149,989		(150,000)	-	
Private placement of shares at \$0.4 per share (See Note 10)	2,500,000	250		999,750			1,000,000	
Shares issued for Standby Equity Distribution Agreement at \$0.4 per share	2,000,000	200		(200)			-	
Amortization of Unearned Compensation						3,018,710	3,018,710	
Currency Translation Adjustment					36,465		36,465	36,465
Net loss for the period			(3,958,212)				(3,958,212)	(3,958,212)
Balance at December 31, 2008	47,615,181	\$4,762	\$(6,236,547)	\$7,041,048	\$26,615	\$(403,458)	\$432,420	\$(5,959,169)

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

POWER OF THE DREAMS VENTURES, INC. (formerly TIA V)
(A DEVELOPMENT STAGE COMPANY)
CONSOLIDATED STATEMENT OF CASH FLOWS

Amounts in USD

	For the year ended December 31, 2008	For the year ended December 31, 2007	Cumulative from April 26, 2006 (date of inception) to December 31, 2008
CASH FLOWS FROM OPERATING ACTIVITIES			
Net loss	\$(3,958,212)	\$(1,992,472)	\$(5,985,785)
Adjustments to reconcile net loss to net cash used in operating activities:			
Amortization of stock-based compensation	3,018,710	1,124,932	4,143,642
Recapitalization under reverse merger	-	-	(250,763)
Issue of shares for services	-	170,000	170,000
Issue of shares for research and development	-	34,000	34,000
Depreciation and amortization	102,471	39,565	142,036
	(837,031)	(623,975)	(1,746,870)
Changes in operating assets and liabilities:			
Increase in inventories	4,028	-	-
(Increase) Decrease in other current assets	53,675	(72,483)	(25,131)
(Increase) Decrease in related party receivables	100,000	(66,000)	-
Decrease in deferred tax assets	-	5,439	-
Increase in accounts payable and accrued liabilities	83,861	105,719	451,821
Net cash used in operating activities	(595,467)	(651,300)	(1,320,180)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of fixed assets	(78,896)	(261,494)	(350,201)
Net cash used in investing activities	(78,896)	(261,494)	(350,201)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from stockholders	-	53,735	149,835
Proceeds from sale of common stock	1,105,625	1,025,000	2,155,295
Net cash from financing activities	1,105,625	1,078,735	2,305,130
Effect of exchange rate changes on cash	36,903	(11,896)	16,196
Net increase in cash	468,165	154,045	650,945
Cash at beginning of period	182,780	28,735	-
Cash at end of period	\$650,945	\$182,780	\$650,945
<u>Supplemental disclosure of cash flow information:</u>			
Non-cash investing and financing transactions			
Issuance of shares for services	\$2,289,599	\$671,501	\$2,961,100
Issuance of shares for liabilities assumed under reverse merger	-	\$250,513	\$250,513
Issuance of stock based compensation shares	-	\$2,590,000	\$2,590,000
Purchase of fixed assets through the assumption of capital lease obligations	406,558	\$392,063	\$406,558
Cash paid for:			
Interest	10,670	5,749	10,025
Taxes	-	-	-

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

POWER OF THE DREAMS VENTURES, INC. (formerly TIA V)
(A DEVELOPMENT STAGE COMPANY)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

NOTE 1 - GENERAL INFORMATION

Power of the Dream Ventures, Inc., f/k/a “Tia V, Inc.” (“PDV” or the “Company”) was incorporated in Delaware on August 17, 2006, with the objective to acquire, or merge with, an operating business.

Reverse merger

PDV entered into and consummated a Securities Exchange Agreement (“Exchange Agreement”) on April 10, 2007. Under the terms of the Exchange Agreement, PDV acquired all the outstanding equity interests of Vidatech, Kft. (also known as Vidatech Technological Research and Development LLC) a limited liability company formed under the laws of the Republic of Hungary, (“Vidatech”) in exchange for 33,300,000 shares of PDV’s common stock, and Vidatech thereby became a wholly-owned Hungarian subsidiary of PDV. PDV is governed by the law of the State of Delaware, and its wholly-owned subsidiary, Vidatech, is governed by the law of the Republic of Hungary. PDV and Vidatech are herein collectively referred to as the “Company.”

Following the acquisition the former stockholders of Vidatech owned a majority of the issued and outstanding common stock of PDV and the management of Vidatech controlled the Board of Directors of PDV and its wholly-owned Hungarian subsidiary Vidatech. Therefore the acquisition has been accounted for as a reverse merger (the “Reverse Merger”) with Vidatech as the accounting acquirer of PDV. The accompanying consolidated financial statements of the Company reflect the historical results of Vidatech, and the consolidated results of operations of PDV subsequent to the acquisition date. In connection with the Exchange Agreement, PDV adopted the fiscal year end of Vidatech as December 31.

All reference to shares and per share amounts in the accompanying consolidated financial statements have been restated to reflect the aforementioned shares exchange.

Business

The Company is engaged in the acquisition, development, licensing and commercialization of and the investment in, directly or through business acquisitions, technologies developed in Hungary. In furtherance of its business, the Company provides research and development services to the companies, inventors from whom it acquires technologies or participation interests in technologies. A goal of the Company is to support research and development activities and to sell the products of inventions to the technological market.

From inception through December 31, 2008, the Company primarily focused on the raising of capital. As of December 31, 2008, the Company acquired eleven technologies, TothTelescope, RiverPower, the Kalmar inventions (FireSAFE fire-proofing liquid; technology for utilizing communal waste as a concrete additive; technology for repairing potholes with the use of recycled plastics; technology for neutralizing red mud; biodegradable deicing solution and PVC shielded electric cable recycling technology), Desalination technology, water and gasoline mixing technology for use in internal combustion engines and an equity interest in ‘in4 Kft’, a company formed to develop next generation semantic internet based search engine and content organizer applications. All of these technologies are still in the development stage (see Note 5). As of December 31, 2008, the Company has only realized limited revenues from the TothTelescope project and has not realized any revenues from the other inventions. As a result, the accompanying consolidated financial statements have been presented on a development stage basis.

POWER OF THE DREAMS VENTURES, INC. (formerly TIA V)
(A DEVELOPMENT STAGE COMPANY)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

FireSAFE

On August 20, 2008 the Company licensed its FireSAFE technology to a group of Hungarian investors for a license acquisition fee of HUF 20,000,000 (approximately \$120,000), where half of the license fee was received by the Company in August of 2008, and the other half due once independent testing and verification of the technology completed, but no later than June 31, 2009. The received amount was recorded as a liability in accordance with Staff Accounting Bulletin No. 104, "Revenue Recognition" ("SAB 104"), which superseded Staff Accounting Bulletin No. 101, "Revenue Recognition in Financial Statements" ("SAB 101"). A new company called FireLESS Ltd. was established and given commercialization license. The Company received 30% equity in FireLESS Ltd in addition to the one time license acquisition fee which was recorded as research and development expense in accordance with Statement of Financial Accounting Standards ("SFAS") No. 2 "Accounting for Research and Development Costs (See also Note 5).

The new company will focus on acquiring the appropriate licenses and certificates to internationally market FireSAFE and will work with local and international fire agencies to test and establish usability baselines for FireSAFE. It is anticipated that FireLESS Ltd. will start the international roll-out of FireSAFE in the first half of 2009, assuming positive outcome to the test currently underway.

To further these goals, by protecting the intellectual property FireSAFE represents, on October 20, 2008 the Company filed a PCT patent application in addition to the already filed Hungarian application to protect FireSAFE internationally.

FireSAFE is an environmentally friendly, biodegradable liquid designed to prevent, and if necessary extinguish natural fires that are exceedingly hard, or impossible to contain with water or other fire-fighting solutions. This category includes forest, bush and other natural fires. FireSAFE reaches the heart of the fire, coating all surfaces with a crystalline layer that hardens when exposed to heat. The layer thus formed is capable of withstanding heat as high as 1,100 degrees centigrade, enough to stop the most fearsome forest fires. Following use (containment of the fire) the biodegradable active ingredient will decompose in approximately four months. FireSAFE can also be used as a preventive solution, both in the wild and in treating lumber. During fire season those areas that are the most likely to be burnt can be sprayed with the solution as a preventive measure. Lumber used in construction can also be treated with FireSAFE to increase its fire resistance factor. FireSAFE can be manufactured anywhere on the planet with ease as all its ingredients are widely and cheaply available.

Yorkville SEDA

On October 8, 2008, Power of the Dream Ventures, Inc. (the "Company") entered into a Standby Equity Distribution Agreement (the "Standby Equity Distribution Agreement") with YA Global Investments, L.P. (the "Investor"). Pursuant to the terms of the Standby Equity Distribution Agreement, the Company (a) agreed to issue and sell to the Investor up to \$5,000,000 of shares of the Company's common stock, par value \$0.0001 per share (the "Common Stock") in tranches of equity, based upon a specified discount to the market price of the Common Stock, calculated over the five trading days following notice by the Company of an election to sell shares; and (b) issued to the Investor a warrant (the "Warrant") to purchase 4,027,386 shares of Common Stock at the exercise price per share of \$0.29. The Warrant is not part of the commitment shares issued by the company to the investor. The investor must purchase the shares underlying the Warrant. The Warrant price was determined based upon the highest Bid price on the day of the closing of the agreement.

In connection with the Standby Equity Distribution Agreement, the Company entered into a Registration Rights Agreement with the Investor (the "Registration Rights Agreement") pursuant to which the Company agreed to register for resale the shares of Common Stock that may be purchased by the Investor pursuant to the Standby Equity Distribution Agreement, the shares of Common Stock issuable upon exercise of the Warrant and 2,000,000 shares of Common Stock (the "Commitment Shares") issued to the Investor as a commitment fee pursuant to the terms of the Standby Equity Distribution Agreement. The commitment fee is recorded by decreasing additional paid in capital.

POWER OF THE DREAMS VENTURES, INC. (formerly TIA V)
(A DEVELOPMENT STAGE COMPANY)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

Financing from this transaction will be used by the Company for the continued development of its current technologies, commercialization of same, the acquisition of new technologies and for general corporate expenses.

The Company filed the details of this transaction on Form 8-K with the Commission on October 14, 2008.

Basis of presentation

The accompanying consolidated financial statements have been prepared by the Company pursuant to the rules and regulations of the SEC. Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America for financial information have been condensed or omitted pursuant to such rules and regulations. In the opinion of management, the accompanying financial statements include all adjustments (consisting of normal recurring accruals) considered necessary to make the financial statements not misleading as of and for the period ended December 31, 2008 and for the period from April 26, 2006 (date of inception) to December 31, 2008.

Going Concern and Management's Plan

The accompanying consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America, which contemplate the continuation of the Company as a going concern and assume realization of assets and the satisfaction of liabilities in the normal course of business. The Company has incurred losses from operations since inception. Management anticipates incurring additional losses in 2009. Further, the Company may incur additional losses thereafter, depending on its ability to generate revenues from the licensing or sale of its technologies and products, or to enter into any or a sufficient number of joint ventures. The Company has minimal revenue to date. There is no assurance that the Company can successfully commercialize any of its technologies and products and realize any revenues therefore. The Company's technologies and products have never been utilized on a large-scale commercial basis and there is no assurance that any of its technologies or products will receive market acceptance. There is no assurance that the Company can continue to identify and acquire new technologies.

Since inception through December 31, 2008, the Company had an accumulated deficit of \$6,236,547 and net cash used in operations of \$1,320,180. However, management of the Company believes that the recent funding from the private placement of the Company's common shares (See Note 9) will allow them to continue operations and execute its business plan.

Management believes the Company has adequate capital to keep the Company functioning through December 31, 2009. However, the need may arise, in the normal course of business, to raise additional capital if we want to accelerate development work, for the acquisition of additional technologies, or to meet unforeseen financial needs. No assurance can be given that the Company can obtain additional working capital, or if obtained, that such funding will not cause substantial dilution to shareholders of the Company. If the Company is unable to raise additional funds, if needed, it may be forced to change or delay its contemplated marketing and business plan. Being a development stage company, the Company is subject to all the risks inherent in the establishment of a new enterprise and the marketing and manufacturing of a new product, many of which risks are beyond the control of the Company. All of the factors discussed above raise substantial doubt about the Company's ability to continue as a going concern.

These consolidated financial statements do not include any adjustments relating to the recoverability of recorded asset amounts that might be necessary as a result of the above uncertainty.

POWER OF THE DREAMS VENTURES, INC. (formerly TIA V)
(A DEVELOPMENT STAGE COMPANY)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in preparation of the consolidated financial statements are set out below.

Principles of Consolidation

The consolidated financial statements include the accounts of PDV and its wholly-owned Hungarian subsidiary, Vidatech. All significant intercompany accounts and transactions have been eliminated in consolidation.

Use of Estimates:

The preparation of the financial statements in conformity with GAAP requires management to make estimates, judgments and assumptions that affect amounts reported herein. Management believes that such estimates, judgments and assumptions are reasonable and appropriate. However, due to the inherent uncertainty involved, actual results may differ from those based upon management's judgments, estimates and assumptions. Critical accounting policies requiring the use of estimates are depreciation and amortization and share-based payments

Revenue Recognition:

Sales are recognized when there is evidence of a sales agreement, the delivery of the goods or services has occurred, the sales price is fixed or determinable and collectability is reasonably assured, generally upon shipment of product to customers and transfer of title under standard commercial terms. Sales are measured based on the net amount billed to a customer. Generally there are no formal customer acceptance requirements or further obligations. Customers do not have a general right of return on products shipped therefore no provisions are made for return.

Accounts Receivable and Allowance for Doubtful Accounts:

Accounts receivable are stated at historical value, which approximates fair value. The Company does not require collateral for accounts receivable. Accounts receivable are reduced by an allowance for amounts that may be uncollectible in the future. This estimated allowance is determined by considering factors such as length of time accounts are past due, historical experience of write offs, and customers' financial condition.

Inventories:

Inventories are stated at the lower of cost, determined based on weighted average cost or market. Inventories are reduced by an allowance for excess and obsolete inventories based on management's review of on-hand inventories compared to historical and estimated future sales and usage.

Fixed assets:

Fixed assets are stated at cost or fair value for impaired assets. Depreciation and amortization is computed principally by the straight-line method. Asset amortization charges are recorded for long lived assets. In the related periods, no asset impairment charges were accounted for.

Depreciation is recorded commencing the date the assets are placed in service and is calculated using the straight line basis over their estimated useful lives.

The estimated useful lives of the various classes of long-lived assets are approximately 3-7 years.

POWER OF THE DREAMS VENTURES, INC. (formerly TIA V)
(A DEVELOPMENT STAGE COMPANY)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

Pensions and Other Post-retirement Employee benefits:

In Hungary, pensions are guaranteed and paid by the government or by pension funds, therefore no pensions and other post-retirement employee benefit costs or liabilities are to be calculated and accounted by the Company.

Product warranty:

The Company accrues for warranty obligations for products sold based on management estimates, with support from sales, quality and legal functions, of the amount that eventually will be required to settle such obligations. At December 31, 2008, the Company had no warranty obligations in connection with the products sold.

Advertising costs:

Advertising and sales promotion expenses are expensed as incurred.

Research and development and Investment and Advances to Non-Consolidated Entities:

In accordance with Statement of Financial Accounting Standards (“SFAS”) No. 2 “Accounting for Research and Development Costs,” all research and development (“R&D”) costs are expensed when they are incurred, unless they are reimbursed under specific contracts. Assets used in R&D activity, such as machinery, equipment, facilities and patents that have alternative future use either in R&D activities or otherwise are capitalized. In connection with investments and advances in development-stage technology entities in which the company owns or controls less than a 50% voting interest, (see Note 5) where repayment from such entity is based on the results of the research and development having future economic benefit, the investment and advances are accounted for as costs incurred by the Company as research and development in accordance with SFAS No. 68 “Research and Development Arrangements”.

Income taxes:

The Company accounts for income taxes in accordance with SFAS No. 109, “Accounting for Income Taxes”. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carry forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Valuation allowances are provided against deferred tax assets to the extent that it is more likely than not that the deferred tax assets will not be realized.

Comprehensive Income (Loss):

SFAS No. 130, “Accounting for Comprehensive Income,” establishes standards for reporting and disclosure of comprehensive income and its components (including revenues, expenses, gains and losses) in a full set of general-purpose financial statements. The items of other comprehensive income that are typically required to be disclosed are foreign currency items, minimum pension liability adjustments, and unrealized gains and losses on certain investments in debt and equity securities. Accumulated other comprehensive income, at December 31, 2008 is \$26,615.

POWER OF THE DREAMS VENTURES, INC. (formerly TIA V)
(A DEVELOPMENT STAGE COMPANY)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

Translation of Foreign Currencies:

The U.S. dollar is the functional currency for all of the Company's businesses, except its operations in Hungary. Foreign currency denominated assets and liabilities for this unit is translated into U.S. dollars based on exchange rates prevailing at the end of each period presented, and revenues and expenses are translated at average exchange rates during the period presented. The effects of foreign exchange gains and losses arising from these translations of assets and liabilities are included as a component of equity, under other comprehensive income.

Loss per Share:

Under SFAS No. 128, "Earnings Per Share", basic loss per common share is computed by dividing the loss applicable to common stockholders by the weighted average number of common shares assumed to be outstanding during the period of computation. Diluted loss per common share is computed using the weighted average number of common shares and, if dilutive, potential common shares outstanding during the period. There were no common stock equivalents or potentially dilutive securities outstanding during the years ended December 31, 2008 and 2007, respectively. Accordingly, the weighted average number of common shares outstanding for the years ended December 31, 2008 and 2007, respectively, is the same for purposes of computing both basic and diluted net income per share for such years.

Business Segment:

SFAS No. 131, "Disclosures About Segments of an Enterprise and Related Information," establishes standards for the way public enterprises report information about operating segments in annual consolidated financial statements and requires reporting of selected information about operating segments in interim financial statements regarding products and services, geographical areas and major customers. The Company has determined that under SFAS No. 131, there are no operating segments since substantially all business operations, assets and liabilities are in Hungarian geographic segment.

Share-Based Payments:

In accordance with SFAS No. 123R "Share-Based Payment" all forms of share-based payment ("SBP") awards including shares issued under employee stock purchase plans, stock options, restricted stock and stock appreciation rights result in a cost that is measured at fair value on the awards' grant date, based on the estimated number of awards that are expected to vest. As the Company did not issue any employee SBP prior to September 30, 2007, there is no compensation cost recognized in the accompanied consolidated financial statements.

The Company accounts for equity instruments issued to non-employees in accordance with the provisions of Emerging Issues Task Force (EITF) Issue No. 96-18, "Accounting for Equity Instruments That Are Issued to Other Than Employees for Acquiring, or in Conjunction with Selling, Goods or Services," which requires that such equity instruments are recorded at their fair value on the measurement date. The measurement of stock-based compensation is subject to periodic adjustment as the underlying equity instrument vests. Non-employee stock-based compensation charges are amortized over the vesting period or period of performance of the services.

Recent Accounting Pronouncements:

In September 2006, the FASB issued SFAS 157, Fair Value Measurement. The new standard applies whenever other standards require or permit assets or liabilities to be measured at fair value. This Statement defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. This statement is effective for financial statements issued for fiscal years beginning after November 15, 2007.

POWER OF THE DREAMS VENTURES, INC. (formerly TIA V)
(A DEVELOPMENT STAGE COMPANY)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2007 AND 2006

The adoption of SFAS 157 for financial assets and liabilities did not have a material impact on its consolidated financial position, results of operation or cash flows. FSP FAS 157-2 delayed the effective date for non-financial assets and liabilities to fiscal years beginning after November 15, 2008. Adoption of SFAS 157 for non-financial assets and liabilities will not have a material impact on the Company's consolidated financial position, results of operations or cash flows.

In September 2006, the staff of the SEC issued Staff Accounting Bulletin ("SAB") No. 108, which provides interpretive guidance on how the effects of the carryover or reversal of prior year misstatements should be considered in quantifying a current year misstatement. SAB 108 becomes effective in fiscal 2007. Adoption of SAB 108 did not have a material impact on the Company's consolidated financial position, results of operations or cash flows.

In February 2007, the FASB issued SFAS No. 159 "The Fair Value Option for Financial Assets and Financial Liabilities - Including an amendment of FASB Statement No. 115", which permits entities to choose to measure many financial instruments and certain other items at fair value. The fair value option established by this Statement permits all entities to choose to measure eligible items at fair value at specified election dates. A business entity shall report unrealized gains and losses on items for which the fair value option has been elected in earnings at each subsequent reporting date. Adoption is required for fiscal years beginning after November 15, 2007. Early adoption is permitted as of the beginning of a fiscal year that begins on or before November 15, 2007, provided the entity also elects to apply the provisions of SFAS Statement No. 157, Fair Value Measurements. Adoption of SFAS 159 did not have a material impact on the Company's consolidated financial position, results of operations or cash flows.

In December 2007, the FASB issued SFAS No. 141(R), "Business Combinations" ("SFAS 141(R)"). SFAS 141(R) replaces SFAS No. 141, "Business Combinations", but retains the requirement that the purchase method of accounting for acquisitions be used for all business combinations. SFAS 141(R) expands on the disclosures previously required by SFAS 141, better defines the acquirer and the acquisition date in a business combination, and establishes principles for recognizing and measuring the assets acquired (including goodwill), the liabilities assumed and any non-controlling interests in the acquired business. SFAS 141(R) also requires an acquirer to record an adjustment to income tax expense for changes in valuation allowances or uncertain tax positions related to acquired businesses. SFAS 141(R) is effective for all business combinations with an acquisition date in the first annual period following December 15, 2008; early adoption is not permitted. We will adopt this statement as of January 1, 2009. The impact of SFAS 141(R) will have on our consolidated financial statements will depend on the nature and size of acquisitions we complete after we adopt SFAS 141(R).

In December 2007, the FASB issued SFAS No. 160, "Non-controlling Interests in Consolidated Financial Statements-an amendment of ARB No. 51" (SFAS 160). SFAS 160 requires that non-controlling (or minority) interests in subsidiaries be reported in the equity section of the company's balance sheet, rather than in a mezzanine section of the balance sheet between liabilities and equity. SFAS 160 also changes the manner in which the net income of the subsidiary is reported and disclosed in the controlling company's income statement. SFAS 160 also establishes guidelines for accounting for changes in ownership percentages and for deconsolidation. SFAS 160 is effective for financial statements for fiscal years beginning on or after December 15, 2008 and interim periods within those years. The adoption of SFAS 160 is not expected to have a material impact on our financial position, results of operations or cash flows.

POWER OF THE DREAMS VENTURES, INC. (formerly TIA V)
(A DEVELOPMENT STAGE COMPANY)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

In March 2008, the FASB issued SFAS No. 161, "Disclosures about Derivative Instruments and Hedging Activities—an amendment of FASB Statement No. 133" (SFAS 161). SFAS 161 requires enhanced disclosures about an entity's derivative and hedging activities and thereby improves the transparency of financial reporting. SFAS 161 is effective for financial statements issued for fiscal years and interim periods beginning after November 15, 2008, with early application encouraged. The adoption of SFAS 161 is not expected to have a material impact on our financial position, results of operations or cash flows.

In March 2008, the FASB issued SFAS No. 162, The Hierarchy of Generally Accepted Accounting Principles. This statement identifies the sources of accounting principles and the framework for selecting the principles to be used in the preparation of financial statements of nongovernmental entities that are presented in conformity with US GAAP. This statement is effective 60 days following the SEC's approval of the Public Company Accounting Oversight Board amendments to AU Section 411, The Meaning of Present Fairly in Conformity With Generally Accepted Accounting Principles.

In May 2008, the FASB issued FSP Accounting Principles Board ("APB") 14-1 " Accounting for Convertible Debt Instruments that may be settled in Cash upon Conversion (Including Partial Cash Settlement) " ("FSP APB 14-1"). FSP APB 14-1 requires the issuer of certain convertible debt instruments that may be settled in cash (or other assets) on conversion to separately account for the liability (debt) and equity (conversion option) components of the instrument in a manner that reflects the issuer's non-convertible debt borrowing rate. FSP APB 14-1 is effective for fiscal years beginning after December 15, 2008 on a retroactive basis. The adoption of FSP APB 14-1 is not expected to have a material impact on our financial position, results of operations or cash flows.

NOTE 3 - OTHER RECEIVABLES

	December 31, 2008	December 31, 2007
VAT reclaimable	\$20,214	\$74,214
Advances given	668	2,219
Other	4,249	2,373
Total	\$25,131	\$78,806

NOTE 4 - RECEIVABLES FROM RELATED PARTIES

During 2007, the Company has provided advances of \$100,000 to its management for short term general administration expenses (travel and representation) which were offset by expense reports. The amount of advance has been settled during 2008.

During 2006, the Company has provided short term loan to its management for general administration expenses. The loan did not bear interest obligation. The short term loan was repaid in January, 2007 to the Company.

NOTE 5 - RESEARCH AND DEVELOPMENT ("R&D")

In August, 2008, the Company entered into an agreement with a Hungarian individual to establish FireLESS Kft (FireLESS). FireLESS's business is focused on acquiring the appropriate licenses and certificates to internationally market FireSAFE and will work with local and international fire agencies to test and establish usability baselines for FireSAFE. The Company is a minority shareholder in FireLESS with 30% voting rights, which operates under independent management.

POWER OF THE DREAMS VENTURES, INC. (formerly TIA V)
(A DEVELOPMENT STAGE COMPANY)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

NOTE 5 - RESEARCH AND DEVELOPMENT (“R&D”) – (Continued)

In August, 2007, the Company entered into an agreement with two Hungarian individuals to establish In4 Kft (“in4”). in4’s business is focused on software development and information technology purposes. Originally the Company was a minority shareholder in in4 with 30% voting rights. In4 Ltd. operates under independent management.

In August, 2007, the Company also entered into a loan commitment agreement with in4. According to the agreement the Company has committed a loan of approximately \$271,000 to in4. The loan can be withdrawn by May 31, 2009. In November of 2008 the Company transferred to in4 the entire loan amount, upon which the Company elected to covert the loan into an additional 10% equity in in4. As of January 15, 2009 the Company maintains a minority 40% equity in in4 Ltd.

Since the repayment of loans, advances and other investment is contingent on the results of the R&D of iGlue having future economic benefit, management has expensed the Company's investment in in4 and in FireLESS of approximately \$5,000 and \$900, respectively and loan to in4 of approximately \$310,000 as R&D in the accompanying condensed consolidated statements of operations, in accordance with SFAS No. 68 "Research and Development Arrangements".

On 16 January, 2008, the Company entered into an Invention Transfer Agreement (“ITA”) with Otto Buresch, a Hungarian individual (“Inventor”). The purpose of the agreement is to transfer to the Company the exclusive right of utilizing for technology capable of mixing water with gasoline, in 40% to 60 %, for use in internal combustion engines. The purchase price of the invention was HUF 1,750,000 (approximately \$10,000) The Company will patent the invention and will become its owner. Following successful commercialization the inventor is entitled to receive 40% of net revenue.

NOTE 6 - INVENTORY

At December 31, 2007, inventories contained semi-finished goods of approximately \$4,000 which were disposed in 2008.

NOTE 7 - FIXED ASSETS

Net property and equipment consisted of the followings at December 31, 2008 and 2007:

	<u>December 31,</u> <u>2008</u>	<u>December 31,</u> <u>2007</u>
Machinery and equipment	\$68,026	\$73,834
Vehicles	582,087	520,625
Office equipment	46,646	63,175
Software and website registration rights	22,252	12,125
Total	<u>719,011</u>	<u>669,759</u>
Less: Accumulated depreciation and amortization	<u>(104,288)</u>	<u>(45,956)</u>
Net property and equipment	<u>614,723</u>	<u>\$623,803</u>

The net book value of fixed assets under capital lease amount to \$516,188 and \$499,843 at December 31, 2008 and at December 31, 2007, respectively. Depreciation and amortization expense for the years ended December 31, 2008 and December 31, 2007 was \$102,471 and \$39,565, respectively and \$145,093 for the period from April 26, 2006 (date of inception) to December 31, 2008.

POWER OF THE DREAMS VENTURES, INC. (formerly TIA V)
(A DEVELOPMENT STAGE COMPANY)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

NOTE 8 - NOTE PAYABLE

On April 10, 2007, in connection with reverse merger (See Note 1), the Company assumed a note payable of \$250,000 to a former stockholder, Mary Passalaqua originally with one year maturity at April 5, 2008. The note has been expanded by one year to April 5, 2009 with the same conditions. As such note payable was issued immediately prior to the reverse merger, such issuance was recorded as additional compensation by the Company prior to the reverse merger. Accordingly, such compensation is reflected in the accompanying consolidated balance sheet as the accumulated deficit of the Company, and will not be reflected in the Statement of operations, as such compensation expense was structured as an expense prior to the recapitalization.

In November, 2008 the Company settled \$35,000 from the outstanding liability. The note payable bears interest at the prime rate (3.25% at December 31, 2008). Interest expense in connection with such note amounted to \$27,010 and \$14,404 for the year ended at December 31, 2008 and at December 31, 2007, respectively, and was accrued and included in accounts payable and accrued liabilities in the accompanying consolidated balance sheet.

NOTE 9 - CAPITAL LEASES PAYABLE

In August, 2007, the Company entered into capital lease agreements on 3 vehicles for management purposes. The maturity of the lease is 60 months and is denominated in CHF. Installments and interest is due on a monthly basis.

In December, 2007, the Company entered into additional capital lease agreements on 2 vehicles for management purposes. The maturity of the lease is 72 months and is denominated in CHF. Installments and interest is due on a monthly basis.

In December 2008, the Company settled the capital lease agreements on 2 vehicles and replaced them with new agreements for additional 2 vehicles, totaling 5 capital lease agreements at December 31, 2008. The maturity of the new leases varies from 60 to 72 months and are denominated in EUR and CHF. Installments and interests are due on a monthly basis.

The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of December 31, 2008:

For the year ending December 31, 2008	Amounts
2009	\$99,137
2010	104,462
2011	104,462
2012	99,118
2013	86,952
2014	27,099
Total minimum lease payments	<u>521,230</u>
Less: amounts representing interest	<u>114,672</u>
Present value of net minimum lease payments	406,558
Less: current portion	<u>63,399</u>
Long term liability	<u>\$343,159</u>

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

POWER OF THE DREAMS VENTURES, INC. (formerly TIA V)
(A DEVELOPMENT STAGE COMPANY)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

NOTE 10 - STOCKHOLDERS' EQUITY

On October 8, 2008, Power of the Dream Ventures, Inc. (the "Company") entered into a Standby Equity Distribution Agreement (the "Standby Equity Distribution Agreement") with YA Global Investments, L.P. (the "Investor"). Pursuant to the terms of the Standby Equity Distribution Agreement, the Company (a) agreed to issue and sell to the Investor up to \$5,000,000 of shares of the Company's common stock, par value \$0.0001 per share (the "Common Stock") in tranches of equity, based upon a 7% discount to the market price of the Common Stock, calculated over the five trading days following notice by the Company of an election to sell shares; and (b) issued to the Investor a warrant (the "Warrant") to purchase 4,027,386 shares of Common Stock at the exercise price per share of \$0.29. The Warrant is not part of the commitment shares issued by the company to the investor. The investor must purchase the shares underlying the Warrant. The Warrant price was determined based upon the highest Bid price on the day of the closing of the agreement. The YA Global is required to exercise the warrant upon notice by PDV of an election to have the warrants exercised at a fix price of \$0.29 per common stock.

In connection with the Standby Equity Distribution Agreement, the Company entered into a Registration Rights Agreement with the Investor (the "Registration Rights Agreement") pursuant to which the Company agreed to register for resale the shares of Common Stock that may be purchased by the Investor pursuant to the Standby Equity Distribution Agreement, the shares of Common Stock issuable upon exercise of the Warrant and 2,000,000 shares of Common Stock (the "Commitment Shares") issued to the Investor as a commitment fee pursuant to the terms of the Standby Equity Distribution Agreement. The 2,000,000 shares issued as a commitment fee were valued at \$0.4 per share or ~~of~~ \$800,000 based on the fair value at issuance date. The \$800,000 commitment fee has been debited against additional paid in capital in accordance with the provisions of Staff Accounting Bulletin Topic 5A .

There is no limit to the amount of each advance. We are not obligated to utilize any of the \$5.0 million available under the SEDA and there are no minimum commitments or minimum use penalties. Based upon our outstanding shares of common stock, and warrants to purchase common stock as of December 31, 2008, there is no limit on the number of share we may issue without stockholder approval. Based on the price of our stock at December 31, 2008, the maximum number of shares that could be sold under this agreement is approximately 362,500 shares.

On May 17, 2008 the Company entered into an agreement with Wakabayashi Fund LLC in order to arrange financing for working capital as an intermediary. Wakabayashi Fund LLC provides capital funding services including serving as an investment banking liaison and acts as capital consultant for a six month period. The Company issued 111,111 shares of restricted common stock upfront at \$1.35 per share, the market price of the stock on the commitment date of the agreement. Additionally, the Company agreed to pay for the capital funding services 7% success fee. These share issuances were recorded at \$1.35 per share in the total amount of \$150,000 in accordance with measurement date principles prescribed under EITF 96-18. The Company is amortizing the fair value of the shares in general and administration expenses over the term of the agreement to stock-based compensation expense, which amounted to \$150,000 and \$0 for the year ended December 31, 2008 and December 31, 2007, respectively and \$150,000 for the period from April 26, 2006 (date of inception) to December 31, 2008, in accordance with EITF 96-18.

On April 18, 2008 the Company entered an agreement with RedChip Companies Inc. and Partner Media4Equity Inc. for an investor relationship program for a period of 12 months. The Company secured and delivered 306,570 restricted common shares with a market price of \$0.70 for a 12 months period in connection with RedChip investor relationship services. The compensation for Media4Equity services was the delivery of 1,500,000 restricted common shares. These share issuances were recorded at \$0.75 per share, the market price of the stock on the commitment date of the agreement, for a total amount of \$1,125,000 in accordance with measurement date principles prescribed under EITF 96-18. The Company is amortizing the fair value of the shares in general and administration expenses over the term of the agreement to stock-based compensation expense, which amounted to \$792,123 and \$0 for the year ended December 31, 2008 and December 31, 2007, respectively and \$792,123 for the period from April 26, 2006 (date of inception) to December 31, 2008, in accordance with EITF 96-18.

POWER OF THE DREAMS VENTURES, INC. (formerly TIA V)
(A DEVELOPMENT STAGE COMPANY)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

NOTE 10 - STOCKHOLDERS' EQUITY (Continued)

Summaries of non-vested restricted stock awards are as follows:

	# <u>Shares</u>	<u>Weighted Average Grant date fair value</u>
Non-vested at December 31, 2007	1,205,332	\$1,932,569
Granted in 2008	1,917,681	1,489,599
Forfeited		
Vested in 2008	(2,567,645)	(3,018,710)
Non-vested at December 31, 2008	555,368	\$403,458

As of December 31, 2008, we had estimated unrecognized stock-based compensation expense of \$403,458 related to nonvested restricted stock awards and units. This expense is expected to be recognized over a weighted-average period of 1 year.

The weighted average grant-date fair value of restricted stock awards granted for the year ended December 31, 2008 and 2007 were \$0.73 and \$1.6, respectively. The total fair value of shares vested during the year ended December 31, 2008 was \$403,458.

On February 20, 2008 shares of the Company's common stock was approved quotation and trading by FINRA on the Over The Counter Bulletin Board (OTCBB) under the ticker symbol PWRV. Trading commences in the Company's securities on the OTCBB beginning on February 21, 2008.

On January 30, 2008, pursuant to a private placement under Regulation S of the Securities Act of 1933, as amended, the Company sold 104,000 shares of its common stock at \$3.25 per share for aggregate proceeds of \$105,625.

In October 2007, pursuant to a private placement under Regulation S of the Securities Act of 1933, as amended, the Company sold 104,000 shares of its common stock at \$2.50 per share for aggregate proceeds of \$260,000. The Company also entered into a Registration Rights Agreement, pursuant to which it agreed that as soon as practicable from the Offering Termination Date, as defined in the Registration Rights Agreement, it would file a registration statement with the SEC covering the resale of the shares of the Company's common stock that are issuable pursuant to this private placement. There are no stipulated damages outlined in the Registration Rights Agreement for failure to file within the agreed upon time frame. Under such agreement, the holder is entitled to exercise all rights granted by law, including recovery of damages under this agreement. The company filed on Form SB-2 a registration statement with the SEC on November 14, 2007, which was approved on January 30, 2008.

On October 24, 2007, the Company entered into a restricted stock agreement with Ildiko Rozsa, who is to serve as the Chief Financial Officer of the Company. As part of the agreement Ms. Rozsa was granted 250,000 shares of the Company's restricted common stock of which 100,000 shares are vested upon grant and 30,000 shares will vest quarterly, at the end of each quarter, so long as Ms. Rozsa is employed by the Company.

On October 1, 2007, the Company entered into a restricted stock agreement with Szilvia Toth, the Chief Accounting Officer of the Company. As part of the agreement Ms. Toth was granted 100,000 shares of restricted common stock of which 50,000 shares are vested upon grant and 10,000 shares will vest quarterly, at the end of each quarter, so long as Ms. Toth is employed by the Company.

On October 24, 2007, the Company entered into a restricted stock agreement with Mihaly Zala, the Chief Technology Officer of the Company. As part of the agreement Mr. Zala was granted 150,000 shares of restricted common stock, which will vest on equal installments of 30,000 shares quarterly, at the end of each quarter, so long as Mr. Zala is employed by the Company.

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

POWER OF THE DREAMS VENTURES, INC. (formerly TIA V)
(A DEVELOPMENT STAGE COMPANY)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

NOTE 10 - STOCKHOLDERS' EQUITY (Continued)

On October 24, 2007, the Company entered into a restricted stock agreement with Imre Eotvos, the Technology Assistant of the Company. As part of the agreement Mr. Eotvos was granted 25,000 shares of restricted common stock, which will vest on equal installments of 5,000 shares quarterly, at the end of each quarter, so long as Mr. Eotvos is employed by the Company.

On October 1, 2007, the Company entered into a restricted stock agreement with Sandorne Juhasz, who provides payroll accounting services to the Company on a subcontracting basis. As part of the agreement Ms. Juhasz was granted 11,000 shares of restricted common stock, of which 8,000 is will vest upon grant and 750 shares will vest quarterly, at the end of each quarter, so long as Ms. Juhasz is employed by the Company.

On October 24, 2007, the Company entered into a restricted stock agreement with Daniel Kun, Jr., who is to serve as Secretary and Vice President of the company on a going forward basis. Previously Mr. Kun served as Secretary, Treasurer and Chief Financial Officer. As part of the agreement Mr. Kun was granted 250,000 shares of restricted common stock, which will vest on equal installments of 50,000 shares quarterly, at the end of each quarter, so long as Mr. Kun is employed by the Company.

On October 24, 2007, the Company entered into a restricted stock agreement with Viktor Rozsnyay, who is serving as President and Chief Executive Officer of the Company. As part of the agreement Mr. Rozsnyay was granted 250,000 shares of restricted common stock, which will vest on equal installments of 50,000 shares quarterly, at the end of each quarter, so long as Mr. Rozsnyay is employed by the Company.

As consideration for the above services, the Company issued an aggregate of 1,036,000 shares of the Company's common stock. These share issuances were recorded at \$2.5 per share in the total amount of \$2,590,000 in accordance with measurement date principles prescribed under SFAS 123(R). The fair value of share was determined based on the last private placements. The Company is amortizing the fair value of the shares over the term of the agreement to stock-based compensation expense, which amounted to \$1,755,625 and \$834,375 for the year ended December 31, 2008 and December 31, 2007, respectively and \$2,590,000 for the period from April 26, 2006 (date of inception) to December 31, 2008, in accordance with SFAS 123R.

In June 2007, pursuant to a private placement under Regulation S of the Securities Act of 1933, as amended, the Company sold 2,250,000 shares of its common stocks at \$0.34 per share for a total subscription receivable of \$765,000. The Company also entered into a Registration Rights Agreement, pursuant to which it agreed that as soon as practicable from the Offering Termination Date, as defined in the Registration Rights Agreement, it would file a registration statement with the SEC covering the resale of the shares of the Company's common stock that are issuable pursuant to this private placement. There are no stipulated damages outlined in the Registration Rights Agreement for failure to file within the agreed upon time frame. Under such agreement, the holder is entitled to exercise all rights granted by law, including recovery of damages under this agreement.

In June 2007, the Company entered into five consulting agreements with five consultants for 12 to 24 month periods. According to the agreements the consultants will provide general business consulting services. As consideration for such services, the Company issued an aggregate of 1,375,000 shares of the Company's common stock. These share issuances were recorded at \$0.34 per share in the total amount of \$467,501 in accordance with measurement date principles prescribed under EITF 96-18. The Company is amortizing the fair value of the shares over the term of the agreement to stock-based compensation expense, which amounted to \$169,859 and \$290,557 for the year ended December 31, 2008 and December 31, 2007, respectively and \$460,416 for the period from April 26, 2006 (date of inception) to December 31, 2008, in accordance with EITF 96-18.

POWER OF THE DREAMS VENTURES, INC. (formerly TIA V)
(A DEVELOPMENT STAGE COMPANY)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

NOTE 10 - STOCKHOLDERS' EQUITY (Continued)

On April 10, 2007, PDV entered into a reverse merger transaction with Vidatech. In connection with the merger 2,500,000 shares of PDV common stock remained outstanding and PDV issued 33,300,000 shares of its common stock for all the outstanding common stock of Vidatech. As a result of this transaction, the former stockholders of Vidatech became the controlling stockholders of PDV. Accordingly, the reverse merger has been accounted for as a recapitalization of Vidatech.

In April 2007, the Company entered into an agreement with two professionals for legal services. According to the agreement the professionals provided legal services to the Company in 2007. In connection with these services, the Company issued to them 500,000 shares of the Company's common stock. These share issuances were recorded at \$0.34 per share in the total amount of \$170,000 and the related expense was recorded under general administration.

In connection with the ITA (See Note 5), the Company issued 100,000 shares of the Company's common stock to the Inventors. These shares issuance were recorded at fair value of \$0.34 per share in the total amount of \$34,000. The cost of the related invention was recorded as research and development expense.

In May, 2006, the Company entered into a short term loan agreement with its Chief Executive Officer, Viktor Rozsnyay, for approximately \$96,100 with a maturity of April 30, 2007. On December 28, 2006 Mr. Rozsnyay elected to convert the loan into equity, which is recorded as additional paid in capital.

In March, 2007, the Company entered into a short term loan agreement with its Chief Financial Officer, Daniel Kun Jr., for approximately \$53,735 with a maturity of March 31, 2007. On March 31, 2007 Mr. Kun elected to convert the loan into equity, which is recorded as additional paid in capital.

NOTE 11 - GENERAL AND ADMINISTRATION

General and administration expenses consisted of the followings at December 31, 2008 and at December 31, 2007:

	December 31, 2008	December 31, 2007
Stock based compensation	1,755,625	834,375
Stock based Consultant services	169,859	460,557
Marketing expenses	1,093,224	-
Other	231,289	510,434
Total	3,249,997	1,805,366

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

POWER OF THE DREAMS VENTURES, INC. (formerly TIA V)
(A DEVELOPMENT STAGE COMPANY)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

NOTE 12 - SUBSEQUENT EVENTS

On February 5, 2009, the Company entered into a restricted stock agreement with Ildiko Rozsa, who is to serve as the Chief Financial Officer of the Company. As part of the agreement Ms. Rozsa was granted 120,000 shares of the Company's restricted common stock of which 30,000 shares will vest quarterly, at the end of each quarter, so long as Ms. Rozsa is employed by the Company.

On February 5, 2009, the Company entered into a restricted stock agreement with Szilvia Toth, the Chief Accounting Officer of the Company. As part of the agreement Ms. Toth was granted 120,000 shares of restricted common stock, of which 30,000 shares will vest quarterly, at the end of each quarter, so long as Ms. Toth is employed by the Company.

On February 5, 2009, the Company entered into a restricted stock agreement with Mihaly Zala, the Chief Technology Officer of the Company. As part of the agreement Mr. Zala was granted 120,000 shares of restricted common stock, which will vest on equal installments of 30,000 shares quarterly, at the end of each quarter, so long as Mr. Zala is employed by the Company.

On February 5, 2009, the Company entered into a restricted stock agreement with Imre Eotvos, the Technology Assistant of the Company. As part of the agreement Mr. Eotvos was granted 200,000 shares of restricted common stock, which will vest on equal installments of 50,000 shares quarterly, at the end of each quarter, so long as Mr. Eotvos is employed by the Company.

On February 5, 2009, the Company entered into a restricted stock agreement with Daniel Kun, Jr., who is to serve as Secretary and Vice President of the company on a going forward basis. Previously Mr. Kun served as Secretary, Treasurer and Chief Financial Officer. As part of the agreement Mr. Kun was granted 200,000 shares of restricted common stock, which will vest on equal installments of 50,000 shares quarterly, at the end of each quarter, so long as Mr. Kun is employed by the Company.

As consideration for the above services, the Company issued an aggregate of 760,000 shares of the Company's common stock. These share issuances were recorded at \$0.4 per share in the total amount of \$304,000 in accordance with measurement date principles prescribed under FAS 123 (R).

Genetic Immunity Subsequent

On February 23, 2009 the Company entered into a consultation agreement with Genetic Immunity, a Hungarian biotechnology research and development company working on immune amplification nanomedicine products, including a HIV vaccine currently in Phase 2 clinical trials.

According to the terms of the agreement PDV will provide Genetic Immunity business development expertise, will facilitate the publication, via internationally distributed press releases, of Genetic Immunity's past, present and future news items, and will advise Genetic Immunity on going public in the United States based on Power of the Dream Ventures' own experience in achieving public states.

In addition, PDV was granted rights to acquire equity in Genetic Immunity in one or several tranches for total consideration of USD \$10 million in exchange for 20% equity in the Company, if all options are exercised.

POWER OF THE DREAMS VENTURES, INC. (formerly TIA V)
(A DEVELOPMENT STAGE COMPANY)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

NOTE 12 - SUBSEQUENT EVENTS (Continued)

Exact terms of this equity purchase option are: PDV is to acquire 2% of the Company via a USD 1,000,000 investment by April 30, 2009 in exchange for 72 units of the Genetic Immunity's Class B stock; Company is to acquire an additional 2% of the Genetic Immunity via a USD 1,000,000 investment by August 30, 2009 in exchange for 72 units of the Genetic Immunity's Class B stock. PDV is also granted an option to acquire an additional 16% of the Genetic Immunity via an \$8,000,000 investment by February 20, 2010, in tranches or in whole, in exchange for 578 units of the Genetic Immunity's Class B stock. If the Company misses the first deadline of April 30, 2009 this agreement shall immediately terminate. If the Company completes the first investment but missed the second date of August 30, 2009 this agreement shall terminate, but the Company will retain the Class B units already acquired. Any portion of the optional 16% equity purchase that is not exercised and closed by February 23, 2010 shall terminate.

Certification of Principal Executive Officer**Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
and Securities and Exchange Commission Release 34-46427**

I, Viktor Rozsnyay, certify that:

1. I have reviewed this Form 10-K of Power of the Dream Ventures, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the small business issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the small business issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the small business issuer's internal control over financial reporting that occurred during the small business issuer's most recent fiscal quarter (the small business issuer's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the small business issuer's internal control over financial reporting; and
5. The small business issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the small business issuer's auditors and the audit committee of the small business issuer's board of directors (or persons performing the equivalent functions):
 - (e) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the small business issuer's ability to record, process, summarize and report financial information; and
 - (f) Any fraud, whether or not material, that involves management or other employees who have a significant role in the small business issuer's internal control over financial reporting.

Date: March 18, 2009

/s/ Viktor Rozsnyay

Viktor Rozsnyay
President & Chief Executive Officer

Certification of Principal Accounting Officer

**Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
and Securities and Exchange Commission Release 34-46427**

I, Ildiko Rozsa, certify that:

1. I have reviewed this Form 10-K of Power of the Dream Ventures, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the small business issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the small business issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the small business issuer's internal control over financial reporting that occurred during the small business issuer's most recent fiscal quarter (the small business issuer's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the small business issuer's internal control over financial reporting; and
5. The small business issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the small business issuer's auditors and the audit committee of the small business issuer's board of directors (or persons performing the equivalent functions):
 - (e) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the small business issuer's ability to record, process, summarize and report financial information; and
 - (f) Any fraud, whether or not material, that involves management or other employees who have a significant role in the small business issuer's internal control over financial reporting.

Date: March 18, 2009

/s/ Ildiko Rozsa

Ildiko Rozsa
Chief Financial Officer

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of Power of the Dream Ventures, Inc. (the "Company") on Form 10-K for the fiscal year ending December 31, 2008 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Viktor Rozsnyay, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) the Annual Report on Form 10-K of the Company for the fiscal year ended December 31, 2008 (the "Report") fully complies with the requirements of Section 13 (a) or 15 (d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Viktor Rozsnyay

Viktor Rozsnyay

Title: President & Chief Executive Officer

This certification accompanies this Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended. A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of Power of the Dream Ventures, Inc. (the "Company") on Form 10-K for the fiscal year ending December 31, 2008 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Ildiko Rozsa, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) the Annual Report on Form 10-K of the Company for the fiscal year ended December 31, 2008 (the "Report") fully complies with the requirements of Section 13 (a) or 15 (d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Ildiko Rozsa

Ildiko Rozsa

Title: Chief Financial Officer

This certification accompanies this Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended. A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.