
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt about this circular, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in abc Multiactive Limited (the “Company”), you should at once hand this circular to the purchaser or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



AMENDMENT OF BYE-LAWS GENERAL MANDATES TO ISSUE REPURCHASE SHARES AND RE-ELECTION OF DIRECTORS

The circular, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this circular is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this circular misleading; and (3) all opinions expressed in this circular have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

The notice convening the annual general meeting of the Company to be held at 17/F, Regent Centre, 88 Queen’s Road, Central, Hong Kong on Tuesday, 28th March 2006 at 10:30 a.m. is contained in the 2005 annual report of the Company. Shareholders of the Company are advised to read the notice and to complete and return the form of proxy for use at the annual general meeting enclosed with the 2005 annual report of the Company in accordance with the instructions printed thereon.

This circular will remain on the GEM website at www.hkgem.com on the “Latest Company Announcements” pages for seven (7) days from the date of its posting.

* For identification purposes only

27th February 2006

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

The principal means of information dissemination on GEM is publication on the Internet website operated by the Stock Exchange. Listed companies are not generally required to issue paid announcements in gazetted newspapers. Accordingly, prospective investors should note that they need to have access to the GEM website in order to obtain up-to-date information on GEM-listed issuers.

LETTER FROM THE BOARD OF DIRECTORS

abcmultiactive

abc Multiactive Limited

辰罡科技有限公司*

(incorporated in the Bermuda with limited liability)

Executive directors:

Mr. Terence Chi Yan HUI (*Chairman*)

Mr. Joseph Chi Ho HUI

Registered Office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

Non-executive director:

Mr. Kau Mo HUI

Head Office and Principal

Place of Business:

17/F, Regent Centre,

88 Queen's Road,

Central,

Hong Kong

Independent non-executive directors:

Mr. Ronald Kwok Fai POON

Mr. Clifford Sau Man NG

Mr. Kwong Sang LIU

27th February 2006

To the shareholders of abc Multiactive Limited

Dear Sir or Madam,

AMENDMENT OF BYE-LAWS GENERAL MANDATES TO ISSUE REPURCHASE SHARES AND RE-ELECTION OF DIRECTORS

INTRODUCTION

The purpose of this circular is to seek your approval of special and ordinary resolutions to amend the bye-laws of abc Multiactive Limited (the "Company") (the "Bye-laws"), re-election of directors and to enable the directors (the "Directors") of the Company to exercise the powers of the Company to repurchase the Company's fully paid up shares of HK\$0.10 each (the "Shares") representing up to a maximum of 10 per cent. of the existing issued share capital of the Company at the date of passing the resolution, to grant a general mandate to the Directors to issue new shares up to a maximum of 20 per cent. of the issued share capital of the Company at the date of passing the resolution and to increase the number of Shares which the Directors may issue under their general mandate by the number of Shares repurchased. The resolutions will be proposed at the forthcoming annual general meeting of the Company to be held on 28th March 2006 (the "Annual General Meeting") and are set out in the notice convening the Annual General Meeting as contained in the 2005 annual report of the Company dated 21st February 2006 (the "2005 Annual Report").

** For identification purposes only*

LETTER FROM THE BOARD OF DIRECTORS

This circular gives details regarding the amendment to the Bye-laws, the proposed general mandates for the issuance and the repurchase of Shares.

GENERAL MANDATE FOR REPURCHASE OF SHARES

The Rules Governing the Listing of Securities on the Growth Enterprise Market (the “GEM Listing Rules”) of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) contain provisions to regulate the repurchase by companies with a primary listing on the Growth Enterprise Market operated by the Stock Exchange (“GEM”) of their own shares (the “Share Buy Back Rules”). In accordance with the Share Buy Back Rules, this circular contains an explanatory statement to be included in this circular as set out in the Appendix to provide you with requisite information reasonably necessary to enable you to make an informed decision on whether to vote for or against resolution set out in Resolution 5 of the notice convening the Annual General Meeting which will be proposed at the Annual General Meeting. For the purpose of this circular, the term “shares” shall have the meaning ascribed thereto under the Hong Kong Code on Share Repurchases which mean shares of all classes and securities which carry a right to subscribe for or purchase shares.

AMENDMENT TO THE BYE-LAWS

Due to recent changes to the Listing Rules relating to, inter alia, the implementation of the Code on Corporate Governance Practices, the Company proposes to put forward to the Shareholders for approval at the Annual General Meeting a special resolution to amend the Bye-laws. The main proposed amendment is to require every Director, including those appointed for a specific term to be subject to retirement by rotation at least once every three years.

Details of all the proposed amendments to the Bye-laws are set out in Resolution 7 of the notice of Annual General Meeting.

RE-ELECTION OF RETIRING DIRECTORS

In accordance with existing Bye-law 87 of the Company, Messrs. Clifford Sau Man NG and Messr. Kwong Sang LIU will retire at the AGM and, being eligible, would offer themselves for re-election.

Brief biographical details of the retiring directors proposed to be re-elected at the AGM are set out in Appendix to this circular.

LETTER FROM THE BOARD OF DIRECTORS

EXPLANATORY STATEMENT

An explanatory statement containing all relevant information relating to the proposed general mandate to repurchase Shares is set out in the Appendix to this circular. The information in the explanatory statement is to provide you with the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolution to grant to the Directors the Repurchase Mandate (as defined in the Appendix).

RECOMMENDATION

The Directors consider that the Repurchase Proposal (as defined in the Appendix), the granting and the extension of the general mandate to issue new Shares, re-election of retiring Directors and the amendment to the Bye-laws are in the best interests of the Company and its shareholders and, accordingly, recommend that all shareholders to vote in favour of the resolutions set out in Resolutions 2, 4 to 7 in the notice convening the Annual General Meeting to be proposed at the Annual General Meeting.

Yours faithfully,
On behalf of the Board of Directors
Terence Chi Yan HUI
Chairman

The following is the explanatory statement which is required to be sent to you under the Share Buy Back Rules in connection with the proposed general mandate for repurchase of Shares.

(i) GEM Listing Rules

The GEM Listing Rules permit companies with a primary listing on GEM to purchase their securities subject to certain restrictions. Repurchases must be funded out of funds legally available for the purpose and in accordance with the company's constitutional documents and the applicable laws of the jurisdiction in which the company is incorporated or otherwise established. Any repurchase must be made out of funds which are legally available for the purpose and in accordance with the laws of Bermuda and the memorandum of association and bye-laws of the company. Any premium payable on a repurchase over the par value of the shares may be effected out of funds of the company which would otherwise be available for dividend or distribution or out of the company's share premium account.

(ii) The Repurchase Proposal

The resolution set out in Resolution 5 in the notice convening the Annual General Meeting which will be proposed at the Annual General Meeting relates to the granting of a general and unconditional mandate (the "Repurchase Mandate") to the Directors to repurchase, on GEM or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission, Shares up to a maximum of 10 per cent. of the issued share capital of the Company at the date of passing the resolution (the "Repurchase Proposal").

The Repurchase Mandate would continue in force until the conclusion of the next annual general meeting of the Company or the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws or the Companies Act 1981 of Bermuda (as amended) or any applicable laws to be held or the Repurchase Mandate is revoked or varied by an ordinary resolution in a general meeting by the shareholders of the Company, whichever is the earliest.

(iii) Reasons for Repurchase

Although the Directors have no present intention of repurchasing the Shares, they believe that it is in the best interests of the Company and its shareholders for the Directors to have a general authority from the shareholders to enable the Company to repurchase Shares in the market. Such repurchase may, depending on the market conditions and funding arrangement at the time, lead to an enhancement of the net assets value of the Company and/or its earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and its shareholders.

(iv) Share Capital

As at 22nd February 2006, being the latest practicable date prior to the printing of this circular (the "Latest Practicable Date"), the issued share capital of the Company comprised 160,590,967 Shares.

Subject to the passing of the Repurchase Mandate, the Company would be allowed under the Repurchase Proposal to repurchase Shares up to a maximum of 16,059,097 Shares on the basis that no further Shares will be issued whether as a result of the exercise of any options granted under the share option scheme adopted by the Company on 22nd January 2001 as stated in its prospectus issued on 22nd January 2001 or otherwise issued prior to the date of the Annual General Meeting.

(v) Funding of Repurchases

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the memorandum of association and Bye-laws of the Company and the applicable laws of Bermuda.

The laws of Bermuda provide that the amount of capital repaid in connection with a share repurchase may only be paid out of those funds legally permitted to be utilised in this connection, including capital paid up on the relevant Shares, or out of funds of the Company otherwise available for dividend or distribution or the proceeds of a fresh issue of shares made for the purpose. The amount of premium payable on repurchase may only be paid out of funds of the Company otherwise available for dividend or distribution or out of the share premium account of the Company.

There might be an adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited accounts contained in the 2005 Annual Report in the event that the Repurchase Mandate were to be exercised in full at any time during the relevant period. However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

(vi) Share Prices

The highest and lowest prices at which the Shares have been traded on GEM during each of the twelve months preceding the Latest Practicable Date were as follows:

	Share Prices	
	Highest HK\$	Lowest HK\$
2005		
February	see remark below	see remark below
March	0.066	0.066
April	0.500	0.066
May	0.126	0.075
June	0.118	0.100
July	see remark below	see remark below
August	0.140	0.070
September	0.116	0.070
October	0.080	0.080
November	0.086	0.051
December	0.070	0.060
2006		
January	0.075	0.075
February (up to the Latest Practicable Date)	0.150	0.090

Remark: There was no trading of the Company's shares in the relevant month.

(vii) Substantial Shareholders

As at the Latest Practicable Date, the interests of substantial shareholders of the Company were as follows:

Name	Capacity	Nature of interest	Number of ordinary shares	Percentage of issued share capital
Maximizer International Limited (<i>note 1</i>)	Beneficial owner	Corporate	90,534,400	56.38%
Maximizer Software Inc. (<i>note 1</i>)	Interest of a controlled corporation	Corporate	90,534,400	56.38%
The City Place Trust (<i>note 2</i>)	Trustee	Corporate	99,201,110	61.78%
Pacific East Limited	Beneficial owner	Corporate	8,666,710	5.40%

Notes:

1. Maximizer International Limited is a wholly owned subsidiary of Maximizer Software Inc.
2. The City Place Trust holds 36,475,319 shares of Maximizer Software Inc. representing approximately 58.2% of the issued share capital of Maximizer Software Inc.. The City Place Trust also wholly owns Pacific East Limited, which holds a 5.40% interest in the Company. The City Place Trust is a discretionary trust and its beneficiaries are Mr. Chi Yung Hui and Ms. Yuen Lam Chu. Mr. Chi Yung Hui and Ms. Yuen Lam Chu are, respectively, the son and spouse of Mr. Kau Mo Hui. The interests held by Mr. Chi Yung Hui and Ms. Yuen Lam Chu are deemed to be part of the interest of Mr. Kau Mo Hui.

(viii) General Information

- (a) None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates, have any present intention to sell any Shares to the Company or any of its subsidiaries under the Repurchase Mandate if such is approved by the shareholders of the Company.
- (b) The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the GEM Listing Rules and the applicable laws of Bermuda.
- (c) No connected person (as defined in the GEM Listing Rules) of the Company has notified the Company that he has a present intention to sell Shares to the Company or its subsidiaries, or has undertaken not to do so, if the Repurchase Mandate is exercised.

(ix) Hong Kong Code on Takeovers and Mergers

If on the exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of Hong Kong Code on Takeovers and Mergers (the "Takeovers Code"). As a result, a shareholder or group of shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

Assuming that the substantial shareholders do not dispose of its Shares, if the Repurchase Mandate were exercised in full, the percentage shareholdings of the substantial shareholders before and after such repurchase would be as follows:

Substantial Shareholders	Before repurchase	After repurchase
Maximizer International Limited (<i>note 1</i>)	56.38%	62.64%
Maximizer Software Inc. (<i>note 1</i>)	56.38%	62.64%
The City Place Trust (<i>note 2</i>)	61.78%	68.64%
Pacific East Limited	5.40%	6.00%

Notes:

1. Maximizer International Limited is a wholly owned subsidiary of Maximizer Software Inc.
2. The City Place Trust holds 36,475,319 shares of Maximizer Software Inc. representing approximately 59% of the issued share capital of Maximizer Software Inc. The City Place Trust also wholly owns Pacific East Limited, which holds a 5.40% interest in the Company. The City Place Trust is a discretionary trust and its beneficiaries are Mr. Chi Yung Hui and Ms. Yuen Lam Chu. Mr. Chi Yung Hui and Ms. Yuen Lam Chu are, respectively, the son and spouse of Mr. Kau Mo Hui. The interests held by Mr. Chi Yung Hui and Ms. Yuen Lam Chu are deemed to be part of the interest of Mr. Kau Mo Hui.

On the basis of the shareholdings held by the substantial Shareholders named above, an exercise of the Repurchase Mandate in full will not have any implications under the Takeovers Code.

Assuming that there is no issue of Shares between the date of this circular and the date of a repurchase, an exercise of the Repurchase Mandate whether in whole or in part will result in less than relevant prescribed minimum percentage of the shares of the Company being held by the public as required by the Stock Exchange. The Directors have no intention to exercise the Repurchase Mandate to an extent which may result in a public shareholding of less than such minimum percentage.

The Directors are not aware of any consequences that may arise under the Takeovers Code as a result of any repurchases made under the Repurchase Mandate.

(x) Shares Purchase Made by the Company

The Company had not purchased any Shares (whether on GEM or otherwise) during the period from 1st December 2004 to the Latest Practicable Date.

GENERAL MANDATE TO ISSUE SHARES

The resolution set out in Resolution 4 in the notice convening the Annual General Meeting will be proposed at the Annual General Meeting for the granting of a general mandate to the Directors to allot, issue and deal with new Shares up to a maximum of 20 per cent of the issued share capital of the Company at the date of passing the resolution; in addition, subject to a separate approval of shareholders of the resolution set out as Resolution 6 in the notice convening the Annual General Meeting, the number of Shares purchased by the Company under the Repurchase Proposal will also be added to the 20 per cent. general mandate as mentioned above.

The resolution set out in Resolution 6 in the notice convening the Annual General Meeting relates to the extension of the general mandate to be granted to the Directors to issue new Shares during the relevant period by adding to it the number of Shares purchased under the Repurchase Proposal, if any.

DETAILS OF RETIRING DIRECTORS

The details of the retiring directors proposed to be re-elected at the AGM are set out as follows:

Mr. Clifford Sau Man NG, aged 39, is a Partner of Preston Gates & Ellis in Hong Kong. Mr. Ng has practiced in Hong Kong since 1995 and is often involved in transactions for corporate and private clients advising on asset protection, corporate, securities, succession planning and tax issues. Mr. Ng was born in Hong Kong and grew up in Canada. He received his B.A. in Economics from the University of British Columbia in Vancouver and his LL.B. from Dalhousie Law School in Halifax. He is qualified as a solicitor in Hong Kong, England and Wales and is also qualified as a barrister and solicitor in British Columbia. Mr. Ng is also an independent non-executive director of Law Debenture Trust (Asia) Limited and The Law Debenture Corporation (H.K.) Limited which are Hong Kong subsidiaries of a London Stock Exchange listed company. Mr. Ng became an independent non-executive director of the Company in March 2000.

Mr. Kwong Sang LIU, aged 44, is currently a practising certified public accountant in Hong Kong with more than 15 years of experience. Mr. Liu graduated with honours from Hong Kong Polytechnic University with Bachelor degree in Accountancy and obtained the Master in Business Administration degree from the University of Lincoln, United Kingdom. He is an associate member of the Institute of Chartered Accountants in England and Wales, a fellow member of the Association of Chartered Certified Accountants, a fellow member of the Institute of Financial Accountants and a fellow member of the National Institute of Accountants, Australia. Mr. Liu is also a fellow member of Hong Kong Institute of Certified Public Accountants, a fellow member of the Taxation Institute of Hong Kong, a fellow member of the Society of Registered Financial Planners. Mr. Liu does not hold any other positions in the Company or other members of the Group or its subsidiaries. Mr. Liu is currently the independent non-executive director of Polytec Asset Holdings Limited which is a company listed on the main board of the Stock Exchange, he is an independent non-executive director of Pacific CMA, Inc. which is a company listed on the American Stock Exchange and he is an independent non-executive director of Wing Hong (Holdings) Limited which is a listed company in Hong Kong. Mr. Liu became an independent non-executive director of the Company in September 2004.