

MANDATORY CONDITIONAL CASH OFFERS

by



(Company Registration No. 196800306E)
(Incorporated in the Republic of Singapore)

for and on behalf of

VENTURE DELTA LIMITED

(Incorporated in the British Virgin Islands)

to acquire all the issued ordinary shares in the capital of
and
all the outstanding convertible bonds due 2009 issued by

THAKRAL CORPORATION LTD

(Company Registration No. 199306606E)
(Incorporated in the Republic of Singapore)

other than those already owned, controlled or agreed to be acquired by Venture Delta Limited

DESPATCH OF OFFER DOCUMENT

1. Introduction

DBS Bank Ltd (“**DBS Bank**”) wishes to announce, for and on behalf of Venture Delta Limited (the “**Offeror**”), an indirect wholly-owned subsidiary of China Yuchai International Limited (“**CYI**”), that the Offeror has on 29 August 2006 despatched the offer document dated 26 August 2006 (the “**Offer Document**”), which contains details of the mandatory conditional cash offers by the Offeror to acquire (a) all the issued ordinary shares in the capital of Thakral Corporation Ltd (“**TCL**”) other than those already owned, controlled or agreed to be acquired by the Offeror (the “**Offer Shares**”) (the “**Share Offer**”), and (b) all the outstanding unsecured 2% convertible bonds due 2009 in the denomination of S\$0.80 each issued by TCL other than those already owned, controlled or agreed to be acquired by the Offeror (the “**Offer Bonds**”) (the “**Bond Offer**”), (collectively, the “**Offers**”).

An electronic copy of the Offer Document will be available on the website of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) at www.sgx.com.

All capitalised terms not defined herein shall have the same meaning as used in the Offer Document.

2. Offer Document

The Offer Document has been despatched together with the following documents:

- (a) in the case of Shareholders and Bondholders whose Offer Shares or Offer Bonds, as the case may be, are deposited with The Central Depository (Pte) Limited (“**CDP**”), a Form of Acceptance and Authorisation (“**FAA**”); and
- (b) in the case of Shareholders whose Offer Shares are not deposited with CDP, a Form of Acceptance and Transfer (“**FAT**”).

3. Request for Offer Document and Related Documents

3.1 For Depositors

Shareholders and Bondholders whose Offer Shares or Offer Bonds (as the case may be) are deposited with CDP (“**Depositors**”) may obtain copies of the Offer Document and the relevant FAA during normal business hours up to the Closing Date (as stated in paragraph 6 below) from CDP at the following address:

**The Central Depository (Pte) Limited
4 Shenton Way #02-01
SGX Centre 2
Singapore 068807**

Copies of the relevant FAA may be obtained by Depositors from CDP on production of satisfactory evidence that their securities accounts with CDP are or will be credited with the Offer Shares or the Offer Bonds (as the case may be).

3.2 For Non-Depositors

Shareholders who hold Offer Shares which are not deposited with CDP (“**Non-Depositors**”) may obtain copies of the Offer Document and the FAT during normal business hours up to the Closing Date from Lim Associates (Pte) Ltd (the “**Share Registrar**”) at the following address:

**Lim Associates (Pte) Ltd
10 Collyer Quay #19-08
Ocean Building
Singapore 049315**

Copies of the FAT may be obtained by Non-Depositors from the Share Registrar on production of satisfactory evidence of title to the Offer Shares.

4. Overseas Shareholders and Overseas Bondholders

The Offers are made pursuant to the Offer Document and the form(s) of acceptance accompanying the Offer Document. The availability of the Share Offer and the Bond Offer to Shareholders or Bondholders (as the case may be), whose addresses are outside Singapore as shown in the Register of Members of TCL, the Register of Bondholders of TCL or in the records of CDP (as the case may be) (each, an “**Overseas Shareholder**” or “**Overseas Bondholder**”, as the case may be) may be affected by the laws of the relevant overseas jurisdictions. Accordingly, Overseas Shareholders and Overseas Bondholders should inform themselves about and observe any applicable legal requirements.

It is the responsibility of Overseas Shareholders and Overseas Bondholders who wish to accept the Share Offer or the Bond Offer (as the case may be) to satisfy themselves as to the full observance of the laws of the relevant jurisdiction, including the obtaining of any governmental or other consent which may be required, or compliance with other necessary formalities or legal requirements and the payment of any taxes, imposts, duties or other requisite payments due in such jurisdiction. **If you are in doubt about your position, you should consult your professional adviser in the relevant jurisdiction.**

The Offeror and DBS Bank do not intend to send the Offer Document, the FAA and the FAT to any Overseas Shareholder or Overseas Bondholder due to potential restrictions on sending such documents to the relevant overseas jurisdictions. **In particular, the Offeror and DBS Bank have not distributed and will not be distributing the Offer Document, the FAA and the FAT in the United States. This Announcement, the Offer Document, the FAA and the FAT do not constitute an offer or invitation to sell any securities in the United States or in any other jurisdiction to any person to whom it is unlawful to make such an offer or invitation.**

Subject to compliance with applicable laws, any affected Overseas Shareholder or Overseas Bondholder may, nonetheless, attend in person and obtain copies of the Offer Document, the relevant FAA or FAT, as the case may be, and any related documents during normal business hours and up to the Closing Date from the office of the Share Registrar, Lim Associates (Pte) Ltd at 10 Collyer Quay, #19-08 Ocean Building, Singapore 049315. Alternatively, an Overseas Shareholder or Overseas Bondholder may, subject to compliance with applicable laws, write in to the Share Registrar at the above-stated address to request for the Offer Document, the relevant FAA or FAT, as the case may be, and any related documents to be sent to an address in Singapore by ordinary post at his own risk (up to three (3) Market Days prior to the Closing Date).

The Offeror and DBS Bank each reserves the right to notify any matter, including the fact that the Share Offer and the Bond Offer have been made, to any or all Shareholders and/or Bondholders (including Overseas Shareholders and/or Overseas Bondholders) by announcement to the SGX-ST or paid advertisement in a daily newspaper published or circulated in Singapore, in which case, such notice shall be deemed to have been sufficiently given notwithstanding any failure by any Shareholder and/or Bondholder to receive or see such announcement or advertisement.

Further details in respect of Overseas Shareholders and Overseas Bondholders are set out in the Offer Document.

5. Procedures for Acceptance

Details of the procedures for acceptance are set out in Appendix 1 to the Offer Document, and in the FAA and the FAT.

6. Closing Date

The Offers will be open for acceptance until **3.30 p.m. on 26 September 2006 or such later date(s) as may be announced from time to time by or on behalf of the Offeror.**

7. Responsibility Statement

The directors of the Offeror and the directors of CYI (including those who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Announcement are fair and accurate and that no material facts have been omitted from this Announcement, and they jointly and severally accept responsibility accordingly.

Issued by
DBS BANK LTD

For and on behalf of
Venture Delta Limited
29 August 2006