

OFFER DOCUMENT

Mandatory Offer to acquire the shares of
APL (Advanced Production & Loading) PLC

APL 

made by



BW Offshore Limited

Offer Price

NOK 85 per share in cash

Offer Period

5 June 2007 to 17 July 2007 at 1630 CET (both dates inclusive)

Manager



4 June 2007

IMPORTANT INFORMATION

This Offer Document has been prepared in connection with a mandatory offer (the "Mandatory Offer") made by BW Offshore Limited (the "Company" or "BW Offshore") to acquire all the issued and outstanding shares of APL (Advanced Production & Loading) Plc ("APL") on the terms and conditions set out in the Offer Document.

The Offer Document has been prepared to comply with the provisions relating to public offers on shares set out in APL's articles of association section 119. No regulatory body has reviewed or approved the Offer Document, and the Offer Document has not been filed with any regulatory body. The Offer Document has only been produced in the English language.

The presentation of the Mandatory Offer to APL shareholders resident in countries other than Norway may be affected by the laws of other relevant jurisdictions and shall not be deemed to be an offer in any jurisdiction in which, or to any APL shareholder to whom, it is unlawful to make such offer under the laws of any relevant jurisdiction. All APL shareholders wishing to accept the Mandatory Offer must satisfy themselves as to the due observance of the laws in the jurisdictions relevant to them, including the receipt of any necessary governmental consent or the payment of any taxes due.

The Company has furnished the information in this Offer Document. The Manager makes no representation or warranty, express or implied, as to the accuracy or completeness of such information, and nothing contained in this Offer Document is, or shall be relied upon as, a promise or representation by the Manager.

The information in this Offer Document pertaining to APL has been prepared on the basis of public available information, including annual reports, interim reports, investor information, stock exchange notices published by APL, the voluntary offer document dated 26 February 2007 prepared by APL and the mandatory offer document dated 20 April 2007 prepared by APL. Consequently, BW Offshore cannot accept any liability for the accuracy or completeness of the information in this Offer Document regarding APL.

All inquiries related to this Offer Document should be directed to BW Offshore or the Manager. No person has been authorised to provide any information or make any representation on behalf of BW Offshore otherwise than indicated in this Offer Document and the attached Acceptance Form.

The distribution of this Offer Document shall not, under any circumstances, create any implication that there has not been any change in the affairs of BW Offshore or APL since the date hereof or that the information in this Offer Document or in the documents referred to herein is correct as of any time subsequent to the dates hereof or thereof.

The contents of this Offer Document are not to be construed as legal, business or tax advice. Each reader of this Offer Document should consult with its own legal, business or tax advisor as to legal, business or tax advice. If you are in any doubt about the contents of this Offer Document you should consult your stockbroker, bank manager, lawyer, accountant or other professional adviser.

Any dispute arising out of, or in connection with, this Offer Document shall be governed by Norwegian law and submitted to Oslo District Court as due legal venue.

TABLE OF CONTENTS	Page
1 STATEMENT FROM THE BOARD OF BW OFFSHORE LIMITED	3
2 BACKGROUND AND REASON FOR THE MANDATORY OFFER	4
2.1 Background for the Mandatory Offer	4
2.2 Reason for the Combination.....	4
2.3 Contact between BW Offshore and APL prior to launching the Mandatory Offer	5
3 THE MANDATORY OFFER.....	6
3.1 Mandatory Offer.....	6
3.2 The Offeror – BW Offshore	6
3.3 The Target - APL.....	6
3.4 Offer Price	6
3.5 The Offer Period	7
3.6 Financing of the Mandatory Offer and guarantee.....	7
3.7 Accepting the Mandatory Offer	7
3.8 Conditions to the Mandatory Offer	8
3.9 Settlement.....	8
3.10 Costs	8
3.11 New offer.....	9
3.12 Statement from the APL board.....	9
3.13 Announcements regarding the Mandatory Offer	9
3.14 Legal consequences of the Mandatory Offer	9
3.15 Plans for the future business of APL	10
3.16 Impact on the APL employees.....	10
3.17 Non-Norwegian shareholders	10
3.18 Purchase of APL shares outside the Mandatory Offer	10
3.19 Other	10
4 STATEMENT FROM THE APL BOARD	11
5 INFORMATION ABOUT APL	13
5.1 General	13
5.2 APL Group structure	13
5.3 Business and Product overview	14
5.4 Product Application Overview.....	14
5.5 General Overview of APL’s Markets.....	15
5.6 Financial information for the APL Group.....	16
5.7 Share Capital and Shareholders	20
6 BRIEF DESCRIPTION OF BW OFFSHORE	22
7 TAXATION	23
7.1 Norwegian Shareholders	23
7.2 Non-resident Shareholders	23
8 LEGAL MATTERS.....	24
8.1 Choice of law and legal venue.....	24
9 DEFINITIONS.....	25

APPENDICES:

- Appendix 1: Acceptance Form
Appendix 2: Form of Bank Guarantee

1 STATEMENT FROM THE BOARD OF BW OFFSHORE LIMITED

This Offer Document has been prepared in order to provide the APL (Advanced Production & Loading) Plc ("APL") shareholders with a basis for considering the Mandatory Offer. The Offer Document has been prepared in accordance with the provisions with regard to public offers on shares pursuant to in APL's articles of association section 119.

The information in the Offer Document regarding APL is exclusively based on publicly available information and BW Offshore Limited disclaims any responsibility and liability for the accuracy and completeness of the information in this Offer Document regarding APL.

BW Offshore Limited owns 32,393,215 APL shares, equal to approximately 76% of the number of issued and outstanding APL shares as at the date of this Offer Document.

4 June 2007

The Board of Directors of BW Offshore Limited

Helmut Sohmen
Chairman

Andreas Sohmen-Pao
Deputy Chairman

David Gairns
Director

René Huck
Director

Christophe Pettenati-Auzière
Director

Kathie Child-Villiers
Director

2 BACKGROUND AND REASON FOR THE MANDATORY OFFER

2.1 Background for the Mandatory Offer

On 21 February 2007 the boards of APL ASA and BW Offshore entered into the Combination Agreement regarding a combination of the APL Group and the BW Offshore Group, and announced that they had agreed to recommend to their shareholders a combination of the two companies. In the Combination Agreement, the parties agreed that all references to APL ASA should be construed as references to APL provided that the re-domiciliation of the APL Group to Cyprus had been completed.

Pursuant to the Combination Agreement BW Offshore launched the Voluntary Offer to acquire all issued and outstanding shares of APL in exchange for shares in BW Offshore and/or cash on 30 March 2007.

On 8 May 2007 the extended offer period in the Voluntary Offer expired. BW Offshore announced on 9 May 2007 that it had decided to take delivery of the APL shares for which the Voluntary Offer had been accepted, and thereby increased its ownership in APL to approximately 52% of the issued and outstanding APL shares at that time. In the same announcement, BW Offshore disclosed that it had acquired 11,331,000 APL shares after the expiry of the extended offer period in the Voluntary Offer, increasing its shareholding to approximately 80% of the issued and outstanding APL shares at that time.

As of the date of this Offer Document, BW Offshore holds 32,393,215 APL shares, equal to approximately 76% of the current number issued and outstanding APL shares.

Section 119 of APL's articles of association sets forth that any person who directly or indirectly becomes the owner of more than 40% of the capital interest or voting rights of APL is required to make an unconditional public offer at a fair price for the purpose of acquiring all issued and outstanding shares in the share capital of the company. The public offer shall be made without undue delay and within four weeks after the requirement to make the offer was triggered.

2.2 Reason for the Combination

BW Offshore has a communicated goal to actively consider consolidation opportunities if these are considered to be value enhancing for the Company's shareholders.

BW Offshore has had a customer relationship with APL for more than 10 years. The companies have cooperated successfully and delivered four projects together involving turret mooring systems for FPSOs. By combining forces BW Offshore and APL are merging two compatible cultures with a shared vision of the future. The Combination is supported by both management teams and boards of directors.

The Combination is believed to enable the companies to capture a larger share of a fast growing market. The combined company will have a strong market position, combining and maintaining two strong brand names and bringing together leading track records and project execution capabilities with a strong technology edge. The joint resources in engineering, operations, business development and client relationships are expected to create a highly effective combination.

The combined entity is positioning itself to take advantage of important industry trends. The strong growth in the number of national oil companies and independents developing offshore fields, combined with a market characterized by increasingly smaller fields, technically challenging developments, limited financial resources and lack of offshore development competence is expected to drive demand for standardized, proven, cost effective and integrated solutions.

The Combination will create a strong international oilfield services provider with a very capable Norwegian-based management that is well positioned to capture the growth opportunities seen in the market. With leading technological edge and engineering capacity the companies expect to win more business and increase profitability through standardization and a broader product offering, whilst also maintaining independence in the market place. Together the companies will have a highly attractive service offering to their clients, creating a preferred partner which aims to take the lead in cost efficient offshore development.

2.3 Contact between BW Offshore and APL prior to launching the Mandatory Offer

The Combination Agreement requires BW Offshore to make the Mandatory Offer after the completion of the Voluntary Offer.

There have been no particular discussions between BW Offshore and APL with regard to the Mandatory Offer after the expiry of the offer period in the Voluntary Offer.

No payments of any kind will be made by BW Offshore to the management and/or the board of APL or any of its subsidiaries in connection with the Mandatory Offer (other than payment of the Offer Price, if they are shareholders and accept the Mandatory Offer in their capacity as shareholders in accordance with this Offer Document).

Further, no special advantages or benefits (or prospects of such) are accorded by agreement to members of the management or governing bodies APL in connection with the Mandatory Offer.

3 THE MANDATORY OFFER

3.1 Mandatory Offer

BW Offshore hereby, pursuant to APL's articles of association section 119, offers to acquire for cash all issued and outstanding APL shares other than the APL shares already owned by BW Offshore, on the terms set out in this Offer Document and the Acceptance Form.

The Mandatory Offer is not made to any APL shareholder in a jurisdiction where the making of the Mandatory Offer or the acceptance hereof is prohibited or restricted. Non-Norwegian APL shareholders should read section 3.17 – "Non-Norwegian APL shareholders".

This Offer Document is sent to the APL shareholders of record as of 4 June 2007, to the address recorded on each APL shareholder's VPS-account.

3.2 The Offeror – BW Offshore

The Mandatory Offer is made by BW Offshore, with registered office at Clarendon House, Church Street, Hamilton HM 11, Bermuda. BW Offshore is one of the world's leading FPSO contractors. The Company was incorporated on 7 June 2005 in Bermuda as a limited liability company and has registration number is 36937. A brief description of BW Offshore is set out in section 6 – "Brief description of BW Offshore".

3.3 The Target - APL

APL is a public limited liability company, organized and existing under the laws of Cyprus, with the corporation number C189062, and having registered address at Diagoras Hous, 7th Floor, 16P.Catelaris Street, Nicosia 1306, Cyprus. APL was established as the parent company of the APL Group in 2007 by acquiring the shares of APL ASA through a voluntary offer, followed by a combined mandatory offer and compulsory acquisition. The APL shares are listed on Oslo Børs under ticker code "APLC".. Further information about APL is set out in section 5 – "Information about APL".

3.4 Offer Price

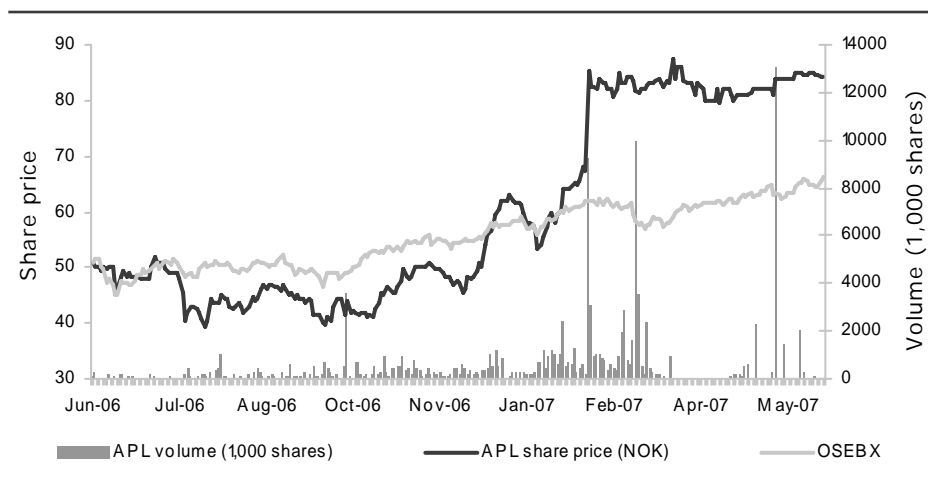
The Offer Price is NOK 85, and will be paid in cash.

In accordance with APL's articles of association section 119.3, the Offer Price shall be equal to the highest price paid or agreed by BW Offshore for APL shares during the last six months before the 40% threshold triggering the mandatory offer requirement was passed. If it is clear that the market price at the time when the mandatory offer requirement was triggered was higher than the highest price paid, then the offer price shall be at least as high as the market price. The Offer Price has been fixed in accordance with these principles.

BW Offshore triggered the mandatory offer requirement set out in APL's articles of association section 119.1 on 8 May 2007 upon completion of the Voluntary Offer, by taking delivery of the APL shares for which the voluntary offer had been expected. Thereby BW Offshore increased its ownership in APL to 52% at that time (including the 10,915,000 APL shares owned by BW Offshore prior to the Voluntary Offer). The settlement in the Voluntary Offer consisted of 60% BW Offshore shares and 40% cash at NOK 85 per APL share. APL shareholders who held up to and including 1,000 APL shares were entitled to receive NOK 85 per APL share in full. NOK 85 per APL share is the highest price paid by BW Offshore for APL shares in the relevant six month period.

The Offer Price corresponds to a market capitalisation of APL of NOK 3,644,146,690 (based on the number of APL shares outstanding as of the date of this Offer Document).

The figure below shows the development in price and traded volume for the APL shares for the last twelve months based on the closing price of the APL shares on Oslo Børs, relative to the OSE benchmark index. On 5 February 2007 BW Offshore announced the acquisition of 4,415,000 shares in APL ASA, equal to approximately 10.1% of the shares and votes of APL ASA. BW Offshore Limited and APL announced that the companies had entered into the Combination Agreement on 21 February 2007.



Source: Datastream

3.5 The Offer Period

The Offer Period commences on 5 June 2007 and expires on 17 July 2007 at 16:30 CET. The Offer Period will not be extended except in case of a new offer being made, see section 3.11.

3.6 Financing of the Mandatory Offer and guarantee

BW Offshore will finance the acquisition from available cash resources and a loan from DnB NOR Bank ASA.

In accordance with the provisions with regard to public offers on shares set out in APL's articles of association section 119.6, BW Offshore has procured DnB NOR Bank ASA to establish a guarantee to secure the settlement of the APL shares tendered in the Mandatory Offer. A copy of the guarantee is attached as Appendix 2. The guarantee is limited to NOK 868,783,868, which is equal to the maximum amount payable by BW Offshore under the Mandatory Offer and four weeks' interest on overdue payments added to such maximum amount.

3.7 Accepting the Mandatory Offer

Acceptance of the Mandatory Offer is made by duly completing and signing the Acceptance Form, attached as Appendix 1 hereto, and returning it to Carnegie (details below) within 17 July 2007 at 16:30 (CET).

If a shareholder would like to accept the Mandatory Offer for less than all of the APL shares registered on such shareholder's account in the VPS, such shareholder should fill in the relevant number of shares in the Acceptance Form. Unless otherwise stated, the acceptance will be deemed to comprise all APL shares registered on the relevant VPS account.

Acceptance of the Mandatory Offer is irrevocable from the time the Acceptance Form has been received by Carnegie. Acceptances may not be made conditional.

Any shareholder whose APL shares are registered in the name of a broker, dealer, commercial bank, trust company or other nominee must contact such person in order to accept the Mandatory Offer for such APL shares.

By delivering a duly executed Acceptance Form, the accepting APL shareholder gives Carnegie a one-time irrevocable authorisation to (i) block the accepting shareholder's VPS account with regard to the relevant APL shares in favour of Carnegie and (ii) transfer the APL shares so restricted to BW Offshore and that VPS will provide for payment in cash on behalf of BW Offshore, see section 3.9. After the restriction on transfer has been established no transactions relating to the APL shares subject to such restrictions are permitted. In the event that other parties than the accepting shareholder hold rights in respect of the relevant APL shares, the rights holder must also sign the Acceptance Form.

An APL shareholder who accepts the Mandatory Offer will lose its shareholder rights, including the right to vote at general meetings, from the time the Acceptance Form is received by Carnegie.

BW Offshore reserves the right to reject any or all acceptances of the Mandatory Offer that, in BW Offshore's opinion, are not in the proper form, or which may be unlawful. BW Offshore also reserves the right to treat an acceptance as valid, in whole or in part, even though it is not entirely in order or not accompanied by required document(s) or which is not received at the place stated below. Neither BW Offshore, Carnegie nor any other person will be under any duty to give notification of any defects or irregularities in acceptances or incur any liability for failure to give any such information.

The Acceptance Form, duly completed and signed, must be sent by mail, fax or by hand to:

Carnegie ASA
Stranden 1, Aker Brygge,
P.O. Box 684 Sentrum
NO-0106 Oslo, Norway
Tel: +47 22 00 93 00
Fax: +47 22 00 99 60

The Acceptance Form must be received by Carnegie before the expiration of the Offer Period.

An APL shareholder tendering into the Mandatory Offer will freely be able to manage any other securities than the APL shares covered by the acceptance that are owned by such shareholder and registered on the same VPS account as the APL shares comprised by the acceptance.

3.8 Conditions to the Mandatory Offer

The Mandatory Offer is unconditional.

3.9 Settlement

Settlement under the Mandatory Offer will be made in cash in NOK, and will be cleared for each accepting APL shareholder to the shareholder's bank account registered for dividend payments in VPS. In the event that such account is not registered with the VPS, settlement will be made by bank giro or, with respect to APL shareholders with foreign residency, by check.

Payment to the selling shareholders will take place as soon as possible and no later than 14 days after the expiry of the Offer Period, i.e. no later than 31 July 2007.

3.10 Costs

BW Offshore will pay commissions and transaction costs in VPS directly attributable to the Mandatory Offer. This implies that APL shareholders who accept the Mandatory Offer will not be debited with brokers' fees or similar costs in connection with the Mandatory Offer.

All other expenses incurred by the individual APL shareholders for advisory services etc. will not be covered by BW Offshore.

3.11 New offer

Prior to the expiry of the Offer Period BW Offshore may make a new offer. If a new offer is made, the APL shareholders will be entitled to choose between the offers. If a new offer is made, the Offer Period will be extended so that at least two weeks remain to expiry.

3.12 Statement from the APL board

In accordance with the articles of association of APL, the APL board will issue a statement regarding the Mandatory Offer within one week before the end of the Offer Period.

3.13 Announcements regarding the Mandatory Offer

Announcements regarding the Mandatory Offer from or on behalf of BW Offshore will be made by a release through Oslo Børs' electronic information system on both BW Offshore's ("BWO") and APL's ("APLC") tickers.

3.14 Legal consequences of the Mandatory Offer

3.14.1 Squeeze-out and sell-out

The articles of association of APL includes squeeze-out and sell-out provisions which are triggered when a APL shareholder, directly or via subsidiaries, acquires APL shares representing more than 90% of the total number of issued APL shares as well as more than 90% of the total voting rights attached to such APL shares. Such majority APL shareholder will then have the right (and each remaining minority shareholder of APL would have the right to require such majority APL shareholder) to effect a compulsory acquisition for cash of any APL shares not already owned by such majority shareholder. Upon effecting the compulsory acquisition the majority APL shareholder will, at its sole discretion, have to offer the minority APL shareholders a specific price per APL share. Should any minority APL shareholder not accept the price offered, such minority APL shareholder may, within a specified deadline not to be of less than two months' duration, request that the price be set by arbitration according to specific provisions of the articles of association. If the minority APL shareholder does not contest the price being offered, the minority APL shareholder would be deemed to have accepted the price offered after the expiry of the two months deadline. The cost of any arbitration procedure will, as a general rule, be for the account of the majority APL shareholder, unless the arbitration tribunal decides that the costs shall be borne in full or partly by the minority APL shareholder that have requested for arbitration.

3.14.2 De-listing from Oslo Børs

The APL shares are listed on Oslo Børs with ticker "APLC".

BW Offshore intends to propose a resolution at the shareholder's meeting of APL that an application is made to delist the APL shares from Oslo Børs, unless Oslo Børs itself decides to de-list the APL shares before the application for de-listing has been submitted. An application for de-listing will not be made before the expiry of the Offer Period.

3.14.3 Tax

Each APL shareholder is responsible for any taxes as a consequence of his/her acceptance of the Mandatory Offer. BW Offshore assumes no responsibility for any tax liability resulting from the acceptance of the Mandatory Offer. For a brief description of certain tax matters, see section 7 "Taxation".

APL shareholders are urged to seek advice from their own tax consultants in order to determine the particular tax consequences to them from their acceptance of the Mandatory Offer and the relevance or effect of any domestic or foreign tax laws or treaties.

3.14.4 Filings with public authorities

The transaction was filed, and subsequently cleared, by the Competition Authorities in Norway, Cyprus, Greece and South-Korea.

3.15 Plans for the future business of APL

It is the intention of BW Offshore that APL shall remain a subsidiary of BW Offshore after the completion of the Mandatory Offer and continue with its brand, management and technological development, with Arendal being the BW Offshore Group's focal point for technological development and Oslo being the centre for the FPSO operations. APL will continue to offer its technology and solutions to external clients.

3.16 Impact on the APL employees

BW Offshore does not expect the implementation of the Mandatory Offer to have any legal, financial or work related effects for APL's employees. It is the intention of BW Offshore that all APL staff shall continue in their current position after completion of the Mandatory Offer.

3.17 Non-Norwegian shareholders

The distribution of this Offer Document, the Acceptance Form and any separate summary documentation regarding the Mandatory Offer, the making of the Mandatory Offer and the acceptance of the Mandatory Offer may be restricted by law in certain jurisdictions. Neither this Offer Document, the Acceptance Form or any summary documentation, nor the Mandatory Offer discussed herein or therein, constitutes an offer to sell or the solicitation of an offer to buy securities in any jurisdiction in which such an offer or solicitation would be unlawful or restricted, and the Mandatory Offer may not be accepted in or from such jurisdictions.

3.18 Purchase of APL shares outside the Mandatory Offer

BW Offshore will not purchase APL shares outside the Mandatory Offer during the Offer Period.

3.19 Other

No confirmation of receipt of acceptances or other documents will be given by, from or on behalf of BW Offshore.

Additional copies of the Offer Document will be available on request from the Manager during normal business hours at:

Carnegie ASA
Stranden 1, Aker Brygge
P.O. Box 684 Sentrum
NO-0106 Oslo, Norway
Tel: +47 22 00 93 00
Fax: +47 22 00 99 60

4 STATEMENT FROM THE APL BOARD

STATEMENT BY THE BOARD IN CONNECTION WITH THE MANDATORY OFFER FROM BW Offshore Limited ("BWO")

This statement is made by the Board of APL (Advanced Production & Loading) PLC ("APLC") pursuant to section 119 of the Articles of Association of APLC in connection with the mandatory offer made by BW Offshore Limited ("BWO") pursuant to the mandatory offer document of 5th June 2007 ("Offer Document") to acquire all outstanding shares in APLC.

The mandatory offer is made as a result of BWO acquiring more than 40% of the shares in APLC through its voluntary offer dated 29th March 2007. As of today the shareholding of BWO and its subsidiaries are 32,312,185 shares in APLC corresponding to approx. 80% of the outstanding shares in APLC.

The Board of APLC has reviewed the offer document with regard to the mandatory offer and states below factors assumed to be of relevance when assessing whether the mandatory offer should be accepted.

Prior to the voluntary offer being made by BWO, the Board of APL ASA, with the assistance of its financial advisor First Securities ASA, explored strategic alternatives for APL ASA. As no comparable alternative was found and as negotiations between BWO and the Board of APL ASA resulted in an improved offer from BWO, the Board concluded that a combination of BWO and APL ASA at the premium offered in the voluntary offer, was in the best interest of APL ASA and its shareholders and the boards of APL ASA and BWO entered into a combination agreement on 3 February 2007.

The offer price in the mandatory offer is NOK 85 per share.

BWO received acceptances under the voluntary offer for approx. 51.95 % of the current total number of issued and outstanding shares in APLC. The settlement under the voluntary offer consisted of approx. 40 % cash and approx. 60 % BWO shares. At the settlement date BWO shares were traded at NOK 25.20. Thus the combined cash/share offer valued 1 share in APLC at NOK 79.74.

After expiry of the voluntary offer, BWO acquired 11,331,000 APLC shares equaling 28.1 % of the current total number of outstanding shares in APLC. BWO has reported that the average price they have paid for all the shares acquired outside the voluntary offer is NOK 80,19 per share.

An offer price of NOK 85 per APLC share reflects a 40 % premium over the average closing price for the comparable shares in APL ASA ("APL") during 1 month preceding 3 February 2007, a 54 % premium over the average closing price for APL's shares during 3 months preceding 3 February 2007 and a 71% premium over the average closing price for APL's shares during 6 months preceding 3 February 2007.

If, as a result of the mandatory offer, BWO becomes the owner of APLC shares representing more than 90% of the total number of shares issued by APLC, BWO will have the right to commence a compulsory acquisition for cash the APLC Shares not already owned by BWO. Further, if BWO no longer considers the listing of APLC shares on the Oslo Stock Exchange appropriate, BWO may propose to the general meeting of APLC that APLC shall apply for delisting of its shares to the Oslo Stock Exchange.

The Board of APLC have registered the statement by BWO in the mandatory offer document that the completion of the mandatory offer is not expected to have any negative legal, economic, commercial or work related consequences for the employees in APLC and/or its subsidiaries.

The employees have registered that it is BWO's intention that APLC following the contemplated combination shall continue to be managed by Carl Arnet (who shall also be Deputy CEO in the enlarged BWO group with responsibility for all business development), and that APL shall continue with its brand, management and technological development, with all staff continuing in their current positions, with Arendal being the enlarged BWO group's focal point for technological development and Oslo continuing as a centre for FPSO operations.

Based on the above, and on an overall evaluation of available alternatives, the Board of APLC unanimously recommends the shareholders of APLC to accept the mandatory offer to acquire all the outstanding APLC shares made by BWO.

4 June 2007

The Board of Directors in APL (Advanced Production & Loading) PLC

5 INFORMATION ABOUT APL

The following is a short summary description of APL as per the date of this Offer Document prepared in accordance with public available information. The summary is not complete and does not contain all the information that should be considered in connection with a decision of whether to accept the Mandatory Offer or not. Further information on APL, including annual reports, interim reports, investor information and previously issued prospectuses, may be found on the company's web address: www.apl.no. The information in this chapter has been prepared in accordance with public available information, including annual reports, interim reports, investor information, stock exchange notices published by APL and previously issued prospectuses (in particular the listing prospectus dated 2 March 2005, the voluntary offer document dated 26 February 2007 and the mandatory offer document dated 20 April 2007). Consequently, BW Offshore cannot accept any liability for the accuracy and completeness of the information in this Offer Document regarding APL.

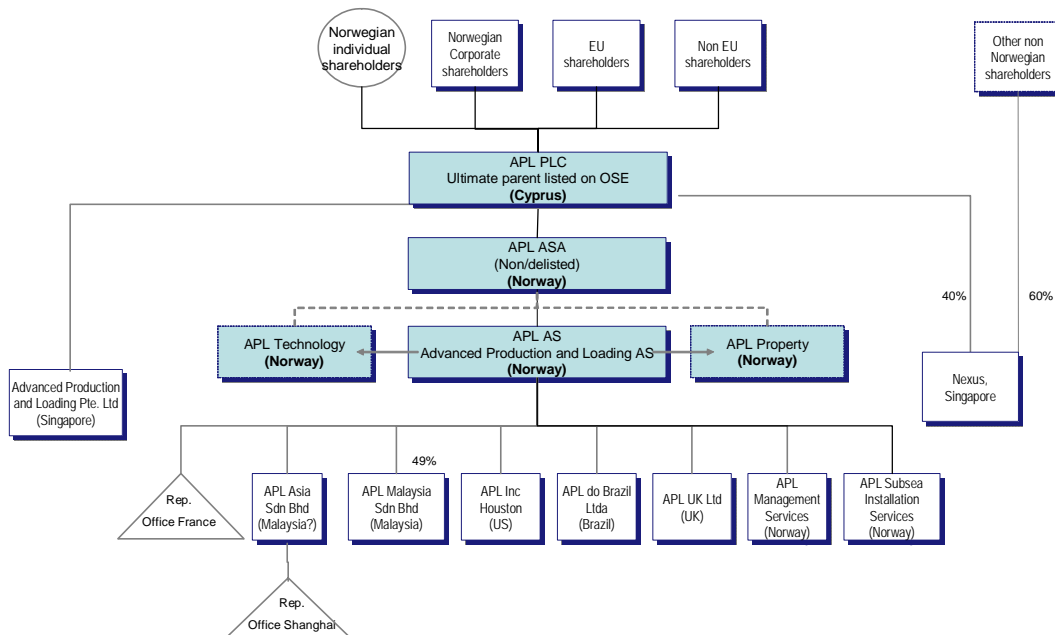
5.1 General

APL was incorporated in Cyprus on 29 December 2006. APL is registered with the Registrar of Cyprus Companies under the registration number C189062 as a public company with limited liability, organized and existing under the laws of Cyprus. APL's registered address is Diagoras House, 7th Floor, 16 P. Catelaris Street, Nicosia 1306, Cyprus. The telephone number is +357 25 209 999 and its web address is www.apl.no. The APL PLC shares are listed on Oslo Børs with ticker symbol "APLC".

APL ASA was a "shelf company" until December 2003 when it was used as a vehicle for a "management buy-out" (MBO) of the company Advanced Production and Loading AS ("APL AS") from Offtech Invest AS (a subsidiary of Statoil ASA). The APL ASA shares were listed on Oslo Børs on 18 March 2005.

APL became the parent company of the APL Group upon completion of a voluntary offer followed by a combined mandatory offer and compulsory acquisition. APL ASA is now a subsidiary of APL. The acquisition by APL of APL ASA was conducted to re-domicile the APL Group from Norway to Cyprus.

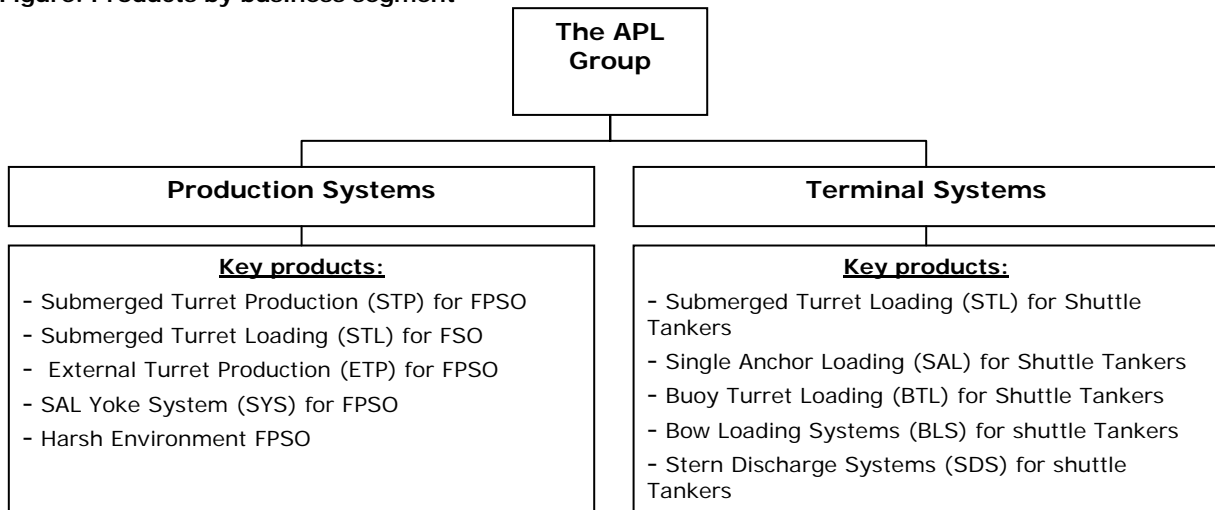
5.2 APL Group structure



5.3 Business and Product overview

The APL Group has two product lines, Production Systems and Terminal Systems. The products of both are critical for the offshore oil and gas production. Production Systems include products and services related to production of oil and gas by FPSOs and FSOs. Terminal Systems include products and services related to the loading of oil and gas from production facilities offshore or delivery of products from offshore to land based facilities. The APL Group's products are grouped below according to product lines:

Figure: Products by business segment



Source: The APL Group/First Securities

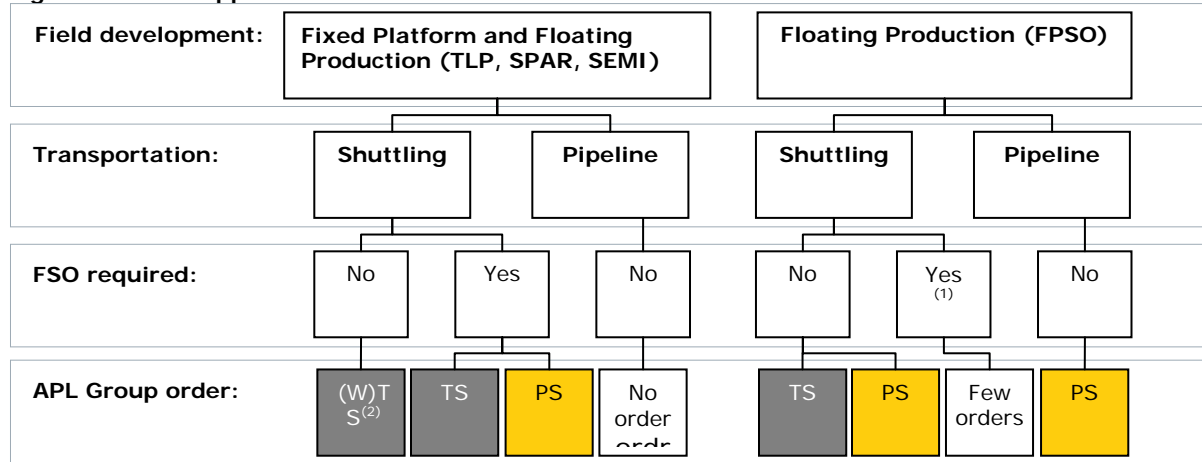
In addition to the products listed in the figure above, the APL Group has several alternative and complementary products that have not yet been sold.

5.4 Product Application Overview

The APL Group's products are used globally in connection with the development and production of oil and gas from offshore oil and gas fields:

- **Field development using floating units:** There is a demand for the APL Group's products for turret, mooring and fluid transfer systems for ship based floating units or for transfer systems from the floating unit to the shuttle tanker or for any export terminal associated with the floating unit. If the field development is carried out by using floating units like TLPs, SPARs or Semi Submersibles, the demand for the APL Group's products is mainly associated with turret, mooring and fluid transfer systems for ship based floating storage units or export terminals.
- **Offshore LNG regassification:** There is demand for the APL Group's products in the instances of offshore regasification terminals for the LNG industry.
- **Field development using fixed platforms:** There is a demand for the APL Group's products for export terminals in the instances where the unit is not connected to a pipeline system.

Figure: Product application overview



PS = "Production Systems"
TS = "Terminal Systems"

⁽¹⁾ FSOs are rarely required when oil & gas fields have FPSOs in operation. However, if a field has both a FSO and a FPSO, the APL Group will be in position to sell two Terminal Systems (one for the FSO and one for the shuttle tanker) and two Production systems (one for the FSO and one for the FPSO)

⁽²⁾ The "W" means a Twin Terminal System, i.e. occasionally there are possibilities for sale of two Terminal Systems

Source: The APL Group/First Securities

5.5 General Overview of APL's Markets

The APL Group is providing development solutions for offshore oil and gas developments in production solutions or terminals for export or import of liquid gas. High oil and gas prices, increasing demand and limited supply are likely to be the major drivers for increased spending on development of production solutions during the next two to five years. Important factors for the APL Group's position in the global oil services market are:

- The general petroleum market
- The market for the APL Group's products and services
- Competitors to the APL Group

5.6 Financial information for the APL Group

5.6.1 Summary consolidated profit and loss account for the APL Group for 2006, 2005 and 2004

Consolidated income statement for the APL Group for the year ended 31 December			
(audited)			
(Figures in NOK million)	2006	2005	2004
Operating income			
Revenue	1 671,7	1 035,2	595,1
Total operating income	1 671,7	1 035,2	595,1
Operating expenses			
Cost of goods of sold	1 264,3	774,1	406,1
Payroll expenses	168,1	121,8	89,3
Other operating expenses	64,5	45,1	43,1
EBITDA	174,8	94,2	56,6
Depreciation	17,7	12,8	10,3
Operating profit	157,1	81,4	46,3
Financial income/expenses			
Finance expense net	2,9	(12,7)	(8,6)
Share of profit of an associate	0,5	0,0	0,0
Profit from financial items	3,4	(12,7)	(8,6)
Profit before taxes	160,5	68,7	37,7
Taxes	(44,4)	(20,3)	(7,9)
Profit after taxes	116,1	48,4	29,8
Earning per share			
Earning per share	2,72	1,23	0,58
Diluted earnings per share	2,72	1,23	0,58

5.6.2 Summary consolidated profit and loss account for the APL Group for first quarter 2007 and 2006

Consolidated income statement for the APL Group for 1Q 2007 and 1Q 2006¹ (unaudited)		
(Figures in USD million)	Q1 2007	Q1 2006
Revenue	76,7	50,4
Cost of goods sold	54,8	38,2
Payroll expenses	9,6	5,6
Other operating expenses	2,9	1,8
Cost related to relocation	1,1	0,0
EBITDA²	8,3	4,8
Depreciation intangible	0,5	0,4
Depreciation tangible	0,3	0,2
EBIT³	7,5	4,2
Financial income	1,2	0,0
Financial costs	-4,6	-0,1
Income from associated company	-0,1	0,0
Profit before taxes	4,0	4,1
Taxes	0,2	-1,1
Profit after taxes	4,2	2,9
Minority interests	-0,3	0,0
Profit after minority interests	3,9	2,9
Earnings per share (USD)	0,11	0,07
Diluted earnings per share (USD)	0,11	0,07

¹ The figures are not audited. Comparable figures from previous reporting periods are from APL ASA

²Earnings before interest, tax, depreciation and amortisation

³ Earnings before interest and taxes

5.6.3 Summary consolidated balance sheet for the APL Group as of year end 2006 and 2005

Consolidated balance sheet for the APL Group at 31 December 2006 and 2005 (audited)		
(Figures in NOK million)	2006	2005
ASSETS		
Non-current assets		
Development cost	9,9	9,9
Technology	18,6	22,8
Software	12,4	9,6
Goodwill	173,8	173,8
Total intangible non-current assets	214,7	216,1
Land and buildings	53,0	50,4
Machinery, equipment, fixtures etc	12,9	12,2
Total tangible non-current assets	65,9	62,6
Investment in associated company	315,1	0,0
Other investments	0,8	0,3
Loan to employees	5,3	4,3
Pension funds	2,3	0,2
Total non-current financial assets	323,5	4,8
Total non-current assets	604,1	283,5
Current assets		
Inventory	6,5	3,1
Trade receivables	70,7	166,1
Due from customers for contract work	661,2	332,9
Derivative financial instruments	19,8	14,1
Other receivables	37,3	26,5
Total receivables	789,0	539,6
Cash and cash equivalents	584,2	43,7
Total current assets	1 379,7	586,4
Total assets	1 983,8	869,9
EQUITY AND LIABILITIES		
Equity		
Share capital	10,9	9,7
Not registered capital increase	0,0	2,0
Share premium	518,9	282,7
Other paid in equity	5,1	0,1
Total paid-in equity	534,9	294,5
Retained earnings	140,9	29,1
Total shareholders equity	675,8	323,6
Liabilities		
Interest-bearing loans and borrowing	528,3	16,5
Pension liability	27,1	26,6
Deferred tax liability	40,6	21,7
Total non-current liabilities	596,0	64,8
Trade payables	159,7	97,4
Interest-bearing loans and borrowing	2,6	51,0
Due to customers for contract work	16,5	22,9
Income tax payable	24,1	0,1
Public duties payable	9,1	8,3
Derivative financial instruments	24,9	3,7
Other short-term liabilities	475,1	298,1
Total current liabilities	712,0	481,5
Total liabilities	1 308,0	546,3
Total equity and liabilities	1 983,8	869,9

5.6.4 Summary consolidated balance sheet for the APL Group for first quarter 2007 and 2006

Consolidated balance sheet for the APL Group at 31 March (unaudited)		
(Figures in USD million)	2007	2006
ASSETS		
NON-CURRENT ASSETS		
Intangible assets	35,0	32,7
Buildings and office equipment	10,8	9,6
Investment in associated company	68,0	0,0
Non-current financial assets	1,4	0,8
TOTAL NON-CURRENT ASSETS	115,2	43,1
CURRENT ASSETS		
Inventory	1,9	0,5
Trade and other receivables	34,4	57,8
Due from customers for contract work	118,1	46,5
Derivative financial instruments	3,7	1,2
Cash and cash equivalents	80,4	7,8
TOTAL CURRENTS ASSETS	238,5	113,9
TOTAL ASSETS	353,7	156,9
EQUITY AND LIABILITIES		
EQUITY AND MINORITY INTERESTS		
	117,3	54,9
LIABILITIES		
NON-CURRENT LIABILITIES		
Provisions	11,2	8,5
Interest bearing loans	86,6	5,7
TOTAL NON-CURRENT LIABILITIES	97,8	14,1
CURRENT LIABILITIES		
Trade and other payables	15,6	11,1
Interest-bearing loans	0,4	0,4
Due to customers for contract work	19,6	21,5
Income tax payable	4,0	0,0
Derivative financial instruments	5,6	1,2
Other short-term liabilities	93,4	53,7
TOTAL CURRENT LIABILITIES	138,6	87,9
TOTAL LIABILITIES	236,4	102,0
TOTAL EQUITY AND LIABILITIES	353,7	156,9

5.6.5 Summary consolidated cash flow statement for APL Group for 2006 and 2005

Consolidated cash flow statement for the APL Group for 2006 and 2005		
(audited)		
(Figures in NOK million)	2006	2005
Cash flow from operating activities		
Ordinary profit before taxes	160,5	68,7
Ordinary depreciation	17,7	12,8
Income from associated company	(0,5)	0,0
Share based payment	5,0	0,0
Gain/loss form the sale of operational equipment	0,0	0,0
Income tax paid	0,0	0,0
Changes in debtors, creditors and inventory	(13,4)	(122,2)
Change in other balance sheet items	17,5	20,3
Net cash flow from operating activities	186,8	(20,4)
Cash flow form investing activities		
Net investment in associated company	(317,8)	0,0
Pension funds	(2,1)	0,4
Net investment in other non-current financial assets	(1,4)	(0,7)
Sales of non-current assets	0,3	0,0
Investment in non-current assets	(9,7)	(16,7)
Investment in intangible assets	(10,2)	(10,6)
Net cash flow from investing activities	(340,9)	(27,6)
Cash flow from financing activities:		
Change of long-term loans	463,4	(180,3)
Reduction of capital	0,0	(39,7)
Dividend to shareholders	0,0	(27,0)
Acquisition of treasury shares	(0,5)	0,0
Increase in capital	213,7	238,8
Net cash flow from financing activities	694,6	(8,2)
Net change in cash and cash equivalents	540,5	(56,2)
Cash and cash equivalents as at 01.01	43,7	99,9
Cash and cash equivalents as at 31.12	584,2	43,7

5.6.6 *Summary consolidated cash flow statement for APL Group for first quarter 2007 and 2006*

Consolidated cash flow statement for the APL Group for 1Q 2007 and 2006		
(audited)		
(Figures in USD million)	Q1 2007	Q1 2006
CASH FLOW FROM OPERATING ACTIVITIES		
Ordinary profit before taxes	4,0	4,1
Ordinary depreciation	0,8	0,6
Gain/loss from sale of operational equipment	0,0	0,0
Income from associated company	0,1	0,0
Share-based payment	2,1	0,1
Income tax paid	0,0	0,0
Changes in debtors, creditors and inventory	-7,4	-3,1
Change in other balance sheet items	5,2	1,7
NET CASH FLOW FROM OPERATING ACTIVITIES	4,8	3,4
CASH FLOW FROM INVESTING ACTIVITIES		
Net investment in non-current financial assets	-0,1	-0,1
Net investment in associated company	-17,8	0,0
Net investment in non-current assets	-0,6	-0,3
Investment in intangible assets	-1,3	-0,3
NET CASH FLOW FROM INVESTMENTS ACTIVITIES	-19,8	-0,7
CASH FLOW FROM FINANCIAL ACTIVITIES		
Change of interest bearing loans	2,5	-4,2
Purchase treasury shares	0,0	0,0
Increase in capital	0,0	2,8
NET CASH FLOW FROM FINANCIAL ACTIVITIES	2,5	-1,4
NET CASH FLOW	-12,6	1,3
Cash as at start of period	93,0	6,5
Cash as at end of period	80,4	7,8

5.6.7 *Auditor*

Ernst & Young AS has been the auditor for APL Group for all accounting periods. Ernst & Young AS has its registered address at Christian Frederiks Plass 6, 0154 Oslo, Norway. Ernst & Young AS has issued an unqualified auditor's report for the Company's annual accounts for the financial year 2006. Ernst & Young AS is member of The Norwegian Institute of Public Accountants

5.7 Share Capital and Shareholders5.7.1 *Stock exchange listing*

The APL Shares are listed on Oslo Børs with ticker symbol "APLC".

5.7.2 *Share capital*

At the date of this Offer Document, APL has a share capital of USD 10,718,078.50 divided into 42,872,314 shares, each with par value of USD 0.25.

APL ASA holds 339,999 shares and six local shareholders required in accordance with the laws of Cyprus hold six APL Shares, which are not registered in VPS. Consequently 42,532,309 APL shares are registered in the VPS. The APL shares are registered in VPS with ISIN CY0100170915.

5.7.3 Shareholders

The table below shows the 20 largest APL shareholders as of 4 June 2007:

#	Investor	# shares	%
1	BW OFFSHORE CYPRUS LIMITED	21 266 879	50.00 %
2	BW LPG FPSO I LTD	6 500 000	15.28 %
3	BW LPG FPSO I LIMITED	4 415 000	10.38 %
4	GOLDMAN SACHS INTERNATIONAL	2 189 248	5.15 %
5	FIRST SECURITIES ASA	2 147 898	5.05 %
6	CARNEGIE ASA MEGLERKONTO INNLAND	1 321 323	3.11 %
7	JPMORGAN CHASE BANK	1 282 794	3.02 %
8	BANK OF NEW YORK. BRUSSELS BRANCH	1 030 000	2.42 %
9	MORGAN STANLEY & CO. INC.	724 052	1.70 %
10	BEAR STEARNS SECURITIES CORP.	316 561	0.74 %
11	KAALSTAD JENS PETTER	303 852	0.71 %
12	BW OFFSHORE LTD	211 336	0.50 %
13	MORGAN STANLEY & CO. INC.	119 622	0.28 %
14	GOLDMAN SACHS INTERNATIONAL	105 171	0.25 %
15	FOKUS BANK	90 647	0.21 %
16	NORTURA KONSERNPENSJONSKASSE	80 000	0.19 %
17	FAKTOTUM INVEST	70 158	0.16 %
18	SPAREBANKEN SØR	42 200	0.10 %
19	ABN AMRO BANK N.V.. OSLO BRANCH	42 000	0.10 %
20	DEUTSCHE BANK AG LONDON	40 297	0.09 %
	Total	42 299 038	99.45 %

Source: Manamind

6 BRIEF DESCRIPTION OF BW OFFSHORE

The Mandatory Offer is made by BW Offshore, with registered office at Clarendon House, Church Street, Hamilton HM 11, Bermuda. BW Offshore is one of the world's leading FPSO contractors. The Company was incorporated on 7 June 2005 in Bermuda as a limited liability company and has registration number is 36937. The operations date back to a division established by Bergesen d.y. ASA in 1997. BW Offshore is publicly listed and part of the BW Group, one of the world's largest maritime groups. The Company's operational head office is in Oslo, Norway. BW Offshore has assets operating in Nigeria, Mauritania and Russia, and has recently entered into Mexico as well as set up a strategic cooperation in Malaysia.

BW Offshore is a dependable contractor for long-term lease arrangements as well as a provider of shorter-term solutions. A philosophy combining modularisation, standardisation and flexibility by design with hands-on project management ensures that a variety of customer needs are met. The Company offers versatile solutions for mid to large scale projects, both for oil and gas. BW Offshore work with numerous reputable sub-contractors and suppliers as well as conversion yards. The Company is listed on the Oslo Børs with ticker code "BWO".

The Company owns/operates the following fleet:

- Sendje Berge, FPSO
- Berge Helene, FPSO
- YÜUM K'AK'NÁAB, FPSO (ex. BW Enterprise)
- BW Endeavour, FPSO (to be renamed BW Peace)
- Berge Okoloba Toru, LPG FPSO
- BW Carmen, FPSO
- Belokamenka, FSO
- BW Nisa, ULCC
- BW Pioneer, Suezmax
- BW LPG FPSO I

With the exception of BW Carmen, BW Nisa, BW Pioneer and BW LPG FPSO I, all of BW Offshore's units are engaged on long-term contracts ranging from 3 to 15 years. BW Carmen was acquired on 22 February 2007 and is expected to be employed on an undisclosed intended FPSO contract with commencement within 12 months. The conversion hull BW Nisa is currently engaged on a temporary storage contract in Malaysia that can be terminated with six months notice by the Company when the vessel is required to be converted for an FPSO project. BW Nisa, BW Pioneer and BW LPG FPSO I are currently marketed for potential lease projects.

7 TAXATION

Below is a summary of some of the Norwegian tax rules of relevance to the transfer of APL shares in accordance with the Mandatory Offer. This summary is not an exhaustive description of all tax issues that may be of significance to the APL shareholders and does not include international tax law. The summary is based on current Norwegian tax law as of the date of this Offer Document. This law may be amended, also with retroactive effect. The summary is only meant to provide general information and does not deal with all aspects that may be of importance. The taxation of each APL shareholder depends on the respective APL shareholder's specific situation, and each APL shareholder should consult a tax adviser in order to establish the tax consequences for the shareholder itself, as well as the relevance and implications of Norwegian or international tax law and possible amendments thereof.

Please note that for the purpose of the summary below, a reference to a Norwegian or non-resident shareholder refers to the tax residency rather than the nationality of the shareholder.

7.1 Norwegian Shareholders

7.1.1 Taxation on realization of shares – Personal shareholders

The sale of APL shares is considered a realization for Norwegian tax purposes. A capital gain or loss generated by a Norwegian personal shareholder through a disposal of shares is taxable or tax deductible in Norway. Such capital gain or loss is included in or deducted from the basis for computation of ordinary income in the year of disposal. The ordinary income is taxable at a rate of 28%. The gain is subject to tax and the loss is tax deductible irrespective of the duration of the ownership and the number of shares disposed of.

The capital gain is calculated as the consideration received less the cost price of the share, including costs incurred in relation to the acquisition or realisation of the share. From this capital gain, Norwegian personal shareholders are entitled to deduct a calculated allowance when calculating their taxable income. The allowance for each share will be equal to the cost price of the share multiplied by a determined risk free interest rate. The allowance may only be deducted in order to reduce a taxable gain, and may not be deducted in order to increase or produce a deductible loss. The allowance is calculated on a yearly basis, and allocated to the personal shareholders holding shares at the expiration of the relevant calendar year. Norwegian personal shareholders who transfer the ownership to their shares before 31 December 2007 will therefore not be entitled to deduct any such calculated allowance in respect of 2007 from their taxable income.

If the personal shareholder owns shares acquired at different points in time, the shares that were acquired first will be regarded as the first to be disposed of, on a first-in first-out basis.

7.1.2 Taxation on realization of shares - Corporate shareholders (Limited liability companies)

Norwegian corporate shareholders are not taxable in Norway on capital gains related to realization of APL shares, and losses related to such realization are not tax deductible.

7.2 Non-resident Shareholders

Capital gains derived by the sale of APL shares by a Non-resident personal shareholder will not be subject to taxation in Norway unless the Non-resident personal shareholder (i) holds the shares in connection with the conduct of a trade or business in Norway or (ii) has been a tax resident of Norway within the five calendar years preceding the year of the sale or other realisation (and whose gains are not exempt pursuant to the provisions of an applicable income tax treaty).

Capital gains derived by the sale or other realisation of APL shares by Non-resident corporate shareholders are not subject to taxation in Norway.

8 LEGAL MATTERS

8.1 Choice of law and legal venue

The Mandatory Offer and all acceptances thereof shall be governed by, and construed in accordance with Norwegian law.

Any disputes that arise in conjunction with the Offer Document and the Acceptance Form which cannot be amicably resolved are subject to the jurisdiction of Norwegian courts with legal venue in Oslo.

9 DEFINITIONS

In this Offer Document, the following definitions shall apply except when otherwise stated:

Acceptance Form	The form of acceptance to be distributed to and used by APL shareholders when accepting the Mandatory Offer. The Acceptance Form is enclosed as Appendix 1 to this Offer Document
APL	APL (Advanced Production & Loading) Plc
APL Group	APL and its subsidiaries
BW Offshore	BW Offshore Limited
BW Offshore Group	BW Offshore and its subsidiaries
Carnegie or the Manager	Carnegie ASA
Combination	The combination by the APL Group and the BW Offshore Group
Combination Agreement	The agreement regarding a combination the APL Group and the BW Offshore Group entered into between the boards of APL ASA and BW Offshore on 21 February 2007
Company	BW Offshore
Mandatory Offer	The mandatory offer made by BW Offshore to acquire all the issued and outstanding APL shares not already owned by BW Offshore
NOK	Norwegian kroner, the lawful currency of Norway
Norwegian Register of Business Enterprises	The Norwegian Register of Business Enterprises located in Brønnøysund, Norway (<i>Foretaksregisteret</i>)
Offer Document	This offer document dated 4 June 2007
Offer Period	The period from and including 5 June 2007 to and including 17 July 2007 at 16:30 CET, during which the APL shareholders may accept the Mandatory Offer
Offer Price	NOK 85 per share in cash
Oslo Børs	Oslo Børs ASA (in English: the Oslo Stock Exchange)
Public Limited Companies Act	The Norwegian Public Limited Liability Companies Act of 13 June 1997 No. 45 (<i>allmennaksjeloven</i>)
Securities Trading Act	The Norwegian Securities Trading Act of 19 June 1997 No. 79 (<i>verdipapirhandelloven</i>)
Voluntary Offer	The voluntary offer made by BW Offshore to acquire all the issued and outstanding shares of APL set out in an offer document dated 29 March 2007 and closed on 8 May 2007
VPS	The Norwegian Central Registry of Securities (<i>Verdipapirsentralen</i>)

APL (Advanced Loading & Production) PLC - Acceptance Form Mandatory Offer - Shares

This acceptance form (the "Acceptance Form") shall be used to accept the mandatory offer (the "Mandatory Offer") by BW Offshore Limited ("BW Offshore") to acquire all shares in APL (Advanced Production & Loading) PLC ("APL") on the terms set forth in the offer document dated 4 June 2007 (the "Offer Document"). All capitalized terms shall have the same meaning assigned to them in the Offer Document.

Shareholder:	Return to: Carnegie ASA P.O. Box 684 Sentrum 0106 Oslo, Norway Tel: +47 22 00 93 00 Fax: +47 22 00 99 60
---------------------	--

The shareholders' register in APL as at 4 June 2007 shows:

VPS-account:	Bank account number for cash:	Number of shares:	Rights holders registered:

ACCEPTANCE DEADLINE:

This Acceptance Form must be received by Carnegie ASA ("Carnegie") by 16:30 CET on 17 July 2007. Shareholders with APL shares on several VPS-accounts will receive one Acceptance Form for each VPS account. Duly completed Acceptance Forms must be received by Carnegie within the acceptance deadline. BW Offshore reserves the right to reject any incorrect or illegally undertaken acceptances.

To BW Offshore and Carnegie:

- I/We confirm that I/we have received the Offer Document and accept the Mandatory Offer for all my/our shares in APL in accordance with the terms and conditions set forth in the Offer Document, unless otherwise stated by me/us below in 2. My/Our acceptance also comprises any APL shares which I/we, in addition to the number of shares stated above, have acquired or will be acquired and which will be registered in the VPS.
- I/We only accept the Mandatory Offer for _____ of my/our APL shares in accordance with the terms and conditions set forth in the Offer Document. If no number is inserted, the acceptance will apply to all APL shares registered on the above mentioned VPS account, also the actual number differ from the number set out above.
- I/We accept that I/we may not sell, otherwise dispose, encumber or transfer to another VPS account, the shares in APL that are covered by this acceptance. Further, Carnegie is given irrevocable authorisation to block the APL shares that are covered by this acceptance in favour of Carnegie on behalf of BW Offshore.
- I/We acknowledge that prior to the expiry of the Offer Period BW Offshore may make a new offer provided that the new offer is approved by Oslo Børs. If a new offer is made, I/we will be entitled to choose between the offers. If a new offer is made, the Offer Period will be extended so that at least two weeks remain to expiry.
- Carnegie is given irrevocable authorisation to transfer the shares tendered hereunder from my/our VPS-account to a VPS account in the name of BW Offshore upon settlement of the mandatory offer.
- I/We accept that cash settlement will be made to the bank account registered on the VPS account for dividend payments. Lacking such account, settlement will be made by way of postal cheque (or currency cheque for shareholders with a non-Norwegian address). Payments under the Mandatory Offer will be made no later than 14 days after the expiry of the Offer Period, given no delays in the bank's back offices system.
- My/Our shares in APL are transferred free of any encumbrances and any other third party right whatsoever and with all shareholder rights attached to them. Any third party with rights over the relevant APL shares and/or VPS account(s) must sign the Acceptance Form and thereby waive their rights in the APL shares and approve the transfer of such shares to BW Offshore free of any third party rights whatsoever. I/We acknowledge that this acceptance may only be regarded to be valid if any registered holders of rights have given written consent on this Acceptance Form that the shares are tendered and may be transferred to BW Offshore free of any such rights. (This is indicated with "YES" in the box under 'Rights holders registered' above on right hand of this form and by the rights holder signing below.)
- BW Offshore will pay my/our costs directly related to VPS transactions in connection with this acceptance.
- This Acceptance Form and the Mandatory Offer is governed by Norwegian law. Any disputes in connection with the Mandatory Offer are subject to the exclusive jurisdiction of the Norwegian courts, with the Oslo District Court as the agreed venue.
- I/We understand and agree that the Mandatory Offer is not being made to, nor will tenders be accepted from or on behalf of, APL shareholders in any jurisdiction in which the making of the Mandatory Offer or acceptance thereof would not be in compliance with the laws of such jurisdiction. I/We confirm that my/our acceptance of the Mandatory Offer is not restricted according to the laws of the jurisdiction applicable to me/us.

Place	Date	Telephone number	Signature *)
-------	------	------------------	--------------

Rights holder(s):

If there is registered holder(s) of rights on the VPS-account, this is marked with a "YES" in the relevant box above. As holder(s) rights the undersigned consents that the transaction is undertaken on the above-mentioned terms.

Place	Date	Telephone number	Rights holder's signature *)
-------	------	------------------	------------------------------

- *) If signed pursuant to proxy, a proxy form or company certificate confirming the authorised signature must be enclosed
 *) If signed by a person having signatory powers, the company certificate must be attached
 *) If signed by a rights holder, a proxy and a company certificate that proves the rights holder's signature must be enclosed.

Appendix 2

BANK GUARANTEE

("Selvskyldnergaranti")

To: Shareholders of APL PLC
c/o Advokatfirmaet Ræder, attn. Advokat Carl Christiansen, P.O. Box 1600 Vikta, N-0119 Oslo,
Norway

Bank guarantee issued in connection with the mandatory offer to purchase all remaining shares in APL PLC ("APL") by BW Offshore Limited ("BWO").

With reference to BWO's mandatory offer to purchase all issued and outstanding shares in APL not owned by BWO (the "**Mandatory Offer**") made in accordance with section 119 of APL's Articles of Association and set out in the mandatory offer document dated 4 June 2007 (the "**Offer Document**"), DnB NOR Bank ASA, attn: Shipping Offshore and Logistics Division, Stranden 21 Aker Brygge, 0021 Oslo, Norway ("DnB NOR") hereby unconditionally guarantees (*in Norwegian "Selvskyldnergaranti"*) in favour of all APL shareholders accepting the Mandatory Offer in accordance with the terms and conditions set out in the Offer Document and the acceptance form referred to therein, the payment by BWO for the APL shares comprised by such acceptances.

This guarantee provides security for payment in respect of the Mandatory Offer of NOK 85.00 (eighty five point zero) for each APL share. In addition, it applies to interest for delayed payment for up to four (4) weeks after payment date at the interest rate in force at the time of the default in accordance with the Norwegian Interest on Delayed Payments Act, currently 10.5% p.a. No other demands may be made under this guarantee.

Our total liability under this guarantee shall under no circumstances exceed an amount of NOK 868,783,868.

Pursuant to section 3 paragraph 2 of the Regulations of 15 December 1997 no. 1307 regarding the requirement for guarantees in respect of mandatory offers, the guarantee amount may be reduced proportionally if Oslo Børs so permits, based on the number of shares paid for and transferred under the Mandatory Offer.

Demands under this guarantee must be received by us in writing certifying:

- a) that BWO has failed to perform its obligations under the Mandatory Offer, specifying in what respects BWO has so failed, and that as a result thereof the shareholder, under the terms of said offer, has become entitled to payment of the amount claimed by him; and
- b) that the amount claimed has not otherwise been paid to the shareholder neither directly nor indirectly by or on behalf of BWO.

Any demand for payment must be accompanied by (i) a copy of the acceptance form submitted by the shareholder, and (ii) a transcript of the shareholder's VPS account. Upon request from us, a written statement from the receiving agent, Carnegie ASA, Stranden 1, Aker Brygge, P.O. Box 684 Sentrum NO-0106 Oslo, Norway will confirm whether the Mandatory Offer has been accepted in accordance with the Offer Document and the acceptance form by the demanding shareholder.

This guarantee shall be in force and effect for a period from 5 June 2007, and any demand under this guarantee must be in writing both to both of DnB NOR Bank ASA, attn: Shipping Offshore and Logistics Division, Stranden 21 Aker Brygge, N-0021 Oslo, Norway and Advokatfirmaet Ræder, attn: Advokat Carl Christiansen, P.O. Box 1600 Vika, N-0119 Oslo, Norway and received by DnB NOR Bank ASA no later than 28 August 2007 at 16:00 CET in order to entitle payment under this guarantee.

The original guarantee document will be kept by Advokat Carl Christiansen and he will present the original document for reduction of its total liability in connection with any payments made hereunder.

This guarantee shall be governed by and construed in accordance with Norwegian law.

4 June 2007

DnB NOR Bank ASA

Names/signature

BW Offshore Limited

Clarendon House
2 Church Street
Hamilton HM 11
BERMUDA

BW Offshore AS

Drammensveien 149
PO Box 33 Skøyen
0277 Oslo
NORWAY

Tel: +47 23 13 00 00
Fax: +47 23 13 00 01
www.bwoffshore.com

Carnegie ASA

Stranden 1
PO Box 684 Sentrum
0106 Oslo
NORWAY

Tel: +47 22 00 93 00
Fax: +47 22 00 94 20
www.carnegie.no

