

IN THE GRAND COURT OF THE CAYMAN ISLANDS

Cause No 374 of 2003

IN THE MATTER OF CCU CAYMAN LIMITED

AND IN THE MATTER OF S. 15 OF THE COMPANIES LAW (2002 REVISION)

PETITION

To: The Grand Court of the Cayman Islands

THE PETITION OF CCU CAYMAN LIMITED, c/o MAPLES AND CALDER, UGLAND HOUSE, SOUTH CHURCH STREET, GEORGE TOWN, GRAND CAYMAN SHOWS THAT:

1. The object of the Petition is to seek an order of the Court pursuant to section 15 of the Companies Law (2002 Revision) (the "Companies Law") confirming a reduction of the issued and paid-up share capital of CCU Cayman Limited (the "Company").

Incorporation, Registered Office and Principal Place of Business

2. The Company was incorporated on 20th April, 1995.
3. The Registered office of the Company is P.O. Box. 309 GT, and has at all material times since 20th April, 1995 been situate at the offices of Maples and Calder, Uglan House, George Town, Grand Cayman.
4. The Company is an investment holding company owning shares in two investment holding companies, namely South Investments Limited and Saint Joseph Investments Limited (both incorporated in the Cayman Islands). The Company itself does not carry on trading activities.

Share Capital and ownership of the Company

5. The initial share capital of the Company comprised 5,000 shares of US\$1.00 each. On 2nd June, 2003 the authorised share capital was increased to US\$30,581,257.74 comprising 30,581,257.74 shares of US\$1.00 each. On 2nd June, 2003 the Company completed the issue of 12,000 shares of US\$1.00 in the capital of the Company. As at that date, Inversiones Ecusa S.A. ("INVECUSA") was the registered holder of 16,999 shares of the Company and Maples Finance Limited ("MFL") was the registered holder of one share of the Company.

6. On 2nd June, 2003 the shareholders of the Company resolved by written resolution as follows:

"The sole director of the Company be and is hereby authorised to:

- (i) *capitalize US\$30,564,254.74 standing to the credit of the Company's share premium account (the "Account") and apply such sum in paying up in full 30,564,254.74 shares of a nominal or par value of US\$1.00 each (the "New Shares");*
 - (ii) *allot and issue the New Shares to the holders of shares listed on the register of Members on 20 May, 2003 (the "Shareholders"), on the basis of 1,797.8973 New Shares for every one share that they held on 2nd June, 2003."*
7. On 2nd June, 2003 the Company issued and allotted 30,564,254.74 shares of US\$1.00 to its shareholders pro rata with their existing holdings. Accordingly, as at the date hereof INVECUSA is the registered holder of 30,579,458.843 shares of the Company and Maples Finance Limited ("MFL") is the registered holder of 1,798.897 shares of the Company. Each issued share is fully paid up or treated as fully paid up.
8. INVECUSA is a Chilean company organized and incorporated on 27th September, 2003. It is indirectly, through Embotelladoras Chileans Unidas S.A., wholly owned by Compania Cervecerias Unidas S.A. ("CCU Chile") also a Chilean company. INVECUSA is an investment Company whose principal assets are the shares owned in two of CCU Chile's subsidiaries, namely Southern Breweries Establishment and CCU

Cayman Ltd. CCU Chile is a publicly held corporation, whose shares are traded on the New York Stock Exchange as well as the Chilean stock exchange.

9. MFL, formerly known as QSPV Limited, is incorporated in the Cayman Islands. It provides a full range of corporate and administrative services to special purpose companies and other entities established in the Cayman Islands.

Reduction of the Company's Share Capital

10. The directors of the Company are of the view that the paid-up share capital referred to in paragraph 7 above is in excess of the needs of the Company. For this reason the directors consider that it is in the best interests of the Company to reduce its paid-up share capital from US\$30,581,254.74 (comprising 30,581,254.74 shares of US\$1.00 each) to US\$3,081,254.74 comprising 3,081,254.74 shares of US\$1.00 each.
11. The capital reduction is proposed to be affected by means of cancelling paid-up share capital to the extent of US\$27,500,000 in aggregate on the shares of US\$1.00 each of the Company in issue on the date of the hearing hereof in the manner set out in the special resolution passed by written resolution of the Company's shareholders dated 2nd June, 2003 as reproduced below in paragraph 14. It is proposed that the credit arising as a result of such capital reduction will be paid in cash or cash equivalent to the two shareholders of the Company pari passu referred to in paragraph 7 above.

Corporate Capacity; Memorandum and Articles of Association

12. The objects for which the Company were established are unrestricted and the Company has full power and authority to carry out any object not prohibited by law as provided by section 7(4) of the Companies Law. The Company also has, and is capable of exercising, all the functions of a natural person of full capacity irrespective of any question of corporate benefit as provided by section 27(2) of the Companies Law.
13. The Company has the power to reduce its share capital. Article 33(d) of the Companies Articles of Association states:

"Without prejudice to Article 11 hereof and subject to the provisions of the Statute, the Company may be Special Resolution reduce its share capital and any capital redemption reserve fund."

Resolutions of the Company's Shareholders

14. The following special resolution was passed as written resolution of the Company's shareholders on 2nd June, 2003:

- "1. That, subject to the confirmation of the Cayman Islands Grand Court, the capital of the Company be reduced from US\$30,581,254.74 divided into 30,581,254.74 shares of US\$1.00 each ("Shares") to US\$3,081,254.74 divided into 3,081,254.74 Shares by the cancellation of 27,500,000 Shares (such cancellation to be pro rata to existing holdings of Shares as at the date hereof, being the cancellation of 27,498,382.35 Shares held by Inversiones Ecusa S.A. and 1,617.65 Shares held by Maples Finance Limited) and a payment in the amount of US\$1.00 per Share upon each of the 27,500,000 Shares cancelled to the former registered holders thereof.*
- 2. That any director or officer of the Company be and hereby is authorised and instructed to make such arrangements on behalf of the Company in seeking the confirmation of the Grand Court as he may think fit."*

15. The form of minute proposed to be registered is as follows:

"the issued and paid-up capital of CCU Cayman Limited was by virtue of special resolution and with the sanction of an Order of the Grand Court dated [], 2003 reduced from US\$30,581,254.74 divided into 30,581,254.74 shares of US\$1.00 each to US\$3,081,254.74 divided into 3,081,254.74 shares of US\$1.00 each. At the date of the registration of this Minute [], 2003 30,581,254.74 of the shares have been issued and are deemed to be fully paid-up."

Interests of Creditors and Other Third Parties

16. The Company has adequate liquid assets to be able to pay both the shareholders the amount due pursuant to the resolution to reduce the Company's paid-up share capital and the liabilities of the Company with an adequate margin of safety. The interests of the Company's creditors are not adversely affected by the proposed reduction of the paid-up share capital of the Company.

17. The interests of the future creditors and shareholders of the Company are not prejudiced by the proposed capital reduction.
18. As a matter of prudence the Company intends to seek directions from the Court for the purpose of notifying its creditors in respect of the hearing of this petition by way of advertisement as the Court shall think fit.

YOUR PETITIONER THEREFORE HUMBLY PRAYS AS FOLLOWS:

1. that the provisions of section 15(2) of the Companies Law may be dispensed with;
2. that the reduction of the paid-up share capital of the Company proposed to be effected by the special resolution as set forth in paragraph 15 of this petition may be confirmed by the Court;
3. that such other order may be made as the Court thinks fit.

Dated this 5th day of June, 2003.

Maples and Calder

Maples and Calder

NOTE: It is not intended to serve this Petition on anyone.

ENDORSEMENT

THIS PETITION having been presented to the Grand Court of the Cayman Islands on the 5th day of June, 2003 will be heard at the Grand Court of the Cayman Islands on the day of , 2003 at o'clock in the noon (or as soon thereafter as the Petition can be heard).

THIS PETITION is filed by Maples and Calder, Attorneys for the Petitioner, whose address for service is PO Box 309 GT, Uglan House, George Town, Grand Cayman. (1079250) (Ref: 037440/CDM)